



# OPIC Investment in Egypt

## Existing and Pipeline Projects\*

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### Overview

OPIC supports private investment in Egypt by providing the capital and risk mitigation tools that investors need to overcome the many barriers faced in this region. To stimulate investment in Egypt, OPIC offers financing (from large structured finance to small business loans), political risk insurance, and support for private equity investment funds. **Since 1974, OPIC has invested nearly \$1.2 billion in 111 projects in Egypt.** Historically, OPIC has focused its financial solutions on infrastructure development (including water, energy, and housing), agriculture and food security, and expanding credit to small- and medium-sized enterprises (SMEs).

*In May 2011, President Obama delivered a speech on the Middle East and North Africa in which he announced that OPIC would provide **up to \$1 billion in new financing** to support infrastructure and job creation in Egypt. OPIC financing will support public-private partnerships in key sectors such as energy, health and waste-water treatment as well as potential facilities for SME lending, housing or consumer financing.*

*Separately, in March 2011, Secretary of State Hillary Clinton announced OPIC will provide **up to \$2 billion in financial support** to catalyze private sector investment in the Middle East and North Africa region. This initiative will prioritize small- and medium-sized enterprises and provide projects with fast-track approval to mobilize capital quickly.*

### Existing Projects

Currently, OPIC's portfolio in Egypt totals **\$302 million in 3 projects**. Examples of current projects include:

- **Energy** – \$300 million in insurance for oil and gas exploration, development and production.
- **Humanitarian Assistance** – \$2 million of insurance to support international development, humanitarian assistance, and technical assistance services.
- **Housing** – \$250 million mortgage facility to support local banks in providing 25-year mortgages to qualifying lower-income Egyptians.
- **Investment Funds** – \$275 million in financing approved for three private equity investment funds in the region which seek to support SMEs and companies investing in technology.

### Projects in the Pipeline

OPIC is currently completing due diligence on several high priority projects in Egypt, including:

- **SME Credit** – Loan guarantee facility to local banks to support lending to Egyptian SMEs.
- **Renewable Energy** – Loan to a U.S. company constructing a solar panel manufacturing plant.
- **Priority Sectors** – \$200 million capital facility to support a range of existing Egyptian companies in the infrastructure, energy and agricultural sectors.
- **Renewable Energy** – Loan to finance a wind- power construction project.

*As the U.S. Government's Development Finance Institution, OPIC mobilizes private capital to help solve critical world challenges and in doing so, advances U.S. foreign policy and national security. Because OPIC works with the U.S. private sector, it helps businesses gain footholds in emerging markets by catalyzing revenues, jobs and growth opportunities both at home and abroad. OPIC achieves its mission by providing investors with financing, guarantees, political risk insurance, and support for private equity investment funds. Since its founding in 1971, OPIC has accomplished its development mission by supporting \$200 billion worth of investment in nearly 4,000 projects in developing countries and emerging markets. OPIC operates on a self-sustaining basis and returns money to the Federal Government every year.*

*\*Data current as of March 31, 2011*