

**OVERSEAS PRIVATE INVESTMENT CORPORATION  
MINUTES OF THE OPEN SESSION OF THE SEPTEMBER 13, 2012  
BOARD OF DIRECTORS MEETING**

**Directors:**

Elizabeth L. Littlefield, President & CEO, Overseas Private Investment Corporation, Chair  
Dr. Rajiv Shan, Administrator, U.S. Agency for International Development  
Ambassador Demetrios J. Marantis, Deputy United States Trade Representative, Office of  
The U.S. Trade Representative  
Seth D. Harris, Deputy Secretary of Labor, U.S. Department of Labor  
Robert D. Hormats, Under Secretary of State for Economic, Energy and Agricultural Affairs,  
U.S. Department of State  
Francisco J. Sanchez, Under Secretary for International Trade, U.S. Department of Commerce  
Katherine M. Gehl, President & CEO, Gehl Foods, Inc.  
Terry Lewis, Principal, LLA Advisors, LLC  
Michael J. Warren, Principal & Managing Board Member, the Albright Stonebridge Group  
Kevin G. Nealer, Principal and Partner, The Scowcroft Group  
Maxwell T. Kennedy, Director, Kennedy Enterprises  
Roberto R. Herencia, President & CEO, BXM Holdings, Inc.  
James A. Torrey, General Partner, BioPharma Growth Fund, LLC

**Other Attendees:**

Michael Froman, Deputy Assistant to the President & Deputy National Security Advisor for International  
Economic Affairs, The White House  
Eric Postel, Assistant Administrator EGAT, U.S. Agency for International Development  
Cecily David, Program Analyst, EGAT, U.S. Agency for International Development  
Thomas H. Fine, Director, Services and Investment, Office of the U.S. Trade Representative  
Michael C. Fuchs, Team Leader, Trade and Project Finance, U.S. Department of Commerce  
Karen F. Travis, International Economist, U.S. Department of Labor  
Sharon H. Yuan, Deputy Assistant Secretary for Trade and Investment, International Affairs,  
U.S. Department of the Treasury  
Janet MacLaughlin, International Economist, U.S. Department of the Treasury  
Daniella Ballou-Aares, Senior Advisor for Development, U.S. Department of State  
Seneca Johnson, Special Assistant for Under Secretary Hormats, U.S. Department of State  
Debra Benavidez, Financial Economist, U.S. Department of State  
Rhonda Sinkfield, Program Examiner – International Trade, Office of Management & Budget  
Missy Ryan, White House Fellow

**Office of the President**

Mimi Alemayehou, Executive Vice President  
John E. Morton, Chief of Staff  
Paula Tufro, Deputy Chief of Staff

**Office of the Chief Financial Officer**

Allan Villabroza, Vice President and Chief Financial Officer

**Office of Investment Policy**

Margaret Kuhlrow, Acting Vice President, Investment Policy  
Mary S. Boomgard, Director, Environmental Group  
Constance R. Tzioumis, Director, Labor and Human Rights Group  
Dr. Patrick D. Carleton, Director, Economic Impact Analysis Group

**Structured Finance**

Robert B. Drumheller, Vice President, Structured Finance  
Nancy A. Rivera, Managing Director, Structured Finance  
Ali Ayub, Director, Structured Finance  
Geoffrey Tan, Director, Structured Finance  
James D. Meffen, Associate, Structured Finance

**SME Finance**

James C. Polan, Vice President, SME Finance  
Lynn Tabernacki, Managing Director, Renewable & Clean Energy, SME Finance  
Robert Sexton, Director, SME Finance

**Investment Funds**

Jay L. Koh, Vice President, Investment Funds  
William R. Pearce, Managing Director, Private Equity  
Carolyn A. Keating, Director, Private Equity  
Colin Butnick, Director, Private Equity  
Tatiana Chkourenko, Investment Funds Officer

**Insurance**

John F. Moran, Vice President, Insurance  
Stephen Johnston, Director, Insurance  
Mark A. Stuckart, Director, Insurance  
Michael A. Finucane, Analyst, Insurance

**Office of External Affairs**

Judith D. Pryor, Vice President, External Affairs  
Larry Spinelli, Director of Public Affairs  
James W. Morrison, Special Assistant (Congressional and Intergovernmental Affairs)  
Nancy Payne, Communications Director  
Timothy Harwood, Public Affairs Specialist

**Department of Legal Affairs**

Don S. De Amicis, Vice President & General Counsel and Counsel to the Board  
Robert C. O'Sullivan, Acting Deputy General Counsel, and Associate General Counsel,  
Insurance and Claims  
Brian Christaldi, Associate General Counsel, Project Finance  
Merlin Liu, Associate General Counsel, Direct Loans and Housing Finance  
Barbara K. Day, Associate General Counsel, Investment Funds  
Nicole D. Soulanille, Assistant General Counsel  
Alexander M. Evans, Assistant General Counsel  
Mark C. Paist, Assistant General Counsel  
Peter Van den Dool, Assistant General Counsel  
Harriette (Rette) Lopp, Assistant General Counsel  
Andrea Keller, Senior Commercial Counsel  
Susan J. Nathan, Senior Commercial Counsel  
Lisa Pettinati, Commercial Counsel  
Connie M. Downs, Corporate Secretary

**Office of Administrative Services**

Dennis Lauer, Vice President, Office of Administrative Services and Chief Information Officer

**MEETING CALLED TO ORDER**

Ms. Littlefield called the meeting to order at 9:36 AM on Thursday, September 13, 2012.

**A. PRESIDENT'S REPORT**

Ms. Littlefield called on Ms. Downs to present the report on the Public Hearing in Conjunction with each Board meeting. Ms. Downs reported that OPIC published notice of both its Annual Public Hearing and its Public Hearings in conjunction with the September 13th Board meeting in the *Federal Register*. No requests were received to speak or submit copy for the record, so the hearings were not held.

Ms. Littlefield then presented her President's Report, a copy of which is incorporated by reference into these minutes as Attachment A.

**B. CONFIRMATIONS**

Ms. Littlefield moved to the confirmation of John F. Moran as Vice President for Insurance pursuant to OPIC's Bylaws. Ms. Lewis moved and Mr. Warren seconded the motion, and by a unanimous voice vote the following resolution was approved by the Board.

BE IT RESOLVED, that the President's appointment of John F. Moran as Vice President for Insurance, be and hereby is confirmed.

Ms. Littlefield turned to the minutes of the Open session of the June 14, 2012 meeting. Mr. Nealer moved for approval and Mr. Herencia seconded the motion, and by a unanimous voice vote the minutes were approved.

The meeting was closed to the public at 9:56 AM.

Respectfully submitted,



Connie M. Downs  
Corporate Secretary

## PRESIDENT'S REPORT

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By  
Elizabeth L. Littlefield  
President & Chief Executive Officer  
September 13, 2012

As we come to the end of our fiscal year, we also approach the close of the Administration's term and my second year at OPIC, so I thought it would be useful to reflect on the challenges and opportunities that have shaped our work together over the past two years.

As I do so, I want to underscore how your guidance, as a board, has propelled and supported our achievements during this time. By asking us to ask the very best of ourselves, you have made us aim higher and reach farther in our development mission. I count myself very lucky as the head of OPIC to have a board of this caliber and a team that has met that challenge.

So...two years ago, we were still reeling from the financial crisis. Private capital flows to emerging markets were drying up at an accelerating rate and tight budgets meant that public resources for any activity, let alone development and foreign policy, were meager at best. It was in this moment that President Obama unveiled the U.S. government's first-ever international development strategy at the UN in 2010. Instead of retreating to say "less" or "wait," or "no," it is a strategy of "yes, *and*..." of "all of the above". It stressed the importance of using *all* available tools for development, including private sector investment. It recognizes that less capital *can* do more – with stronger, smarter partnerships, new ways of thinking, and just plain old hard work.

The OPIC team has stepped up to meet that challenge.

In late 2010, OPIC announced its focus on Renewable Resources, redoubled its efforts in Impact Investment, and responded to the President's call for greater engagement in the Middle East and North Africa and development priorities in the poorest countries in Africa. And we established our four strategic objectives, and set about to make improvements in OPIC's operations and alliances that would serve the agency long into the future.

As you know, in my first year at OPIC we focused first on the nuts and bolts – the internal improvements in policies, processes, systems and tools that would strengthen the long-term trajectory of the agency. We liberalized and updated our policies, invested in new systems such as risk management systems, cut processes and paperwork, overhauled the way we measure and report on development impact, and developed new marketing tools. These long-term investments were a major effort, involving every person in the agency and were carried out alongside people's normal day jobs of producing strong deal flow with both financial and development returns.

In our second year, we have focused more *externally* – on energetic outreach to the Hill and potential clients in the business community, on new product design like the insurance product to

protect investors against changes to renewable energy feed-in tariffs, and on new partnerships. As one of the smallest DFIs amongst our competitors, and certainly one of the most constrained from a policy and instrument perspective, we have sought alliances to maximize efficiency and impact. For example, we created partnerships like cooperation agreements with other DFIs that allow us to share legal documentation and due diligence. With our sister USG agencies in the development arena, we have had much more fruitful cooperation last year than ever before; USAID has been a critical partner in programs in Egypt, Jordan, and soon Tunisia, all designed in response to the Arab spring. The State Department has been a terrific partner in the design of the innovative ACEF that Secretary Clinton announced as the centerpiece of US commitment at Rio+20.

Some headline results of this include the following: in the past two years, the lean 224 staff members at OPIC will have done over 160 transactions in 56 countries, well over \$6 billion. We have driven key initiatives for the Administration in MENA, Sub Saharan Africa, and in climate change. We have roughly doubled the proportion of our business in low income countries and in Africa. The majority of our work involved small and medium enterprises from all over the US. At the same time, over this period OPIC will have contributed nearly a half billion dollars back to the US taxpayer.

These are top line results. I'd like to now add some color and context.

Responding to the wave of change that swept through the Middle East in the spring of 2011, OPIC quickly became a central, tangible, and concrete part of the Administration's response and show of support when Secretary Clinton announced a \$2 billion commitment from OPIC for the region, followed by President Obama's \$1 billion announcement for Egypt. The fact that OPIC is already nearly halfway there on *both* commitments is testament to the agency's agility and ability to be immediately responsive to the call of US foreign policy.

Meanwhile, OPIC was responding to the ending of war in Iraq and the beginnings of troop withdrawal in Afghanistan, doing our best to aggressively and proactively promote the private investment so critical to stability and to the United States leaving behind the beginnings of a credible private market economy.

OPIC's efforts in Afghanistan across all departments are seen in today's sizable, and yet quite well-performing, portfolio of \$257 million, which is set to double in the next two years with the pipeline we have.

In renewable energy and climate change – a key priority of the Administration and for the planet – OPIC has more than overshot its ambitious targets, with a tenfold increase in renewable resources in two years, and a tenfold increase in renewable megawatts expected to be generated from our financing in only one year.

Impact investing has come to the fore in the past two years, and OPIC has become the leading DFI and one of the leading global investors in the business of investing for both sustainable financial returns and social impact.

Finally, Africa. Africa is at long last seen by many as an investment destination with a suite of products designed to address gaps in the field, rather than an economic desert. *The Economist* in 2000 described Africa as, “The Hopeless Continent,” and then in December, a decade later, a cover last year proclaimed “Africa Rising”. The President has announced a Presidential Policy Directive and a new Africa strategy that calls for a re-doubled commitment to Africa. OPIC is strongly supporting that effort already, and last year a full third of all our commitments went to Africa, up 300% from the year before.

Every single department and team within OPIC has contributed to this effort with dedication, energy, sound judgment and creativity. I hope you, as OPIC’s board, are as proud as I am of the entrepreneurial, creative, innovative spirit of the entire OPIC team and what we have accomplished together for this Administration.

We’ve also proven the case that additional staff at OPIC results in better results for OPIC, for our clients, for host countries, and for the American taxpayer. It’s a case we’ll be making, hopefully with your support in the months ahead, as we propose an ambitious budget plan with commensurately ambitious revenues to be generated, to the White House.

I wanted to recognize, too, your contributions, as the board, to the success of the agency. Your commitment is seen in the energy and effort invested in everything from providing intensive scrutiny on transactions and strategy to the Audit Committee’s governance and commitment to become a model of best practice.

Looking ahead, as we close out FY 2012, we will stay the course on our four strategic priorities – growing the portfolio and the impact that comes with it, improving the environmental benefit of all that we do, fostering innovation and efficiency, and building long-term support for the agency. We also remain firm and steady on both our regional focus – foreign policy hotspots and low income countries – and our sectoral one: renewable resources.

Of course our highest overarching job is the smart stewardship of OPIC’s and the taxpayers’ resources, balancing and optimizing our portfolio to ensure we are maximizing development and financial returns while minimizing risks and resource costs.

This all takes hard work, skill and patience as OPIC is more constrained, from both a resource and policy perspective, than any of our competitors, so bringing a deal through the gauntlet of our constraints to completion is a major accomplishment.

This brings me to close by once again acknowledging the outstandingly talented OPIC staff, who, each and every one, make these accomplishments possible. That OPIC is a nimble, innovative, profitable little agency ranked the 2<sup>nd</sup> most innovative small agency in Government is thanks to OPIC staff. It is an honor for me to continue to work with a team so driven to achieve success by a dedication to the clients they serve and people around the world who hold so much promise, but who have, themselves, more challenges in their daily lives than we can even imagine.

This concludes my report.