



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA PROMOTES THE DEVELOPMENT OF THE ENERGY SECTOR IN TANZANIA DURING PRESIDENT KIKWETE'S OFFICIAL VISIT

WASHINGTON, D.C. (August 28, 2008) – Supporting efforts to promote private investment and growth in Tanzania's energy sector is the goal of a USTDA grant awarded today during the State visit to the United States by His Excellency Jakaya Kikwete, President of Tanzania. The grant to the Tanzanian Energy and Water Utilities Regulatory Authority (EWURA) will be used to assist in establishing operational protocols in the implementation and enforcement of electricity, petroleum and natural gas regulations based on international best practices.

"Energy is an essential building block for development," said USTDA Deputy Director Leocadia I. Zak in awarding today's grant. "This grant will help to establish an effective policy and regulatory environment that will aid in the development of the energy sector in Tanzania and ultimately support the country's economic growth."

The \$623,580 grant was conferred during an event held to highlight the U.S. Government's commitment to expanding Tanzania's economy. Deputy Director Zak and the Honorable Bernard Membe, Minister for Foreign Affairs and International Cooperation, signed the grant agreement on behalf of the U.S. and Tanzanian Governments, respectively. President Kikwete was present at the grant signing.

The Tanzanian *National Vision 2025* identifies energy as a critical foundation of the country's strategy for poverty eradication. Despite its importance, growing demand for energy in Tanzania continues to outstrip its supply. To meet this need, the Government of Tanzania plans to commission new power stations and is seeking both public and private investment in the electricity, petroleum and gas sub-sectors. As a relatively new entity within the Tanzanian government, EWURA is working to establish its role in the preparation of power purchase agreements, and in the regulation of the natural gas and electricity markets. The USTDA grant awarded today will help to define and strengthen EWURA's role in this process by establishing transparent regulations, tariffs and licensing requirements, and by training their staff to take on these responsibilities.

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The opportunity to provide the assistance funded by the USTDA grant will be competed on the Federal Business Opportunities website at www.fbo.gov. Interested U.S. firms should submit proposals according to the instructions contained in the Federal Business Opportunities announcement. The EWURA will select the U.S. contractor who will provide the USTDA-funded assistance.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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