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Budget Request & Justification

The U.S. Trade and Development Agency (USTDA) supports job creation at home and promotes economic development abroad. USTDA does so by leveraging U.S. industry expertise to build mutually beneficial, trade- and investment-based partnerships with emerging markets. The Agency has heard from both its U.S. and overseas partners, from both the public and private sectors, the importance of foreign assistance models that catalyze long-term, sustainable economic growth.

Indeed, the U.S. government has been increasingly focused on mobilizing private capital and leveraging industry expertise to maximize development outcomes. While this model of international development is still being adopted by some organizations, it has been central to USTDA’s core mission for over two decades.

Most importantly for the U.S. government’s job-creation efforts, USTDA leads this development paradigm by employing the knowledge, expertise and resources of the U.S private sector: a win-win approach that helps emerging markets achieve their development goals while securing our nation’s economic future. The Agency’s work to link U.S. businesses to global infrastructure opportunities increases exports of U.S. goods and services – which, in turn, supports high-paying American jobs. USTDA’s export multiplier — $74 in U.S. exports for every dollar programmed\(^1\) — demonstrates the extraordinary return on investment the Agency achieves for U.S. taxpayers.

USTDA is well-managed: It has received unqualified audit opinions in every year of its existence as an independent agency. USTDA’s talented staff are among the most dedicated in the federal government, according to the 2015 Federal Employee Viewpoint Survey.

The Agency is ready to answer the call to help secure the nation’s economic future, and the Administration respectfully requests $80.7 million in budgetary resources for FY 2017 to do so. As this

\(^1\) Given the nature of USTDA’s role in early project planning and development, results are realized over the long-term. As such, a ten-year rolling average (TYRA) is the interval of time used to capture a meaningful, relevant representation of the U.S. export results of USTDA’s programs. The TYRA currently consists of all USTDA activities completed between years 2003-2012. The export data is then used to calculate USTDA’s export multiplier, the amount of exports generated for every USTDA program dollar obligated.
Budget Request & Justification

submission will demonstrate, this is a targeted request for resources that will enable the Agency to meet the unprecedented demand for its programs in support of specific U.S. government priorities. Moreover, it represents an opportunity to utilize taxpayer dollars for programs that are proven to help U.S. companies identify and pursue export opportunities in sectors where U.S. companies are global leaders and can benefit from exporting their goods to the world’s fastest-growing markets. This budget would lead to an estimated $5.97 billion in U.S. exports\(^2\) for U.S. companies, which in turn would support approximately 34,600 jobs\(^3\) across the country.

Preparing Sound Projects

USTDA was created 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.”\(^4\) As the only U.S. government agency specifically mandated by Congress to engage in early-stage planning for global infrastructure projects while ensuring U.S. private sector involvement, USTDA plays a vital role in the U.S. government’s development priorities around the world.

The Agency hears repeated calls for its work to attract and advance U.S. investment, and to leverage private sector capital in regions of strategic importance. The refrain USTDA has heard – from both investors and host country sponsors – is that capital exists, but well-prepared projects are what is most needed. As the World Economic Forum (WEF) stated in a recent report, “While there is plenty of private-sector interest in financing bankable projects, the available project-preparation resources are insufficient to advance the projects to a bankable state.” The WEF report, which was focused on infrastructure development in Africa, further confirms what USTDA has heard: the need is greatest in areas that align with U.S. government priorities.

\(^2\) Projection based on current export multiplier of $74 for every dollar programmed.
Through its innovative programs and ability to respond to its partners’ needs in emerging markets, USTDA has established itself as the U.S. government’s leading project preparation agency. The Agency sponsors activities such as feasibility studies, pilot projects and technical assistance at the important initial stages of a project’s development. These activities enable the Agency’s partners to make the business case to financial institutions — whether commercial banks, private equity funds, multilateral institutions or local development banks — to lend to their priority infrastructure projects.

These activities give USTDA’s overseas partners the opportunity to identify U.S. technologies and services that can help them attract project financing and develop sustainable infrastructure. This infrastructure — including clean energy, transportation and telecommunications — fosters economic growth and facilitates local, regional and global trade.

Increasing U.S. Exports, Supporting U.S. Jobs

USTDA’s mandate to provide development assistance to emerging economies by leveraging the resources of the U.S. private sector supports one of the longest-standing imperatives of the U.S. government. As a member of the President’s Export Promotion Cabinet, USTDA supports the goals of increasing U.S. exports to overseas markets and supporting high-paying jobs here at home. In fact, over the past seven years, USTDA has more than doubled its export multiplier from $35 to $74 in U.S. exports generated for every dollar programmed. The Agency’s results in FY 2015 demonstrate the continued success of its export promotion activities.5

5 The $11.8 billion in U.S. exports identified in FY 2015 were attributable to USTDA activities since 1998, bringing the Agency’s cumulative export total to $53.4 billion since its formation as an independent agency in 1992.
USTDA’s Making Global Local program is the centerpiece of the Agency’s domestic outreach strategy. Designed to support U.S. jobs by increasing the number of U.S. businesses that benefit from USTDA’s export promotion programs, Making Global Local enables the Agency to connect with companies of all sizes across the country. USTDA has established Making Global Local partnerships with nearly fifty state and local trade promotion organizations in strategic locations across the United States. (For a list of USTDA’s Making Global Local partners, please see Appendix 4.) These organizations provide the Agency with market intelligence on their local business communities, including key industry clusters, cutting-edge manufacturers and innovative service providers – the majority of which are small and medium-sized enterprises (SMEs) – in order to connect U.S. businesses with foreign buyers.

From highlighting U.S. technologies and services during Agency-sponsored reverse trade missions, to connecting U.S. technical experts with overseas project sponsors, USTDA positions SMEs to succeed in the global marketplace.

USTDA also relies on small businesses to provide technical guidance and recommendations that inform the Agency’s funding decisions. USTDA draws extensively on the expertise of small- and medium-sized consulting and engineering firms to deliver independent technical and financial analysis during the development of the Agency’s projects.
Priorities for FY 2017

In FY 2017, USTDA will continue to prioritize activities that will have the greatest impact for its U.S. and overseas partners. The Agency expects that many of these activities will fall under the U.S. government – and multilateral – objectives described below.

Catalyzing U.S. Expertise to Power Africa

In recognition of the bipartisan consensus around the principles of the Power Africa initiative, which reflects a commitment to support both trade and development that empowers Africans for the long term, USTDA will continue to prioritize clean energy projects across the continent in FY 2017. USTDA has played a key role in Power Africa since its inception. The Agency’s investments provide critical early-stage project planning assistance to help build new power generation, transmission and distribution infrastructure.

Together, USTDA’s 37 Power Africa projects are expected to unlock over $6.4 billion in financing and advance the development of more than 660 megawatts of new power generation. This will supply electricity to an estimated 1.3 million homes and businesses across Africa.

USTDA’s investments support all aspects of energy development and deployment, from generating new power, to increasing efficiency by modernizing grids. The program’s flexibility ensures that African partners have access to cutting-edge U.S. technologies, including hybrid fuels cells for telecommunications towers in South Africa, hydropower solutions for run-of-river projects in Rwanda and smart grid technologies for Nigerian distribution companies.

In FY 2017, USTDA will fund several new projects that support the goals of this important bipartisan initiative, which is strengthening U.S.-Africa economic ties.
Priorities for FY 2017

RWANDANS UNITE TO POWER VILLAGES

On the last Saturday of every month, Rwandans set aside their daily routines to participate in Umuganda, a nation-wide volunteer day. They come together to help their neighbors in a variety of different ways: rebuilding a home, improving a road or cleaning up a neighborhood.

In the rural Musanze District, it is not only villagers who participate in these volunteer activities. Representatives from DC HydroPower, a Rwandan energy company and a USTDA partner, also join the group for Umuganda. They are committed, on every day of the month, to ensuring that the work they do has a positive impact on the community.

They bring that same commitment to their efforts to develop two run-of-the-river hydroelectric stations in the mountainous province, where less than a quarter of the population currently has energy access. Together, these stations are expected to generate 3.6 megawatts of new electricity — powering an estimated 20,000 homes in two villages. By bringing this power online, the project, which recently reached financial close, will stimulate the local economy and generate a variety of opportunities for the community.

In fact, it is already doing so. DC HydroPower provided a loan to a local metalworker named Sabin Ngirirabatanyurwa, who, according to them, has “a greater entrepreneurial spirit at age 64 than most 20 year olds.” Sabin used the loan to acquire the equipment he needed to build his own business. Ultimately, he was not only able to pay back the loan, he has helped DC HydroPower resolve issues at their project sites.

While DC Hydropower is committed to working with Sabin and other villagers to ensure the sustainability of the project, they are also bringing in U.S. expertise. Under a USTDA-sponsored grant agreement, DC HydroPower is working with Ritoch-Powell & Associates (RPA), a civil engineering firm headquartered in Phoenix, Arizona, to design the hydroelectric stations. RPA believes this project will lead to additional opportunities for them — in fact, several other firms have asked them to provide services in East Africa and even beyond the continent. This cooperation demonstrates how USTDA’s support can assist U.S. firms while building vital infrastructure and promoting economic development. The Agency helped introduce RPA to an initial opportunity, and now the company is proving its value on the ground.

By employing the help of both local villagers and U.S. experts, DC HydroPower is fulfilling the spirit of Umuganda, “coming together in common purpose to achieve an outcome.” They have created an international community of people united around the mutual goal of electrifying the Musanze District. By pooling their resources, talents and abilities, they will bring power to nearly 100,000 people.
Promoting Value-Based Procurement

In 2013, USTDA launched the Global Procurement Initiative: Understanding Best Value (GPI) to address concerns from its U.S. industry and overseas partners about least-cost procurement methods. Such methods often limit public procurement officials’ ability to select high-quality solutions offered by U.S. firms for their infrastructure projects. USTDA developed the GPI to help create favorable environments for leading U.S. technologies, as well as to help host countries realize the full value of their investments.

To ensure the GPI’s success, USTDA has developed customized activities in partnership with globally recognized public procurement advisors from George Washington University’s Government Procurement Law Program. The Agency is also collaborating with all of the major multilateral development banks in order to coordinate efforts to develop sound value-based procurement practices in emerging markets.

In fact, the World Bank has asked USTDA to collaborate with them to implement the value for money aspects of their recent procurement policy reforms. The Bank spends billions of dollars annually on procurements; for example, its International Development Association committed $22.2 billion in FY 2014 alone. By helping the Bank and its borrowers understand how to use value-based procurement methods, this partnership will level the playing field for U.S. industry to compete in future World Bank tenders around the world.

In FY 2015, USTDA continued to expand the GPI’s reach and deepen its procurement expertise with the addition of three new partner countries and one new staff member. This expansion was possible because of increased funding and Congressional support of the GPI.

440 officials
During workshops and study tours with world-class experts, the GPI has trained over 440 public procurement officials.

$60B
Together, the five GPI partner countries spend $60 billion annually on public procurement.

14 tenders
In-country GPI advisors are helping procuring entities put lessons learned into practice during the review of 14 public tenders.

The GPI is a valuable tool for maximizing development outcomes in host countries while simultaneously increasing business opportunities for U.S. firms. In FY 2017, USTDA and its GPI partners will build on their efforts to maximize value from international procurements, thereby increasing opportunities for U.S. businesses.
Priorities for FY 2017

BOTSWANA FINDS VALUE IN GPI

“Water and power projects are very expensive, so when their procurement goes wrong, the whole nation suffers.”

Mrs. Bridget Poppy John serves as Executive Chairperson of Botswana’s Public Procurement and Asset Disposal Board, which provides quality assurance for the central government’s public procurement and asset disposal.

The people of Botswana have learned from experience the negative consequences of poorly planned infrastructure procurement and project management. Against this backdrop, Mrs. John and the Board are determined to embrace the use of modern procurement methods to achieve greater value from their investments.

To reach this goal, the Board has partnered with USTDA under the Agency’s Global Procurement Initiative: Understanding Best Value (GPI). To kick off the collaboration, USTDA and its GPI partners trained 40 Botswana officials on value-based procurement methods. The Agency then hosted a dozen of those officials in the United States to introduce them to best practices in procurement at the federal, state and municipal levels. To ensure the lessons learned through these programs are incorporated into Botswana’s future tenders, USTDA has provided two procurement advisors to the Ministry of Minerals Energy and Water Resources. Today, these advisors are helping the Ministry create more transparent reporting procedures and draft tender documents that incorporate life-cycle cost analysis mechanisms.

The Botswana officials are putting the lessons they have learned from the GPI into practice. Already, leaders from two procuring entities have begun using life-cycle cost analysis in the development and evaluation of their tenders. They believe so strongly in this program and the benefits it will bring to Botswana that they have started training their colleagues using GPI best practices.

Most importantly, the Board has proposed specific amendments to Botswana’s national procurement law as a direct result of the GPI training. Moving away from focusing solely on lowest price, the Board is recommending the use of value-based methodologies and a greater focus on contract management. These changes are designed to enhance efficiency, increase transparency and improve outcomes.

Mrs. John and the Board believe that the GPI has given them important tools they can use to achieve the greatest value for public funds. By establishing a more transparent procurement environment that fosters increased competition, the Government of Botswana will be able to acquire high-quality goods and services that can benefit the whole nation.
Priorities for FY 2017

Advancing Growth in Key Regions

While USTDA will continue to work in high-growth markets around the world, the Agency expects to increase FY 2017 programming in two key regions.

ASIA-PACIFIC

The U.S. government has long recognized the need to strengthen its engagement in the Asia-Pacific, particularly the fast-growing and critically important region of Southeast Asia – a strategic imperative for the United States’ long-term economic and security interests. The Trans-Pacific Partnership will bring together nations that account for over 40 percent of global GDP, setting high standard, 21st-century rules of the road for broader trade. While increasing economic engagement remains at the core of these efforts, any plan for broader growth in Asia must acknowledge the infrastructure deficit in many of these emerging economies.

USTDA has decades of experience helping its Asia-Pacific partners deploy U.S. solutions that can help them modernize their infrastructure to facilitate trade. This experience will be critical in driving enhanced U.S. private sector participation in the region.

USTDA’s work will also help the U.S. government counter the growing influence of significant Chinese investment. The U.S. government must strategically leverage its resources into larger commitments from outside stakeholders. By deploying targeted funding in critical early-stage project preparation, it can catalyze much larger sums of capital from outside financers for project implementation. In a region that expects over $8 trillion in investment in the next five years, identifying capital is not the issue. The challenge is in unlocking that capital – which requires well-prepared, bankable projects – and doing so in a way that aligns with U.S. interests. USTDA intervention can play a critical role in helping structure infrastructure investments in a way that levels the playing field for U.S. industry.

Additional resources in FY 2017 will enable the Agency to expand its presence by advancing infrastructure projects, unlocking significant capital and delivering a demonstrable impact for the U.S. government’s initiatives throughout the Asia-Pacific.

LATIN AMERICA AND THE CARIBBEAN

The U.S. government has been increasingly focused on improving governance, enhancing security and promoting prosperity in several Latin American and Caribbean countries, which represent important diplomatic and economic partners for the United States. To drive economic growth across the region, there have been increased efforts to strengthen trade, build infrastructure and increase energy security.
Priorities for FY 2017

USTDA has supported such efforts in Latin America and the Caribbean for decades, and will play an important role in the whole of government effort to expand U.S. engagement in Central America. The Agency has helped several emerging markets make energy more affordable, cleaner and more sustainable. Building on the success of the Agency’s contributions to a similar initiative in sub-Saharan Africa, USTDA has taken the lead with the newly created Clean Energy Finance Facility for the Caribbean and Central America (CEFF-CCA).

CEFF-CCA is an innovative, collaborative financing mechanism that aims to strengthen public and private sector investment in clean energy infrastructure in the Caribbean and Central America. Under the Facility, USTDA will leverage its project preparation expertise and early-stage funding for activities that encourage investment in clean energy projects in developing and middle-income countries eligible for CEFF-CCA support. The Facility will help promising development projects address key planning and feasibility issues critical to successful financing and implementation.

**Advancing Growth in Key Regions**

**INCREASING TRADE IN ASIA**

**Regional Harmonization**

Focusing on rail and aviation, USTDA has helped its partners in the Association of Southeast Asian Nations (ASEAN) access U.S. solutions to develop key infrastructure that supports regional growth, integration, interoperability and efficiency.

**Advancing Safety & Security**

USTDA’s targeted portfolio has contributed to tangible gains in aviation safety across ASEAN. This includes support of the Philippines’ efforts to obtain Category 1 status, the highest aviation safety rating from the U.S. Federal Aviation Administration (FAA). This will help establish direct flights between the Philippines and the U.S. – supporting commerce and enhancing bilateral relations between the two countries.

**DEPLOYING CLEAN ENERGY IN LAC**

**Strengthening Caribbean Grids**

USTDA has sponsored several activities to improve electricity transmission and distribution throughout the Caribbean. For example, the Agency is supporting a feasibility study to assess and rank the viability of developing pre-pay microgrids in approximately 100 towns across Haiti.

**Helping Panama Import LNG**

USTDA is sponsoring a feasibility study to support the Panama Canal Authority’s plans to develop a liquefied natural gas (LNG) import terminal. The LNG terminal is anticipated to support the implementation of maritime- and energy-related projects that will accommodate increased shipping traffic through the expanded Canal.
Priority Markets

Focusing on select priority countries has proven to be a successful strategy for USTDA. It allows the Agency to increase market penetration and target its funding in key areas where U.S. companies have the most to offer. For FY 2017, USTDA has decided to target 20 key markets, plus 14 Power Africa countries, that offer solid potential for success, growth opportunity for U.S. exports and strong developmental benefits. These markets also align with the priorities of the U.S. government.

As it has done since implementing this strategy, USTDA will continue to invest the vast majority of its program funds in the priority markets identified below. However, the Agency recognizes that there are additional emerging economies that offer significant opportunities for U.S. industry. USTDA will continue to monitor demand from U.S. companies looking to increase their exports abroad and respond to the needs of overseas project sponsors. As always, the Agency will prioritize projects where its support could tip the scale in favor of a U.S. firm facing foreign competition or help a critical development project reach final implementation.

**USTDA’S 20 PRIORITY COUNTRIES (IN BLUE) AND 14 POWER AFRICA COUNTRIES (IN GREEN) FOR FY 2017**
**Priority Markets**

USTDA will target its assistance in the following 20 countries for FY 2017, and will actively program transfer funding (when available) for 14 Power Africa eligible countries.

<table>
<thead>
<tr>
<th>South and Southeast Asia</th>
<th>Middle East, North Africa, Europe and Eurasia</th>
<th>Sub-Saharan Africa</th>
<th>Latin America and the Caribbean</th>
</tr>
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<tbody>
<tr>
<td>Vietnam</td>
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<td>Philippines</td>
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<td>Indonesia</td>
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<td>Burma</td>
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<tr>
<td><strong>East Asia</strong></td>
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<td></td>
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<tr>
<td>China</td>
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</tbody>
</table>

**Power Africa eligible countries may receive USTDA funding upon finalization of transfer funding.**

*USTDA operates within guidance from the Department of State on ongoing and prospective program activities in Egypt. As the situation there continues to evolve, USTDA will continue to assess the demand for involvement and the efficacy of maintaining its programs in the country.*
Priority Sectors

In light of the sustained interest for USTDA assistance in the areas of energy, transportation and telecommunications, the Agency will continue to prioritize these three sectors for FY 2017 to support its U.S. and overseas partners.

Energy

In line with the President’s Climate Action Plan, USTDA will continue supporting efforts to mitigate global climate change by helping its partner countries develop their renewable energy resources, invest in cleaner forms of traditional energy like natural gas, and modernize electric grids to increase efficiency, reliability and sustainability.

In FY 2015, USTDA committed over half of its energy investments to renewable power. These project preparation activities have the potential to unlock over $4.3 billion in financing and produce over 2,400 megawatts of new renewable energy. This cleaner power will reduce CO₂ equivalent emissions by an estimated 12 million metric tons per year compared to new traditional power generation.

USTDA’s renewable investments primarily focus on solar, wind, hydropower and geothermal — areas that have yielded the most success for the Agency’s partners, both domestic and international. USTDA will continue to identify the best opportunities for innovative U.S.-sourced technologies to support both large and small projects in these subsectors. The Agency has also prioritized gas-fired power, as it is cleaner, more efficient and can provide a complementary source to intermittent renewable power generation.

Due to resource constraints and the high cost of new power generation, several USTDA partners have prioritized grid modernization as a cost-effective and environmentally responsible way to improve power quality, reliability and access. The Agency continues to pioneer new programs in electricity transmission and distribution, notably with smart grid technologies, an area in which U.S. companies are highly competitive. Similarly, USTDA will continue to support its partners’ efforts to deploy U.S. energy storage solutions that can stabilize and support modern electric grids, while increasing the effectiveness of renewable energy sources.
Priority Sectors

**IMPACT OF USTDA’S RENEWABLE ENERGY PORTFOLIO IN 2015**

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<tr>
<th>Sector</th>
<th>Capacity</th>
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</thead>
<tbody>
<tr>
<td>Wind</td>
<td>1,235 MW</td>
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<tr>
<td>Solar</td>
<td>692.5 MW</td>
</tr>
<tr>
<td>Hybrid</td>
<td>400 MW</td>
</tr>
<tr>
<td>Hydro</td>
<td>58.6 MW</td>
</tr>
<tr>
<td>Biomass</td>
<td>16.7 MW</td>
</tr>
<tr>
<td>Geothermal</td>
<td>13.2 MW</td>
</tr>
</tbody>
</table>

In FY 2015, USTDA committed over half of its energy investments to developing renewable power. These project planning activities have the potential to develop over 2,400 megawatts of new renewable energy and to unlock over $4.3 billion in financing. This would reduce the reliance on traditional power generation in the emerging markets USTDA serves, thus curbing CO₂ equivalent emissions by an estimated 12 million metric tons per year.

- **$4.3B IN CAPITAL**
  USTDA’s critical project planning has the potential to unlock $4.3 billion in capital.

- **2,400 MEGAWATTS**
  These projects aim to support the development of over 2,400 MW of new renewable power generation.

- **12M METRIC TONS OF CO₂ EMISSIONS**
  An estimated 12 million metric tons of CO₂ equivalent could be reduced or avoided per year, if implemented.
Priority Sectors

Transportation

Well-functioning transportation networks — air, surface and maritime — are vital to an economy’s growth potential. USTDA has decades of proven experience working with its partner countries to modernize transportation infrastructure to facilitate the movement of people and goods, both within and across borders. From providing technical assistance that supports trade facilitation, to piloting U.S. technologies for customs systems at borders, to modernizing “hard” infrastructure at ports, railways and airports, USTDA introduces high-performing U.S. solutions that can increase capacity, enhance efficiency and improve safety.

USTDA’s public-private partnerships provide a platform for aviation officials to address safety and security priorities in high-growth aviation markets. These partnerships also support the expansion of airport infrastructure and the emergence of business aviation in these markets. U.S. businesses have generated significant exports as a result of the Agency’s investments in these areas, demonstrating the value of advanced U.S. technologies and services, including security equipment as well as communications and air traffic management systems.

USTDA pursues opportunities to advance the growth of freight rail systems, driving the demand for efficient and reliable locomotive technologies, as well as the need for communications and control systems that maintain safe operations. The integration of urban transportation systems and efficient linkages to port infrastructure is also an area of increased focus.

USTDA expects that intermodal linkages and energy efficient technologies will be relied on even more significantly, as its partners seek more sustainable communities and increased roles in international trade.

THE GREENING OF TRANSPORTATION

In FY 2015, several of USTDA’s overseas partners undertook efforts to increase the energy efficiency of their transportation systems. The Agency sponsored activities designed to introduce U.S. solutions that could help them improve efficiency and reduce emissions in the air, on land and by sea.

- AVIATION
  - Reduce fuel consumption by introducing air traffic management solutions in Vietnam and the Philippines
- TRAFFIC CONTROL
  - Address congestion by deploying intelligent transportation systems in Guadalajara, Mexico, home of 1.5 million people
- PORTS
  - Pilot communications systems to reduce emissions and improve energy efficiency at up to 5 seaports in China
Priority Sectors

Telecommunications

Telecommunications infrastructure serves as the backbone for advanced economic development in emerging markets. Over the past decade, access to telecommunications services has increased dramatically: 5.2 billion of the world’s 7 billion mobile subscribers live in developing and middle-income countries. Internet connectivity in these countries has increased from 6.5 percent to over 30 percent of the population. Fixed broadband subscriptions have risen from 50 million to 359 million.

With populations becoming more interconnected, public and private sector stakeholders in emerging economies are seeking ways to provide services using these platforms. They are also utilizing telecommunications tools to increase the effectiveness and interconnectivity of their other infrastructure investments in transportation, energy and healthcare. At the same time, expanded network usage by individuals, businesses and service providers requires greater availability of data storage and cloud services, including advanced cybersecurity infrastructure that can respond to evolving threats.

U.S. companies provide telecommunications solutions that increase access, manage and secure data, and facilitate improvements in transportation and energy infrastructure. USTDA helps position U.S. firms to supply advanced technologies and services to emerging markets that are developing modern telecommunications infrastructure.

BUILDING SMART, SUSTAINABLE CITIES

Almost every aspect of advanced infrastructure development includes telecommunications. As many emerging markets are experiencing unprecedented population growth and rapid urbanization, they are focused increasingly on deploying telecom tools to develop smarter, more sustainable cities. USTDA has been at the forefront of these efforts throughout the past fiscal year.

Several of the Agency’s partners have made investments in “intelligent” solutions for transportation, energy and e-citizen services. But they have begun to realize that the key to a truly “smart” city — one with increased efficiency and engaged citizens — is integration. For example, USTDA is supporting the City of Istanbul’s efforts to invest in big data solutions to integrate the City’s IT infrastructure. Istanbul already has a strong foundation of enhanced services but, as its population is expected to surpass the largest European cities by 2020, it is important to prepare for continued growth and to meet the expectations of an increasingly interactive population. USTDA’s grant provides the support necessary to help Istanbul improve city operations, enhance disaster management and provide reliable public services.
Priority Sectors

The Agency is also leading the U.S. government’s efforts to connect U.S. industry to India’s plans to develop 100 smart cities. USTDA is uniquely positioned to advance this initiative, as its crosscutting experience can be leveraged to deliver technical assistance and pilot technologies that will help India develop cities that are cleaner, more efficient and more environmentally friendly. To support these objectives, USTDA signed agreements in FY 2015 to help three Indian state governments develop smart cities by utilizing U.S. industry expertise and solutions.

**TURKEY ENHANCES EMERGENCY RESPONSE**

Istanbul, the engine of Turkey’s economy and the home of 14 million people, lies along the border between Europe and Asia. It also lies along the North Anatolian Fault, which makes it highly susceptible to severe and potentially devastating earthquakes. Recognizing that Istanbul lacked sufficient resources to respond to such disasters, local leaders set out to design an emergency operations center with cutting-edge solutions.

In an effort to support its Turkish partners, USTDA brought a delegation of emergency response officials to the United States to visit three emergency operations centers, where they saw innovative technologies in operation. The delegates were able to exchange information with U.S. experts and to brainstorm about the next generations of technology. They knew that they needed to design a center with solutions that had not even hit the market yet.

Upon returning to Istanbul, that is exactly what they did — they built the state-of-the-art Hasdal Emergency Operations Center, which opened in 2014. On a recent trip to Turkey, USTDA’s Director toured the Center, where staff demonstrated the utility of several U.S. solutions capable of delivering effective emergency response. From Dell servers to Motorola radios to Oracle software, more than 70% of the Hasdal Center is outfitted with U.S. technologies.

The staff indicated that they chose these technologies because they knew they could not take risks with emergency operations, since failure presented a matter of life and death. From their perspective, it was not only that the U.S. products were in many cases the best on the market, it was also that the U.S. companies committed to long-term service. They needed to have the confidence that the technologies they purchased would remain operational, but they also needed to know that they had reliable partners to call upon if need be. They issued a competitive international tender designed to attract top-of-the-line solutions, which allowed them to identify and select U.S. goods and services that met their needs.

While it may be impossible to prevent natural disasters, it is possible to improve the response to them. Istanbul has made important progress toward this goal by establishing the Hasdal Emergency Operations Center, and USTDA is proud to have helped lay the groundwork for its development.
Operating Expenses

USTDA is recognized as a lean, yet highly effective agency. For FY 2017, the Agency requests an operating expense (OE) budget of $16.2 million to meet an increased need to strengthen the Agency’s IT infrastructure and cybersecurity posture, and to bolster its monitoring and evaluations efforts. With a necessary increase of $1.0 million in the Agency’s operating expenses over FY 2016, USTDA’s proportionate share of operating expenses will decrease in FY 2017 compared to FY 2016.

Strengthening USTDA’s Network/IT Infrastructure and Cybersecurity Posture

As USTDA’s IT environment has become more complex and as federal security requirements have increased due to external threats, the Agency requires two additional Full-Time Equivalent (FTE) IT professionals. First, USTDA will hire a full-time Chief Information Officer (CIO) to manage day-to-day operations, oversee IT personnel and lead long-term strategic planning to ensure USTDA’s preparedness for normal and emergency IT operations.

The CIO will establish unified standards for information resource management activities and evaluate the quality, effectiveness and use of all the Agency’s information systems and processes to meet the program and administrative requirements of USTDA, its offices and its customers. Further, the CIO will manage USTDA’s enterprise architecture, including: ensuring greater visibility of IT activities; determining whether proposed new systems and requirements should be performed in-house, by another agency or by the private sector; facilitating the development, implementation and maintenance of a sound, integrated IT architecture; and promoting effective design and operation of all Agency IT processes.

Second, USTDA requires a Senior Information Security Officer, as recommended by NIST 800-100 Information Security Handbook, A Guide for Managers. This individual will serve as an advisor to the CIO on matters relating to security vulnerabilities and threats to USTDA’s computer systems. The Senior Information Security Officer will be responsible for developing and monitoring the security controls and countermeasures necessary to protect technical, complex and sensitive information processed on USTDA’s network, as well as managing information security policies, standards and procedural guidance.

Responding to Increased Monitoring and Evaluations Requirements

In FY 2015, USTDA’s Program Monitoring and Evaluations Office underwent an external audit of its evaluation activities. The audit validated the integrity of data associated with the Agency’s evaluation
Operating Expenses

results and affirmed that USTDA’s evaluation methods and procedures conform to industry best practices, as well as guidance from the Office of Management and Budget (OMB) and the Government Accountability Office (GAO).

In FY 2016, USTDA will receive up to $30.5 million in transfer funding to support a number of Administration priorities. To be responsive to the increased reporting requirements associated with such funding, the Agency must expand its monitoring and evaluation tools. Specifically, USTDA will need to acquire database programming services that can enhance USTDA’s current evaluation data and software systems to consistently and accurately capture new performance data. Additionally, the Agency must expand its outside evaluation services to collect data on a project-by-project basis for the increase in programmatic commitments. These resources will help USTDA’s Program Monitoring and Evaluations Office meet the increased evaluation demands brought about by the additional transfer funding and consistently report progress.

While the Agency accounted for certain administrative expenses within its interagency transfer agreements – most notably, salary/benefits for temporary personnel and travel expenses – the agreements were structured to keep overhead costs low and dedicate the vast majority of funds to programming. The systems changes necessary for effective monitoring and evaluation efforts are more structural in nature, however, and can run for 10 years or longer, thereby outlasting the useful life of the transfer funds. Accordingly, USTDA intends to account for these ongoing operations within the Agency’s annual operating expenses.

For more information on USTDA’s evidence-based processes, barriers and proposals, please see Appendix 5: USTDA’s Data Validation and Verification Approaches.

Representation Funds

USTDA requests $8,000 in representation funds for FY 2017. As noted in the Principles of Federal Appropriations Law (a.k.a. the “Red Book”), “Entertainment appropriations originated from the need to permit officials of agencies whose activities involve substantial contact with foreign officials to reciprocate for courtesies extended to them by foreign officials.” As a foreign assistance agency, USTDA’s continued success has been driven by the Agency’s strong relationships with host country partners in the emerging economies where USTDA works.

USTDA hosts roundtables, business briefings and signing ceremonies overseas to leverage the Agency’s ability to connect U.S. industry with high-level foreign officials that have pending procurements or that are seeking industry-leading U.S. technology solutions to their development challenges. USTDA also hosts reverse trade missions that bring senior public and private sector officials to the United States. Protocol between nations, international business practices and simple hospitality to the Agency’s
foreign partners sometimes require USTDA staff “to reciprocate for courtesies extended to them by foreign officials” in the course of conducting Agency business. Successful execution of the Agency’s mission, therefore, requires a modest amount of representation funds to build and maintain these integral relationships.
## Appendix 1 | Core OE Budget Overview

### U.S. Trade and Development Agency

**FY 2017 Core Budget Overview Summary**

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Estimate</td>
<td>Budget</td>
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<tr>
<td>11.1 Full Time Permanent</td>
<td>4,306,985</td>
<td>5,333,976</td>
<td>5,775,092</td>
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<tr>
<td>11.3 Other Than Full Time Permanent</td>
<td>591,779</td>
<td>852,199</td>
<td>885,023</td>
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<tr>
<td>11.5 Other Personnel Compensation</td>
<td>47,301</td>
<td>91,814</td>
<td>74,144</td>
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<td>11.9 Total Personal Srvcs Pymnts</td>
<td>4,946,065</td>
<td>6,277,989</td>
<td>6,734,259</td>
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<tr>
<td>12.1 Civilian Personnel Benefits</td>
<td>1,522,868</td>
<td>1,796,019</td>
<td>1,952,935</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Salaries and Benefits</strong></td>
<td>6,468,933</td>
<td>8,074,008</td>
<td>8,687,194</td>
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<tr>
<td>23.1 Rental Payments to GSA/Others</td>
<td>1,735,000</td>
<td>1,746,857</td>
<td>1,624,270</td>
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<td>21.0 Travel and Transportation</td>
<td>783,429</td>
<td>848,000</td>
<td>900,000</td>
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<tr>
<td>23.3 Communications, Util &amp; Misc</td>
<td>81,385</td>
<td>59,300</td>
<td>82,800</td>
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<td>23.3 Communications, Postal Fees &amp; Mail Service</td>
<td>155,794</td>
<td>167,500</td>
<td>176,500</td>
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<tr>
<td>24.0 Printing and Reproduction</td>
<td>81,286</td>
<td>85,634</td>
<td>80,000</td>
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<td>25.1 Consulting Services</td>
<td>4,021,485</td>
<td>3,348,577</td>
<td>3,864,560</td>
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<td>25.2 Other Services</td>
<td>187,962</td>
<td>176,993</td>
<td>190,977</td>
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<td>25.3 Inter-Agency Reimb. Agreements</td>
<td>1,171,279</td>
<td>1,198,975</td>
<td>1,315,250</td>
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<tr>
<td>25.4 Operation and Mgt. of Facilities</td>
<td>21,037</td>
<td>16,500</td>
<td>3,000</td>
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<td>25.7 Equipment Maintenance</td>
<td>106,298</td>
<td>133,450</td>
<td>136,050</td>
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<td>26.0 Supplies and Materials</td>
<td>171,389</td>
<td>107,000</td>
<td>111,300</td>
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<td>31.0 Furniture and Equipment</td>
<td>448,094</td>
<td>100,000</td>
<td>100,000</td>
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<td>Carry-over &amp; De-obligations</td>
<td>-533,371</td>
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<td><strong>Total Operating Expenses - Core Budget Obligations</strong></td>
<td>14,900,000</td>
<td>15,200,000</td>
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<td><strong>Program Funds - Core Budget Obligations</strong></td>
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<td><strong>Total Core Budget</strong></td>
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<td>60,000,000</td>
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<td><strong>Personnel Ceiling</strong></td>
<td>52</td>
<td>55</td>
<td>57</td>
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</table>
Appendix 2 | USTDA Activities in FY 2015

### USTDA Activities by Value of Obligations

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>DM/Desk Studies</td>
<td>$2,183,364</td>
<td>5.3%</td>
<td>$1,994,747</td>
</tr>
<tr>
<td>Feasibility Studies</td>
<td>$16,182,917</td>
<td>39.1%</td>
<td>$21,272,321</td>
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<tr>
<td>Reverse Trade Mission</td>
<td>$5,770,683</td>
<td>13.9%</td>
<td>$9,695,315</td>
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<tr>
<td>Technical Assistance</td>
<td>$14,069,603</td>
<td>34.0%</td>
<td>$12,254,025</td>
</tr>
<tr>
<td>Trade-Related Training</td>
<td>$1,479,714</td>
<td>3.6%</td>
<td>$500,000</td>
</tr>
<tr>
<td>Workshops/Conferences</td>
<td>$1,709,113</td>
<td>4.1%</td>
<td>$1,680,324</td>
</tr>
<tr>
<td>Other</td>
<td>$25,306</td>
<td>0%</td>
<td>$1,399,009</td>
</tr>
<tr>
<td>Total</td>
<td>$41,420,610</td>
<td>100%</td>
<td>$48,795,741</td>
</tr>
</tbody>
</table>

### USTDA Activities by Economic Sector

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agribusiness</td>
<td>$269,463</td>
<td>0.6%</td>
<td>$1,061,000</td>
</tr>
<tr>
<td>Clean Energy/Energy Efficiency</td>
<td>$17,610,249</td>
<td>42.5%</td>
<td>$23,872,806</td>
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<tr>
<td>Health/HR</td>
<td>$401,362</td>
<td>1.0%</td>
<td>$1,661,026</td>
</tr>
<tr>
<td>Mining &amp; Natural Resources</td>
<td>$1,610,693</td>
<td>4.4%</td>
<td>$85,933</td>
</tr>
<tr>
<td>Multi-Sector &amp; Other</td>
<td>$1,187,251</td>
<td>2.9%</td>
<td>$1,032,234</td>
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<tr>
<td>Services</td>
<td>$2,701,217</td>
<td>6.5%</td>
<td>$3,178,276</td>
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<tr>
<td>Telecommunications</td>
<td>$3,893,748</td>
<td>9.4%</td>
<td>$3,573,677</td>
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<tr>
<td>Transportation</td>
<td>$12,164,251</td>
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<td>$12,840,822</td>
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<tr>
<td>Water &amp; Environment</td>
<td>$1,374,376</td>
<td>3.3%</td>
<td>$1,490,779</td>
</tr>
<tr>
<td>Total</td>
<td>$41,420,610</td>
<td>100%</td>
<td>$48,795,741</td>
</tr>
</tbody>
</table>

### USTDA Activities by Region

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia</td>
<td>$7,664,562</td>
<td>38.5%</td>
<td>$6,762,200</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>$11,120,265</td>
<td>56.6%</td>
<td>$10,353,588</td>
</tr>
<tr>
<td>Middle East, North Africa, Europe and Eurasia</td>
<td>$4,341,805</td>
<td>10.5%</td>
<td>$4,991,151</td>
</tr>
<tr>
<td>South and Southeast Asia</td>
<td>$9,705,688</td>
<td>33.4%</td>
<td>$10,960,514</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>$7,554,408</td>
<td>18.2%</td>
<td>$12,622,560</td>
</tr>
<tr>
<td>Worldwide/Global Programs</td>
<td>$1,033,902</td>
<td>2.5%</td>
<td>$3,108,728</td>
</tr>
<tr>
<td>Total</td>
<td>$41,420,610</td>
<td>100%</td>
<td>$48,795,741</td>
</tr>
</tbody>
</table>
Appendix 3 | USTDA’s Program Toolkit

Appendix 3 | USTDA’s Programs: Tools that Open Markets

The U.S. Trade and Development Agency 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.

Reverse Trade Missions: Making Connections

USTDA’s specially tailored reverse trade missions provide unique opportunities to foster business relationships between U.S. companies and overseas project sponsors. The reverse trade missions bring foreign delegates to the United States to introduce them to the design, manufacture and operation of U.S. goods and services that can help them achieve their development goals. In FY 2015, USTDA’s reverse trade mission program offered 697 U.S. firms the opportunity to meet with foreign decision-makers during 32 events in 69 U.S. cities.

Conferences & Workshops: Identifying Opportunities, Showcasing Technologies

USTDA hosts conferences and workshops that bring together government and industry leaders to discuss specific business opportunities in key sectors and overseas markets. These events, both domestic and international, help U.S. companies build partnerships and identify export opportunities by obtaining vital information on projects and activities. In FY 2015, events such as the U.S.-Turkey Geothermal Workshop allowed U.S. industry to highlight their technologies and services, as well as to meet with potential customers.

Feasibility Studies & Pilot Projects: Getting It Right from the Start

USTDA-funded and U.S.-led feasibility studies link overseas project sponsors with U.S. businesses at the critical early stages when technology options and project requirements are defined. These studies provide the comprehensive analysis required for major infrastructure investments to achieve financing and implementation.

In some cases, export opportunities depend on a demonstration of the U.S. seller’s goods, services or technologies in the foreign buyer’s setting. Agency-funded pilot projects demonstrate the effectiveness of U.S. solutions and provide the analysis, evaluation and empirical data needed for potential projects to secure funding. Pilot projects have proven to be an excellent tool for showcasing U.S. capabilities.
Technical Assistance: Creating a Favorable Business & Trade Environment

USTDA funds technical assistance that supports legal and regulatory reform, the establishment of industry standards and other capacity-building activities. These technical assistance programs, which bridge gaps in the project development life cycle and advance projects to financing, help facilitate favorable business and trade environments for U.S. goods and services.
Appendix 4 | USTDA’s Making Global Local Partners

CALIFORNIA
- California Centers for International Trade Development
- California Chamber of Commerce
- County of Riverside Office of Foreign Trade
- Los Angeles County Economic Development Corporation
- Los Angeles Regional Export Council (LAREXC)
- Northern California World Trade Center
- World Trade Center of San Diego

COLORADO
- Colorado Office of Economic Development and International Trade
- Denver Sister Cities International

FLORIDA
- Florida Export Finance Corporation
- Tampa Bay International Business Council

GEORGIA
- Invest Atlanta
- University of Georgia Small Business Development Center
- World Trade Center Atlanta
- World Trade Center Savannah

ILLINOIS
- Elgin Development Group
- Illinois Chamber of Commerce

INDIANAPOLIS
- Indy Chamber

KANSAS
- Kansas Global Trade Services

LOUISIANA
- World Trade Center of New Orleans

MARYLAND
- Maryland Small Business Development Center

MASSACHUSETTS
- Massachusetts Office of International Trade and Development

MINNESOTA
- Minnesota Trade Office

MISSISSIPPI
- Mississippi Development Authority International Trade Office

MISOURI
- Missouri International Trade and Investment Office
- World Trade Center St. Louis

NEVADA
- Nevada Industry Excellence

NEW JERSEY
- State of New Jersey Business Action Center

NEW YORK
- Erie County Industrial Development Agency
- City of Charlotte
- City of Durham, Office of Economic and Workforce Development

NORTH DAKOTA
- North Dakota Trade Office

OHIO
- Ohio Development Services Agency

PENNSYLVANIA
- Duquesne University Small Business Development Center (SBDC)
- Pennsylvania Department of Community & Economic Development, Office of International Business Development
- Pennsylvania Small Business Development Center
- World Trade Center of Greater Philadelphia

TENNESSEE
- Tennessee Department of Economic and Community Development International Division

TEXAS
- Greater Houston Partnership
- Mayor’s Office of International Trade and Development
- World Affairs Council of Dallas / Fort Worth

UTAH
- Utah Governor’s Office of Economic Development (GOED)

VIRGINIA
- Virginia Small Business Development Center-Mason (SBDC)
- Arlington Economic Development
- Small Business Development Center (SBDC)

VERMONT
- Vermont Economic Development Authority

WASHINGTON
- Export Finance Assistance Center of Washington
Appendix 5 | USTDA’s Data Validation & Verification Approaches

Introduction

Performance data is the foundation on which the U.S. Trade and Development Agency (USTDA) aligns its programmatic funding decisions 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. USTDA collects qualitative and quantitative data on U.S. exports by monitoring project development once an Agency-funded 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 an Agency-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\(^6\) (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 in a given time period.

\(^6\) The TYRA currently consists of all USTDA activities completed between years 2003-2012.
Appendix 5 | USTDA’s Data Validation & Verification Approaches

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 reflecting the outcomes of the Agency’s funding commitments. This information is then used to support organizational learning, fulfill reporting requirements and inform effective performance management. USTDA has maintained and strengthened this third-party evaluation process for over two decades, and will continue to do so moving forward.

USTDA’s evaluation methodology is designed to ensure consistency and transparency throughout the data collection, monitoring, reporting and analysis processes. The Agency thoroughly evaluates each funded activity and aggregates performance data to provide results-based recommendations that can be adopted into USTDA’s daily operations. 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.

Means Used to Verify and Validate Measured Values

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 surveys of project stakeholders, 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

Evaluations stakeholders include:

- U.S. companies and suppliers
- Host country project sponsors
- Grantees
- Contractors
- Financiers (i.e. multilateral development agencies)
- USG agencies involved in project implementation (i.e. Ex-Im Bank, OPIC and Department of Commerce)
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 as well as those unimplemented.

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 a number of years, and adjusted to reflect the most accurate information that can be obtained on the outcomes.

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

Sources of the Data

The primary goals of the Program Monitoring and Evaluations Office are to help the Agency identify the most effective ways to leverage its funding by informing decision-making processes, and to contribute to the Agency’s ability to maintain accountability and transparency by providing clear, consistent data and analysis. As such, the Office evaluates and reports the outcomes of USTDA’s funding for activities that support projects; USTDA may fund more than one activity to help advance a single project.\(^\text{7}\)

\(^\text{7}\) A project is an infrastructure goal, identified by an overseas sponsor, which 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
USTDA maintains specific steps in its process to gather and document data. Evaluation strategies are designed by program staff, in coordination with the Program Monitoring and Evaluations Office, during the scoping and definition of each USTDA-funded activity. USTDA's activities include: early project planning and development, including grant funding for pilot projects, technical assistance and feasibility studies; and contract funding for reverse trade missions, conferences, workshops and training programs. The nature of collecting data for these activities varies slightly; however, USTDA has instituted consistent and rigorous methods in order to document the same data for all activities: U.S. exports.

In addition to the use of this evaluation strategy, Project Implementation Assessments (PIA) are conducted for each ongoing USTDA-funded grant activity – one about halfway through the project’s lifecycle, and one near the completion of the project – to help the Agency identify opportunities for U.S. company involvement.

The mid-lifecycle PIA documents the status of the USTDA-funded activity to determine the likelihood of project implementation and to evaluate U.S. export opportunities. This helps USTDA identify whether or not 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 – in order to overcome obstacles to implementation.

The final PIA seeks to determine how close a project is to implementation and what specific procurements may occur within the next six to twelve months. USTDA often uses this information to develop Trade Leads for U.S. companies to educate and position them for the upcoming tenders. Upon completion of an 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 performance measurements is determining whether and how a USTDA activity led to direct results or outcomes for a specific project.
on how the grantee can implement the project. These recommendations 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. As such, the recommendations within the final report help frame USTDA's evaluation efforts.

The evaluation strategy, PIA and final report recommendations then support the Initial Impact Assessment (IIA) process, which is conducted upon USTDA's receipt of the final report. 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. The IIA, which is the first formal step for USTDA's Program Monitoring and Evaluations Office to initiate contact with the project stakeholders, allows the Office to determine whether the assessments made at the time of funding have changed and adjust the evaluation effort accordingly. Upon completion of the IIA, the activity is then entered into USTDA's third-party evaluation cycle.

Upon completion of a USTDA contract for a reverse trade mission, conference, workshop or training program, contractors submit an immediate report and a one-year follow-on report, both of which include participant surveys evaluating what they gained the event and how their participation helped them achieve their goals.

These two reports, 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 reports are 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 a one-year follow-on report, the activity is then entered into USTDA's third-party evaluation cycle.

Sources of Data throughout Evaluation Cycle

Throughout the processes described above, USTDA gathers its performance data through the use of 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 Program Monitoring and Evaluations Office strives to use 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:
Appendix 5 | USTDA’s Data Validation & Verification Approaches

- 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;
- a 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.