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## SECTION I: BUDGET REQUEST AND JUSTIFICATION

The U.S. Trade and Development Agency is an efficient and agile agency achieving tangible results for U.S. businesses interested in exporting. 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. USTDA's strategic use of resources is proven to be effective: **every \$1 programmed by USTDA generates over \$47 in exports of U.S.-manufactured goods and services.**

To continue this effort, USTDA respectfully requests a budget of \$56.27 million for fiscal year (FY) 2012. This budget request is designed to further foreign policy and development priorities through its support of economic growth programs, and is justified by a record of results that includes generating over **\$14.2 billion in U.S. exports** during the most recent 10-year evaluation period and **supporting an estimated 87,000 American jobs**<sup>1</sup>.

### *USTDA Mission, History and Uniqueness*

USTDA is well equipped in its statutory mission and in its expertise and operations to continue making significant contributions towards increasing U.S. exports to and advancing economic development in developing and middle-income countries. Spun out of USAID in the 1980s as a means to achieve a commercial return on U.S. foreign assistance spending, USTDA's program tools advance an array of U.S. foreign policy objectives ranging from trade promotion to energy security to disaster response and reconstruction efforts. USTDA's approach to foreign assistance generates mutually beneficial results through the formation of long-term business relationships that foster sustainable development, facilitate local private sector growth, improve trade relations, advance U.S. commercial interests and create U.S. jobs.

Statutorily USTDA is also able to operate in middle-income countries "including those in which U.S. development programs have been concluded or those not receiving assistance" under the Foreign Assistance Act. This authority permits the Agency to serve as a bridge between donor assistance and strictly commercial development.

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<sup>1</sup> According to the International Trade Commission, for every \$1 billion in exports, 6,250 manufacturing jobs are created or supported.

<http://trade.gov/press/press-releases/2010/commerce-department-celebrates-world-trade-week-051710.asp>

## *Leveling the Playing Field*

The increasingly fierce competition that U.S. companies face in emerging economies has led to a rise in requests for USTDA support for U.S. firms in their efforts to identify new opportunities abroad. In the aftermath of the financial crisis, USTDA's program is being relied upon more and more by American businesses to help level the playing field with foreign companies that receive government subsidies. From tied training grants to strategically timed reverse trade missions, USTDA helps U.S. firms to successfully compete against competition from abroad.

## *USTDA Programs Open Markets for U.S. Companies*

USTDA's unique program is defined by the following activities that are geared to opening markets for U.S. exports and supporting economic development abroad.

### The International Business Partnership Program: Connecting U.S. Firms with Foreign Buyers

USTDA launched a new International Business Partnership Program (IBPP) designed to connect international buyers with U.S. manufacturers and service providers in order to open new export markets and commercial opportunities for American companies.

During FY 2010, USTDA reverse trade missions, conferences, and training programs connected more than 3,000 foreign buyers from 35+ countries to more than 1,000 U.S. company representatives across the country.

As part of the IBPP, USTDA increased its investment in **reverse trade missions**, which bring foreign buyers to the United States, pending an upcoming procurement, in order to observe the design, manufacture, and operation of U.S. products and services that can help them achieve their development goals. These strategically planned missions also present excellent opportunities for U.S. businesses to establish or enhance relationships with prospective overseas customers.

Also, USTDA organizes worldwide **conferences and workshops** to connect U.S. firms with foreign project sponsors. These sector or project-specific events are designed to showcase U.S. goods, services and technology to foreign buyers. U.S. firms also have the opportunity to meet one-on-one with overseas project sponsors, providing U.S. companies a better understanding of upcoming procurement opportunities and how they can position their firms to take advantage of these export opportunities.

Together, IBPP programs connected more than 3,000 foreign buyers to 1,000 U.S. company representatives in FY2010 alone. USTDA has already identified significant exports as a result of these activities.

## Feasibility Studies, Pilot Projects, and Technical Assistance

In addition to introducing U.S. businesses to foreign buyers for ongoing business partnerships, USTDA invests directly into development projects at the earliest stages, giving U.S. businesses an immediate opportunity for new growth and activity.

USTDA-funded and U.S.-led **feasibility studies** link foreign project sponsors with U.S. businesses at the critical early stage when technology options and project requirements are being defined. These studies provide the design specifications as well as the technical, legal, and economic analysis required for major infrastructure investments to receive financing and move forward with 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. USTDA-funded **pilot projects** demonstrate the effectiveness of commercially proven U.S. solutions and provide the analysis, evaluation and empirical data needed for foreign project sponsors to secure funding.

USTDA also advances economic development in partner countries by funding **technical assistance** that supports legal and regulatory reform related to commercial activities and infrastructure development, the establishment of industry standards, and other market-opening activities. These technical assistance programs facilitate favorable business and trade environments for U.S. goods and services.

## Cooperation Programs: USTDA Programs Open Markets for U.S. Companies

Utilizing all of the tools outlined above, USTDA has launched several Cooperation Programs, which are innovative public-private partnerships that advance development projects in sectors where U.S. technology is highly competitive and is likely to lead to significant export opportunities. In these programs, which specifically address one industry in one partner country, members include U.S. companies, foreign government bodies, USTDA, and other U.S. government agencies.

Currently, cooperation programs exist for the aviation and energy sectors in China and India and healthcare sector in China. These programs include trainings, reverse trade missions, and exchanges of professionals between the U.S. and partner countries, so that our partner countries can benefit from American expertise, and U.S. business representatives can establish strong relationships with overseas markets.

### ***Focusing USTDA's Program to Increase Return on U.S. Taxpayer Money***

Based upon rigorous performance evaluations, USTDA has tailored its program to concentrate on countries that provide the highest impact on U.S. taxpayer dollars, both in export returns and foreign policy objectives. As a result, the Agency narrowed its focus from 51 countries in FY 2006 to 24 countries in FY 2010 and reorganized its Europe and Eurasia region to focus those

resources elsewhere. USTDA's total obligations in its 24 priority countries (See Section II) increased from 62.3% of the Agency's total program obligations in FY 2009 to 84.6% of the total program obligations in FY 2010. This ongoing refining of country priorities will continue in both FYs 2011 and 2012. Concomitantly with the narrowing of USTDA's country focus, to better position U.S. firms in the international arena and invest in projects that will most likely provide the highest return, USTDA has programmed its funds towards priority sectors where U.S. industry is particularly strong. As discussed below, USTDA has prioritized investment in the energy, transportation, and information and communications technology sectors with a limited program in the environment and healthcare sectors.

### ***Supporting Small U.S. Businesses***

Small businesses are creating about 70 percent of the new jobs in America. USTDA has served as a catalyst for U.S. small businesses to expand into international markets. Today, 95 percent of the world's consumers live outside the United States, and small businesses can grow dramatically by reaching those foreign markets.

USTDA draws extensively on the expertise of small consulting and engineering firms to provide a variety of services related to project definition and evaluation. For example, more than 90% of direct contracts awarded by the Agency are performed by small businesses. Furthermore, over 40% of grants awarded to overseas project sponsors directly lead to contracts with U.S. small businesses. USTDA expects this trend to continue in FY 2012.

## SECTION II: REGIONAL FOCUS AND PRIORITY AREAS

USTDA focuses on countries that represent high developmental priorities with the likelihood for commercial success in an effort to maximize the return on U.S. taxpayer dollars. As has been the case historically, emerging economies are projected to grow at a faster rate than are developed economies<sup>2</sup>. In these economies, imports typically grow at a rate that exceeds the overall rate of GDP growth, presenting great opportunities for U.S. exporters. However, there is enormous competition in these emerging markets, and opportunities for U.S. businesses and workers could go unrealized. USTDA was established to support U.S. exporters in such competition. In each of these identified markets, USTDA will focus on priority sectors (See Section III) consistent with its export promotion and development mission.

### *Sub-Saharan Africa*

Africa is a largely untapped market for U.S. businesses, providing opportunity today and great potential for growth in the future. Between 2000 and 2008, Africa's annual output grew by 4.9%, faster than the global average of 3.8%, and that growth is being fueled by \$88 billion (2008) of foreign direct investment, twice as much as that in India. Most importantly the market is large - more than 900 million people live in Africa - , young, and growing rapidly.

Investments in ICT infrastructure throughout Sub-Saharan Africa are contributing to dynamic growth across multiple economic sectors. In particular, undersea fiber optic cables, such as SEACOM, are dramatically increasing connectivity and reducing prices for information and communication services in East Africa. USTDA supported the development of these cable systems through multi-year efforts (including reverse trade missions and conferences) to link African project sponsors with U.S. technology and services. Ultimately, the SEACOM project was designed and installed using U.S.-based state-of-the-art technology and, when launched in July 2009, demonstrated a historic shift in how Africa communicates with the rest of the world.

In FY 2012, USTDA intends to continue to help Sub-Saharan Africa benefit from its newfound broadband capacity. In August 2010, USTDA formed the *East Africa Broadband Connectivity (EABC) Initiative* to advance ICT infrastructure, use of applications, and economic integration in the East African Community. Focus areas of the *EABC Initiative* include: (1) expanding terrestrial fiber optic networks and other ICT infrastructure; (2) promoting regional integration and linkages between East Africa and the rest of the world; and (3) promoting the utilization of innovative ICT applications in areas such as e-Health, e-Education and e-Banking. The USTDA efforts in telecommunications in Africa, including the EABC, will continue to be effective in the coming fiscal year.

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<sup>2</sup> IMF, World Economic Outlook Update: A Policy-Driven, Multispeed Recovery, January 26, 2010, Figure 1.

The clean energy sector also offers enormous potential for U.S. private-sector participation in this critical component of Africa's economic infrastructure. The development of market-friendly electricity tariffs and legal and regulatory environments, coupled with project planning assistance, is at the heart of USTDA's strategy for bringing private investment and U.S.-sourced goods and services to Africa's power sector.

For the foreseeable future, USTDA anticipates great interest by the U.S. private sector and African energy sector officials for clean energy solutions on the continent. As such, the Agency expects in FY 2012 to extend support for its *African Clean Energy Solutions (ACES) Initiative*, which was launched in August 2010. The *ACES Initiative* provides a framework for a series of activities that will advance USTDA's clean energy investments in Sub-Saharan Africa. Focus areas include: (1) supporting power generation using clean energy sources; (2) modernizing transmission and distribution grids; and (3) promoting energy efficiency and demand-side management.

Together with clean energy and ICT, USTDA will prioritize transportation sector investments as part of our strategy for promoting U.S. business interests and economic development in Sub-Saharan Africa. Many of Africa's transportation networks remain underdeveloped and are an impediment to economic growth. In addition to poor infrastructure, Sub-Saharan Africa's competitiveness suffers from inadequate capacity related to trade logistics, supply chain management, and customs administration. To address these challenges, in FY 2012 USTDA will continue to focus its transportation sector strategy on developing regional solutions and integration. The model for our participation will be the Agency's multimodal *African Trade Lanes Partnership*. This initiative aims to advance the development of Sub-Saharan Africa's most vital trade lanes and transportation networks to facilitate local, regional, and global trade. It also provides a more uniform context for USTDA's work in the region, promoting regional cooperation and connectivity in all modes of transportation, including aviation, maritime, land, and rail.

Ultimately, efforts to stimulate economic development in Sub-Saharan Africa will be paramount to achieving sustainable global development and dramatically increasing U.S. exports in the coming years. Over the last few years, countries across Africa have experienced some of the fastest growth rates in the world. This trend is sustaining economic development in the region, while presenting new business opportunities for U.S. firms.

### *Major Developing Economies*

China, India, and Brazil are three major developing economies that offer U.S. exporters remarkable export opportunities. These three countries have rebounded quickly from the global economic crisis, and are experiencing rapid GDP growth. China continues to register 9 to 10

percent annual economic growth. India's growth is expected to be between 8 and 9 percent in 2011, and Brazil saw its projected growth revised upward to over 7 percent for 2010.<sup>3</sup>

Going forward, the International Monetary Fund predicts that these three countries will together account for more than 25 percent of world GDP in just five years' time, up from 13.4 percent in 2009. Simply put, China, India, and Brazil will have the need and resources to acquire a substantial amount of goods and services over this 5-year time period, much of which will be imported. In order for the U.S. to be competitive in these growing markets, it is essential that procurement and project development officials in those countries gain experience with and meaningful access to U.S. goods and services. Further, USTDA efforts to build trade capacity and develop infrastructure for trade will leverage the growth of these countries into dynamic trade partners.

In FY 2012, China will remain a key market for USTDA to promote public-private partnerships and strategic trade policy initiatives designed to reverse the current trade deficit. Infrastructure planning activities in core sectors such as energy and transportation will comprise a majority of the portfolio in FY 2012, with the addition of a strategic healthcare pilot project. USTDA should continue to invest in China for several key reasons: 1) a sustained high level of success with respect to USTDA's primary measurements of Agency effectiveness; 2) overwhelming support from the U.S. business community for continued and expanded USTDA action in China; and 3) parallel support from U.S. trade agencies, including the U.S. Trade Representative and the Departments of Treasury, Energy, State, Commerce, and Health and Human Services which note USTDA's capability to rapidly mobilize activities to support U.S. trade policy priorities.

As a part of USTDA's strategy to open India's market to greater U.S. exports, USTDA will seek increasing opportunities to work with the local private sector, while continuing to design effective programs to engage important government-dominated sectors. In India for FY 2012, USTDA expects to see increased activity in clean energy and energy efficiency activities with the launch of the U.S.-India Energy Cooperation Program, which formally began in November 2010. Initial activities included an Efficiency and Clean Energy Exchange program which involves a series of four visits to the United States to introduce Indian energy sector officials to U.S. technologies and best practices in smart grid, grid-scale solar, unconventional gas and industrial energy efficiency. Through these visits, USTDA will identify opportunities to play a role in ensuring U.S. companies are positioned to win new contract opportunities. In the aviation sector, USTDA will continue to play a central role supporting aviation capacity growth, safety management, and the transition to new air traffic management technologies for India's rapidly growing market. The U.S.-India Aviation Cooperation Program will see an increase in activities supporting actions consistent with USG policy and India's development goals, and leveraging substantial cost-sharing from U.S. aviation companies.

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<sup>3</sup> IMF, World Economic Outlook Update: Restoring Confidence without Harming Recovery, July 7, 2010, Table 1.

In Brazil, as the country prepares to host the World Cup in 2012 and the Olympics in 2014, there will be a great demand from both the U.S. private sector and the Brazilian government for USTDA to use its program to connect U.S. businesses to critical infrastructure development opportunities as the country prepares for these international events. In particular, these events will lead to significant demand for USTDA's assistance by both Brazil and U.S. companies looking to increase their exports into the Brazilian market as the country modernizes its transportation systems and expands its energy and ICT sectors.

### *Next Tier Markets*

Not far behind these three major developing economies are the "next tier" markets (Colombia, Mexico, Indonesia, South Africa, Turkey, Vietnam, and the Asia-Pacific region as a whole) that already provide mature, large markets, and are likely to experience high GDP growth rates as well. These countries will be critical to continued and sustained U.S. export growth.

USTDA's program in Mexico and Colombia in FY 2012 will focus on modernizing regional transportation linkages, supporting clean energy, improving quality of life in the region through the application of modern environmental technologies and by promoting the growth of information and communications technologies. In Mexico, such projects will derive from Mexico's National Infrastructure Program, the efforts of individual Mexican states to improve existing infrastructure, extensive Mexican participation in recent reverse trade missions and several ongoing or planned definitional missions to help USTDA find, examine, and develop potential projects. In Colombia, USTDA will build on its successful program to assist Colombia prepare for significant investments in transportation systems and clean energy development.

In Vietnam, USTDA expects to focus on clean energy and transportation priorities in FY 2012. The Government of Vietnam has recently expressed an interest in working closely with USTDA to promote clean energy development to offset the substantial coal projects that are currently moving forward. Vietnam specifically requested consideration for wind, biomass, and waste-to-energy opportunities. Important to this success, PetroVietnam, the state-owned oil and gas company, has created a renewable division that will focus on opportunities in the near term and create demand for renewable and clean energy technologies, where the United States has a distinct competitive advantage.

In addition, USTDA has been approached by a number of U.S. aviation companies pursuing airport development projects that will need to be developed via public-private partnership arrangements. Further, Vietnam is making substantial improvements to its road infrastructure

that will require transportation logistics improvements, railway upgrades and urban transportation development. In FY 2012, USTDA will make investments designed to assist Vietnam bring these programs to implementation.

### *Middle East, North Africa, and Europe*

The Middle East, North Africa, and Europe occupies a central place in U.S. foreign policy, and consequently USTDA remains focused on supporting economic development in our partner countries throughout this critical region. USTDA is working very closely with U.S. companies, overseas project sponsors, and our National Export Initiative partners at the U.S. Foreign Commercial Service and the U.S. Export-Import Bank, to identify key opportunities where the agency can maximize its effectiveness in connecting U.S. goods, services and technologies to overseas priority project opportunities. U.S. firms in the clean energy, information and communications technology (ICT) and transportation sectors are poised to benefit from substantial development, particularly in the larger economies in the region such as Morocco, Egypt<sup>4</sup> and Turkey, but also in countries such as Jordan, Algeria and Iraq.

USTDA will continue to focus on the energy sector due to U.S. leadership in the field and remarkable demand throughout the region. Modernizing the power sector through creating increased renewable energy generation capacity and upgrading transmission and distribution networks to create “smart” grids, is a critical priority for the public and private sectors throughout MENA. In 2010, USTDA held the MENA Power 2010 Conference in Cairo, Egypt, which served to showcase more than \$25 billion in project opportunities for U.S. firms. This led directly to the initiation of USTDA-sponsored activities in solar and wind energy, as well as for smart metering development and implementation. USTDA is capitalizing on the momentum from the conference to create further opportunities for U.S. companies, particularly in the areas of solar and geothermal energy, as well as smart grid development.

Morocco shows particular promise for renewable energy opportunities for U.S. companies in the near and long terms. The Government of Morocco (GOM) has recently committed to an aggressive national renewable energy and energy efficiency plan, which includes more than \$10 billion in planned spending on renewable energy development.

With respect to Egypt, USTDA has had a robust program in recent years, in particular in the transportation, energy and petrochemicals sectors. Recently completed activities have led to hundreds of millions of dollars in U.S. exports of goods, services and technology, and USTDA is pursuing additional activities that are expected to lead to similar results. Current turmoil

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<sup>4</sup> USTDA will take guidance from the Department of State on ongoing and developing program activities in Egypt. As the situation there continues to change, USTDA will continue to assess the demand for involvement in addition to efficacy of continuing to work there.

notwithstanding, Egypt's large and growing economy, increasing energy needs, and strategic location should ensure that growth in key sectors such as clean energy and transportation will continue.

Turkey is strategically positioned at the crossroads of Europe, Asia and the Middle East and its complex mix of modern industry and commerce continues to attract a diverse set of American companies, ranging from ICT to energy, to emerging opportunities in its booming economy. Notably for USTDA and U.S. exporters, the government has instituted an aggressive development plan to be achieved by 2023, the 100<sup>th</sup> anniversary of the Republic's founding, with more than \$120 billion in spending targeted for transportation and energy. The plan includes greatly expanding the country's transportation networks in rail, highways and ports, and dramatically expanding renewable energy generation capacity, all sectors in which U.S. industry is highly competitive.

To leverage these opportunities, USTDA activities help mitigate risks for U.S. companies that are interested in doing business in this challenging region, and the Agency's activities continue to support U.S. private sector engagement in the region. Additionally, USTDA project planning assistance to local project sponsors represents a tangible U.S. Government action that demonstrates the broader U.S. commitment to the region's economic advancement.

### *South and Southeast Asia*

In trade and export terms, India, Vietnam, Indonesia, and Southeast Asia as a whole, are high priority emerging markets where USTDA can achieve results under its mandate. Furthermore, the relative strength of economies in the South and Southeast Asia region during the recent global economic downturn and their ongoing recovery has produced considerable U.S. interest throughout this broad region. USTDA expects that these factors, combined with the Agency's targeted program, will continue to drive strong demand for USTDA programs across the region.

The South and Southeast Asia (SSE Asia) regional program encompasses countries and sub-regions that reflect foreign assistance policy and export trade priorities. In foreign policy terms, the strategic dialogues with India and Pakistan, the new comprehensive partnership with Indonesia, and the elevated U.S.-ASEAN relationship all emphasize expanded multi-sector cooperation that includes economic, technical and trade-related collaboration where USTDA programs can make important contributions.

Utilizing transfer funds from the U.S. Department of State, USTDA expanded its program in Pakistan in FY 2010 focusing on infrastructure and economic development efforts. USTDA's Pakistan program is an important component in the economic and energy working groups of the U.S.-Pakistan Strategic Dialogue, led by the U.S. Department of State. In FY 2012, USTDA

expects to continue to receive transfer funds to support new infrastructure development efforts in the energy, transportation, and ICT sectors as well as a limited engagement in Pakistan's environmental sector. Specific areas of opportunity in the energy sector include: off-grid energy supplies; gas production; power plant repowering; and small-hydro. These priority power projects were highlighted by senior members of the Pakistani delegation who participated in the U.S.-Pakistan Strategic Dialogue in October 2010.

Similarly, following the signing of the Transit Trade Agreement between Afghanistan and Pakistan, the countries are in the process of discussing next steps forward for implementation. Of the areas identified in need of support, USTDA will consider the following: port facility operations and infrastructure; interconnectivity between the two customs data systems and coordination; developing communications plans and implementation plans documenting the benefits of increased transit trade; and, railroad development. USTDA is also working with the Ministry of Information Technology to identify projects in the e-government, revenue collection, electronic medical records, disaster warning and broadband infrastructure areas. Utilizing transfer funds, USTDA's portfolio is complementing the ongoing work of the U.S. Department of State and USAID in these areas and helping to provide strategic planning for the implementation of larger commercial projects.

Again, utilizing transfer funds from the U.S. Department of State, USTDA's program in Afghanistan and Pakistan will help develop the infrastructure necessary to foster economic development in the country, in addition to promoting regional trade among Afghanistan, Pakistan, and other countries. One important focus of this work concerns alleviating trade bottlenecks at the Afghanistan/Pakistan border. USTDA will evaluate other opportunities in Afghanistan, especially in the aviation and energy production sectors. USTDA will also continue to work closely with our colleagues at the State Department, NSC and USAID to coordinate assistance programs.

While the entire Southeast Asian region has proven especially resilient over the past economic recession, Indonesia in particular has emerged as a leader of growth for the region. In 2010, the economy grew more than 6%. To capitalize on the opportunities, USTDA promoted clean energy developments through the launch of the U.S.-Indonesia Geothermal Development Initiative in 2010, setting the environment for government-to-government and business-to-business engagements with two feasibility studies and a geothermal training program. These programs will help open the geothermal market in Indonesia to U.S. businesses and present new project opportunities in FY 2012. Furthermore, there is considerable business interest in Indonesia's transportation infrastructure, areas in which U.S. companies have a significant competitive advantage, and USTDA anticipates funding of several transportation sector projects in the aviation and rail sectors in FY 2012.

### **SECTION III: SECTOR FOCUS**

USTDA's FY 2012 budget was developed based upon the assumption that USTDA would focus not only on priority countries, but also on priority sectors that: 1) reflect the greatest demand from developing and middle-income countries; 2) represent areas of U.S. private sector expertise and competitiveness; and, 3) have the greatest likelihood of receiving implementation financing. As a result, USTDA anticipates that it will continue to focus on clean energy, transportation, ICT and, in some countries, the environment and water. Furthermore, the budget request includes limited funding for a strategic healthcare program which will respond to the large demand from abroad as well as requests from the U.S. healthcare industry.

#### ***Clean Energy***

Emerging countries increasingly have the parallel objectives of increasing energy production, diversifying sources of supply, and improving environmental standards. As a result of both the demand for clean energy in priority countries and the growth of new energy and energy efficient technologies from U.S. sources, USTDA continues to invest in clean energy activities. This continued investment proves even more valuable as the demand from emerging economies and the supply of even newer U.S. technologies are anticipated to increase throughout FY 2012.

To meet the demand of developing and middle-income countries for clean energy solutions, the World Bank plans to increase its financing for energy efficient and renewable energy projects by an average of 30 percent a year through 2011 from a baseline of \$600 million in 2006. Similarly, the Export-Import Bank of the United States has prioritized financing for clean energy technologies under its Environmental Exports Program. In these circumstances, USTDA's programs can play a catalytic role in preparing project activities in developing and middle-income countries for financing by these institutions by exposing the project sponsors to U.S. goods and services at the critical early stage of project planning.

In FY 2012, in addition to providing support for clean energy-related project preparation and reverse trade missions focused on technologies such as smart grid, wind, solar and geothermal, USTDA will continue to support priority clean energy special initiatives launched in FYs 2010 and 2011. For instance, USTDA's *U.S.-China Energy Cooperation Program (ECP)*, which now includes over 40 U.S. companies, is advancing clean energy projects where U.S. technology is highly competitive and is likely to generate significant export opportunities. Since the joint announcement of the *U.S.-China ECP* by Presidents Obama and Hu, USTDA has invested in programs designed to ensure U.S. equipment and technology is incorporated into China's clean energy development plans.

Much like the U.S.-China ECP, USTDA also expects increased growth from the U.S.-India Energy Cooperation Program, discussed above in the regional focus. Initial activities included an Efficiency and Clean Energy Exchange program which involves a series of four visits to the United States to introduce Indian energy sector officials to U.S. technologies and best practices in smart grid, grid-scale solar, unconventional gas and industrial energy efficiency. Through these visits, USTDA will identify opportunities to play a role in ensuring U.S. companies are positioned to win new contract opportunities.

In FY 2010, USTDA launched the *Clean Energy Exchange Program for the Americas*. USTDA has already hosted six reverse trade missions to introduce Latin American and Caribbean leaders to U.S. technology and service providers. In FY2012, USTDA will assist specific export opportunities that have arisen from the visits already undertaken.

In summary, USTDA's record of success in quickly responding to the challenges impeding clean energy development in emerging economies makes the Agency an important tool to open markets for U.S. manufactured clean energy technologies.

### ***Transportation***

Recognizing the crucial role that transportation infrastructure plays in the development of low- and middle-income countries, USTDA seeks to employ U.S. transportation technology and expertise to build up the infrastructure in emerging economies. Efficient and expansive transportation systems in a nation create better access for all citizens to economic markets, healthcare, and food sources. It increases the reliability and productivity of any given economy.

So that emerging economies may benefit from the transportation expertise of the United States, USTDA connects the U.S. transportation sector with projects in foreign countries. The transportation sector is a key component of the U.S. manufacturing base that supplies products to U.S. consumers and countries around the world. It is also a sector in which USTDA's assistance has succeeded in combating stiff foreign competition. In particular, the aviation and rail sub-sectors have been important drivers of export success, supporting thousands of high-paying manufacturing jobs in some of the hardest hit parts of the United States. These sub-sectors are also well known for sourcing components from large and small companies in every state, making increasing exports of aircraft and rail equipment critical to supporting broad-based U.S. job creation through increased exports.

After a long recession, and a \$10 billion loss to the aviation industry in 2009, 2010 saw incredible bounce back as the sector grew to a \$15 billion surplus, and continued growth is anticipated. Indeed, capacity constraints are already foreseen for aircraft, airports, and airspace controls. Each of these areas represents an export market for U.S. manufactured goods and services, though not without significant foreign competition often aided by their governments. For example, U.S. engine manufacturers are facing stiff competition from European rivals

(heavily supported by their own governments) to supply engines for Airbus's A380 aircraft in Vietnam and India, with each contract representing billions of dollars of export sales and representing the potential to support thousands of high-paying manufacturing jobs in the United States. Beyond aircraft, there is a significant need for airports, navigation systems, and many other industries in the aviation sector.

China continues to record 8% to 10% growth in their domestic aviation market. To meet the increasing demand for passenger aviation growth, industry analysts predict that Chinese airlines will need to add over 3,000 large and medium-sized aircraft over the next two decades. India has also witnessed dramatic increases in aviation growth, recording 18% annual growth rates. To respond to this growth, the Investment Commission of India estimates that India will need to invest \$80 billion for new aircraft and \$30 billion for airport infrastructure by 2020. The Chinese government has indicated that they will be building 97 new airports to support their rapidly growing aviation sector.

USTDA has ongoing successful Aviation Cooperation Programs in China and India to coordinate U.S. public and private sector activities to better position U.S. companies for growth in these markets. These public-private partnerships have already contributed to safer aviation systems in China and India as well as the export of over \$1 billion in U.S.-manufactured goods and services. For example, the China Program has over fifty U.S. business members and India has over thirty. These members are companies with products that range from aircraft manufacturing to airport systems engineering.

In the rail sector, U.S. industry also has the potential to increase exports and market share in developing and middle-income countries. The United States is very competitive globally in most aspects of heavy haul rail systems including the sales of energy efficient locomotives and engines. In addition, U.S. companies are beginning to export ICT-based technologies such as Positive Train Control systems, the most affordable products on the market and as such, represent an area in which U.S. export opportunities are especially strong.

For example, India, Brazil, Pakistan, Indonesia and China are all engaged in major freight rail investments. In each market U.S. industry is facing stiff competition from foreign companies that tend to be cheaper, but less energy efficient and reliable. In response to these market requirements, U.S. companies are undertaking sales campaigns that enable the buyers to upgrade old locomotives with U.S. equipment and technology for less than the cost of newly manufactured locomotives from the foreign competition. Through strategically targeted reverse trade missions, USTDA intends to highlight U.S. technologies and services in the rail sector that can position U.S. firms to secure sales.

In FY 2010, USTDA hosted a delegation of Chinese rail officials to the United States to witness U.S. rail technology and equipment. As a result of this visit, **China procured over \$100 million in locomotives from General Electric's Erie, PA manufacturing facility.**

More broadly, transportation plays an important role in the development of a strong supply chain necessary to increase food security, an area where USTDA is already active and which presents significant opportunities for U.S. exports. As such, USTDA will continue to support transportation-related programs that focus on food security, including cold storage and supply chain management, in furtherance of the Millennium Development Goal of reducing hunger.

### ***Information and Communications Technology***

USTDA's support for information and communication technologies (ICT) has led to development gains abroad while opening emerging markets to increased exports of U.S.-developed ICT products and services. In a sector in which the United States is recognized for superior technology, U.S. companies are globally competitive in the supply of ICT goods and services. However, the sector is marked by strong foreign competition from Asia and Europe and from countries whose governments provide highly concessional tied financing for their companies. To enable U.S. exporters to cope with such competitive conditions, USTDA's ICT program plays a critical role in positioning U.S. companies to secure overseas contracts.

Information and communication technologies have a dramatic effect on economic development. ICT is strengthening voice and data networks, modernizing power transmission and distribution systems, facilitating regional transportation and trade, promoting government transparency and accountability, and improving revenue collection. Given the complexity of planning and implementing these systems, USTDA anticipates ongoing strong demand for ICT assistance around the globe. In FY 2012, USTDA will prioritize its efforts in areas where its assistance can have the greatest developmental impact while creating meaningful export opportunities for U.S. companies. In particular, USTDA will continue to focus on developing fiber optic and other ICT infrastructure and promoting the utilization of innovative ICT applications that take advantage of the technological capabilities offered through access to broadband.

USTDA's ICT strategy builds on the Agency's record of success. In FY 2012, this approach will include increased investment in sub-Saharan Africa and continued support for ICT development throughout the Middle East and North Africa. As mentioned above, in East Africa USTDA will continue to invest in the *East Africa Broadband Connectivity Initiative*. The Initiative was launched following the implementation of the SEACOM undersea fiber optic cable, as a means to promote U.S. ICT applications that will allow the region to exploit its new broadband capacity.

In addition to focusing on private sector driven projects such as SEACOM, USTDA will continue to support activities that leverage untied sources of financing from multilateral development banks. The World Bank, for example, has active ICT development programs that range from fiber connectivity to various e-government and telemedicine applications. Over the past five years these investments have totaled over \$3 billion across 80 countries. Likewise, the

African Development Bank (AfDB) has also been active in this sector, financing several major fiber optic connectivity projects across Africa and announcing its intent to scale up infrastructure financing, including ICT, in the next several years.<sup>5</sup> Leveraging this investment and growth, USTDA anticipates maintaining its record of success by supporting ICT projects in developing and middle income countries that provide a level playing field for U.S. technology providers.

### ***Environment and Water***

USTDA assists partner countries in their efforts to improve the environment through the use of U.S. goods and services. Although the efforts address the full spectrum of environmental needs, the lack of potable water is particularly acute in many countries. A decade ago, Fortune magazine predicted that water would become “the oil of the 21<sup>st</sup> century,” a prediction being fulfilled by the massive efforts undertaken in China, Brazil and elsewhere to respond to citizen demands for cleaner water as the first priority for improving the environment.

In addition to being important for developmental purposes, the environment and water is a sector with substantial U.S. export potential, a growing market in several USTDA priority countries, and available financing from the multilateral banks and other sources of credit.

Environmental technologies, which produced \$35 billion in U.S. exports in 2009, are growing rapidly in many developing economies.<sup>6</sup> Notwithstanding these exports, it is also a sector where U.S. companies face strong competition from European firms, who often enter local markets with overt support, financial and otherwise, of their governments.

USTDA’s program will respond to priority development projects presenting significant near-term opportunities for the use of U.S.-supplied goods and services. USTDA’s catalytic role in these projects is further warranted by the fact that in addition to Ex-Im’s Environmental Exports Program, many multilateral development banks and export credit agencies place a high priority on financing environmental technologies, increasing the likelihood of project implementation. For example, the World Bank alone has increased its investments in water projects from \$1.8

<sup>5</sup> The Bank Group Information and Communications Technologies (ICT) Activities, January 6, 2010

<sup>6</sup> ITA, Environmental Industries, Trade Statistics for Environmental Products. Examples of developing economies with rapid growth in the environmental technologies sector include:

<b>COUNTRY</b>	<b>2005</b>	<b>2009</b>	<b>% Δ 05-09</b>
China	\$1,903,301,676	\$2,947,473,605	55%
Brazil	\$396,679,075	\$799,160,349	101%
India	\$350,043,658	\$661,484,900	89%
Colombia	\$111,853,249	247,561,754	121%
South Africa	\$123,164,325	198,411,594	61%

billion in 2003 to \$6.2 billion in 2009. Similarly, the Asian Development Bank has listed investments in environmental projects as a core area of operation in its 2008 – 2020 strategic plan.

### *Healthcare*

The statistics are staggering: the global healthcare market is almost \$5 trillion, more than \$3 trillion of which is public and private spending outside of the U.S. Growth is particularly strong in the developing and middle-income countries USTDA targets, including the developing countries where USTDA already has successful programs and vibrant relationships. For example, the 2004-2009 healthcare demand growth rates were 21.7% in Brazil, 17.4% in India, and 13.3% in China.

It is also a sector in which U.S. companies have a strong competitive advantage as a result of superior technology, advanced ICT capabilities and a strong intellectual property position. U.S. companies are world leaders in medical technology as well as the sub-sectors upon which medical technology relies including microelectronics, telecommunications, instrumentation, software development and the like. It is also notable that most U.S. medical device companies are SMEs.

USTDA has an essential role to play in fostering U.S. healthcare exports (and the developmental benefits necessarily associated with those exports). USTDA intends to continue its supports for this sector by focusing on a small number of countries where USTDA already has a significant “footprint” and the kinds of existing relationships necessary to maximize the chances of success - that is, to produce, in the shortest time possible, significant U.S. export activities that can lead to replication throughout the country. USTDA has carefully analyzed and assessed entry strategies in this sector and is identifying countries with growing markets, concomitant increasing quality care expectations by their citizens, as well as rising levels of chronic (as opposed to communicable) diseases requiring more procedures, diagnostic tests, and specialized treatment equipment.

## SECTION IV: MEASURING OUR INVESTMENT

USTDA's success in promoting U.S. exports and creating U.S. jobs is measured by the export multiplier and hit rate. The export multiplier is the amount of U.S. exports generated for every dollar in program funding in the most recent ten-year evaluation period. The hit rate is the percentage of Agency projects that resulted in U.S. exports in the most recent ten-year evaluation period. Since its inception in 1981, USTDA's programs have contributed to over \$35 billion in U.S. exports. These figures exceed established goals and reflect the Agency's ability to match the needs of emerging markets with solutions from the U.S. private sector.

### *Export Multiplier and Hit Rate Calculations*

The export multiplier is defined as the dollar amount of U.S. exports that have been associated with USTDA core budget assistance to projects, divided by the dollar amount of USTDA core budget obligations. For the most recent ten-year period for which information is complete (1998-2007), USTDA has identified almost \$14.2 billion in U.S. exports from completed projects for which USTDA obligated \$301 million. This results in an export multiplier of \$47.10 for every program dollar invested, far exceeding USTDA's goal of \$35.

$$\text{Export Multiplier: } \frac{\$14.178 \text{ billion}}{\$301 \text{ million}} = \$47.10$$

The hit rate represents the proportion of USTDA activities for which the Agency has identified exports. For the same ten-year period, 435 projects out of a total of 1,129 have produced exports, yielding a hit rate of 38.5%. This hit rate is appropriate for the early-stage projects in which USTDA invests, and USTDA consistently seeks to maximize output from investments made as evidenced by the accelerating export multiplier.

$$\text{Hit Rate: } \frac{435 \text{ projects}}{1,129 \text{ projects}} = 38.5\%$$

## SIGNIFICANT ACHIEVEMENTS MADE IN FY 2010

### *Supporting Exports*

FY 2010 proved to be a very successful year in the evaluation of the Agency's commercial impact with the identification of an additional \$2.2 billion in the export of U.S.-manufactured goods and services. This increase in U.S. exports led to the increase of USTDA's export multiplier from \$41 to \$47 in U.S. exports for every \$1 programmed by the Agency.

As described in detail in this submission, in FY 2010 USTDA focused its programs to support efforts to increase U.S. exports abroad and support job creation at home. Of particular importance was USTDA's launch of the International Business Partnership. The IBPP is already demonstrating results; increasing exports through highly targeted reverse trade missions and match-making events that are leading to exports and job creation.

### ***Internal Management***

USTDA again received an unqualified opinion from its auditor with respect to the Agency's financial statements. This continues a string of over ten consecutive years of unqualified opinions. In addition, this year USTDA received significant positive increases on its 2010 Employee Viewpoint Survey results. The Agency believe these results are attributable, in part, to management and leadership training that was provided in FY 2010.

**SECTION V: OPERATING EXPENSES**

	<b>FY 2010</b>	<b>FY2011</b>	<b>FY2012</b>
	<b>Includes 2009 carryover</b>	<b>Budget Projections</b>	
<b>Operating Expenses</b>			
Full Time Permanent	\$3,699,104	\$4,619,537	\$4,861,640
Other Than Full Time Permanent	\$630,558	\$605,754	\$622,369
Other Personnel Compensation	\$144,740	\$169,939	\$173,400
Total Personal Services Payments	\$4,474,402	\$5,545,230	\$5,657,409
Civilian Personnel Benefits	\$1,197,447	\$1,417,625	\$1,406,400
Total Personnel Cost	\$5,671,849	\$6,812,855	\$7,063,809
Rental Payments to GSA/Others	\$1,539,876	\$1,184,779	\$1,452,090
Travel and Transportation	\$644,892	\$694,500	\$689,500
Communications, Util & Misc	\$115,428	\$126,700	\$124,700
Communications, Postal Fees & Mail Service	\$165,280	\$173,000	\$165,500
Printing and Reproduction	\$78,885	\$97,000	\$87,500
Consulting Services	\$3,240,083	\$2,596,168	\$2,877,830
Other Services	\$166,929	\$271,598	\$247,661
Inter-Agency Reimbursable Agreements	\$2,273,164	\$1,261,400	\$1,149,210
Operation and Management of Facilities	\$9,000	\$10,000	\$10,000
Equipment Maintenance	\$23,966	\$39,500	\$36,500
Supplies and Materials	\$82,389	\$68,000	\$65,700
Furniture and Equipment	\$194,319	\$64,500	\$30,000
Unallocated	\$593,894		
<b>Total Operating Expenses - Core Budget Obligations</b>	<b>\$14,799,954</b>	<b>\$13,400,000</b>	<b>\$14,000,000</b>
<b>Program Funds - Core Budget Obligations</b>	<b>\$42,000,000</b>	<b>\$41,800,000</b>	<b>\$42,270,000</b>
	<b>\$56,799,954</b>	<b>\$55,200,000</b>	<b>\$56,270,000</b>
FTE Count	50	50	50

USTDA's operating expense (OE) budget is \$14 million for FY 2012. This amount will enable the Agency to support funding for the Agency's strong and highly regarded Evaluations Program and develop and implement an effective management information system while also funding salaries, rent, equipment, communications and supplies.

### ***Evaluations***

USTDA maintains a robust Evaluations Program both to track the results of its program activities and to ensure accountability for the use of its funds. The Program includes both initial impact assessments and long er-range reviews. These assessments form a critical part of USTDA's strategic planning and ability to identify and better respond to priority sectors and countries. USTDA's Evaluations Program consists of an internal evaluations team and an external independent evaluations team. Together, the two evaluations teams regularly track over 800 projects. In FY 2010, USTDA invested in new database upgrades to the Program to enhance its capabilities and respond to PART requirements. Small additional investments will be necessary in FY 2012 to continue to refine the database to meet the needs of the Agency and to comply with the reporting requirements of OMB and other interagency requests for information.

### ***Developing and Implementing an Effective Management Information System***

Currently USTDA is in the build-out phase for the replacement of its in-house legacy management information system, the core IT system supporting USTDA's program. This legacy system is over 20 years old and requires constant vigilance and maintenance to ensure its viability. Securing qualified technical support has become increasingly difficult, as the system's technology is outdated and personnel familiar with the technology are limited. In FY 2012, the agency projects the new MIS will be completed and deployed at an estimated cost of \$450,000. The new MIS will provide a fully functional platform to support the effective management of all activities USTDA funds. In the long term, USTDA anticipates the new MIS will provide more operational flexibility and serve USTDA's mission in a more cost-effective, efficient manner.

### ***Significant Changes***

In FY 2009 and 2010, USTDA set aside funding to pay for a one-time conversion cost of USTDA's primary financial management system. Through an inter-agency reimbursable agreement in FY 2010, USTDA directed the National Business Center (Department of Interior) to migrate USTDA's primary financial management system from a stand-alone platform to a shared platform. By converting to a shared platform, USTDA's future IT costs will fall annually from approximately \$1 million in FY 2010 to \$400,000 in FY 2012. In addition, in FY 2010, USTDA funded ICASS and CSCS costs to the U.S. Department of State for its overseas offices

in FY 2011 causing a significantly higher 2010 level and unusually lower FY 2011 level in Inter-Agency Reimbursable Agreements.

## **SECTION VI: REPRESENTATIONAL FUNDS**

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

## **SECTION VII: CONCLUSION**

USTDA's mission uniquely creates a win-win scenario for both U.S. businesses and emerging economies around the world. American technologies and service are unmatched, and the opportunity for business growth in the global market is boundless. The focus on exports is not new for USTDA. In fact, it is **the only development agency with a statutory mandate to promote U.S. exports**. As a result, the Agency not only has the experience, but a track record of proven success in export promotion. In the current economic recession, U.S. companies are struggling to grow and find new markets. USTDA is proven to efficiently and effectively leverage its program resources directly in to U.S. exports. With **\$47 of American exports being realized from every dollar programmed**, the need for USTDA programs is as great as ever. To continue creating export opportunities for U.S. businesses while simultaneously helping emerging economies develop sustainably, USTDA respectfully requests a budget of \$56.27 million in FY2012.

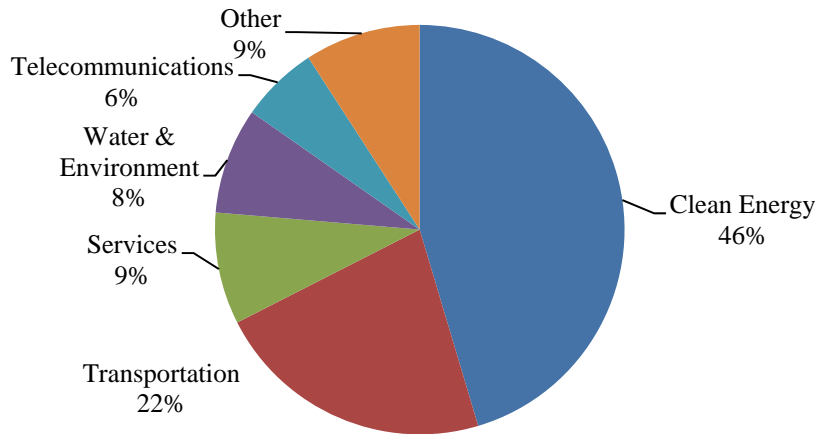
**TOP SECTORS**

In FY 2010 USTDA funded 236 activities in 34 countries, including: 98 desk studies and definitional missions; 58 technical assistance activities; 43 feasibility studies; 1 conference; and 36 reverse trade missions. The following tables show the top five sectors where USTDA provided assistance in FY 2010, FY 2009, and FY 2008:

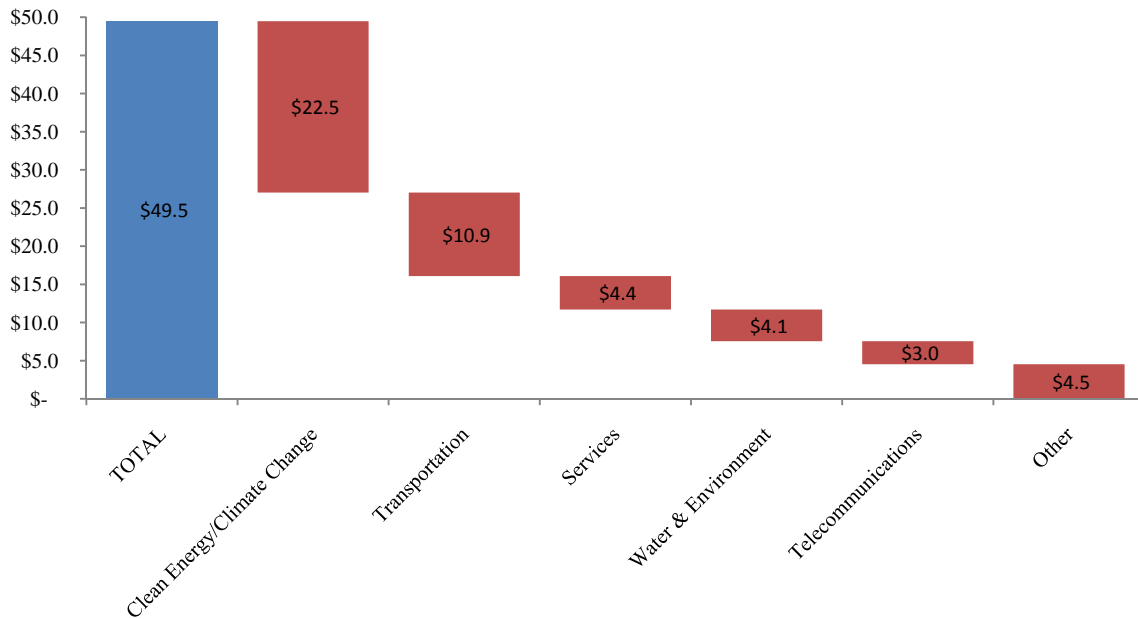
**TOP 5 SECTORS IN FY 2010**

SECTOR	FUNDING AMOUNT	% OF FUNDING
Clean Energy	\$22,453,434	45.4
Transportation	\$10,942,456	22.1
Services	\$4,367,970	8.9
Water & Environment	\$4,148,347	8.4
Telecommunications	\$3,034,904	6.1

**FY2010 Spending Breakdown by Sector**



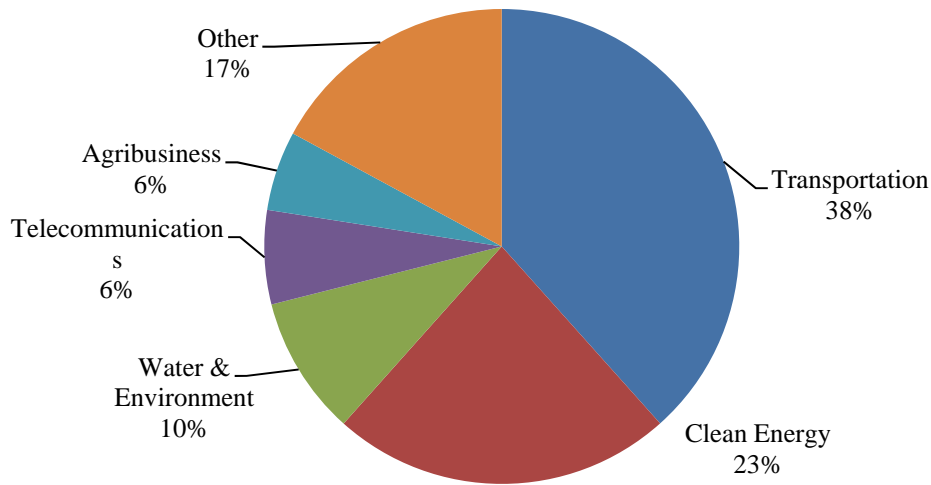
**FY2010 Spending Breakdown by Sector (in millions)**



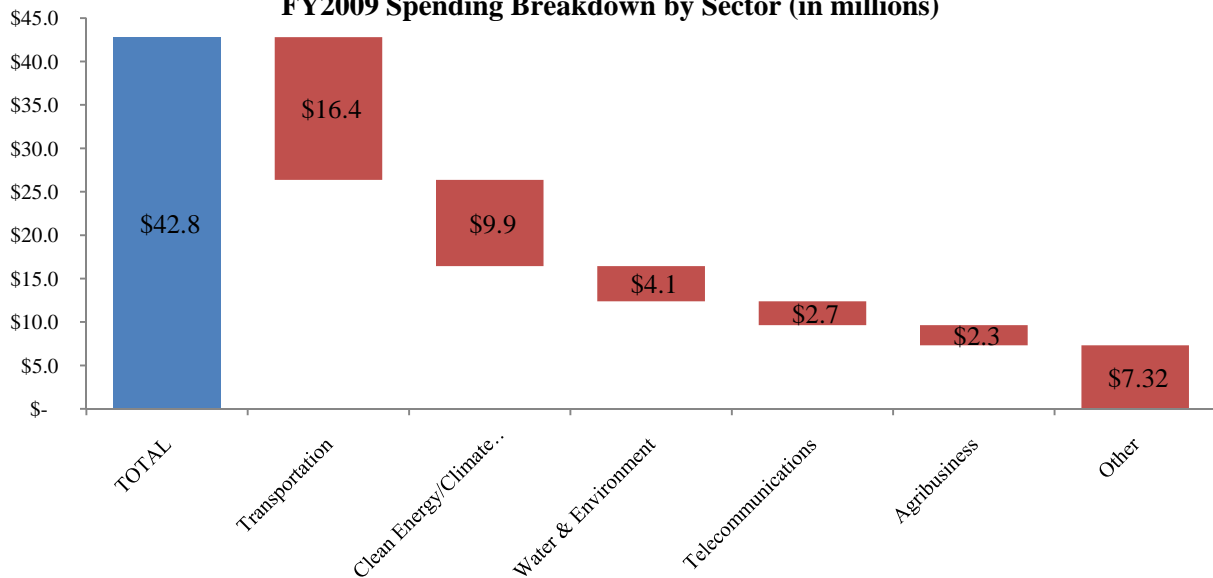
**TOP 5 SECTORS IN FY 2009**

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

**FY2009 Spending Breakdown by Sector**



**FY2009 Spending Breakdown by Sector (in millions)**

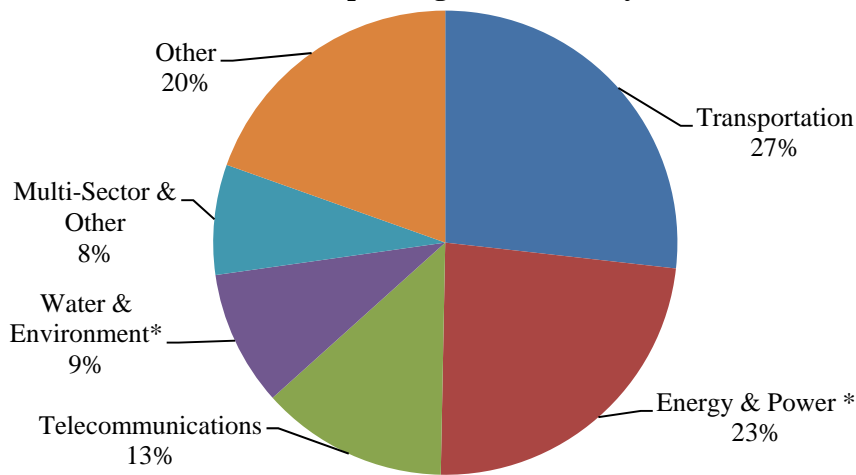


**TOP 5 SECTORS IN FY 2008**

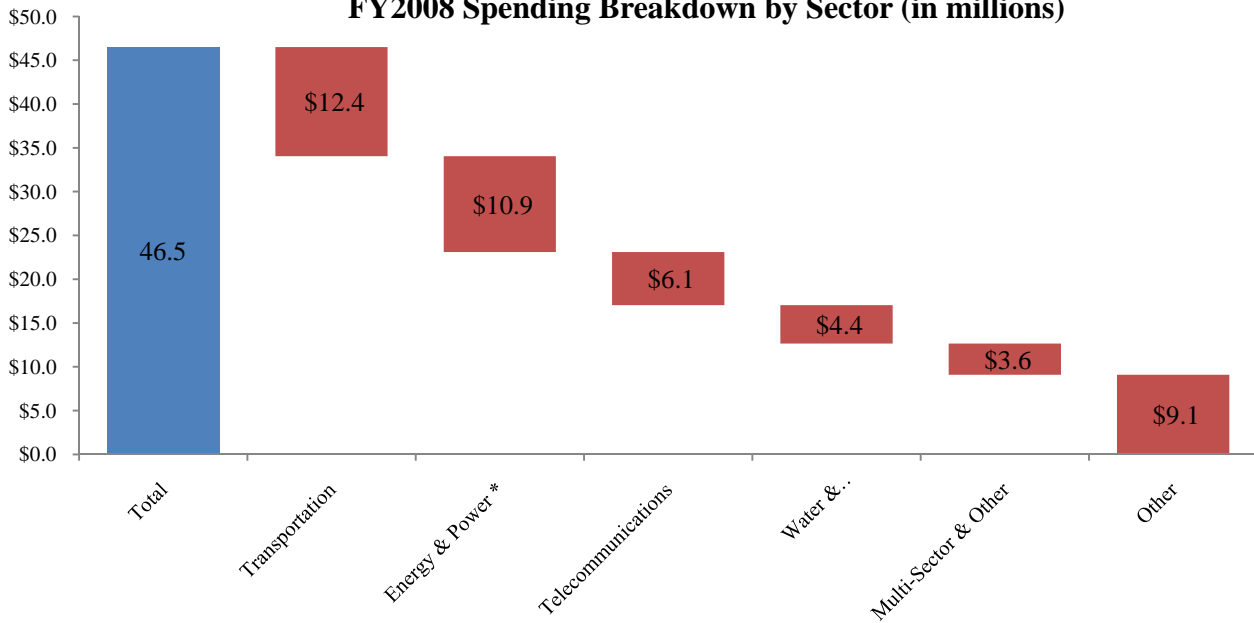
SECTOR	FUNDING AMOUNT	% OF FUNDING
Transportation	\$12,449,410	26.8
Energy & Power *	\$10,948,326	23.5
Telecommunications	\$6,060,674	13
Water & Environment*	\$4,380,012	9.4
Multi-Sector & Other	\$3,567,543	7.7

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

**FY2008 Spending Breakdown by Sector**



**FY2008 Spending Breakdown by Sector (in millions)**



**BUDGET HISTORY TABLE**  
**FY 2004 – FY 2012**

<b>Fiscal Year</b>	<b>Request</b>	<b>Appropriation</b>	<b>Carryover from Prior Year</b>	<b>Available for Obligation</b>	<b>Obligated</b>
<b>FY 2004</b>	\$60,000,000	\$49,705,000	\$578,000	\$50,283,000	\$50,586,000
<b>FY 2005</b>	\$50,000,000	\$51,088,000	\$1,436,000	\$52,524,000	\$51,159,000
<b>FY 2006</b>	\$48,900,000	\$50,391,000	\$2,549,000	\$52,940,000	\$52,626,000
<b>FY 2007</b>	\$50,300,000	\$50,432,000	\$1,344,000	\$51,776,000	\$49,078,000
<b>FY 2008</b>	\$50,400,000	\$49,992,000	\$2,817,000	\$52,809,000	\$52,777,000
<b>FY 2009</b>	\$50,800,000	\$50,800,000	\$1,314,000	\$52,114,000	\$50,739,442
<b>FY 2010</b>	\$55,200,000	\$55,200,000	\$2,031,787	\$57,321,787	\$55,121,631
<b>FY 2011</b>	\$56,200,000	n/a	\$2,103,085	n/a	n/a
<b>FY 2012</b>	\$56,270,000	n/a	n/a	n/a	n/a

## **USTDA FY 2012 ANNUAL PERFORMANCE PLAN**

### **I. Mission**

The U.S. Trade and Development Agency (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.

### **II. Performance Goals**

- 1) The agency plans to meet or exceed its performance targets for commercial impact in FY 2012 consistent with its Five-Year Strategic Plan.
  - Over \$35.00 of U.S. exports for every \$1 the agency obligates (the Multiplier).
  - Over 35% of the activities that USTDA funds will result in U.S. exports (the Hit Rate).
- 2) The agency plans to meet or exceed its performance targets for developmental impact.
  - Over 55% of its implemented activities will result in infrastructure/industrial projects.
  - Over 25% of its implemented activities will lead to adoption of market-oriented reforms.
  - Over 30% of its implemented activities will create 10 or more jobs, or train at least 10 people.
  - Over 50% of its implemented activities will result in the transfer of advanced technology or increased productivity.

### **III. Performance Results**

- In FY 2010 USTDA's export multiplier was over \$47 in U.S. exports for every \$1 programmed, far exceeding the target rate of \$35 set in USTDA's Five-Year Strategic

Plan. Similarly, USTDA's hit rate is currently 38.5%, again exceeding the target rate of 35% set in USTDA's Five-Year Strategic Plan.

#### **IV. FY 2012 Priorities for Program Budget**

- Increased funding for programs in priority countries and sectors that will advance Administration's goal of doubling exports over next five years.
  - Priority countries include: China, India, Brazil, Colombia, Mexico, Indonesia, South Africa, Turkey, and Vietnam.
  - Targeted sectors include: clean energy, transportation, ICT, water and the environment and healthcare.
- Support for developmental priorities include:
  - Advancing the Millennium Development Goals in Africa.
  - Increasing support for economic development programs in Muslim-majority communities that hold the potential for increased U.S. exports.

#### **V. FY 2012 Priorities for OE Budget**

- Funding the Agency's strong Evaluation Program.
- Developing and implementing an effective management information system.



## U.S. Trade and Development Agency Success Stories

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### Brighter Sales in South Africa



This year, USTDA worked with representatives of the public and private sectors in South Africa to reduce energy consumption by investing in energy efficient technologies. This program included a training session in South Africa and a reverse trade mission that introduced delegates to energy efficient technologies, equipment, and best practices. Based on this experience and a relationship forged during the reverse trade mission to the United States, the General Manager of Store

Development for Pick n Pay, a grocery chain in South Africa with over 700 stores, placed a breakthrough order for energy efficient skylights from Sunoptics (Sacramento, CA) to enhance natural lighting for its new flagship store that opened in October 2010. Use of these patented prismatic skylights is estimated to reduce energy costs by 70% to 80%. It is anticipated that the initial sales for Sunoptics will lead to future orders in South Africa.



### Biomicrobics: Fast Results in the Philippines



In June 2010, during an environmental workshop in the Philippines, USTDA introduced representatives from the Manila Water Company (MWC) to Bio-Microbics, a small business headquartered in Shawnee, Kansas. As a direct result of this workshop and an ongoing USTDA-funded feasibility study on wastewater treatment facilities in the Philippines, Bio-Microbics secured new sales contracts with MWC. Bio-Microbics received sales orders during the workshop itself, and company President Robert Rebori later stated that the event,

“resulted in immediate and likely long-term sales for Bio-Microbics....”

### **Success Story: Clean Energy, Clear Benefits in Thailand**

In recent years, USTDA has helped Thailand's state-owned oil and gas company, PTT, identify the optimum design and specifications for the country's first liquefied natural gas (LNG) receiving terminal at Map Ta Phut. This terminal is needed to meet Thailand's growing requirements for clean gas fuels and to avoid additional coal-based power generation. As a result of a USTDA-funded feasibility study conducted by Pace Global Energy, full project implementation is now underway on



this \$1 billion project. To date, at least 22 U.S. companies from 13 states have entered into contracts to provide services and technologies critical to the success of the terminal.

### **Increasing Power Reliability in South Africa**

For several years, USTDA has partnered with South Africa's eThekweni Electricity, a leading domestic power distribution company, to promote and implement energy efficiency strategies for the modernization and expansion of its grid. USTDA-funded technical assistance included a plan for an integrated information technology (IT) system to allow the company to tie customer data with supply information in real time.

eThekweni Electricity awarded the first phase of the project—a multimillion dollar outage management system—to General Electric following an open tender process. U.S. companies also will be able to compete in subsequent phases expected to be implemented in 2011.

In addition to creating opportunities for U.S. technology providers, USTDA's partnership with eThekweni Electricity enables more cost-effective service and faster response to network and system problems for the utility's 630,000 residential and commercial customers.