



U.S. TRADE AND DEVELOPMENT AGENCY
2010 ANNUAL REPORT



During the past fiscal year, the U.S. Trade and Development Agency (USTDA) continued to demonstrate both the importance of its unique mission and its ability to achieve outstanding results. Through a combination of new and time-tested programs, the Agency helped U.S. companies create jobs here at home through the export of U.S. goods and services and encouraged economic growth through the development of sustainable infrastructure in our partner countries.

As a measure of our success, USTDA identified over \$2 billion in exports in Fiscal Year 2010 that were attributable to our activities. USTDA's export measure grew to over \$47 in U.S. exports for every program dollar spent by the Agency. While supporting jobs in the United States, USTDA's activities also have contributed to the economic development of our partner countries overseas.

This year, USTDA placed increased emphasis on promoting clean energy and supporting priority transportation, information and communication technology and environmental infrastructure projects abroad. A hallmark of our program is to focus on opportunities in which U.S. private sector goods and services can play a leading role.

With a mission dually focused on exports and development, USTDA is well positioned to respond to President Obama's call to double exports in five years. During his State of the Union Address in January 2010, the President announced the *National Export Initiative*, a commitment to ensure continued U.S. economic growth through increased exports. He subsequently named key players, including USTDA, to his new Export Promotion Cabinet. The Agency is working diligently with other Export Promotion Cabinet members to develop and implement an aggressive strategy to accomplish the President's commitment to double exports.

In support of the *National Export Initiative*, USTDA launched a new *International Business Partnership Program (IBPP)* to bring international buyers together with U.S. manufacturers and service providers, and thereby open new export markets and commercial opportunities around the world. As part of the IBPP, USTDA organized a substantially increased number of



U.S. Trade and Development Agency Director Leocadia I. Zak

reverse trade missions. This year, foreign buyers have visited sites, operations, manufacturing facilities and business headquarters across the United States. The Agency has already recorded measurable export results from these buyers' trips.

During the President's visit to China in November 2009, USTDA, along with the Departments of Commerce and Energy, launched the U.S.-China Energy Cooperation Program, a public-private partnership between the two countries and U.S. private industry. The program began with 24 U.S. company founding members. By the close of the fiscal year, over 40 U.S. companies, large and small, were members, creating a dynamic opportunity for U.S. exporters to work directly with Chinese buyers and other decision makers.

In sub-Saharan Africa, USTDA found significant demand for innovative U.S. technologies, especially in the areas of clean energy and information and communication technology. In response, the Agency established two signature regional initiatives—

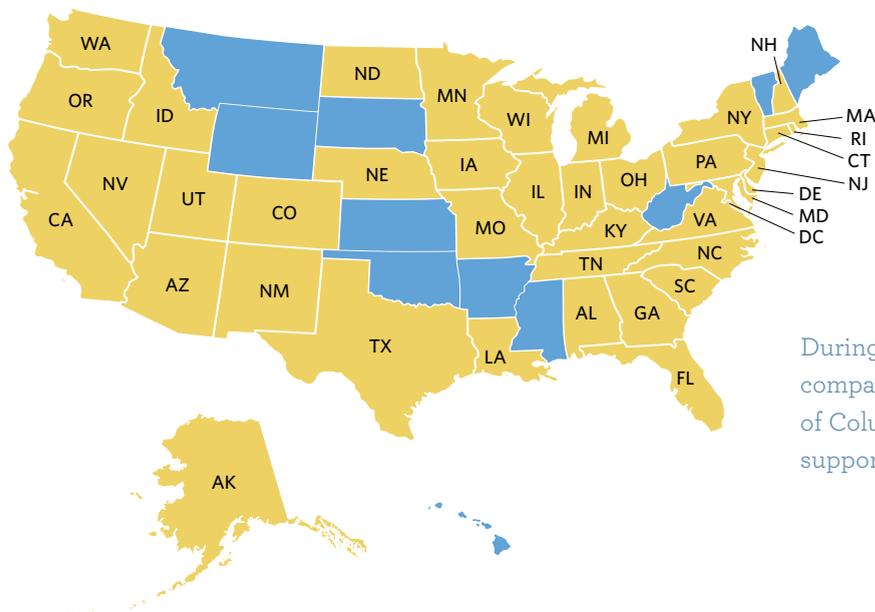
the *African Clean Energy Solution Initiative* and the *East Africa Broadband Connectivity Initiative*. These initiatives are creating partnerships between U.S. technology providers and African leaders responsible for modernizing the continent's infrastructure.

This year, USTDA initiated an extensive outreach effort to increase the number of U.S. companies involved in exporting. This effort led to outreach meetings with U.S. businesses in Boston, Chicago, Los Angeles, Denver and Seattle, among other cities.

The Agency's accomplishments during this past year are directly attributable to USTDA's talented and dedicated staff, our private sector clients,

cooperating federal and state agencies, and our committed partners in foreign countries working together. I am confident that USTDA will continue to play an important role in opening foreign markets to increased U.S. exports while encouraging economic development in our partner countries.

Leocadia I. Zak
Director, U.S. Trade and Development Agency



During FY 2010, USTDA identified U.S. companies in 39 states and the District of Columbia that benefitted from projects supported by Agency activities.

2010: Meeting Challenges Through Innovation

This past year, USTDA launched a number of innovative programs and initiatives designed to open markets to U.S. exports and enhance business opportunities abroad for U.S. firms. Some of these are highlighted below.

THE PRESIDENT’S VISIT TO CHINA

In early FY 2010, USTDA participated in President Obama’s state visit to China. For USTDA, the highlight of the visit was the launch of the U.S.-China Energy Cooperation Program (U.S.-China ECP), a creative partnership of U.S. and Chinese public and private sectors working together to advance clean energy projects in China.

Since the launch of the U.S.-China ECP, USTDA has undertaken several activities aimed at advancing the export of U.S. clean energy and energy efficient goods and services. For example, USTDA hosted a visit for mayors of leading Chinese cities to introduce them to U.S. energy efficient building



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President Obama at his 2010 State of the Union address announcing the National Export Initiative.

technologies where the delegates visited U.S. energy efficient buildings and manufacturers of energy-saving technologies. They also learned about the economic benefits and energy savings associated with energy efficient commercial and government buildings.

RESPONSE TO EARTHQUAKE IN HAITI

In the aftermath of the January 12, 2010 earthquake in Haiti, USTDA responded to the tremendous infrastructure needs in the country resulting from the devastation caused by the earthquake. USTDA immediately supported an update to an electricity generation, transmission, and distribution feasibility study that had been completed in 2007. This update has already become an important resource for defining priority areas in need of immediate reconstruction.

As a longer-term contribution in the electricity sector, USTDA also funded a technical assistance program to develop a comprehensive power sector planning and expansion strategy, which will analyze least cost energy sector expansion options and



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Earthquake devastation in Haiti.

provide recommendations on new power generation options. USTDA is also providing technical assistance to help local officials identify areas that need immediate reconstruction at Port-au-Prince International Airport.

SUPPORT FOR SUB-SAHARAN AFRICAN DEVELOPMENT

During FY 2010, USTDA demonstrated how its breadth and variety of program tools could support the building of sub-Saharan Africa's infrastructure for trade and development with U.S.-based technologies.

As part of the 9th Annual African Growth and Opportunity Act (AGOA) Forum in August 2010, USTDA announced targeted initiatives in the clean energy and information and communication technology sectors, as well as a regional agribusiness reverse trade mission.

ENERGY. The *African Clean Energy Solutions (ACES) Initiative* was launched in support of the National Export Initiative's goal to double U.S. exports over five years by introducing project sponsors from sub-Saharan Africa to state-of-the-art U.S. clean energy technologies. The *ACES Initiative* supports AGOA's objectives of facilitating trade through the development of an energy infrastructure that will

be clean, reliable and affordable. Already USTDA has supported a feasibility study to modernize Angola's transmission and distribution grid, and two technical assistance programs to: 1) foster the growth of Kenya's geothermal power sector and 2) minimize power losses on Nigeria's power grid.

INFORMATION AND COMMUNICATION

TECHNOLOGY. The AGOA Forum also provided an outstanding venue to highlight the role of information and communication technology (ICT) in promoting sustainable development with U.S.-based technologies. USTDA announced its *East Africa Broadband Connectivity (EABC) Initiative*, to provide a framework for advancing investment in ICT infrastructure, applications and integration in East Africa. The *EABC Initiative* includes USTDA support for an e-Health Workshop for the East African Community (EAC) countries of Burundi, Kenya, Rwanda, Tanzania and Uganda; a cybersecurity reverse trade mission for senior officials of the Government of Kenya; and technical assistance for the central banks of Rwanda and Tanzania. The latter two activities will improve domestic financial management and promote harmonized national payment systems among EAC member countries.

AGRIBUSINESS. During the AGOA Forum, USTDA also hosted a reverse trade mission comprised primarily of private sector African agribusinesses seeking to improve food productivity and security through the application of U.S.-based irrigation, food production and food processing technologies. The delegation presented their procurement needs and investment plans to U.S. businesses during the Kansas City, Missouri, portion of the AGOA Forum, and visited U.S. technology providers in Idaho, Iowa, Kansas, Minnesota, Missouri, Nebraska and North Dakota. The trade delegation included leading agribusiness firms from Angola, Kenya, Nigeria, South Africa, Tanzania and Zambia.



African delegates looking at John Deere harvesting equipment in Idaho during a regional agribusiness reverse trade mission.

COOPERATION PROGRAMS

Over the past few years, USTDA has launched a number of cooperation programs which have brought U.S. private and public sectors together to open markets for U.S. goods and services in emerging markets with a particular focus in the aviation arena. Below are a few highlights.

CHINA. The success of the U.S.-China Aviation Cooperation Program (U.S.-China ACP), which now includes 50 U.S. company members as well as the U.S. Department of Commerce and Federal Aviation Administration, is a prime example of the benefits of working together.

Under the U.S.-China ACP, USTDA continued its support of an executive management development training (EMDT) program. Last year, USTDA brought 35 rising leaders from China's aviation sector to the United States to work closely with members of the U.S. aviation industry. The EMDT program focuses on management skills and aviation safety and security while building relationships that result in increased long-term commercial opportunities for U.S. companies.

In the last year alone, U.S. member companies reported over \$720 million in exports, which supported several thousand U.S. jobs resulting from activities under the U.S.-China ACP. The exports include successes from large corporations as well as smaller firms.

INDIA. More recently, USTDA launched the U.S.-India Aviation Cooperation Program, comprised of 31 U.S. member companies working with their Indian partners to ensure continued growth in India's aviation sector. Early in FY 2010, USTDA hosted a highly successful *U.S.-India Aviation Partnership Summit* in Washington, D.C. The Summit brought together senior-level public and private sector aviation officials to identify opportunities for closer cooperation.

LATIN AMERICA AND THE CARIBBEAN. During FY 2010, USTDA launched the *Aviation Cooperation Initiative of the Americas*, which is opening markets in the Latin America and Caribbean (LAC) region



Visit of Chinese aviation officials to Hartsfield-Jackson Atlanta International Airport to see U.S.-manufactured emergency response equipment in operation.

to greater exports of U.S. aviation products and services. This *Initiative* links U.S. industry to information on aviation project opportunities in the LAC region. The *Initiative* is focused on general aviation and light aircraft technologies, air traffic control and navigation systems, and airport modernization solutions. Already, an LAC delegation participated in a USTDA-sponsored seminar on the Cape Town Treaty, which introduced the delegates to how they can reduce financing costs when purchasing aircraft.

Following this seminar, USTDA hosted a reverse trade mission focused on how U.S. airport modernization technologies could support the LAC region's efforts to strengthen their airport systems. Delegates from Belize, Brazil, Chile, Colombia, Guatemala, Haiti, Mexico, Panama and Paraguay participated in a ten-day visit to the United States, which included meetings with U.S. industry members, financial institutions, industry associations and U.S. government agencies. The delegates also visited airport facilities in Dallas, Chicago and Washington, D.C.

Big Opportunities for Small Businesses



USTDA draws extensively on the expertise of small consulting and engineering firms to provide a variety of services related to project definition and evaluation.

In fact, over 90% of contracts awarded by USTDA are performed by small businesses. Furthermore, over 40% of grants awarded to overseas project sponsors directly lead to contracts with U.S. small businesses.

Many small businesses have expanded their markets through the international contacts made while working with USTDA. For example, Millennium Science and Engineering (MSE), which was a domestic only environmental engineering firm, leveraged its work for USTDA into international sales contracts with foreign clients around the world. Working on USTDA-funded feasibility studies and technical assistance, MSE was introduced to future foreign clients, opening the door for further business opportunities. MSE now has a network of local affiliates in Asia, Latin America and Africa to continue building international sales.

Similarly, U.S. manufacturers such as Bio-Microbics (see page 11) have participated in USTDA-sponsored events that led to export sales of U.S.-manufactured equipment. In each case, USTDA served as a catalyst for U.S. small businesses to expand their international markets.

To expand its outreach to the small business community, USTDA partnered with the Small Business Administration (SBA) to increase small business participation in USTDA-sponsored reverse trade missions. This increased engagement is raising the profile of small businesses with international buyers who may not have been familiar with the unique technologies and services small U.S. companies can provide to potential overseas clients.

Opening Export Markets Around the World

USTDA's Annual Report is designed not only to report on the fiscal year, but also, to showcase our "toolbox" of activities and programs to help U.S. businesses achieve President Obama's goal to double U.S. exports in five years.

Reverse Trade Missions: Fast Forward

To support the goals of the *National Export Initiative*, USTDA significantly increased the number of reverse trade missions it funded and organized. These carefully planned missions enable foreign delegates to visit the U.S. and observe the design, manufacture, demonstration and operation of goods and services that could help the delegates achieve their development goals. The missions also present excellent opportunities for U.S. businesses to establish or enhance relationships with prospective overseas customers and clients. The visits have led to some of the biggest export successes achieved by the Agency.



This past year, USTDA introduced almost 300 foreign delegates from 35 countries to more than 750 U.S. companies across the United States. These foreign delegates included ministers, mayors, and senior governmental and private sector officials from emerging markets.

INDIA. For example, USTDA hosted an Indian delegation at the *Solar Power International Conference* in

Los Angeles, California. Comprised of private sector officials, federal and state regulators, and energy officials, the delegation also visited the U.S. Department of Energy's National Renewable Energy Laboratory (NREL), U.S. municipal regulators in the City of Anaheim, and U.S. companies including SolarWorld USA, eSolar, and Nevada Solar One. The Indian delegation observed U.S. technologies in operation. They also were introduced to the efforts federal, state and local governments are taking to increase clean energy production across the United States.

CHINA. Reverse trade missions often help U.S. industries begin or expand exports. For example, in response to China's need for rail and locomotive equipment to meet increased demand, USTDA sponsored a visit for twelve senior officials from the Chinese Ministry of Railways to Chicago, IL, Erie, PA, New York, NY and Washington, DC. The visit highlighted leading U.S. rail and locomotive products and services with an emphasis on energy efficient U.S. solutions that would be suitable for China's rapidly expanding rail system. To date, the visit has resulted in U.S. exports of energy-efficient locomotive engines totaling over \$100 million.



Indian delegation visits eSolar's Sierra SunTower solar power facility in Lancaster, CA.

Reverse Trade Missions *(continued)*



Pakistani delegation visiting biomass-based cogeneration energy facility in Louisiana.

INDONESIA. Reverse trade missions are also designed to respond to specific needs of our foreign partners. For example, USTDA sponsored a visit for a delegation from Indonesia's National Search and Rescue Agency (BASARNAS), which expects to procure over \$210 million in helicopters and communications infrastructure over the next five years. BASARNAS is also exploring longer range needs for rescue vehicles, boats and fixed-wing aircraft. The delegation visited U.S. technology and service providers, including Oshkosh, Harris Corporation and Sikorsky, as well as the Federal Emergency Management Agency and the U.S. Coast Guard.

LATIN AMERICAN AND THE CARIBBEAN. USTDA also implemented its *Clean Energy Exchange Program for the Americas* initiative, a six-part series of reverse trade missions to familiarize key Latin American and Caribbean project sponsors with U.S. clean energy technologies in the wind,

solar, mini-hydro, geothermal and waste-to-energy fields. Each visit included meetings with U.S. companies, financial institutions and U.S. government agencies, which facilitated discussions on project opportunities, regulatory challenges, technology options and financing strategies associated with such projects.

PAKISTAN. USTDA also sponsored a reverse trade mission that introduced Pakistani delegates to biomass cogeneration technologies as an efficient method for energy conservation, pollution reduction and increasing generating capacity. The delegation of government officials and private sector executives were briefed on U.S. policies, financing programs, and industry and local government initiatives aimed at promoting biomass-based cogeneration. Because biomass power generation holds the potential to supply more than 3000 MW of new energy to Pakistan's national grid in the coming years, the reverse trade mission opens U.S. technology suppliers to substantial business opportunities.



Delegation from Indonesia's National Search and Rescue Agency visiting U.S. Coast Guard facility to observe U.S. search and rescue equipment in operation.



Pick n Pay's flagship store with Sunoptics' prismatic skylights installed.



► SUCCESS STORY: 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.



Sunoptics' manufacturing facility in Sacramento, California.

Conferences and Workshops: Networking that Works

USTDA-sponsored conferences and workshops provide export opportunities for U.S. companies. The events provide a forum for U.S. companies to highlight their goods, services and technology, and to have one-on-one sessions with foreign project sponsors and other potential customers. The meetings also provide U.S. companies with an understanding of U.S. government programs and the role they can play supporting increased exports—from advocacy support to export financing options.

In FY 2010, USTDA hosted over 35 conferences and workshops in the United States and overseas that brought together more than 3000 foreign delegates with over 1000 U.S. company representatives and government officials.

SUB-SAHARAN AFRICA. In early FY 2010, USTDA sponsored the *U.S. and Sub-Saharan Africa: Partners in Aviation Conference* in Atlanta, Georgia. The three-day conference promoted U.S. technical solutions for sub-Saharan Africa's growing aviation market and included discussions on key issues related to air traffic management

and control, aviation security and airspace utilization. Senior decision makers from 15 African countries met with U.S. private sector technology providers, industry associations and representatives from the U.S. Department of Transportation, the Federal Aviation Administration, and USTDA.

With the help and enthusiastic support of the City of Atlanta, conference participants also observed U.S. aviation technology in operation through a series of tours at the Hartsfield-Jackson Atlanta International Airport. In total, the conference profiled 30 project opportunities across the continent of Africa valued at over \$2.7 billion.

INDIA. In FY 2010, USTDA sponsored the second *U.S.-India Aviation Partnership Summit*. The Washington, DC event attracted senior-level public and private sector aviation officials from India and the United States. Working with the Federal Aviation Administration, the India Ministry of Civil Aviation, the India Directorate General of Civil Aviation and the Airports Authority of India, the summit fostered U.S. industry collaboration and support for India's rapidly growing aviation sector, which includes not only significant passenger and air cargo increases, but new international airports.

Participants at U.S. and Sub-Saharan Africa: Partners in Aviation Conference visit to Hartsfield-Jackson Atlanta International Airport.





SOUTHEAST ASIA. USTDA hosted the *ASEAN Clean Energy Trade and Investment Forum* in Manila in April 2010, in cooperation with the U.S. Department of State and the Association of Southeast Asian Nations (ASEAN) Secretariat. The three-day forum attracted public and private sector officials from the ASEAN region, U.S. industry representatives and U.S. government officials. The first of its kind, the forum highlighted U.S. clean energy technologies, best practices and innovations, as well as project opportunities in Southeast Asia.

MIDDLE EAST AND NORTH AFRICA. In May 2010, USTDA sponsored *MENA Power 2010* in Cairo, Egypt. The event introduced senior policymakers and project sponsors in the Middle East and North Africa region’s power sector to U.S. providers of advanced equipment and service solutions. The conference highlighted projects in power generation, transmission, distribution and regional interconnection. Public and private sector project sponsors, including officials from Turkey, Egypt, Iraq and Morocco, presented more than 30 project opportunities valued at more than \$25 billion. The forum matched U.S. companies with local project developers poised to modernize the region’s electricity infrastructure.

► **SUCCESS STORY:**
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...”



Above: Larry Batliner on the manufacturing line at Bio-Microbics’ Shawnee, Kansas facility.

Pictured at top: Bio-Microbics headquarters and wastewater treatment technologies.

Feasibility Studies and Pilot Projects: Getting It Right From the Start

Agency-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 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. USTDA-funded pilot projects demonstrate the effectiveness of U.S. solutions and provide the analysis, evaluation and empirical data needed for potential foreign projects to secure funding. Pilot projects have proven to be an excellent tool to showcase U.S. capabilities.

SOUTH AFRICA. Several years of strong economic growth have pushed electricity demand in South Africa to the limits of their current generation capacity. To help address critical concerns over South Africa's declining electricity reserve margin, in September 2010 USTDA provided a feasibility study grant to eThekweni Electricity, South Africa's leading power distribution company, to support the deployment of advanced electricity metering—smart meters—in Durban, South Africa. These measures to streamline South Africa's electricity demand will be critical to the country's short-term growth prospects, as significant new generation capacity is not expected to come online in the near future.

The deployment of smart metering programs in South Africa also will result in significant export opportunities for U.S. firms providing the software, communications and other advanced technologies for such systems.

BRAZIL. USTDA also provided feasibility study funding to the Secretariat of Ports to assist Brazil's development of a vessel traffic management system at several of the country's busiest ports. The study is providing a roadmap for the acquisition and installation of technologies to help track vessel traffic along its coastline, thereby reducing the possibility of collisions between vessels or with stationary offshore objects. The implementation of the project presents significant opportunities for U.S. vessel traffic management technologies and services.



Following the grant signing with eThekweni Electricity, U.S. Ambassador to South Africa Donald H. Gips (pictured above) noted, "The feasibility study funded by USTDA will support eThekweni Electricity in developing a flagship smart metering program for South Africa that will provide a technological foundation for improved demandside management policies and regulations."

CHINA. USTDA is also supporting the advancement of U.S. clean coal power systems in China. USTDA's funding of a feasibility study for China Power Engineering Consulting Group Corporation will assist in establishing the configuration and design parameters for the first large-scale integrated gasification combine cycle (IGCC) power plant in China, a potential solution to China's continued reliance on coal-fired power plants.

PAKISTAN. To support long-term economic growth in Pakistan, USTDA is funding a feasibility study and pilot project to determine the commercial viability of installing solar photovoltaic (PV) power systems at hundreds of schools throughout the country. The study includes a pilot installation of a solar PV system in the Beaconhouse School System, which suffers from frequent power "brown-outs." Because solar power can provide uninterrupted electricity at peak periods, this project holds the potential to stabilize power costs for Beaconhouse and provide greater consistency of power to the students and teachers.

THE CARIBBEAN. To leverage the Inter-American Development Bank's funding resources through its Caribbean Regional Fund for Wastewater Management, USTDA is assisting Belize's Ministry of Finance in developing a plan for an effective wastewater management system on the Placencia Peninsula. This feasibility study assistance will help to identify suitable wastewater collection, treatment and disposal technologies. The project illustrates how USTDA funding, combined with U.S. industry technical expertise, can facilitate access to multilateral funding resources as countries address environmental challenges.

► **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.



Ongoing construction of new LNG terminal at Map Ta Phut, Thailand

Technical Assistance: Providing Needed Know-How

USTDA 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. Technical assistance is a significant component of USTDA's strategy for creating U.S. exports and U.S. jobs, while at the same time promoting economic growth in partner countries.

SEACOM CEO Brian Herlihy (pictured left) aboard a ship laying undersea fiber optic cable, which is facilitating deployment of next-generation ICT capabilities in East Africa.

EAST AFRICA. In 2010, USTDA formed the *East Africa Broadband Connectivity (EABC) Initiative* that will advance investments in ICT infrastructure, applications and integration in East Africa.

USTDA's support for the development of the SEACOM and EASSy undersea fiber optic cables has helped ICT technologies to leapfrog in East Africa, by dramatically increasing connectivity and drastically

reducing prices for ICT services. To take advantage of these new opportunities, USTDA is supporting the Bank of Tanzania's efforts to develop an ICT modernization roadmap to help increase efficiency, maintain price stability and carry out critical central banking functions.

Working with the Rwandan National Bank (BNR), USTDA is also helping build technical capability to provide real-time cash balance information to policymakers in Rwanda, to support more effective fiscal policy formulation and budget execution at the Ministry of Finance.

INDONESIA. USTDA is supporting the design of an air quality monitoring and improvement network in Indonesia to facilitate local environmental policy decisions concerning use of technologies to track industrial pollution. This network will help Jakarta assess the air pollution from transportation, industrial and other domestic sources, while also opening opportunities for U.S. exports of air quality monitoring equipment and consulting services.



WEST BANK, PALESTINIAN TERRITORY.

In the West Bank, USTDA concluded a grant agreement with the Bayti Real Estate Investment Company of Ramallah to support the development of an information and communication technology (ICT) plan for the new Rawabi community development project. The technical assistance supports a plan to provide residents with essential communications services through a state-of-the-art, flexible, and scalable ICT infrastructure that will accommodate all of Rawabi's needs for the foreseeable future.

JAMAICA. Recognizing Jamaica's desire to improve air transportation efficiency, minimize government expenditures and increase investment into the country, USTDA provided support, in coordination



with the International Finance Corporation, to assist the Ministry of Finance and Public Service to privatize Air Jamaica. This legal and technical assistance led to Air Jamaica being acquired in May 2010 by Trinidad & Tobago-based Caribbean Airlines. Caribbean Airlines is currently reviewing its options for fleet renewal and recently announced its intention to lease six Boeing aircraft.

Ongoing construction of Rawabi community development project north of Ramallah, West Bank.



► **SUCCESS STORY:**

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.

Client Resources

INTERNET — WWW.USTDA.GOV

USTDA's website provides comprehensive information on its program, current business opportunities, upcoming events, completed reports, Agency news, and recent publications.

REQUESTS FOR PROPOSALS (RFP)

USTDA posts RFP announcements about current business opportunities with the Agency and its overseas grant recipients on the Federal Business Opportunities (FBO) website at www.fbo.gov. Links to the FBO postings are available on USTDA's website at www.ustda.gov. RFP packages may be requested electronically via USTDA's website.

ON-LINE CONSULTANT DATABASE

Many USTDA activities are reserved exclusively for small businesses. Small U.S. businesses interested in being considered for contracting opportunities with USTDA can register with the Agency's On-line Consultant Database on the Agency's website. Businesses should also register with the U.S. Government's Central Contractor Registration website at www.ccr.gov.

LIBRARY

USTDA's library maintains final reports of Agency-funded activities and can provide electronic copies of those reports upon request by e-mailing library@ustda.gov. Furthermore, USTDA posts new reports directly on its website, www.ustda.gov.

PUBLICATIONS

The Agency prints a quarterly newsletter and a biweekly *eNewsletter* to provide information about USTDA activities and events. A free subscription to the *eNewsletter* is available on USTDA's website. Requests for copies of printed publications can also be made via the Agency's website.

QUESTIONS ABOUT USTDA

General inquiries about USTDA's program can be made by calling (703) 875-4357, sending a fax to (703) 875-4009 or an e-mail to info@ustda.gov, or completing the Contact Form on the Agency's website.

To contact USTDA's program staff, send an e-mail to your region of interest:

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Summary of FY 2010 Program Activities

USTDA ACTIVITIES

By Value of Obligations

	2008		2009		2010	
DM/Desk Studies	\$3,098,054	6.6%	\$3,113,729	7.3%	\$3,359,888	6.8%
Feasibility Studies	\$18,505,719	39.8%	\$16,976,887	39.7%	\$22,783,352	46.1%
Reverse Trade Mission	\$3,754,900	8.1%	\$6,846,102	16.0%	\$8,720,844	17.7%
Technical Assistance	\$17,148,527	36.9%	\$12,938,397	30.2%	\$13,723,325	27.7%
Trade-Related Training	\$1,620,445	3.5%	\$1,178,642	2.8%	\$106,000	0.2%
Workshop/Conferences	\$2,319,743	5.0%	\$1,577,466	3.7%	\$511,850	1.0%
Other	\$30,527	0.1%	\$147,480	0.3%	\$265,784	0.5%
Totals	\$46,477,915	100%	\$42,778,703	100%	\$49,471,032	100%

USTDA ACTIVITIES BY ECONOMIC SECTOR

By Value of Obligations

	2008		2009		2010	
Agribusiness	\$991,010	2.1%	\$2,320,892	5.4%	\$667,221	1.3%
Clean Energy/Climate Change	\$10,948,326	23.5%	\$10,219,186	24.0%	\$22,453,434	45.4%
Human Resources	\$752,387	1.6%	\$737,901	1.7%	\$1,046,024	2.1%
Manufacturing	\$1,704,019	3.7%	\$784,718	1.8%	\$472,343	1.0%
Mining & Natural Resources	\$2,307,48	5.0%	\$2,177,019	5.1%	\$117,389	0.2%
Multi-Sector & Other	\$3,567,543	7.7%	\$902,588	2.1%	\$2,220,940	4.5%
Services	\$3,327,051	7.2%	\$2,419,958	5.6%	\$4,367,970	8.9%
Telecommunications	\$6,050,674	13.0%	\$2,738,199	6.4%	\$3,034,904	6.1%
Transportation	\$12,449,410	26.8%	\$16,426,031	38.4%	\$10,942,456	22.1%
Water & Environment	\$4,380,012	9.4%	\$4,052,211	9.5%	\$4,148,347	8.4%
Totals	\$46,477,915	100%	\$42,778,703	100%	\$49,471,032	100%

FY 2010 Program Activities Listed by Region

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
China	China Aviation Cooperation Program Phase III	Desk Study	Montgomery Consulting Group	Maitland	FL	4,000
China	Water Quality Cooperation Program EPA Transfer Agreement	Technical Assistance	U.S. Environmental Protection Agency	Washington	DC	39,320
China	U.S.-China Standards and Conformity Assessment Cooperation Program Phase II	Technical Assistance	National Electrical Manufacturers Association	Roslyn	VA	499,803
China	Beijing Second Airport Development Plan	Technical Assistance	The American Chamber of Commerce in China Fund	Wilmington	DE	676,170
China	Beijing Second Airport Development Plan	Technical Assistance	Federal Aviation Administration (FAA)	Washington	DC	24,482
China	Carbon Limiting Improvement Process (CLIP)	Feasibility Study	Kurz Technical Services, Inc.	Spring City	TN	441,230
China	USTDA Project Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	85,395
China	Clean Energy Exchange Program	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	542,302
China	Mayoral Low-Carbon Leadership	Reverse Trade Mission	Global Marketing & Communications	Boston	MA	324,996
China	Energy Cooperation Program Projects	Definitional Mission	Cotting Industries, Inc.	Atlanta	GA	58,000
China	U.S.-China Aviation Cooperation Program	Desk Study	Montgomery Consulting Group	Maitland	FL	10,000
China	800MW IGCC Power Station	Feasibility Study	GE Energy (USA) LLC	Atlanta	GA	832,877
China	U.S.-China Aviation Cooperation Phase VI	Technical Assistance	American Chamber of Commerce in China Fund	Wilmington	DE	664,065
China	U.S.-China Aviation Cooperation Program Phase VI	Technical Assistance	Federal Aviation Administration (FAA)	Washington	DC	64,676
China	Aviation Biofuel Development	Technical Assistance	Selection in progress			510,827
China	Distributed Energy Combined Heat and Power Demonstration Projects	Feasibility Study	Selection in progress			465,482
China	Smart Meter Standards Development	Technical Assistance	Selection in progress			150,661
China	Energy Efficiency Projects	Definitional Mission	CORE International	Washington	DC	50,000
China	Power Transmission and Distribution	Definitional Mission	Walter I. Serbetci dba (ENERCON America)	Chicago	IL	49,959
China	Healthcare Information Technology	Definitional Mission	Quality Science International, Inc.	Chicago	IL	49,943
China	Emergency Response ICT Systems Projects	Definitional Mission	Network Dynamics Associates, LLC	Weston	CT	49,407
China	Shanghai Bus Retrofit Project	Feasibility Study	Selection in progress			222,949
China	Tengzhou Huawen IGCC Power Plant	Desk Study	Intratech, Inc.	McLean	VA	3,000
China	Emergency Response	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	264,174
China	USTDA Project Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	90,215
Mongolia	Mining and Energy Projects	Definitional Mission	TERA International Group, Inc. (TERA)	Sterling	VA	48,499
Mongolia	Business Roundtable and Mining Site Visit	Reverse Trade Mission	United States Energy Association, Inc. (USEA)	Washington	DC	24,973
Mongolia	Mongolian Operating Leasing Law Development	Technical Assistance	Selection in progress			248,117
Regional Asia	Project Analyst Services	Technical Assistance	Heather Hausladen	Washington	DC	7,637
Regional Asia	Project Analyst Services	Technical Assistance	Brandon Megorden	Meridian	ID	51,994

TOTAL FOR EAST ASIA: \$6,555,153

FY 2010 Program Activities Listed by Region

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
Kazakhstan	Rail Technology	Reverse Trade Mission	Transportation & Economic Research Associates, Inc. (TERA)	Sterling	VA	199,463
Kazakhstan	Smart Grid	Reverse Trade Mission	MFM Lamey Group, LLC	Miami	FL	214,444
Kazakhstan	Maritime Coordination, Safety, and Vessel Traffic Management System Project	Feasibility Study	Selection in progress			388,959
Kazakhstan	Rail Signaling and Train Control Systems	Feasibility Study	Selection in progress			655,188
Kazakhstan	Monitoring and Diagnostic Systems	Technical Assistance	Selection in progress			392,436
Kazakhstan	Transmission Lines	Feasibility Study	Selection in progress			988,004
Romania	Tulcea Water and Wastewater System Improvements	Desk Study	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	3,000
Romania	Integrated IT-Based Management System for Elections	Definitional Mission	Pythia International Inc.	Halifax	VA	33,200
Romania	SCADA Water Management Pilot Project	Desk Study	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	7,990
Romania	SCADA Water Management Pilot Project	Feasibility Study	Motorola Inc.	Washington	DC	871,719
Romania	Nuclear Power Sector	Reverse Trade Mission	Energetics Incorporated	Columbia	MD	192,491
Romania	Electronic Election Management System	Feasibility Study	Selection in progress			344,422
Turkey	Geothermal Power Plant Projects	Definitional Mission	CJ Aron Associates, Inc.	New York	NY	45,000
Turkey	Flash Flood Control and Early Warning System	Definitional Mission	Pythia International Inc.	Halifax	VA	28,650
Turkey	Aviation Sector	Definitional Mission	Hernan E. Pena, Jr.	Charleston	SC	40,000
Turkey	Waste-To-Energy and Solid Waste Management Projects	Definitional Mission	ENERCON America	Chicago	IL	34,132
Turkey	Flood Forecasting and Early Warning System	Feasibility Study	Selection in progress			507,420
Turkey	Transportation Sector Information and Communication Technologies	Reverse Trade Mission	TERA International Group, Inc. (TERA)	Sterling	VA	239,080
Turkey	ISTAC Waste-to-Energy Plant	Feasibility Study	Selection in progress			491,160
Turkey	Emergency Management Sector	Reverse Trade Mission	MFM Lamey Group, LLC	Miami	FL	226,467
Turkey	Information and Communication Technology Sector	Definitional Mission	Martin Morell	New York	NY	46,962
Turkey	Electric Power Sector	Definitional Mission	Energy Markets Group	Washington	DC	34,500
Regional Europe/Eurasia	Eurasian Market Development	Technical Assistance	Travel			15,683
Regional Europe/Eurasia	Kazakhstan/Azerbaijan Maritime Vessel Traffic Systems/Port Security	Definitional Mission	Infotel International	Reston	VA	37,804
Regional Europe/Eurasia	Kazakhstan and Kyrgyzstan Aviation	Definitional Mission	Airline Capital Associates	New York	NY	49,044
Regional Europe/Eurasia	Romania and Turkey Coal Mine Methane/Coal Bed Methane and Shale Gas	Definitional Mission	Gainer Industries, Inc.	Washington	DC	49,640
Regional Europe/Eurasia	Kazakhstan/Azerbaijan Rail Sector	Definitional Mission	The Seneca Group, LLC	Washington	DC	49,786
Regional Europe/Eurasia	Kazakhstan/ Azerbaijan Electric Power	Definitional Mission	Development Equity Associates, Inc.	Centreville	VA	50,000

TOTAL FOR EUROPE AND EURASIA: \$6,236,644

LATIN AMERICA AND THE CARIBBEAN

Belize	IDB Placencia Peninsula Pilot Wastewater Management System	Feasibility Study	Selection in progress			385,000
Brazil	USTDA Project Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	124,805
Brazil	Ceara New Cargo Airport	Feasibility Study	Selection in progress			480,000
Brazil	ICT Sector Opportunities	Definitional Mission	Washington Strategic Advisors, LLC	Washington	DC	49,981
Brazil	Energy Recovery and Solid Waste Management Project Opportunities	Definitional Mission	Performance Technology	Lewiston	ME	45,352
Brazil	Smart Grid Technologies	Reverse Trade Mission	MFM Lamey Group, LLC	Miami	FL	184,828
Brazil	Railway Integration and Locomotive Refurbishment Technologies	Reverse Trade Mission	Transportation & Economic Research Associates, Inc. (TERA)	Sterling	VA	199,999
Brazil	Port Security Technologies	Reverse Trade Mission	Agland Investment Services, Inc.	Larkspur	CA	160,161
Brazil	Vessel Traffic Management System	Feasibility Study	Selection in progress			674,000
Brazil	Smart Grid Opportunities	Desk Study	CORE International	Washington	DC	12,000
Brazil	Water and Environmental Sector Opportunities	Definitional Mission	Alejandro J. Gonzalez dba AJGB International Inc.	Bellevue	WA	69,925
Brazil	USTDA Project Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	163,760
Chile	Desalination Technologies	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	141,958
Chile	Aviation Technology and Infrastructure Opportunities	Desk Study	Selection in progress			10,000
Chile	Air Navigation Technologies	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	68,440
Chile	Light Rail and Clean Rapid Transit Project	Desk Study	HEP Transportation Consultant	Fairfax	VA	10,000
Colombia	20 MW Waste-to-Energy Plant at El Guacal Landfill	Feasibility Study	Selection in progress			573,039
Costa Rica	Government ICT Connectivity Infrastructure	Technical Assistance	Selection in progress			438,000
Haiti	Electricity Generation, Transmission, and Distribution-Update	Technical Assistance	Power Engineers, Inc.	Hailey	ID	250,000
Haiti	Electricity Generation, Transmission, and Distribution	Desk Study	CORE International	Washington	DC	15,000
Haiti	Terminal Varreux Port Restoration and Modernization	Desk Study	North American Port Infrastructure, LLC	Fort Lauderdale	FL	7,694
Haiti	Electricity Generation, Transmission, and Distribution Projects	Desk Study	CORE International	Washington	DC	13,000
Haiti	Aviation Sector Projects	Desk Study	Ronald F. Price dba QED Airport & Aviation Consul.	Amelia Island	FL	12,000
Haiti	Power Sector Planning and Expansion Strategy	Technical Assistance	Parson's Global Services, Inc.	Pasadena	CA	794,728
Haiti	Power Sector Planning and Expansion Strategy	Desk Study	K&M Engineering and Consulting, LLC	Washington	DC	25,000
Haiti	Priority Airport Projects	Technical Assistance	Selection in progress			813,000
Haiti	Ports Sector	Definitional Mission	Infotel International	Reston	VA	64,953
Jamaica	Air Jamaica Privatization - Corporate and Regulatory	Technical Assistance	Hughes, Hubbard and Reed	New York	NY	221,000
Jamaica	Air Jamaica Privatization - Corporate and Regulatory	Desk Study	KED Group	Columbia	SC	3,000
Jamaica	TA: Rehabilitation of Priority Wastewater Facilities	Technical Assistance	Selection in progress			150,000
Mexico	Renewable Energy	Definitional Mission	Energy Markets Group	Washington	DC	33,947
Mexico	Health Care Information Technology	Reverse Trade Mission	Meridian International Center	Washington	DC	122,377
Mexico	Multimodal Transportation	Reverse Trade Mission	Cornell Group, Inc., The	Fairfax	VA	175,147
Mexico	ASA Airport Development and Management Project	Technical Assistance	Selection in progress			395,000
Mexico	Terrazas Zinc-Copper Mining	Desk Study	Technomine Services, LLC	Salt Lake City	UT	10,000
Nicaragua	Core Optical Network Capacity Expansion	Desk Study	Selection in progress			7,500
Panama	Aviation Sector	Definitional Mission	KED Group	Columbia	SC	44,960
Paraguay	Silvio Pettrossi International Airport Master Plan and Concession	Technical Assistance	Selection in progress			391,000
Peru	Review of Work Product for National Telecommunications Strategic Plan	Desk Study	E. Farrell Consulting Company	Alexandria	VA	4,000
Regional LAC	Caribbean Airport Certification Process	Technical Assistance	Selection in progress			207,000
Regional LAC	U.S. Standards and Conformance Cooperation Program	Desk Study	Allen F. Johnson & Associates	McLean	VA	10,000
Regional LAC	Earthquake Monitoring Technologies Initiative	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	619,840
Regional LAC	Project Analyst Services	Technical Assistance	Isabel Sepulveda	Tucson	AZ	51,994
Regional LAC	Solar Energy Sector	Definitional Mission	Energy Markets Group	Washington	DC	64,923
Regional LAC	ATC and Airport Modernization Projects	Desk Study	Montgomery Consulting Group	Maitland	FL	21,250

TOTAL FOR LATIN AMERICA AND THE CARIBBEAN: \$8,319,561

FY 2010 Program Activities Listed by Region

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
MIDDLE EAST AND NORTH AFRICA						
Algeria	Oran Tertiary Wastewater Treatment Facility	Feasibility Study	Selection in progress			256,741
Egypt	Renewable Energy Sector	Definitional Mission	CJ Aron Associates, Inc.	New York	NY	48,500
Egypt	Supplementary Pump Station for the Nile	Technical Assistance	Selection in progress			277,774
Egypt	Information and Communication Technology Sector	Definitional Mission	Global Resources, Inc.	Irvine	CA	49,613
Egypt	TAQA Concentrated Solar Power Plant	Feasibility Study	Selection in progress			603,790
Egypt	Smart Metering	Feasibility Study	Selection in progress			416,000
Egypt	Civil Nuclear Power Development Best Practices	Reverse Trade Mission	Energetics Incorporated	Columbia	MD	202,480
Egypt	Pharmaceutical Supply Chain	Feasibility Study	Selection in progress			557,704
Egypt	Aviation Sector	Definitional Mission	Hernan E. Pena, Jr.	Charleston	SC	60,000
West Bank	Geothermal for District Heating and Cooling	Feasibility Study	Selection in progress			438,162
West Bank	General Petroleum Corporation Infrastructure Development	Desk Study	INTRATECH, Inc.	McLean	VA	3,000
West Bank	Regional Wastewater Treatment Plant	Feasibility Study	Selection in progress			316,180
West Bank	Rawabi Tertiary Treatment Facility and Wastewater Reuse	Desk Study	AJGB International Inc.	Bellevue	WA	5,000
West Bank	ICT Infrastructure for Rawabi New City	Technical Assistance	decision / analysis partners, LLC	Fairfax	VA	412,901
West Bank	Information and Communication Technology Sector	Definitional Mission	Martin Morell	New York	NY	67,477
West Bank	WiMax Network	Desk Study	Network Dynamics Associates, LLC	Weston	CT	3,000
West Bank	WiMax Network	Technical Assistance	Reston Consulting Group, Inc. (RCG)	Herdon	VA	10,680
West Bank	Public Sector ICT Modernization	Desk Study	Hellerstein and Associates	Washington	DC	5,000
West Bank	Power Sector	Definitional Mission	Interdisciplinary Research Consultants (IdRC-US)	Springfield Gardens	NY	49,947
Iraq	Civil Aviation Reconstruction	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	67,983
Iraq	Petroleum Infrastructure Modernization	Definitional Mission	INTRATECH, Inc.	McLean	VA	49,749
Jordan	Photovoltaic Solar Power Plant	Feasibility Study	Selection in progress			617,204
Jordan	Power Sector	Definitional Mission	Development Equity Associates, Inc.	Centreville	VA	50,000
Jordan	Electronic Health Records	Desk Study	OMMA Healthcare, LLC	Rollinsville	CO	5,000
Lebanon	Concentrated Solar Power Plant	Feasibility Study	Selection in progress			338,270
Lebanon	Power Sector	Definitional Mission	ENERCON America	Chicago	IL	49,927
Morocco	Royal Air Maroc Optimization	Feasibility Study	Selection in progress			337,880
Morocco	Weather Observation Network System	Technical Assistance	Selection in progress			269,110
Morocco	Information and Communication Technology Sector	Definitional Mission	Global Resources, Inc.	Irvine	CA	49,815
Morocco	Clean and Renewable Energy Sector	Definitional Mission	KED Group	Columbia	SC	50,000
Morocco	Water Resource Management	Technical Assistance	Selection in progress			497,253
Regional MENA	Project Analyst Services	Technical Assistance	Peter Hubbard	Arlington	VA	51,994
Regional MENA	Egypt and Algeria Power Generation and Distribution	Definitional Mission	Constant Group, LLC	Maywood	NJ	43,500
Regional MENA	Jordan and Lebanon Clean and Renewable Energy Sector	Definitional Mission	Interdisciplinary Research Consultants (IdRC-US)	Westerville	OH	64,959
Regional MENA	Egypt, Lebanon and Morocco Renewable Energy	Reverse Trade Mission	United States Energy Association, Inc. (USEA)	Washington	DC	200,219
Regional MENA	Project Analyst Services	Technical Assistance	Kendra Kintzi	Washington	DC	51,994
Regional MENA	Presidential Summit on Entrepreneurship	Other	U.S. Department of Commerce	Washington	DC	65,000
Regional MENA	Presidential Summit on Entrepreneurship	Other	U.S. Department of State	Washington	DC	35,000
Regional MENA	Jordan and Morocco Ports	Reverse Trade Mission	Meridian International Center	Washington	DC	214,563
Regional MENA	Presidential Summit on Entrepreneurship Roundtable	Other	Elan International, LLC	Wheaton	MD	18,640
TOTAL FOR MIDDLE EAST AND NORTH AFRICA:						\$6,912,009
SOUTH AND SOUTHEAST ASIA						
India	DGCA Technical and Managerial Development Expansion Program	Desk Study	Montgomery Consulting Group	Maitland	FL	5,000
India	USTDA Program Coordinator	Technical Assistance	U.S. Department of State			102,000
India	Clean Energy Sector Projects	Definitional Mission	Perennial Energy Consulting, Inc.	Washington	DC	80,000
India	Modernization and Expansion of Cold Chain Systems	Desk Study	SPI USA Inc.	Washington	DC	4,960
India	Air Traffic Control Officers Long-Term Manpower Plan	Desk Study	Kramer Aerotek Inc.	Boulder	CO	4,000
India	Integrated Cellulosic Ethanol-Chemical Biorefinery	Desk Study	Intratech, Inc.	McLean	VA	5,000
India	Air Traffic Control Officer Long-Term Planning	Feasibility Study	Selection in progress			62,160
India	Integrated Emergency Communications System	Desk Study	Actionable Strategies LLC	New York	NY	5,932
India	Energy Sector Projects	Definitional Mission	GreenMax Capital Advisors	New York	NY	80,000
India	NextGen Aviation Technology Requirements	Desk Study	KED Group	Columbia	SC	6,000
India	Ground-Based Augmentation System Certification	Desk Study	Montgomery Consulting Group	Maitland	FL	6,000
India	USTDA Program Coordinator	Technical Assistance	U.S. Department of State			102,500
India	Review of Work Performed – Essar Refinery Expansion Project	Desk Study	Intratech, Inc.	McLean	VA	3,000
India	Review of Work Products – CNS/ATM Transition Plan	Desk Study	Montgomery Consulting Group	Maitland	FL	3,000
Pakistan	Trade Information Gateway Real-Time Exchange (TIGRE) Project	Feasibility Study	NTELX, Inc.	Vienna	VA	933,273
Pakistan	Pakistan Program Support Assistance	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	106,728
Pakistan	Expanded Maintenance, Repair, and Overhaul Facility	Feasibility Study	Selection in progress			864,002
Pakistan	Business Development Travel	Technical Assistance	Travel			8,648
Pakistan	Liquefied Petroleum Gas Transport Fuel Conversion	Feasibility Study	Selection in progress			482,118
Pakistan	Energy Sector Projects	Definitional Mission	Energy Markets Group	Washington	DC	174,919
Pakistan	Information and Communication Technology	Definitional Mission	Mehmud, Ali	Pearland	TX	168,080
Pakistan	Cold Storage Infrastructure Network	Feasibility Study	World Food Logistics Organization	Alexandria	VA	392,328
Pakistan	Gharo Corridor 50 Megawatt Wind Farm	Feasibility Study	Selection in progress			592,465
Pakistan	Beaconhouse Schools Solar Photovoltaic Power Systems	Feasibility Study	Selection in progress			299,896
Pakistan	Karachi Integrated Smart Grid System	Feasibility Study	Selection in progress			510,475
Pakistan	Biomass Cogeneration at Bulleh Shah Paper Mill	Feasibility Study	Selection in progress			289,125
Pakistan	Transportation Sector Projects	Definitional Mission	Interdisciplinary Research Consultants/IdRC	Westerville	OH	184,815
Indonesia	Energy Sector Projects	Desk Study	Appropriate Energy Management, Inc.	West Jefferson	OH	3,000
Indonesia	National Emergency Communications Strategy	Desk Study	Network Dynamics Associates, LLC	Weston	CT	3,000
Indonesia	Review of Final Report for the Immigration Data ICT Systems FS	Desk Study	Global Resources, Inc.	Irvine	CA	3,000
Indonesia	Review of the TOR – Coalbed Methane Development	Desk Study	Appropriate Energy Management, Inc.	West Jefferson	OH	5,000
Indonesia	Java Air Quality Improvement Project	Desk Study	AJGB International Incorporated	Bellevue	WA	3,000
Indonesia	National Search and Rescue Agency Capacity Expansion	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	276,097
Indonesia	Jailolo Geothermal Power Plant Project	Feasibility Study	AECOM	Westford	MA	738,722
Indonesia	Tangkuban Parahu Geothermal Project	Feasibility Study	Raser Technologies Inc.	Provo	UT	934,308

FY 2010 Program Activities Listed by Region

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
Indonesia	Geothermal Power Deployment	Reverse Trade Mission	BCS, Inc.	Laurel	MD	641,622
Indonesia	Jakarta Air Quality Monitoring and Improvement Network	Technical Assistance	Sullivan Environmental Consulting Inc	Alexandria	VA	291,000
Malaysia	National Emergency Medical Services (EMS) System Improvement Project	Desk Study	Omnia Healthcare, LLC	Golden	CO	7,000
Philippines	Basic Engineering Design Study for Gas Oil Hydrotreater Project	Desk Study	Intratech, Inc.	McLean	VA	7,000
Philippines	First Generation Cababaran Run-of-River Hydroelectric Project	Feasibility Study	Selection in progress			360,000
Philippines	Manila Bay Environmental Improvement	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	262,286
Philippines	Waste-to-Energy Facilities	Desk Study	Constant Group, LLC	Maywood	NU	5,000
Thailand	USTDA Regional Office	Technical Assistance	U.S. Department of State			103,487
Thailand	Civil Nuclear Power Development Best Practices	Reverse Trade Mission	Energetics Development, Inc.	Columbia	MD	187,211
Thailand	Refurbished Medical Device Standards and Regulatory Framework	Reverse Trade Mission	Technical Resources Inc	Bethesda	MD	243,239
Vietnam	National Single Window Customs Project	Desk Study	Interdisciplinary Research Consultants/IdRC	Westerville	OH	6,990
Vietnam	USTDA Program Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	18,828
Vietnam	National Single Window Customs Project	Feasibility Study	Selection in progress			718,600
Vietnam	Enterprise Architecture ICT	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	249,588
Vietnam	Power Transmission Best Practices and Technologies	Reverse Trade Mission	MFM Lamey Group, LLC	Miami	FL	234,802
Vietnam	Financial Information Management Modernization	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	266,965
Vietnam	Cloud Computing Center	Desk Study	Hellerstein, Judith dba Hellerstein and Associates	Washington	DC	5,000
Vietnam	USTDA Program Coordinator	Technical Assistance	US and Foreign Commercial Service (USFCS)	Washington	DC	22,000
Regional Asia	Business Development Manager	Technical Assistance	Mark Dunn	Baltimore	MD	159,597
Regional Asia	Business Development Manager	Other	Joe Moholland Moving	Woodbridge	VA	1,035
Regional Asia	FirstGen Run-of-River Small Hydropower Project	Desk Study	U.S. Power Consult	Maywood	NJ	1,000
Regional Asia	Clean Energy Trade and Investment Conference	Conference/Workshop	Business Council for International Understanding (BCIU)	New York	NY	116,926
Regional Asia	Project Analyst Services	Technical Assistance	Pinsuda Alexander	Washington	DC	54,282
Regional Asia	Asia-Pacific Commercial Aviation Access	Reverse Trade Mission	MFM Lamey Group	Miami	FL	341,692
Regional Asia	Project Analyst Services	Technical Assistance	Samuel Ross Easterly	Alexandria	VA	51,994
Regional Asia	USTDA Regional Office - Bangkok, Thailand	Technical Assistance	U.S. Department of State			109,240

TOTAL FOR SOUTH AND SOUTHEAST ASIA: \$11,908,935

SUB-SAHARAN AFRICA

Angola	Energy and Power	Definitional Mission	Merklein & Associates, Inc.	Washington	DC	75,000
Angola	Housing Construction Sector	Reverse Trade Mission	Global Marketing and Communications	Arlington	MA	219,105
Angola	Southern Angola High-Voltage Transmission Line	Feasibility Study	Selection in progress			837,000
Angola	Transportation Sector	Definitional Mission	KED Group	Columbia	SC	79,701
Angola	Electricity Distribution Modernization	Feasibility Study	Selection in progress			855,000
Angola	Translation Services Energy & Power Sector Grant Agreements	Other	Trans Perfect Translations International	New York	NY	9,000
Burkina Faso	National ICT Backbone Network	Desk Study	Washington Strategic Advisors, LLC	Washington	DC	5,000
Ghana	Power Sector Development	Definitional Mission	Merklein & Associates, Inc.	Washington	DC	62,000
Kenya	Geothermal	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	257,502
Kenya	Geothermal Development Company Capacity Building Project	Technical Assistance	Selection in progress			641,000
Kenya	Cyber Security	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	229,644
Liberia	Liberia Power Sector Development	Definitional Mission	Global Business Solutions Incorporated	Silver Spring	MD	44,998
Namibia	Van Eck Power Plant Rehabilitation	Feasibility Study	Selection in progress			400,000
Nigeria	Nigeria Power Sector Development	Definitional Mission	CORE International	Washington	DC	78,000
Nigeria	Solar Powered Communications Towers	Technical Assistance	Selection in progress			162,000
Nigeria	Secure Banking Solutions	Reverse Trade Mission	MFM Lamey Group	Miami	FL	177,714
Nigeria	Augustine Memorial Hospital	Desk Study	OMMA Healthcare, LLC	Rollinsville	CO	5,000
Nigeria	The Digital Bridge Science and Technology Park, Oshodi	Feasibility Study	Selection in progress			404,000
Nigeria	Children's Hospital	Technical Assistance	Selection in progress			289,000
Nigeria	Children's Hospital	Desk Study	Quality Science International, Inc.	Chicago	IL	10,000
Nigeria	Renewable Energy IPP Framework	Technical Assistance	Selection in progress			323,000
Nigeria	LiLE Hybrid Renewable Power Plant	Feasibility Study	Selection in progress			460,000
Nigeria	Power Loss Reduction Technologies	Technical Assistance	Selection in progress			616,000
Rwanda	Banque Nationale Du Rwanda ICT Modernization	Technical Assistance	Selection in progress			547,000
South Africa	Energy & Power Sector	Definitional Mission	Constant Group, INC	Maywood	NU	59,500
South Africa	eThekweni Smart Metering	Feasibility Study	Selection in progress			446,500
Tanzania	Bank of Tanzania ICT Modernization	Technical Assistance	Selection in progress			498,000
Regional SSA	East African Community Upper Flight Information Region	Desk Study	Montgomery Consulting Group	Maitland	FL	6,000
Regional SSA	Business Development Manager	Technical Assistance	Jason Michael Nagy	Takoma Park	MD	128,636
Regional SSA	Business Development Manager	Other	Joe Moholland Moving	Woodbridge	VA	1,609
Regional SSA	Project Analyst Services	Technical Assistance	Elizabeth "Lisa" Bonnikson	Danville	CA	51,994
Regional SSA	Regional Office Expenses	Other	U.S. Department of State	Washington	DC	170,500
Regional SSA	CCA 2010 Infrastructure Conference	Technical Assistance	World Travel Service	Centreville	VA	3,460
Regional SSA	CCA 2010 Infrastructure Conference	Technical Assistance	Embassy Suites	Arlington	VA	2,966
Regional SSA	Southern Africa Solar Power	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	277,045
Regional SSA	East African Community e-Health Workshop	Conference/Workshop	Business Council for International Understanding (BCIU)	New York	NY	394,924
Regional SSA	Food Production and Processing	Reverse Trade Mission	Peoples Group, The	Arlington	VA	269,933
Regional SSA	Nigeria and Ghana ICT and Finance Opportunities	Definitional Mission	Network Dynamics Associates, LLC	Weston	CT	68,506
Regional SSA	Regional Office Expenses	Technical Assistance	U.S. Department of State	Washington	DC	181,500

TOTAL FOR SUB-SAHARAN AFRICA: \$9,347,736

MULTI-REGIONAL

Worldwide	Travel Insurance	Other	BR Insurance Corp.	Walnut Creek	CA	30,000
Worldwide	Global Customs Modernization Initiative	Training	Management Options, Inc.	Washington	DC	106,000
Worldwide	RETECH 2010	Technical Assistance	Trader Group Inc.	Houston	TX	3,000
Worldwide	Project Analyst Services	Technical Assistance	Veronica Faust Consulting	Washington	DC	51,993

TOTAL MULTI-REGIONAL: \$190,994



KMPG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report

The Director
U.S. Trade and Development Agency:

We have audited the accompanying balance sheets of the U.S. Trade and Development Agency (USTDA) as of September 30, 2010 and 2009, and the related statements of net cost, changes in net position, and budgetary resources (hereinafter referred to as "financial statements") for the years then ended. These financial statements are the responsibility of the USTDA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the USTDA's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the U.S. Trade and Development Agency as of September 30, 2010 and 2009, and its net costs, changes in net position, and budgetary resources for the years then ended in conformity with U.S. generally accepted accounting principles.

The information in the Management's Discussion and Analysis is not a required part of the financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of this information. However, we did not audit this information and, accordingly, we express no opinion on it.

The information in the Other Accompanying Information section is presented for purposes of additional analysis and is not required as part of the financial statements. This information has not been subjected to auditing procedures and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 12, 2010, on our consideration of the USTDA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in assessing the results of our 2010 audit.

KPMG LLP

November 12, 2010

U.S. TRADE AND DEVELOPMENT AGENCY

BALANCE SHEETS

As of September 30, 2010 and 2009

ASSETS	FY 2010	FY 2009
Intragovernmental:		
Fund balance with Treasury (Note 2)	\$ 113,252,004	\$ 108,856,619
Accounts receivable, net (Note 3)	26,925	—
Total intragovernmental	113,278,929	108,856,619
Accounts receivable, net (Note 3)	—	72,059
Advances and prepayments (Note 3)	—	385,596
General property and equipment, net (Note 4)	517,085	385,157
Total assets	<u>\$ 113,796,014</u>	<u>\$ 109,699,431</u>
 LIABILITIES AND NET POSITION		
Liabilities		
Intragovernmental:		
Accounts payable (Note 5)	\$ 74,007	\$ 96,413
Other liabilities (Note 5)	28,126	424,647
Total intragovernmental	102,133	521,060
Accounts payable (Note 5)	8,087,922	6,979,796
Other liabilities (Note 5)	930,867	901,849
Total liabilities	9,120,922	8,402,705
Net position:		
Unexpended appropriations	104,631,325	101,289,856
Cumulative results of operations	43,767	6,870
Total net position	104,675,092	101,296,726
Total liabilities and net position	<u>\$ 113,796,014</u>	<u>\$ 109,699,431</u>

See accompanying notes to financial statements.

U.S. TRADE AND DEVELOPMENT AGENCY

STATEMENTS OF NET COST

For the years ended September 30, 2010 and 2009

	<u>FY 2010</u>	<u>FY 2009</u>
Cost of Operations:		
Grants program costs	\$ 55,872,428	\$ 50,565,190
Less earned revenue	—	(78,900)
Net grant program cost	<u>55,872,428</u>	<u>50,486,290</u>
Costs not assigned to programs	<u>592,764</u>	<u>485,696</u>
Net cost of operations (Notes 6 & 11)	<u>\$ 56,465,192</u>	<u>\$ 50,971,986</u>

See accompanying notes to financial statements.

U.S. TRADE AND DEVELOPMENT AGENCY
STATEMENTS OF CHANGES IN NET POSITION

For the years ended September 30, 2010 and 2009

	FY 2010	FY 2009
Cumulative results of operations:		
Beginning balances	\$ 6,870	\$ 283,477
Budgetary financing sources:		
Appropriations used	56,110,429	50,382,230
Other financing sources:		
Imputed financing	391,660	313,149
Total financing sources	56,502,089	50,695,379
Net cost of operations	(56,465,192)	(50,971,986)
Net change	36,897	(276,607)
Ending balances	\$ 43,767	\$ 6,870
Unexpended appropriations:		
Beginning balances	\$ 101,289,856	\$ 101,098,058
Budgetary financing sources:		
Appropriations received	55,200,000	50,800,000
Appropriations transferred in/out	7,250,000	2,778,000
Other adjustments (rescissions, etc.)	(2,998,102)	(3,003,972)
Appropriations used	(56,110,429)	(50,382,230)
Total budgetary financing sources	3,341,469	191,798
Total unexpended appropriations	\$ 104,631,325	\$ 101,289,856
Net position	\$ 104,675,092	\$ 101,296,726

See accompanying notes to financial statements.

U.S. TRADE AND DEVELOPMENT AGENCY
STATEMENTS OF BUDGETARY RESOURCES

For the years ended September 30, 2010 and 2009

	<u>FY 2010</u>	<u>FY 2009</u>
Budgetary resources:		
Unobligated balance, brought forward, October 1	\$ 6,330,098	\$ 7,429,651
Adjustment to beginning balance brought forward	10,261	—
Recoveries of prior year unpaid obligations	5,001,677	3,031,220
Budget authority:		
Appropriations	55,200,000	50,800,000
Spending authority from offsetting collections:		
Collected	—	78,900
Change in receivables from federal sources	26,925	
Advance received	—	(78,900)
Nonexpenditure transfers	7,250,000	2,778,000
Permanently not available:		
Cancellation of expired accounts	(2,998,103)	(3,003,972)
Total budgetary resources	<u>\$ 70,820,858</u>	<u>\$ 61,034,899</u>
Status of budgetary resources:		
Obligations incurred:		
Direct (Note 7)	\$ 64,130,570	\$ 54,704,800
Unobligated balance available:		
Apportioned (Notes 2 & 8)	2,889,608	3,520,756
Unobligated balance not available (Note 2)	3,800,680	2,809,343
Total status of budgetary resources	<u>\$ 70,820,858</u>	<u>\$ 61,034,899</u>
Change in obligated balance:		
Unpaid obligations, brought forward, October 1	\$ 102,101,873	\$ 100,977,582
Adjustment to unobligated balance brought forward	(10,261)	—
Obligations incurred	64,130,570	54,704,800
Less: Gross outlays	(54,659,990)	(50,549,289)
Less: Recoveries of prior years' obligations	(5,001,677)	(3,031,220)
Obligated balance, - end of the period	106,560,515	102,101,873
Less: Uncollected customer payments from federal sources	(26,925)	—
Obligated balance, net - end of the period (Note 9)	<u>\$ 106,533,590</u>	<u>\$ 102,101,873</u>
Net Outlays:		
Gross outlays	\$ 54,659,990	\$ 50,549,289
Less: Offsetting collections	—	—
Net outlays	<u>\$ 54,659,990</u>	<u>\$ 50,549,289</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(1) Summary of Significant Accounting Policies

(a) Description of Reporting Entity

The U.S. Trade and Development Agency (USTDA or the Agency) is an independent U.S. government agency administered under the authority of Section 661 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. §2421).

The USTDA helps U.S. companies create jobs through 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.

The organization was established on July 1, 1980 as the U.S. Trade and Development Program (TDP) by delegation of authority as a component of the International Development Cooperation Agency (IDCA). In 1988, under the Omnibus Trade and Competitiveness Act, the organization was a separate component agency of IDCA. On October 28, 1992, the Jobs Through Exports Act of 1992 established USTDA as an independent agency under the foreign policy guidance of the Secretary of State.

(b) Basis of Presentation

These financial statements have been prepared to report the financial position, net costs, changes in net position, and budgetary resources of USTDA, as required by its authorizing legislation (Public Law 102-549, Title II). These financial statements include all activity related to USTDA's appropriation (No. 11-1001) and reimbursable interagency agreements, whereby USTDA receives transfers from other federal agencies for use in specific regions or sectors.

(c) Budgets and Budgetary Accounting

Congress annually adopts a budget appropriation that provides USTDA with authority to use funds from the U.S. Treasury to meet operating and program expense requirements. All revenue received from other sources, except for appropriations transferred from other federal agencies, must be returned to the U.S. Treasury.

(d) Basis of Accounting

USTDA's Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position are prepared using the accrual basis of accounting. This basis requires recognition of the financial effects of transactions, events, and circumstances in the periods when those transactions, events, and circumstances occur, regardless of when cash is received or paid. USTDA also uses budgetary accounting to facilitate compliance with legal constraints and to track its budget authority at the various stages of execution, including commitments, obligation, and eventual outlay. The Statement of Budgetary Resources is prepared using budgetary accounting methods.

The standards used in the preparation of the accompanying financial statements are issued by the Federal Accounting Standards Advisory Board, which represent accounting principles generally accepted in the United States of America for U.S. government entities.

(e) Revenue and Other Financing Sources

During FY 2009 and FY 2010, USTDA received a two-year appropriation to be used for program and administrative expenses, which are available for obligation through September 30, 2010 and 2011, respectively. These funds were issued in accordance with Section 7011 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2009 and 2010 ("The Act"). The Act allows de-obligated funds that were initially obligated prior to their expiration to remain available for re-obligation for an additional 4 years from the date on which the availability of such funds would otherwise have expired. The reprogramming of funds properly obligated in FY 2009, begins with de-obligations of such funds that occur after September 30, 2010. No funds were reprogrammed during FY 2010.

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

Funds transferred from the U.S. Agency for International Development (USAID) for Support for East European Democracy Act (SEED), Economic Support Funds (ESF), and the Freedom Support Act (FSA) during FY 2002-2005, are available for reobligation in the manner described in the preceding paragraph. SEED, ESF, and FSA funds for FY 1999-2001 that were initially obligated prior to their expiration remain available for re-obligation until expended.

Appropriations are recognized as a financing source at the time they are authorized and apportioned. Appropriations used to fund grant activities and administrative expenses are recognized as expenses and revenues as the resultant related expenses are incurred.

(f) Fund Balance with Treasury

USTDA does not maintain cash in commercial bank accounts. The U.S. Treasury processes cash receipts and disbursements. The balance of funds with Treasury primarily represents appropriated funds that are available to pay current liabilities and finance authorized purchase commitments relative to goods or services.

(g) Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. USTDA capitalizes property and equipment with an acquisition cost greater than \$5,000 and useful life exceeding one year. Depreciation is calculated using the straight-line method and is based on an estimated useful life of 10 years for all assets, except computer equipment and software, which is depreciated over 5 years. Leasehold improvements are amortized over the estimated period of occupancy or the life of the improvement, whichever is less. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

(h) Liabilities

Liabilities represent amounts owed by USTDA as the result of transactions or events that have occurred as of fiscal year end. Liabilities covered by budgetary or other resources are those liabilities for which Congress has appropriated funds or funding is otherwise available to pay amounts owed. Liabilities not covered by budgetary or other resources represent amounts owed in excess of available, congressionally appropriated funds or other amounts. The liquidation of liabilities not covered by budgetary or other resources is dependent on future congressional appropriations or other funding. There is no certainty that Congress will appropriate funds to satisfy such liabilities.

USTDA has no capital leases. Regarding its building lease, the General Services Administration (GSA) entered into a lease agreement for USTDA's rental of building space. USTDA pays GSA a standard-level users' charge for the annual rental. The standard-level users' charge approximates the commercial rental rates for similar properties. Average annual rent expense and related charges are approximately \$1.5 million through 2012.

(i) Undelivered Orders

Undelivered orders represent the amount of orders for goods and services outstanding for which funds have been obligated, but the liabilities have not been incurred.

(j) Accrued Leave

Annual leave is accrued as a liability as it is earned. The liability is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect current year pay rates. To the extent that the current or prior year appropriations are not available to fund annual leave earned, but not taken, funding will be obtained from future appropriations. USTDA's handling of annual leave earned, but not taken is compliant with established regulations. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

(k) Cumulative Results of Operations

Cumulative results of operations represent the difference between net property and equipment and unfunded annual leave, plus the net difference between expenses and financing sources since the inception of an activity.

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(l) Retirement Plan

USTDA's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7.0% of their gross pay to the plan, and USTDA contributes 8.51%. The cost of providing a CSRS benefit, which is 30.1% as computed by the Office of Personnel Management (OPM), is more than the amounts contributed by USTDA and its employees. In accordance with Statement of Federal Financial Accounting Standard (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, USTDA reports the full cost of providing pension benefits to include the cost financed by OPM.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983 are automatically covered by FERS and the Social Security Act. Employees hired prior to January 1, 1984 could elect either to join FERS and the Social Security Act or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which USTDA automatically contributes 1% of employees' pay and matches any employee contribution up to an additional 4% of basic pay. For most employees hired since December 31, 1983, USTDA also contributes the employer's matching share under the Social Security Act. For the FERS basic benefit, the employees contribute 0.8% of their basic pay while USTDA contributes 11.2% for a total contribution rate of 12%. The cost of providing a FERS benefit, as computed by OPM is 13.8%.

The total amount of imputed financing for retirement and other post-retirement benefits paid by OPM for FY 2010 amounted to \$391,660 which includes \$162,535 for pension cost for CSRS and FERS; \$228,365 for the Federal Employees Health Benefit Program (FEHP); and \$760 for Federal Employees Group Life Insurance (FEGLI). These amounts are included in USTDA's FY 2010 financial statements. In FY 2009, OPM funded \$313,149 to pension, health, and life insurance benefits on behalf of USTDA's employees.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by USTDA. The reporting of these amounts is the responsibility of OPM. USTDA has properly computed this amount and recorded a liability for it.

USTDA paid approximately \$446,690 and \$445,670 for retirement system coverage for its employees during FY 2010 and FY 2009, respectively.

(m) Use of Estimates

Management has made certain estimates and assumptions when reporting in these financial statements on assets and liabilities. They are also used in expenses and note disclosures. Actual results could differ from these estimates. Significant estimates underlying the accompanying financial statements include depreciable lives of property and equipment with no residual value, and the grants payable accrual. USTDA uses a ratio of the average of accounts payable to unpaid obligations over a three year period and applies the resulting percentage to calculate the current year's estimate of accounts payable.

U.S. TRADE AND DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(2) Fund Balance with Treasury

Fund Balance with Treasury represents USTDA's undisbursed budgetary authority and funds to be returned to Treasury at September 30, 2010 and 2009, as follows:

	FY 2010	FY 2009
Fund balances:		
Appropriated funds	\$ 113,223,878	\$ 108,431,972
Miscellaneous Receipts	28,126	424,647
Total	<u>\$ 113,252,004</u>	<u>\$ 108,856,619</u>
Status of fund balance with Treasury:		
Unobligated balance:		
Available	\$ 2,889,608	\$ 3,520,756
Unavailable	3,800,680	2,809,343
Obligated balance not yet disbursed	106,533,590	102,101,873
Non-budgetary	28,126	424,647
Total	<u>\$ 113,252,004</u>	<u>\$ 108,856,619</u>

Unobligated fund balances are either available or not available. Amounts are reported as not available when they are no longer legally available to USTDA for obligation. However, balances that are currently reported as not available can change over time, because they may be used to increase the amount of the initial obligation to cover additional expenditures that relate to these obligations.

(3) Receivables and Other Assets

Receivables and other assets at September 30, 2010 and 2009 consist of the following components:

	FY 2010	FY 2009
Accounts receivable, net	26,925	72,059
Advances and prepayments	—	385,596
Total Receivable and Advances	<u>\$ 26,925</u>	<u>\$ 457,655</u>

The accounts receivable reported represent erroneous charges made by other agencies against USTDA's appropriation as of September 30, 2010. The proper agencies will be charged in the next fiscal year. Accounts receivable as of September 30, 2009 represented the net amount due as a result of the close-out of one grant in FY 2008.

Advances and prepayments as of September 30, 2009 represented amounts provided to Multilateral Development Banks for costs related to various project planning activities funded by USTDA. These advances and prepayments have been fully liquidated as of September 30, 2010.

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(4) Property and Equipment, Net

Property and equipment and related accumulated depreciation balances at September 30, 2010, and 2009 are as follows:

FY 2010

Class of Asset	Service Life	Acquisition value	Accumulated depreciation/amortization	Net book value
Computer Equipment	5 years	\$ 453,200	211,136	242,064
Furniture and Fixtures	10 years	232,468	146,699	85,769
Computer Software	5 years	5,046	505	4,541
Other Equipment	10 years	243,668	137,096	106,572
Leasehold Improvement	8 years	113,182	35,043	78,139
Total property and equipment		<u>\$ 1,047,564</u>	<u>530,479</u>	<u>517,085</u>

FY 2009

Class of Asset	Service Life	Acquisition value	Accumulated depreciation/amortization	Net book value
Computer Equipment	5 years	\$ 397,107	149,339	\$ 247,768
Furniture and Fixtures	10 years	178,769	140,251	38,518
Computer Software	5 years	11,721	11,721	—
Other Equipment	10 years	234,256	141,715	92,541
Leasehold Improvement	8 years	20,255	13,925	6,330
Total property and equipment		<u>\$ 842,108</u>	<u>456,951</u>	<u>\$ 385,157</u>

Depreciation expense for fiscal years ended September 30, 2010 and 2009 is \$129,218 and \$98,426, respectively.

During FY 2010 and 2009, USTDA purchased property and equipment in the amount of \$264,925 and \$226,213, respectively. In addition, during FY 2010, USTDA disposed of property that cost \$59,470, with related accumulated depreciation amounting to \$55,691.

U.S. TRADE AND DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(5) Liabilities

Total liabilities represent the sum of liabilities not covered by budgetary resources, and those covered by budgetary resources. As of September 30, 2010 and 2009, total liabilities were as follows:

	<u>FY 2010</u>	<u>FY 2009</u>
Intragovernmental Liabilities:		
Liabilities not covered by budgetary resources:		
Miscellaneous receipts to be returned to Treasury	\$ 28,126	\$ 424,647
Liabilities covered by budgetary resources:		
Accounts payable	74,007	96,413
Total intragovernmental liabilities	<u>\$ 102,133</u>	<u>\$ 521,060</u>
Other Liabilities:		
Liabilities not covered by budgetary resources:		
Accrued annual leave	\$ 473,318	\$ 450,346
Liabilities covered by budgetary resources:		
Accounts payable	8,087,922	6,979,796
Accrued payroll	457,549	451,503
Total other liabilities	<u>\$ 9,018,789</u>	<u>\$ 7,881,645</u>
Total Liabilities	<u>\$ 9,120,922</u>	<u>\$ 8,402,705</u>

All liabilities other than unfunded accrued leave are considered to be current liabilities. \$7.8 million of the accounts payable balance as of September 30, 2010 relates to grants payments owed but unpaid. This balance was \$6.2 million as of September 30, 2009.

(6) Intragovernmental Costs and Exchange Revenue

Program costs for fiscal years ended September 30, 2010 and 2009 consist of the following:

<u>Grants Program</u>	<u>FY 2010</u>	<u>FY 2009</u>
Intragovernmental costs	\$ 3,701,368	\$ 3,077,059
Public costs	52,763,824	47,973,827
Total grant program costs	56,465,192	51,050,886
Intragovernmental earned revenue	—	(78,900)
Net grant program costs	<u>\$ 56,465,192</u>	<u>\$ 50,971,986</u>

Costs incurred by USTDA in FY 2010 and FY 2009, that do not require resources were not assigned to the grants program.

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(7) Apportionment Categories of Obligations Incurred

During the years ended September 30, 2010 and 2009, funds were obligated in the following categories:

Obligations	FY 2010	FY 2009
Category A - funds that are obligated for operating expenses	\$ 14,292,885	\$ 11,752,928
Category B - funds that are obligated for program activities	49,837,685	42,951,872
Total obligations incurred	\$ 64,130,570	\$ 54,704,800

(8) Unobligated Balances Available — Apportioned

Total available unobligated balance of budget authority at September 30, 2010 and 2009 consist of the following.

	FY 2010	FY 2009
Unrestricted no-year funds	\$ 325,959	\$ 325,959
Funds transferred from USAID for feasibility studies and related activities in the New Independent States (NIS), and Support for Eastern European Democracy (SEED).	304,498	325,170
Funds transferred from USAID for feasibility studies and related activities in the New Independent States (FSA no-year funds)	150,841	704,893
Total no-year funds	\$ 781,298	\$ 1,356,022
Funds transferred from USAID for feasibility studies and related activities in the NIS (FSA funds):	—	127,402
USTDA core budget two-year appropriations	2,108,310	2,037,332
Total unobligated and available appropriations	\$ 2,889,608	\$ 3,520,756

All funds transferred from USAID were appropriation transfers. USTDA did not receive any allocations during FY 2010.

(9) Undelivered Orders

At September 30, 2010 and 2009, undelivered orders balances consisted of the following:

Purpose	FY 2010	FY 2009
Obligated balance at the end of the period	\$ 106,533,590	\$ 102,101,873
Accounts payable (covered by budgetary resources)	(8,619,478)	(7,527,712)
Undelivered orders	\$ 97,914,112	\$ 94,574,161

U.S. TRADE AND DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

September 30, 2010 and 2009

(10) Permanent Indefinite Appropriations

No-year funds at September 30, 2010 and 2009 exist for the following purposes:

Purpose	FY 2010	FY 2009
General program activities	\$ 325,959	\$ 325,959
Freedom Support Act (FSA) transfer funds for feasibility studies and activities in the NIS	150,841	704,893
Support for feasibility studies and activities (NIS and SEED)	304,498	325,170
Total permanent indefinite appropriations	\$ 781,298	\$ 1,356,022

(11) Reconciliation of Net Cost to Budget

The following schedule reconciles resources available to USTDA to finance operations and the net cost of operating for fiscal years ended September 30, 2010 and 2009:

	FY 2010	FY 2009
Resources used to finance activities:		
Budgetary resources obligated	\$64,130,570	\$ 54,704,800
Adjustment to beginning balance brought forward	(10,261)	—
Recoveries of prior years obligations	(5,001,677)	(3,031,220)
Imputed financing for costs absorbed by others	391,660	313,149
Other	117,195	256,797
Total resources used to finance activities	\$ 59,627,487	\$ 52,243,526
Resources used to finance items not part of the net cost of operations:		
Change in budgetary resources obligated for goods and services ordered, but not received	\$ (2,981,279)	\$ (1,212,511)
Change in offsetting collections and receipts that do not affect the net cost of operations	—	(78,900)
Resources that finance the acquisition of assets	(264,925)	(226,213)
Adjustment for loss not realized	—	1,477
Loss on disposition of assets	3,779	18,181
Total resources used to finance items not part of the net cost of operations	\$ (3,242,425)	\$ (1,497,966)
Costs that do not require resources:		
Depreciation and amortization	\$ 129,218	\$ 98,426
Bad debt expenses	(72,060)	72,060
Costs that require resources in a future period:		
Increase in accrued leave liability	22,972	55,940
Total costs that do not require resources	\$ 80,130	\$ 226,426
Net cost of operations	\$ 56,465,192	\$ 50,971,986

U.S. TRADE AND DEVELOPMENT AGENCY

OTHER ACCOMPANYING INFORMATION

INTRAGOVERNMENTAL ASSETS, LIABILITIES AND EXPENSES

September 30, 2010

INTRAGOVERNMENTAL ASSETS

<u>Trading Partner</u>	<u>Partner #</u>	<u>Accounts Payable</u>	<u>Fund Balance with Treasury</u>
Department of the Treasury	20	\$ —	\$ 113,252,004
Department of State	19	8,609	—
Peace Corps	11	18,316	—
Total		<u>\$ 26,925</u>	<u>\$ 113,252,004</u>

INTRAGOVERNMENTAL LIABILITIES

<u>Trading Partner</u>	<u>Partner #</u>	<u>Accounts Payable</u>	<u>Fund to be Returned to Treasury</u>
Department of the Agriculture	12	\$ 3,000	\$ —
Department of State	19	36,179	—
Department of the Treasury	20	—	28,126
U.S. Foreign Commercial Services	13	31,828	—
Department of the Interior	14	3,000	—
Total		<u>\$ 74,007</u>	<u>\$ 28,126</u>

IINTRAGOVERNMENTAL EXPENSES

<u>Trading Partner</u>	<u>Partner #</u>	<u>Amount</u>
Department of Agriculture	12	\$ 3,000
Department of Defense	21	1,060
Department of the Interior (NBC)	14	1,809,819
Department of State	19	381,039
U.S. Foreign Commercial Services	13	60,613
General Services Administration	47	1,412,110
Department of Homeland Security	70	21,167
Office of Personnel Management	24	1,513
National Archives	88	1,051
U.S. Postal Service	18	9,996
Total		<u>\$ 3,701,368</u>



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Independent Auditors' Report on Internal Control Over Financial Reporting

The Director
U.S. Trade and Development Agency:

We have audited the balance sheets of the U.S. Trade and Development Agency (USTDA) as of September 30, 2010 and 2009 and the related statements of net cost, changes in net position, and budgetary resources (hereinafter referred to as "financial statements") for the years then ended, and have issued our report thereon dated November 12, 2010.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the USTDA is responsible for establishing and maintaining effective internal control. In planning and performing our fiscal year 2010 audit, we considered the USTDA's internal control over financial reporting by obtaining an understanding of the USTDA's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the USTDA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the USTDA's internal control over financial reporting. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the third paragraph of this report and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2010 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

We noted certain additional matters that we have reported to management of the USTDA in a separate letter dated November 12, 2010.

This report is intended solely for the information and use of the USTDA's management, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 12, 2010



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Washington, DC 20036

Independent Auditors' Report on Compliance and Other Matters

The Director
U.S. Trade and Development Agency:

We have audited the balance sheets of the U.S. Trade and Development Agency (USTDA) as of September 30, 2010 and 2009, and the related statements of net cost, changes in net position, and budgetary resources (hereinafter referred to as "financial statements") for the years then ended, and have issued our report thereon dated November 12, 2010.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended. Those standards and OMB Bulletin No. 07-04 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the USTDA is responsible for complying with laws, regulations, contracts, and grant agreements applicable to the USTDA. As part of obtaining reasonable assurance about whether the USTDA's financial statements are free of material misstatement, we performed tests of the USTDA's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04. We limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the USTDA. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of certain of our tests of compliance described in the preceding paragraph disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 07-04, and are described below.

We noted certain additional matters that we have reported to management of the USTDA in a separate letter dated November 12, 2010.

This report is intended solely for the information and use of the USTDA's management, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 12, 2010





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