



**U.S. Trade and Development Agency**  
**Annual Performance Plan Fiscal Years 2020 – 2022**  
**Annual Performance Report for Fiscal Year 2018 and 2019**

## Overview

The Annual Performance Plan is a description of the level of performance to be achieved during the year in which the plan is submitted and the next fiscal years. The Plan describes the strategies the U.S. Trade and Development Agency (USTDA) will follow and identifies performance targets it seeks to accomplish. USTDA consolidates the Annual Performance Report with the Annual Performance Plan. The Annual Performance Report provides information on the Agency's progress in meeting the goals and objectives described in the Strategic Plan and Annual Performance Plan, including progress on strategic goals and performance targets.

## Mission

USTDA helps companies create U.S. jobs through the export of U.S. goods and services for priority development projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project planning activities, pilot projects, and reverse trade missions while creating sustainable infrastructure and economic growth in partner countries.

## Organizational Structure

USTDA maintains a lean structure that supports the Agency's goal of functioning as an agile, responsive organization. The Agency's executive team includes the Director, Deputy Director, General Counsel, Director of Management Operations and Director of Congressional and Public Affairs. Program staff, organized by geographic region, prioritizes their investments in markets and sectors with significant U.S. export potential, thereby positioning U.S. companies to achieve results.

In order to develop actionable recommendations for effective programming, USTDA's Office of Program Monitoring and Evaluation monitors performance. Additionally, the Agency's size and structure allow its executive team and Director of Program Monitoring and Evaluation to review – and the executive team to approve – every dollar of program funding before it is obligated, thus ensuring empirical, evidence-based decisions as well as broad accountability.

Several small teams provide programmatic, operational and administrative support. These positions are limited, however, and shared servicing agreements are utilized for support functions wherever possible. This structure allows USTDA to maximize its resources in support of the Agency's mission.

## ANNUAL PERFORMANCE PLAN AND REPORT

USTDA’s strategic goals and performance metrics, as defined in its Strategic Plan for Fiscal Years 2018 – 2022, are presented below:

<b>Strategic Goal</b>	<b>Strategic Objective</b>	<b>Metric</b>	<b>FY 18 Actual</b>	<b>FY 19 Actual</b>	<b>FY 20 Plan</b>	<b>FY 21 Plan</b>	<b>FY 22 Plan</b>
Support U.S. export for priority development projects in emerging economies	1) Support the U.S. government’s infrastructure project development and preparation activities in emerging economies. 2) Prioritize funding for activities in markets and sectors with strong American export opportunities 3) Level the playing field for U.S. industry in overseas markets	Export multiplier: Amount of U.S. export generated for every dollar programmed	\$104	\$111	\$95	\$95	\$95
Foster opportunities for U.S. small businesses	1) Engage in significant and direct outreach to educate small and medium-sized enterprises on USTDA’s export-promotion program. 2) Rely on small businesses to provide technical expertise and guidance on USTDA investments.	Percentage of FAR contract dollars awarded to U.S. small businesses	59%	67%	23%	23%	23%

## Measuring Performance

### *Generating Exports*

The export multiplier quantifies the export return on USTDA's investments by measuring the U.S. exports generated for each dollar the Agency programs. USTDA evaluates each of its activities to ascertain the role that USTDA's assistance played in helping the project move forward and to determine the total amount of U.S. exports that were generated. USTDA measures the U.S. content of a U.S. commercial sale in order to calculate the impact of its activities on creating and sustaining U.S. jobs. The Agency works with its stakeholders to identify U.S. exports that have a credible and significant linkage to the USTDA-funded activity.

USTDA supports early project preparation activities, such as feasibility studies and architectural and engineering design, which provide opportunities for the use of U.S. exports in the implementation of large-scale infrastructure development projects. These projects typically require at least three years between early planning and final execution. Accordingly, USTDA developed a systematic process for calculating the Agency's impact by averaging export results across a period that accounts for this long gestation period: the Ten Year Rolling Average, or TYRA. The data is then used to calculate the Agency's export multiplier. Utilizing this standardized measurement enables USTDA to report on actual, realized results, rather than projections of potential impact.

In FY 2019, USTDA generated an average of \$111 in U.S. exports for every dollar programmed. This is calculated from the TYRA period from 2007 to 2016. The Agency expects that it will be able to produce similar results in FYs 2020-2022.

In order to achieve its export-related performance goal, USTDA will continue to rely on the data-driven, independently verified evaluation methods outlined in this document as well as in its Strategic Plan. To identify and confirm U.S. export content, USTDA engages with external, third-party contractors to conduct independent annual evaluations, during which data pertaining to the results of USTDA's activities is gathered and validated. The data collected is examined, verified and reflected in a final report describing the outcomes of the Agency's funding commitments. This information is used to support organizational learning, fulfill reporting requirements and inform effective performance management. For more information on USTDA's evaluation methodology, please see the Appendix.

Moreover, the Agency will continue to focus on ensuring its projects reach implementation and produce U.S. exports. To achieve this overall goal USTDA has prioritized remaining engaged with its grantees throughout the entire project lifecycle. Of note, USTDA has hired an implementation manager for the sub-Saharan Africa portfolio. Early indicators suggest that this engagement is increasing the success of USTDA's program to drive positive commercial and developmental outcomes in sub-Saharan Africa. As a result, USTDA is considering the addition of implementation managers for other regions being added to the Agency's staffing in the future.

Finally, the Agency will continue to make investment decisions that can lead to U.S. exports. Before any USTDA funds are allocated for a potential activity, program staff must present a

detailed analysis of potential export sales to support requests for new funding. The Agency’s executive team considers these analyses, as well as USTDA’s past results in the relevant country and sector, and prioritizes funding for those projects for which the Agency’s historical performance data suggests significant potential for success.

### *Supporting Small Businesses*

Direct contract awards under the Federal Acquisition Regulation (FAR) provide a critical avenue to support U.S. small businesses. USTDA will maintain its reliance on small businesses, as defined by the Small Business Administration (SBA), for technical guidance and recommendations that inform the Agency’s investments. USTDA draws extensively on the expertise of small consulting and engineering firms to provide independent technical and financial analysis during the critical early stages of a project’s definition. These direct contracting opportunities position small businesses to succeed by highlighting their technical expertise in the global marketplace.

USTDA aims to exceed the requirement for U.S. government agencies to award 23% of their procurements to small U.S. businesses.<sup>1</sup> USTDA has far surpassed that figure for several years; in FY 2019, the Agency awarded 67% of its FAR contracts (by dollar value) to small U.S. businesses. USTDA will continue to exceed this benchmark by maintaining its ambitious outreach efforts to U.S. small businesses. The Agency will continue to track progress toward this objective by, among other things, analyzing annual performance reports prepared by its Acquisition Management team.

### **Challenges**

USTDA has not identified any “major management challenges,” as defined in 31 USC 1115(h)(5). However, the Agency’s ability to achieve its goals may be impacted by political and economic events in the countries where it works. USTDA will monitor those events and, as it has in the past, do its best to mitigate those impacts by directing funding towards activities in the markets and sectors with significant potential for return.

### **Lower-Priority Program Activities**

USTDA executes a unified, focused program designed to “promote United States private sector participation in development projects in developing and middle-income countries, with special emphasis on economic sectors with significant United States export potential.”<sup>2</sup> All of the tools and activities employed by the Agency – from project preparation and development tools such as feasibility studies, pilot projects and technical assistance, to broader international public-private partnerships, workshops and reverse trade missions – support the single, high-priority aim of increasing U.S. jobs and economic growth via the export of U.S. goods and services for sustainable development abroad.

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<sup>1</sup> 15 USC 664(g)(1)(A)(i)

<sup>2</sup> 22 USC 2421(a)

## **Congressional Consultation**

USTDA actively engages its Congressional Appropriations and Authorizing Committees on the full breadth of the Agency's programs and activities, including its overall budget, strategic plan and signature initiatives. This consultation includes regular meetings on Capitol Hill, as well as at USTDA's headquarters, in order to foster a broad discussion with a wide range of USTDA staff on the Agency's priorities. In addition, USTDA frequently engages Members of Congress when the Agency hosts events in their states or districts. This engagement includes inviting the Member and his or her staff to attend the event and meet with representatives from USTDA, the local business community and foreign delegates. These direct interactions provide firsthand engagement with USTDA's program and demonstrate how the Agency's activities are impacting the local economy.

Through direct consultation on activities managed by the Office of Program Monitoring and Evaluation, USTDA has shared its current evaluations practices, as well as the Agency's ongoing efforts to strengthen them, with Congressional stakeholders. This consultation has helped to provide USTDA's Authorizers with a better understanding of the ways the Agency collects the information that enables Congress and U.S. taxpayers to measure its success.

## **Interagency Coordination**

Many of the Agency's export successes would not be possible without implementation financing from agencies like the Export-Import Bank of the United States (Ex-Im Bank) and the U.S. Overseas Private Investment Corporation (OPIC). USTDA will continue to coordinate with Ex-Im Bank and OPIC early in the life cycle of priority projects to improve the likelihood that the projects are strong enough to receive implementation financing. USTDA's Office of Program Monitoring and Evaluation is also increasingly cooperating with Ex-Im Bank and OPIC to better track USTDA-funded projects that receive financing from either institution.

The Agency has experienced great success building its relationship with USG trade promotion partners in the last few years. Working with the SBA, USTDA has been able to increase private sector outreach for its feasibility studies, technical assistance, reverse trade missions and other business matchmaking activities. In addition, the Agency plans to increase its cooperation with the Department of Commerce's Advocacy Center to support a whole-of-government approach to commercial and economic development. The Agency also supports and often participates in overseas trade missions led by the Departments of State, Commerce and Energy.

Additionally, USTDA uses the full array of its assistance tools to support United States foreign policy objectives. The Agency coordinates with the Departments of State, Commerce, Energy and Treasury, as well as with the Office of the U.S. Trade Representative, to facilitate strategic dialogues between the U.S. and its key partners, such as Brazil and India. In fact, USTDA activities are often employed and highlighted as examples of on-the-ground, practical implementation of broader policy objectives.

USTDA has also worked closely with key government technical agencies to launch cooperation programs in priority overseas markets, including China, India, Brazil and South Africa. Working

with the Federal Aviation Administration, the Department of Energy and the Department of Health and Human Services, for example, USTDA has implemented cooperation programs that have paid great dividends for each of the founding agencies, as well as for the U.S. businesses and host country partners involved.

## Appendix | USTDA’s Data Validation & Verification Approaches

### Introduction

Performance data is the foundation upon which the U.S. Trade and Development Agency (USTDA) aligns its programmatic funding decisions in order to achieve its strategic goals. The Agency’s success is a result of its rigorous evaluations process, which prioritizes funding for activities in markets and sectors that have strong opportunities for U.S. exports. The Agency collects qualitative and quantitative data about U.S. exports by monitoring project development once a USTDA activity is completed, and by investigating and documenting the linkage between specific activity interventions and final project outcomes.

USTDA’s performance data measures the U.S. content of a U.S. commercial sale resulting from a USTDA-funded activity. In order to make the best estimation of its impact on U.S. jobs, USTDA defines “U.S. content” as goods manufactured in the United States or services provided by U.S. citizens. USTDA obtains U.S. content data most commonly from its stakeholders or, in instances where information is limited or unavailable, works with them to estimate U.S. content value. The U.S. exports identified must have a credible and significant linkage to the USTDA-funded activity. Given the nature of USTDA’s activity in early project planning and development, results are realized over the long-term. As such, a ten-year rolling average<sup>3</sup> (TYRA) is the interval of time used to capture a meaningful, relevant representation of the U.S. export results of USTDA’s programs. The export data is then used to measure USTDA’s performance in the following ways:

- **Export Multiplier:** the amount of exports generated for every USTDA program dollar obligated—in general terms, it is the “export return on USTDA investment”; and
- **Total Cumulative Exports:** the amount of exports associated with USTDA funding over the course of the Agency’s history.

To identify and verify U.S. export content, USTDA engages with external, third-party contractors to conduct independent annual evaluations, during which data pertaining to the results of USTDA’s activities is gathered and validated. The data collected is examined, verified and reflected in a final report to USTDA on the outcomes of the Agency’s funding commitments. As the reports may contain proprietary business information, evaluation reports are considered confidential and only aggregated export data is shared publicly. Evaluation information is then aggregated and analyzed by the Agency to support organizational learning, fulfill the Agency’s reporting requirements, and contribute to effective performance management.

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<sup>3</sup> Ten Year Rolling Average (TYRA) is a ten-year interval of time used to report the outcomes of USTDA’s program. The TYRA currently consists of all USTDA activities completed between years 2007-2016. Due to the nature of USTDA’s funding – early project planning and development – it is not common to experience immediate results from the Agency’s activities. As such, this interval of time is used to capture a meaningful and relevant representation of the results of USTDA’s program funds.

USTDA's evaluation methodology is designed to ensure consistency and transparency throughout the data collection, monitoring, reporting and analysis process. USTDA adheres to thorough evaluation of each activity it funds and aggregates performance data in order to provide results-based recommendations that can be adopted into USTDA's daily operations to strive towards the highest performance standards.

### Means Used to Verify and Validate Measured Values

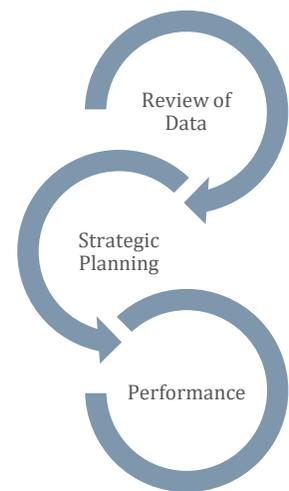
With the active support of Senior Management, the Program Monitoring and Evaluation Office (M&E Office) leads Agency-wide evaluation efforts by conducting long-term program outcome assessments, compiling quantitative and qualitative data, applying rigorous analysis of program results and impacts, and working closely with Agency staff to increase the use of evidence and drive program improvements. USTDA institutionalizes the use of technology to support data collection and dissemination and has dedicated budgetary resources to maintain continuous improvements.

USTDA's data collection efforts are designed to ensure the highest level of quality and consistency. Reliable data is critical to USTDA's ability to measure performance results in order to inform meaningful and effective programmatic decisions.

Each evaluation effort requires extensive outreach and surveying of project stakeholders, in order to verify and corroborate both old and new information through additional sources. As new information is gathered, USTDA's performance data is revised to reflect the status of project developments. Each individual evaluation generates a report that provides a complete assessment of the project's outcomes and an analysis of the impact of USTDA's funding on these outcomes. These reports are then used by USTDA program staff to learn lessons from projects that were successful and those that were not implemented.

As standard practice, 100% of activities are evaluated at least once during implementation and after completion. Activities funded through inter-agency transfers are also routinely evaluated. Further, the data contained in these reports are aggregated and analyzed by the Agency to identify the most effective ways to leverage funding and substantiate actionable recommendations to improve program effectiveness. Evaluation of a project is considered complete when it is believed that the results of USTDA's funding have been fully documented or no additional changes to the information will be realized. Thus, USTDA's data is subject to multiple third-party evaluations, over multiple years, and adjusted to reflect the most accurate information that can be obtained about outcomes.

USTDA has maintained an external, third-party evaluation process since the Agency's inception. Currently, two outside evaluation contractors collect data required for quantitative analysis that is used to report on performance measures. By having two companies perform these services,



USTDA can maintain a system that allows each company to independently – and separately – validate the Agency’s evaluation methodology and data, and to provide recommendations on how the process can be strengthened. USTDA protects the collected data by maintaining a secure database that can only be accessed by internal personnel, and a separate client server application for use of the third-party contractors. Thus, USTDA can provide reasonable validation and verification that its data is complete, accurate and consistent with Office of Management and Budget guidance, as well as many of the Government Accountability Office’s best practices.

## Sources of the Data

USTDA’s M&E Office evaluates and reports the outcomes of the Agency’s funding for activities that support projects.<sup>4</sup> USTDA may fund more than one activity to help advance a single project. The primary goal of the M&E Office is to help the Agency identify the most effective ways to leverage its funding, inform the Agency’s decision-making processes, and contribute to the Agency’s ability to maintain accountability and transparency by providing clear, consistent data and analysis.

### Evaluations stakeholders include:

- U.S. companies and suppliers
- Host country project sponsors
- Grantees
- Contractors
- Financiers (e.g. multilateral development agencies)
- U.S. Government partners

USTDA maintains specific steps in its process to gather and document data throughout the life-cycle of a USTDA funded activity and post funding disbursement to track results. At the program design stage, during the scoping and definition of a USTDA-funded activity, program staff, in coordination with the M&E Office, develop and document evaluation strategies identifying the intended goals, relationship between the activity and outcomes and metrics to be tracked.

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<sup>4</sup> A *project* is an infrastructure goal, identified by a project sponsor that will require the importation of goods and services to be constructed or implemented. USTDA’s funding is not used for the *project*; rather, USTDA funds an *activity* to help a *project* progress to implementation. Therefore, a USTDA *activity* is intended to help promote the export of U.S. goods and services for use in the *project*. A central part of USTDA’s evaluation process and performance measurements is determining whether and how a USTDA *activity* led to direct results or outcomes for a specific *project*.

During funding disbursement, USTDA monitors the activity by conducting project implementation assessments (PIAs), a type of implementation evaluation, to document whether USTDA's funding is achieving its intended goals. This also allows USTDA to make funding decisions and adjustments as they are identified to improve funding efficacy. The PIA documents the status of the USTDA-funded activity to determine the likelihood of project implementation and whether USTDA's funding will achieve its intended goals, such as creating U.S. export opportunities. This helps USTDA identify whether additional assistance is needed to move the project toward implementation, which may highlight an opportunity to provide gap financing – including specialized advisory services, transaction advisors, regulatory assistance and/or training – to overcome obstacles to implementation.



Upon completion of a grant activity, USTDA receives a final report that was approved by the grantee, documenting the work performed under USTDA's funding. All final reports include recommendations on how the grantee can implement the project. These recommendations often include a list of equipment and services that are required for project implementation, as well as a list of potential U.S. sources of supply. The final report recommendations help frame USTDA's evaluation efforts. The evaluation strategy, project implementation assessment and final report recommendations then support the development of an initial impact assessment (IIA) as the first outcome evaluation for the activity.

The IIA summarizes: (1) the USTDA activity and project background; (2) the final report conclusions/recommendations; (3) whether the Agency's funding met intended goals; (4) the likelihood of project implementation; (5) the likelihood for U.S. export results; (6) a list of stakeholder contacts; and (7) any other information required for future evaluation efforts. Upon completion of the IIA, the activity is then entered in USTDA's third-party evaluation cycle.

For USTDA-funded reverse trade mission, conference, workshop or training programs, contractors submit a report that includes participant surveys evaluating what they gained through the event and how their participation helped them achieve their and USTDA's goals. This report, and the accompanying surveys, are intended to capture instances where business connections were initially made at the USTDA event but needed time to generate meaningful results. Simply put, the report is intended to help document commercial impacts resulting from USTDA-funded activities. The evaluation strategy developed during project conception is used to inform the surveys issued upon the activity's completion. As with grant activities, upon completion of the final report, the activity is then entered in USTDA's third-party evaluation cycle.

Throughout the processes described above, USTDA gathers its performance data through stakeholder interviews and surveys, personal phone communications, emails, in-person interviews, publicly available information, U.S. government documentation or a combination of these sources. The M&E Office uses consistent methods that are most likely to result in obtaining information about the impact of a USTDA-funded activity. At each stage of the data gathering process, information is collected to determine whether, and how, U.S. companies benefited from the USTDA activity, detailing the U.S. exports and U.S. content of the exports, including:

- whether the goal of USTDA's funding was achieved and if not, why;
- how the project was financed or, if it was not financed, why;
- complete documentation of what resulted from the USTDA activity, if anything, and why those results did or did not occur; and
- a list of individuals who are knowledgeable about the project's status.

USTDA has the utmost confidence in the accuracy and validity of its performance data and evaluation processes, which form the foundation of the continual strengthening of the Agency's programs. The Agency's evaluation methods and approaches were audited by an independent consultant in May 2015. The consultant found the Agency's not only met, but in many areas exceeded, industry best practices and federal government requirements.