



CONGRESSIONAL BUDGET JUSTIFICATION

OF THE

U.S. TRADE AND DEVELOPMENT AGENCY

FISCAL YEAR 2011

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BUDGET REQUEST AND JUSTIFICATION

The U.S. Trade and Development Agency (USTDA) has a long and successful record as a results-driven agency with the ability to act quickly and effectively to advance United States foreign policy, support economic development in emerging economies and spur job growth in the United States. To continue this record, the Administration is requesting a budget of \$56.2 million for USTDA in fiscal year (FY) 2011 to promote the Administration's vision of expanded economic opportunities both here at home and in developing and middle-income countries around the world. This budget request is designed to further the development and foreign policy agendas of the Administration through its support of economic growth programs, and is justified by a record of positive results that includes generating over \$33.5 billion in exports of U.S. goods and services since 1981.

Fully funding the Administration's request will provide essential resources for USTDA to provide emerging economies throughout the world with access to U.S. private sector expertise. It is this expertise that will allow our partner countries to develop the economic foundation and physical infrastructure necessary for healthy and sustainable economic growth that, in turn, will support U.S. economic growth. This request will also assist U.S. small businesses by putting them to work providing practical development expertise that opens opportunities for the export of billions of dollars in U.S. goods and services. Specifically, USTDA will invest in programs that sustain and create U.S. jobs by supporting the promotion of clean energy development; broadening economic engagement with Muslim-majority countries; and advancing the Millennium Development Goals in Africa.

USTDA's program creates an enabling environment for trade and sustainable economic development that enhances the ability of U.S. firms to sell goods and services overseas. The Agency's program also leverages the resources of the U.S. private sector to advance the foreign policy priorities of the Administration, creating long-term commercial relationships between the private sector and our partners in emerging markets. In addition, USTDA's approach to foreign assistance generates mutually beneficial results through the formation of long-term business relationships that foster sustainable development, facilitate local private sector growth, improve trade and investment climates, advance U.S. commercial interests and create U.S. jobs. In short, USTDA's program focuses on providing practical solutions to development challenges.

FISCAL YEAR 2011 PRIORITIES

USTDA prides itself on its ability to respond quickly to the changing needs of emerging markets and the U.S. business community. As a result, every year demand for USTDA programs is greater than the Agency's available resources. For FY 2011, USTDA has identified three priority areas where the Agency can have the greatest impact advancing the Administration's priorities. These priority areas are:

- Promoting Clean Energy Development;
- Broadening Economic Engagement with Muslim-Majority Countries; and
- Advancing the Millennium Development Goals in Africa.

USTDA also will maintain a global program that enables the Agency to target projects in the Asia, Eurasia, and the Latin America and Caribbean regions. These programs will have the catalytic effect of opening export opportunities for U.S. goods and services, while supporting the Administration's foreign and development policy goals.

Given the large demands on U.S. government assistance worldwide, USTDA is cognizant of the overarching need to demonstrate results. With this in mind, USTDA has crafted a strategy to address critical development problems in each of the priority areas above where U.S. businesses have competitive technologies and experience. Investments in these areas will open new markets for U.S. goods and services and reduce impediments to sustainable economic growth. Historically, USTDA's investments have created positive developmental impacts across every region. In addition, the U.S. economy has benefitted from these investments through the generation of over \$40 in U.S. exports for every dollar that USTDA programmed over the last decade.

Promoting Clean Energy Development

Reliable energy is a fundamental ingredient of economic growth and development. Without reliable energy industry cannot grow, agriculture cannot flourish, and governments cannot provide the services that their populations require. Importantly, as overall energy demand has grown, the desire of emerging economies to produce and utilize energy in a sustainable and more environmentally sound manner has grown as well.

The parallel objectives of increasing energy production, diversifying sources of supply, and improving environmental standards in emerging economies have presented a significant opportunity for the U.S. private sector. With President Obama's commitment to investments in newer, more efficient, and cleaner technologies, U.S. industry is poised to play an even greater role in the revolution of clean energy development. However, in order to fully realize the Administration's goal of reversing the effects of climate change,

creating green jobs, and helping move emerging economies to a low carbon energy base, developing countries will need external tools to help them overcome a multitude of challenges to clean energy development.

For example, many countries do not have the resources to discern what technologies are needed to implement a low-carbon development strategy, nor have the capacity to manage the technologies if and when they are implemented. To respond to this need, USTDA will provide customized technical and economic evaluations of low-carbon strategies for individual countries through its feasibility study and technical assistance programs. The Agency's program will provide critical access to the U.S. private sector to help analyze specific technologies, economic demands, social concerns, risks, financial incentives, and regulatory structures to ensure that each country adopts technology solutions best suited for their development needs. In this way, USTDA will be both a bridge and a catalyst in paving the way for the acceptance and deployment of more environmentally-sound energy production in emerging economies.

Another challenge is the access to capital. To respond to this need, USTDA is expanding its efforts to prepare viable clean energy projects for bank lending in priority emerging economies. This effort will include expanded feasibility studies and bench scale pilot projects in an effort to address persistent gaps in the existing project preparation framework for clean energy projects. It will also offer a replicable and scalable facility for emerging economies that will help to attract capital to this important and growing sector.

USTDA will also broaden its assistance portfolio to target energy efficiency initiatives; providing technically sound blueprints for how countries can adapt more energy efficient production methods to decrease overall emissions. For example, USTDA will invest in projects focused on improving industrial and utility energy efficiency. The Agency will also continue supporting improvements in electricity transmission and distribution networks that are introducing cutting-edge technologies like smart grid and micro-grid technologies that help reduce losses. These projects will not only improve efficiency within the grid, but will also strengthen power reliability.

In short, USTDA's ability to quickly respond to the challenges impeding clean energy development in emerging economies and its proven record of success makes the Agency an invaluable tool to help open new markets for U.S.-manufactured green technologies.

Broadening Economic Engagement with Muslim-Majority Countries

In support of the Administration's efforts to increase ties between the United States and Muslim-majority countries, USTDA will invest in programs that advance the local economic development needed to realize this foreign policy priority. Already, USTDA investments in sectors that the President highlighted in his Cairo speech, from promoting clean energy development in Jordan to expanding access to clean water in Indonesia, represent tangible commitments by USTDA to broaden its engagement with Muslim-

majority countries. Given the Agency's unique role in working with U.S. companies to demonstrate practical solutions to development challenges, with a budget of \$56.2 million USTDA will create the partnerships necessary to develop infrastructure and promote sustainable economic growth.

To date, USTDA is active in approximately 25 Muslim-majority countries, fostering opportunities for U.S. companies to engage in those countries' economic development. Consistent with the goals of the President's speech in Cairo, USTDA invested \$11.4 million in activities in FY 2009 that provide a demonstrable example of the Administration's commitment to investing in the economic development of Muslim-majority countries.

Going forward, USTDA will expand its support for the promotion of new sources of energy and access to clean water, as well as for projects that lead to increased agriculture sector efficiency and improved food security. A key to this effort will be USTDA's launching of a Clean Energy Modernization Initiative, which will be aimed at supporting more modern and green energy systems in Muslim-majority countries. Anticipated projects will be in a range of areas, such as concentrated solar, landfill gas utilization, smart grid technology application, geothermal, waste-to-energy, wind power, and transmission and distribution loss reduction.

However, maybe nowhere is USTDA's program more central to the President's goal of broadening economic engagement with Muslim-majority countries than its program within the Palestinian Territories. To date, USTDA has focused its program on the ICT sector since reopening in the West Bank in 2007. In FY 2011, USTDA will broaden its efforts by targeting projects in the ICT, geothermal, clean water, and oil and gas sectors, providing the critical infrastructure necessary for the creation of jobs and the advancement the West Bank's economy.

USTDA will also focus on country-specific programs in other key Muslim-majority countries such as Indonesia. For example, to further the U.S.-Indonesia Comprehensive Partnership, USTDA intends to provide support in the areas of clean energy, water supply, and aviation efficiency and safety.

In sum, USTDA's program represents a significant tool for the Administration in implementing its goals and commitments in the Muslim world. A budget of \$56.2 million will provide USTDA with the resources it needs to make a significant contribution to those efforts.

Advancing the Millennium Development Goals in Sub-Saharan Africa

USTDA is proud to count itself among the U.S. government agencies that are successfully contributing to the Millennium Development Goal of eradicating "extreme poverty and hunger." USTDA plans to further this goal by investing in the infrastructure that promotes economic growth. Of particular importance to our efforts are investments

that support regional integration and cross-border cooperation within sub-Saharan Africa. Such strategies are essential to increasing the trade capacity of the region's 47 countries, as well as the market size available to U.S. companies. In July 2009, President Obama proclaimed in Ghana that "countries thrive when they invest in their people and in their infrastructure." Working with our sub-Saharan African partners, USTDA can help the region thrive through investing in mutually beneficial activities that focus on the critical infrastructure sectors of energy, ICT and transportation.

Sub-Saharan Africa's transportation networks are underdeveloped, impede economic growth, and threaten the region's food security. For some of the continent's poorest countries, transportation costs may account for as much as 40 percent of the value of their exports. In addition to poor infrastructure, sub-Saharan Africa's competitiveness suffers from inadequate capacity related to trade logistics, supply chain management, and border and port congestion. Alleviating the region's poverty and food security challenges will depend as much on transportation as on other economic sectors. The Agency's ability to work on a local, national, or regional scale makes its program distinct. As such, USTDA will expand its Africa Trade Lanes Partnership to focus on larger-scale, region-wide transportation corridor development activities that are critical to economic growth and poverty reduction, and that pose the best opportunities for U.S. private sector involvement.

Across sub-Saharan Africa, businesses have already identified the lack of electricity as a major constraint to growth. With demands for electricity projected to increase over 85 percent by 2030, this level of growth is already placing a heavy strain on infrastructure and will ultimately stifle investments in the region if concrete actions are not taken to address this pending shortage. USTDA's work in sub-Saharan Africa has recently recorded successes in environmentally-sound power generation projects in Botswana and Ethiopia utilizing U.S. services and manufactured goods. With this proven track record, USTDA will work with countries to evaluate new solutions using alternative fuel sources and the application of clean energy technologies to help Africa expand power generation capabilities to meet current and future demand.

Increased access to telecommunications services is strongly linked to increases in gross domestic product. Aware of this linkage, many countries in sub-Saharan Africa are investing heavily in ICT. With a budget of \$56.2 million, USTDA will take advantage of opportunities to support regional ICT infrastructure projects that will support high-tech job creation in the United States. With the recent implementation of SEACOM, an undersea fiber optic cable that is bringing broadband services to the east coast of Africa, USTDA expects to support multiple projects that are natural extensions of broadband deployment (See Attachment 4 – Success Stories). For example, USTDA will likely support follow-on activities targeted at the application of ICT in hospital administration and distance diagnostics; the expansion of ICT to improve government administration, accountability, and public services; and, the use of ICT to improve lending practices and efficiency among local banks and financial institutions. These activities will serve as an

incentive for greater investment and economic development in the region, while making sub-Saharan African governments more transparent and accountable to their citizens.

MEASURING OUR INVESTMENT

USTDA's success in promoting U.S. exports and creating U.S. jobs is measured by the export multiplier and hit rate. The export multiplier is the amount of U.S. exports generated for every dollar in program funding in the most recent ten-year period. The hit rate is the percentage of Agency projects that resulted in U.S. exports in the most recent ten-year period. Since its inception in 1981, USTDA's programs have contributed to over \$33.5 billion in U.S. exports. These figures exceed established goals and reflect the Agency's ability to match the needs of emerging markets with solutions from the U.S. private sector.

Export Multiplier and Hit Rate Calculations

The export multiplier is defined as the dollar amount of U.S. exports that have been associated with USTDA core budget assistance to projects, divided by the dollar amount of USTDA core budget obligations. For the most recent ten-year period for which information is complete (1997-2006), USTDA has identified \$12.4 billion in U.S. exports from completed projects for which USTDA obligated \$300 million. This results in an export multiplier of \$41.30 for every program dollar invested, far exceeding USTDA's goal of \$35.

$$\text{Export Multiplier: } \frac{\$12.4 \text{ billion}}{\$300 \text{ million}} = \$41.30$$

The hit rate represents the proportion of USTDA activities for which the Agency has identified exports. For the same ten-year period, 424 projects out of a total of 1,170 have produced exports, yielding a hit rate of 36.2%.

$$\text{Hit Rate: } \frac{424 \text{ projects}}{1170 \text{ projects}} = 36.2\%$$

OPERATING EXPENSES

The Administration requests an operating expense (OE) budget of \$13.4 million for FY 2011. This amount will enable the Agency to meet its responsibilities in four critical areas, including:

- Developing and implementing an effective management information system;
- Strengthening contingency of operations and disaster recovery capabilities;
- Funding the Agency's strong evaluation program; and

- Implementing a human capital development program with increased training in key areas.

In addition to the above priorities, the largest expenditure in USTDA's OE budget is salaries. This top-priority item is non-discretionary and constantly increasing as a result of cost-of-living adjustments. Equally important, however, are basic necessities, including facilities management, equipment, communications, and supplies.

Developing and Implementing an Effective Management Information System

Currently USTDA is in the early development phase for the replacement of our in-house management information system. In FY 2011 the Agency projects the new MIS will be in the final stages of development with a estimated system implementation date in the first quarter of FY 2012. The Agency is estimating a cost of \$800,000 in FY 2011 to complete the development of this mission-critical MIS. As a result of this development, USTDA will realize significant cost savings by cancelling an agreement with the National Business Center (NBC) to develop and maintain a separate MIS at NBC's facility.

Strengthening Contingency of Operations/Disaster Recovery Capabilities

The Agency continues to prioritize the improvement of its contingency of operations plans and disaster recovery procedures. In FY 2010, USTDA's will begin to migrate its email exchange and Blackberry servers off-site out of the National Capital Area. This effort will enable USTDA to comply with contingency of operations procedure requirements, reduce the risk of Agency communication failures and data loss and implement cost-saving cloud computing service. In FY 2011, USTDA will complete this migration and have ongoing off-site hosting, cost estimated at \$35,000 for the year.

Human Capital Development

Over the past three years the Office of Personnel Management has indentified the need for agencies to increase their focus on investing in human capital development. In response, the Agency will continue addressing its human capital needs through a program of increased staff training at various levels. To date, much of this training has been done using our internal resources to develop a broader skill set among the staff of USTDA. However, USTDA will need to invest in additional professional development training over and above the training that is provided employee-to-employee. Of particular importance to the training is the upcoming retirement of several key employees in the Finance, Program and Evaluations offices. As the Agency plans for these retirements, it has already begun to invest in specialized professional development and management training. More broadly, USTDA has invested significantly in programs, such as those hosted by the Foreign Service Institute, to prepare employees with the skills necessary to succeed in their jobs. This increased investment is paying dividends as demonstrated by

the most recent OPM Human Capital Survey that showed a marked increase in positive responses from USTDA staff to the investment in training for their development.

In order to continue this record of success, the Agency will need to maintain the level of resources available. This will enable the Agency to fund outside expertise to undertake continued HCD training and recruitment of staff to ensure that the Agency is prepared to meet the challenges and requirements of filling upcoming key vacancies within USTDA.

REPRESENTATIONAL FUNDS

The Administration requests a representational fund of \$4,000. As a foreign assistance agency, it is essential that USTDA's representational funds be sufficient to allow Agency staff to operate appropriately in international diplomatic environments. As such, the Agency is requesting an amount that sufficiently supports both the extensive work the Agency engages in overseas and local programs that bring emerging economy decision-makers together with the U.S. business community.

CONCLUSION

The U.S. Trade and Development Agency is a unique foreign assistance agency that has a proven track record of promoting economic development overseas and creating export opportunities for U.S. companies, thus creating U.S. jobs. USTDA's methods have proven successful. Since its inception in 1981, USTDA programs have contributed to over \$33.5 billion in U.S. exports. Given this success and in response to the global economic crisis, USTDA requires a budget of \$56.2 million, which will result in sufficient funding for a successful foreign assistance program and the creation of U.S. jobs.

TOP SECTORS

In FY 2009 USTDA funded 249 activities in 50 countries, including: 122 desk studies and definitional missions; 48 technical assistance activities; 42 feasibility studies; 5 conferences; 3 trade-related training programs; and 30 orientation visits. The following tables show the top five sectors where USTDA provided assistance in FY 2009, FY 2008 and FY 2007:

TOP 5 SECTORS IN FY 2009

SECTOR	FUNDING AMOUNT	% OF FUNDING
Transportation	16,426,031	38.4
Clean Energy/Climate Change	9,938,824	23.3
Water & Environment	4,052,211	9.5
Telecommunications	2,738,199	6.4
Agribusiness	2,320,892	5.4

TOP 5 SECTORS IN FY 2008

SECTOR	FUNDING AMOUNT	% OF FUNDING
Transportation	12,449,410	26.8
Energy & Power *	10,948,326	23.5
Telecommunications	6,060,674	13
Water & Environment*	4,380,012	9.4
Multi-Sector & Other	3,567,543	7.7

**Includes Clean Energy/Climate Change projects, totaling over \$5.01 million*

TOP 5 SECTORS IN FY 2007

SECTOR	FUNDING AMOUNT	% OF FUNDING
Energy & Power	13,890,947	30.3
Transportation	10,064,025	22
Telecommunications	6,519,226	14.2
Water & Environment	6,418,032	14
Services	4,426,520	9.6

BUDGET HISTORY TABLE
FY 2003 – FY 2011

Fiscal Year	Request	Appropriation	Carryover from Prior Year	Available for Obligation	Obligated
FY 2003	44,700,000	46,706,000	1,659,000	48,365,000	49,208,000
FY 2004	60,000,000	49,705,000	578,000	50,283,000	50,586,000
FY 2005	50,000,000	51,088,000	1,436,000	52,524,000	51,159,000
FY 2006	48,900,000	50,391,000	2,549,000	52,940,000	52,626,000
FY 2007	50,300,000	50,432,000	1,344,000	51,776,000	49,078,000
FY 2008	50,400,000	49,992,000	2,817,000	52,809,000	52,777,000
FY 2009	50,800,000	50,800,000	1,314,000	52,114,000	50,739,442
FY 2010	55,200,000	55,200,000	2,031,787	57,321,787	n/a
FY 2011	56,200,000	n/a	n/a	n/a	n/a

The Administration is requesting \$56.2 million for the U.S. Trade and Development Agency (USTDA) in FY 2011. This request maintains USTDA's ability to spur economic development and advance U.S. commercial interests in developing and middle-income countries, while creating jobs in the United States.

USTDA's FY 2011 budget request will invest in programs that sustain and create U.S. jobs by supporting: 1) promotion of clean energy development; 2) achievement of the President's vision of greater economic engagement with Muslim-majority countries; and 3) advancement of the Millennium Development Goals in Africa.

USTDA FY 2010 ANNUAL PERFORMANCE PLAN

I. Mission

The U.S. Trade and Development Agency assists developing and middle income countries in gaining access to U.S. private sector expertise to develop the trade and physical infrastructure necessary for healthy and sustainable economic growth. In carrying out its program, USTDA leverages the resources of the U.S. private sector to advance the foreign policy priorities of the Administration, creating long-term commercial relationships between the private and public sectors of the United States and its partners in the developing world.

II. Performance Goals

- 1) The agency plans to meet or exceed its performance targets for Developmental Impact (DI):
 - Over 55% of its implemented activities will result in infrastructure projects
 - Over 25% of its implemented activities will lead to adoption of market-oriented reforms
 - Over 30% of its implemented activities will create 10 or more jobs, or train at least 10 people
 - Over 50% of its implemented activities will result in the transfer of advanced technology or in increased productivity
- 2) The agency plans to meet or exceed its performance targets for Commercial Impact:
 - Over \$35.00 of U.S. exports for every \$1 the agency obligates (the Multiplier)
 - Over 35% of the activities that USTDA funds will result in U.S. exports (the Hit Rate)

With the agency's current staff level, USTDA can support a budget allocation of \$56.2 million. The requested level will allow the Agency to allocate more resources toward project implementation and maintain a program throughout the developing world consistent with its legislative mandate. A budget of \$56.2 million will allow USTDA to most effectively apply its project implementation strategy to focus on increasing the number of successfully implemented projects that result from USTDA funding.

III. Priorities for Program Budget:

- Promoting clean energy development
- Broadening economic engagement with Muslim-majority countries
- Advancing the Millennium Development Goals in Africa

IV. Priorities for OE Budget

- Developing and implementing an effective management information system;
- Strengthening contingency of operations and disaster recovery capabilities;
- Funding the Agency's strong evaluation program; and
- Implementing a human capital development program with increased training in key areas.

USTDA SUCCESS STORIES

Supporting U.S. Manufacturing Jobs

In 2002, Rudi Roeslein, Chief Executive Officer of Roeslein & Associates, approached USTDA to fund a feasibility study on the construction of a two-piece can manufacturing facility in Nigeria. At the time Roeslein & Associates was looking to expand into emerging economies, but the company was too small to fund a study on market potential in a country like Nigeria. As a result, USTDA provided \$251,080 for



Roeslein to conduct a feasibility study to determine if the financial, economic and design of the facility would support the building of the only can making facility in Sub-Saharan Africa. In manufacturing a canning facility, Roeslein builds the modular pieces in Red Bud, Illinois, about 25 miles southeast of St. Louis. Once assembled the individual can manufacturing modules are then shipped in standard shipping containers, and connected on-site to form a full two-piece can manufacturing facility. This type of factory design allows for technical work to be exported, and is easier to assemble than more traditional factory designs where the entire facility is constructed on-site.

Ultimately, Roeslein & Associates partnered with GZ Industries, an Israeli company, along with Ex-Im Bank, to finance and construct the \$61 million facility, which is now in the process of being erected in Nigeria. Of the total construction costs, \$30 million was awarded to Roeslein & Associates to construct the two-piece can manufacturing equipment.

Based on this success, Roeslein and Associates refunded USTDA the full amount of the grant and said that “this project was a priority for our company and presented a real opportunity for our employees to apply their expertise and experience in establishing a world-class can manufacturing facility in Nigeria,” and that “USTDA's support served as a catalyst in moving the project forward and in providing the bankable documents necessary for the project to succeed.” This contract was able to keep 200 workers employed in Red Bud, IL while also resulting in an estimated 125 jobs created in Nigeria. The new can manufacturing facility is scheduled to open in 2010.

Generating Clean Energy in Colombia



Facing gas supply shortages as a result of increasing economic growth, Colombia sought to construct a gas treatment plant to unlock the country's access to clean natural gas reserves with assistance of feasibility study financing from USTDA. The study identified the optimum development concept and gas treatment technology to develop the Cusiana Gas Treatment Plant. With this detailed analysis and the competitiveness of the U.S. industry in this sector, the project developer, Ecopetrol, has imported close to \$50 million in U.S.- manufactured equipment, compressors and tools during the construction of the gas treatment plant. In addition, Ecopetrol has installed enhanced technologies that help monitor and control the dew

point level in the hydrocarbons emitted by the plant, making the emissions more environmentally-friendly.

Constructed by Howe and Baker (Tyler, TX) with equipment from Universal Compression (Houston, TX) and Enfab (Houston, TX), the Cusiana Gas Treatment Plant is enabling Colombia to increase the amount of clean natural gas it uses to power its economy. This increased use of clean natural gas changes the energy mix, thereby decreasing the demand for more traditional energy sources such as oil and coal. Since its construction, U.S. companies continue to export to the project with the export of purification products and related equipment from Pall Corporation (Port Washington, NY) to optimize the plant's production.

Promoting Clean Energy and Encouraging Energy Efficiency in China

Dependent on a coal-based energy structure, China continues to struggle with its atmospheric pollution while pursuing its development goals. Recognizing the need for China to move to a low-carbon path, USTDA supported a project to help China implement geothermal heat pump technology thereby reducing its reliance on coal and the release of associated greenhouse gas emissions.

The USTDA-funded program assisted in the design and evaluation of four geothermal heat pump (GHP) projects in northern China. GHPs not only harness an important clean energy source by extracting heat from the ground in the winter but also provide for greater energy efficiencies by dissipating heat during the summer to control the internal temperature in buildings.



This effort has resulted in the export of U.S.- manufactured equipment and installation, operation, and maintenance services valued at \$3.8 million. By supporting the development of these GHP demonstration projects, initiating outreach to Chinese industry and training technicians, USTDA helped Chinese project managers become more aware of the advantages of U.S. technology solutions that are moving China down the path towards a lower carbon emitter.

Saving Lives: Integrating Disaster Warning Systems in Thailand



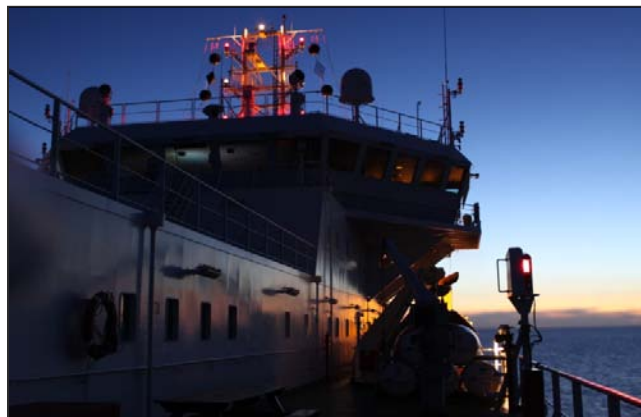
Prone to natural disasters, Thailand has taken steps to improve warning systems to prevent further loss of life since the Indian Ocean tsunami of 2004. USTDA is proud to have played a role in Thailand's efforts that led to the purchase of more than 270 U.S.-manufactured warning towers and other weather forecasting and disaster response equipment valued at more than \$15 million.

In 2005, USTDA funded a technical demonstration project for Thailand's National Disaster Warning Center (NDWC), the central point for receiving, monitoring, processing and relaying critical information on impending natural disasters. The demonstration project helped to integrate a wide variety of hardware computer systems, software applications and weather modeling systems that were donated following the tsunami.

Importantly, the grant also facilitated a U.S.–Thai exchange that has empowered the NDWC to operate a more effective and efficient warning system. Former Chairman of the Committee for the National Disaster Warning Administration, Dr. Smith Dharmasaroja said, “These collaborations and relationships will certainly continue and step forward into multi-hazard warning capacity to help save more lives of the people of Thailand and the region.”

USTDA Brings Broadband Access to Africa

As a direct result of USTDA's investment in the visit of a ministerial-level delegation to the United States and a regional ICT conference, over \$400 million in U.S. equipment and services exports were utilized by African project managers to bring broadband communications to Africa. Without an undersea fiber-optic cable system, countries in the region relied on costly and scarce satellite links,



which could not meet increasing demand for broadband communications services.

USTDA's multi-year effort to support the development of an undersea fiber-optic cable linking East Africa with communication hubs around the world proved successful when a group of African ministers visited the United States, as part of a USTDA-funded program, and convinced potential financiers, including Sithe Global and the Overseas Private Investment Corporation, that fiber-optic cable connecting East Africa to the rest of the world could be commercially attractive.

In June 2009, SEACOM became operational offering 1.2 terabytes per second of capacity to enable high definition TV, peer-to-peer networks, IPTV, and high-speed internet access. The 13,700 km cable links South Africa, Mozambique, Tanzania, Kenya and Djibouti with India and Egypt. "The system, which was designed and installed using Tyco Telecommunications' state-of-the-art technology, will undoubtedly provide businesses and citizens in South and East Africa alike with the capabilities they need to communicate with the rest of the world and participate in the global marketplace," said Debbie Brask, Managing Director of Project Management for Tyco Telecommunications.

As described by SEACOM's Chief Executive Officer Brian Herlihy, USTDA's multi-year effort was critical to SEACOM's launch. "The impetus for the cable project is directly attributable to Sithe Global's participation at the half-day briefing sponsored by the USTDA visit."

The impact of broadband worldwide and the timeliness of the USTDA-sponsored meetings and conference provided a confluence of factors that pushed the imperative for African countries to liberalize the market for all consumers, including American companies, resulting in increased opportunities to do business overseas.

USTDA ACTIVITY SUPPORT

USTDA accomplishes its mission by funding: 1) project identification and investment analysis, and 2) trade capacity building and sector development activities. Project identification and investment analysis generally involves technical assistance and feasibility studies that support large capital investments that contribute to overseas development and open export opportunities for U.S. manufactured goods and services. Trade capacity building and sector development assistance support the establishment of industry standards, rules and regulations, market liberalization and other policy reform measures that create an environment, which fosters trade and expands U.S. export opportunities.

Project Definition and Investment Analysis

Project Definitional Missions: One of the earliest stages of project planning is the development of a scope of work for a study that will define the technical, environmental, financial, and other factors that must be addressed before an investment decision can be made. USTDA funds Definitional Missions and Desk Studies to help ensure that projects will be appropriately conceived, including relevant terms of reference and a budget for a feasibility study or other pertinent project preparation activity. These activities provide a preliminary assessment of a project's economic viability using U.S. private sector resources and expertise.

Feasibility Studies: USTDA provides grants for overseas infrastructure project planning assistance, including feasibility and pre-feasibility studies. These studies evaluate the technical, financial, environmental, legal, and other critical aspects of infrastructure development projects that are of interest to potential lenders and investors and open the door to the export of U.S. manufactured goods and services. A USTDA Grantee selects a U.S. company, normally through an open competition, to perform the feasibility study on its behalf.

Orientation Visits: Orientation Visits bring foreign project sponsors to the United States to see the design, manufacture, demonstration and operation of U.S. products and services that potentially can help them achieve their development goals. USTDA uses pre-qualified contractors to assist in the preparation and management of these custom visits.

Workshops and Conferences: USTDA organizes workshops, conferences and technical symposia worldwide. These events are sector or project oriented and connect overseas project sponsors with U.S. firms and entities that supply project finance, technology and expertise that may be useful in implementing a development project. USTDA contracts with pre-qualified professional conference specialists to organize these activities.

Procurement Assistance: To promote project transparency and integrity, USTDA provides grants to assist in the establishment and oversight of international project procurement activities. Support can take the form of developing appropriate bidding procedures, assisting in the evaluation of technical proposals, and identifying potential suppliers or bidders.

Trade Capacity Building and Sector Development Activities

Sector Development Technical Assistance: USTDA provides technical assistance to help with the development of sector strategies, industry standards, and legal and regulatory regimes. Transportation safety and security are particularly important sectors for USTDA's technical assistance work. This assistance helps to create a favorable business and trade environment.

Training: USTDA provides training for foreign decision-makers in economic sectors where there are opportunities for the sale of U.S. equipment and services. The training is normally focused on technology or regulatory issues and designed to give project sponsors a better understanding of U.S. experience and capabilities. Training can be conducted in the United States or in the host country.

