



# USTDA Update

Volume 15, Issue 1 • Summer 2008

## Larry W. Walther Sworn In as USTDA Director

### IN THIS ISSUE:

- 1 Larry W. Walther Sworn In as USTDA Director
- 1 Promoting ICT Sector Development in Africa
- 2 Director's Message
- 2 Upcoming Events Lineup
- 3 Regional Summaries
- 5 Younger Named Regional Director for Latin America and the Caribbean
- 6 USTDA Reopens Its Program in the West Bank

Larry W. Walther became the Director of the U.S. Trade and Development Agency on March 17, 2008, bringing a wealth of managerial experience and a career in the information and communications technology (ICT) sector to bear in applying the agency's results-oriented program around the world. The assumption of his duties follows his official appointment by President George W. Bush and confirmation by the United States Senate.

Most recently, Director Walther served as the Director of the Arkansas Department of Economic Development. There, he was responsible for the overall direction and management of the Department, and for representing the Governor and the State on all matters concerning statewide issues of economic development.

His background in ICT started in 1970 when he took a position as a Switching Engineer for Southwestern Bell. Over the years, he held a variety of positions at the company, concluding his 30-year career with SBC Communications, now AT&T, as the Vice President for Corporate Services and Chairman of the SBC Foundation. In that capacity, he oversaw a philanthropic organization that managed \$67.4 million in community and charity giving. In 1989, he was chosen as one of 20 private sector executives to serve a one-year appointment to the Bush Administration and was assigned to the U.S. Department of the Treasury.

Director Walther has a long record of service to education, community and charitable organizations in Arkansas. He has been a Trustee of the College of the Ozarks in Point Lookout, Missouri, since 1992, serving as the Chairman of the Board from 2001 until 2007. In addition, he serves on the Board of Directors of Arkansas Easter Seals. He has also been a member of the Executive Board for the Quapaw Area Boy Scouts, the University of Arkansas Walton School of Business Board of Visitors, the Downtown Little Rock Rotary, the University of Arkansas Medical Sciences BioVentures Advisory Board, the Arkansas Policy Foundation, the Southern Technology Council, and the Little Rock Sertoma Club. He is also active in the Fellowship Bible Church in Little Rock, Arkansas.

Director Walther and Janice, his wife of over 37 years, have two grown children, Bill and Mandy, and six grandchildren.



USTDA Director Larry W. Walther (left) takes the oath of office administered by USTDA Deputy Director Leocadia I. Zak (right).

## Promoting ICT Sector Development in Africa

Information and communications technology (ICT) infrastructure is a catalyst for growth and development around the world. To focus attention on this critical sector in West Africa, USTDA co-sponsored the *West Africa ICT Road Map to Opportunities* conference with the U.S. Department of State and the Government of Ghana in July.



Ghanaian Vice President Mahama addressed participants at the opening of USTDA's West Africa ICT Roadmap to Opportunities conference.

Continued on page 5



LARRY W. WALTHER

## Director's Message

USTDA is known for its innovative applications of private sector expertise and ingenuity in meeting overseas development challenges. Since my arrival at the agency earlier this year, I have seen numerous examples of how USTDA lives up to its reputation.

Already, I have had the opportunity to travel to five of the agency's six program regions. In each case, I have seen first-hand USTDA's transformative nature in serving as a bridge between host country project sponsors and the U.S. private sector in meeting priority development needs. In this issue of *Update*, we highlight a number of our recent successes, which I hope can serve as models for results in other future projects.

I am also impressed by the level of USTDA's cooperation with other U.S. Government agencies in carrying out its mission. The agency routinely partners with technical agencies at the Departments of Transportation, Homeland Security, and others in bringing their expertise to bear in the agency's activities. Many USTDA-supported projects receive funding support during their implementation phases from the Export-Import Bank of the United States and the Overseas Private Investment Corporation. Currently, USTDA is coordinating closely with the Millennium Challenge Corporation (MCC). This spring, I was able to see the effectiveness of this collaboration in El Salvador's Northern Zone, where USTDA is complementing MCC assistance by funding a series of activities to promote the region's development. Other activities that will support MCC programs in Ghana and Morocco are expected to follow soon.

As USTDA Director, I plan to build upon the agency's many outstanding partnerships with the U.S. business community. I also intend to continue the agency's long track record of responsiveness, flexibility and success in fostering commercial solutions to project sponsors' development goals. I look forward to seeing the positive results of our combined efforts.

# Upcoming Events Lineup

## India Cold Chain Study Tour

USTDA is sponsoring a program to strengthen India's cold chain infrastructure by providing state-of-the-art training to stakeholders in the proper post-harvest handling, transportation, and storage of fresh fruits and vegetables, and other perishable commodities.

**DATES:** October 26–November 9, 2008  
**LOCATIONS:** Tempe, AZ; Long Beach, CA; Las Vegas, NV  
**CONTACT:** James Brown (jsbrown@thepeoplesgroup.net)  
**PHONE:** (703) 318-9525

## Central and South Asia Regional Aviation Forum

USTDA, in cooperation with the U.S. Department of State, is sponsoring a Central and South Asia Regional Aviation Forum to promote regional integration and aviation liberalization. The forum will bring country representatives from governments, airlines, airports and air navigation service providers together with financiers and U.S. and regional private sector officials to discuss various policy issues and opportunities to liberalize passenger and cargo aviation.

**DATE:** October 28, 2008  
**LOCATION:** Athens, Greece  
**CONTACT:** Spencer Dickerson (sdickerson@aaae.org)  
**PHONE:** (703) 824-0504 x130

## Africa Regional Road Construction and Planning Orientation Visit

USTDA is sponsoring delegates from Burkina Faso, Ghana, Mozambique and Tanzania on a visit to the United States to expose them to U.S. technologies, companies, policies and best practices in road building.

**DATES:** Fall 2008  
**LOCATION:** Washington, DC  
**CONTACT:** David Elliott (mak@kealtd.com)  
**PHONE:** (202) 429-5245

## About USTDA

The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment.

USTDA's strategic use of foreign assistance funds to support sound economic policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. Operating at the nexus of foreign policy and commerce, USTDA is uniquely positioned to work with U.S. firms and host countries in achieving the agency's trade and development goals. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

# Regional Summaries

## LATIN AMERICA AND THE CARIBBEAN

### Colombian President Uribe Accepts USTDA Country of the Year Award

Reflecting the success of the agency's program in advancing mutual economic benefits and U.S. policy priorities, USTDA Deputy Director Leocadia I. Zak presented Colombian President Alvaro Uribe Velez with the agency's 2007 Country of the Year award. The presentation took place at a ceremony held in March at the Presidential Palace in Bogotá.



Colombian President Uribe accepts USTDA's Country of the Year Award from USTDA Deputy Director Zak.

Colombia has fostered market-opening policies and promoted closer bilateral relations that led to the procurement of nearly \$8.6 billion in U.S. exports in 2007. In doing so, Colombia worked with USTDA on the implementation of a broad program that achieved significant measurable successes.

For example, the agency supported an expansion of U.S.-Colombia commercial relations through a technical assistance program with the Port of Cartagena on chain-of-custody security. This USTDA-funded assistance contributed to the Port's compliance certification in 2007 by U.S. Customs and Border Protection under the Container Security Initiative.

USTDA's program also yielded commercial success in other key sectors. For instance, the

agency supported three separate activities in conjunction with Ecopetrol's plans to expand its Cartagena refinery. The plans are moving forward with the award of an \$80 million engineering, procurement and construction contract to Chicago Bridge and Iron. In addition, USTDA funded investment analysis on the construction of Ecopetrol's Cusiana Gas Treatment Plant, which became operational in 2005 utilizing over \$48 million in U.S. goods and services.

Similarly, USTDA-funded technical assistance to the Ministry of Communications played a significant role in the development of a decree on telecommunications convergence. The decree has increased competition in the telecommunications market and generated requests for operating licenses to offer services ranging from long distance telephony to value-added services.

## SUB-SAHARAN AFRICA

### USTDA Launches African Trade Lanes Partnership

USTDA has established a \$4 million program designed to further intermodal transportation infrastructure projects in Africa that will better enable countries to take advantage of trade benefits under the African Growth and Opportunity Act (AGOA). The program, the African Trade Lanes Partnership, was unveiled by USTDA Director Walther in his opening remarks at the *AGOA Transportation and Trade Forum* in Cape Town, South Africa, in April.

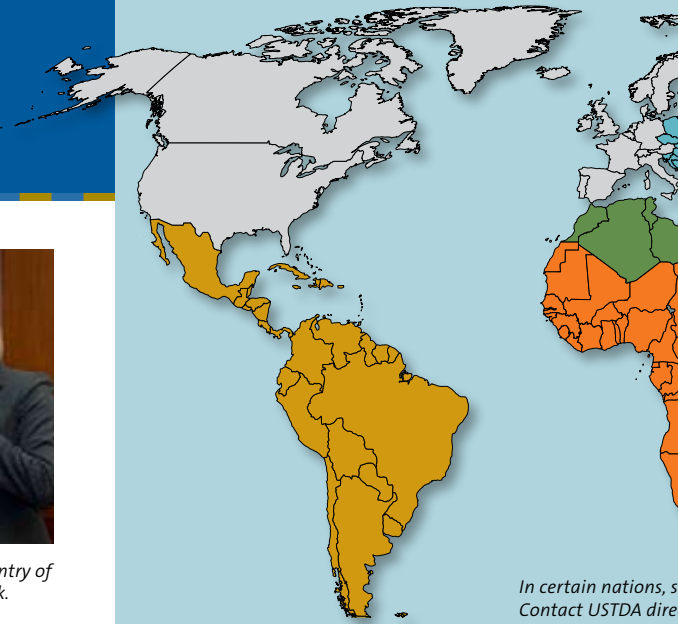
"This initiative responds to Africa's call for more robust transportation infrastructure to get African goods to market," said Director Walther. "It also has the potential to serve as a catalyst for growth and job creation across the continent."

The Partnership seeks to promote regional cooperation and connectivity in all modes of transportation, including aviation, maritime, land, and rail. During the two-year program, USTDA will provide grant funding for transportation infrastructure planning activities across sub-Saharan Africa. USTDA's resources will help to leverage donor assistance and private capital

to promote the implementation of efficient trade lanes and core transportation infrastructure.

As an initial activity, Director Walther signed an agreement awarding a grant to the Zambian Ministry of Communications and Transport. The USTDA grant will fund the development of a master plan for Zambia's four international airports, Lusaka, Livingstone, Ndola and Mfuwe, to accommodate the country's economic growth and increasing demand for air transportation services.

During his visit, Director Walther also signed a Memorandum of Cooperation (MOC) with the East African Community under the African Trade Lanes Partnership. Through the MOC, USTDA will fund reverse trade missions to the United States for transportation ministerial officials from Burundi, Kenya, Rwanda, Tanzania, and Uganda. The delegates will engage senior-level U.S. Government policy officials, U.S. private sector companies and development assistance agencies to promote regional transportation infrastructure and interconnectivity.



In certain nations, s  
Contact USTDA dire

## MIDDLE EAST AND NORTH AFRICA

### Egyptian Ammonia Plant to Open Following USTDA-Funded Study

An ammonia production plant in Ain Sokhna, Egypt, is being constructed using more than \$275 million in U.S. exports of goods and services. A USTDA-funded feasibility study for the project sponsor, Egypt Basic Industries Corporation (EBIC), laid the ground work for the project, which will provide significant economic benefits to the Egyptian economy.

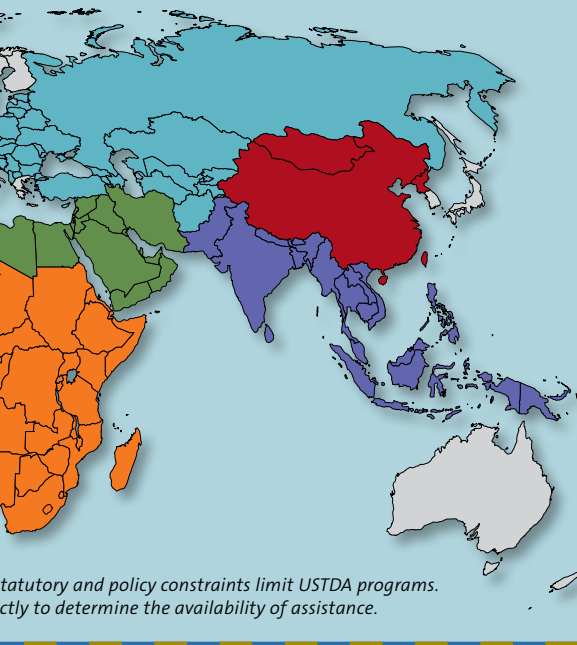
Based on the USTDA-funded study, the Export-Import Bank of the United States approved a \$229 million long-term guarantee to support KBR's offer to build the plant. To date, 33 U.S. companies in 11 states have benefited as KBR suppliers in the engineering and construction of the plant.

EBIC Chairman Basil Elbaz and Managing Director Dr. Amr Hassaballah noted that USTDA's assistance was an effective catalyst in moving the project forward. "USTDA fueled a first step...and provided a roadmap for us to follow," they said.

The plant is expected to be in operation in late 2008 and will produce 2,000 metric tons of ammonia per day. Based on the plant's progress, EBIC has taken preliminary steps toward replicating the project on a larger scale, which may lead to additional U.S. exports in the future.



More than \$275 million in U.S. exports have been used in the construction of an ammonia production plant in Ain Sokhna, Egypt.



tatutory and policy constraints limit USTDA programs. ctly to determine the availability of assistance.

## EUROPE AND EURASIA

### Powering Turkey's Development With Renewable Energy

The largest privately owned geothermal facility in Turkey is under construction based on the results of USTDA-funded investment analysis. The 47.4 megawatt plant is being developed in the Aydin-Germencik geothermal field by the Gurmat Energy Investment and Trade Company, a private Turkish company owned by GURIS A.S.

More than \$18.5 million in U.S. exports of goods and services from 8 states have been utilized during construction. Of this amount, the Export-Import Bank of the United States backed \$4.86 million in engineering and consulting service exports by POWER Engineers, Inc. of Hailey, Idaho; and Geologica, Inc. and Veizades & Associates, Inc., both of San Francisco, California, with a 15-year loan guarantee.

According to Henry Veizades of Veizades & Associates, which has provided design work and engineering services associated with the geothermal project, "USTDA's sponsorship was critical and enabled the project to mature quickly." The agency's role in moving the project forward was confirmed by Gurmat's General Manager Ali Karaduman, who stated that the USTDA-funded study, which was conducted by Stone & Webster International, provided the detailed project assessment that was critical to project financing and project definition.

When the plant becomes operational at the end of 2008, it will provide Turkey with an important renewable energy source to further the country's economic growth. Up to 250 local jobs are associated with the construction and erection works and 37 jobs will be created to operate the plant. Moreover, Mr. Karaduman indicated that the project has provided additional job opportunities for local people involved in improving the infrastructure surrounding the Germencik field.

## SOUTH AND SOUTHEAST ASIA

### USTDA Develops Vietnam's Transportation and Trade Capacity

Two USTDA projects were featured at a business and trade promotion event held during the official visit of Vietnamese Prime Minister Nguyen Tan Dung in June. The projects reflect the agency's commitment to the development of the necessary infrastructure in Vietnam to support the growing U.S.-Vietnam commercial relationship.

At the event, Vietnam Airlines committed to implement an Internet booking engine and e-commerce system from Sabre, Inc. of Southlake, Texas. This success was made possible by a USTDA-funded technical assistance program conducted by Unisys Corporation. The final recommendation outlined necessary system upgrades and procedures for Vietnam Airlines to comply with the International Air Transport Association's Simplifying the Business program, a global e-commerce initiative for the airline industry.



Vietnamese Prime Minister Dung (standing left) and U.S. Commerce Secretary Carlos M. Gutierrez (standing right) look on as an agreement between Sabre and Vietnam Airlines is signed through which Vietnam Airlines will implement an Internet booking engine and e-commerce system using Sabre's technology solution. The project was furthered by USTDA-funded technical assistance.

In addition, a new USTDA-funded program was launched at the event to reduce costs and improve trade security at ports and container terminals in and around the greater Ho Chi Minh City area. Working with Vietnam National Shipping Lines (Vinalines), Vietnam's largest transportation service company, USTDA awarded a grant to determine the necessary systems and upgrades for a proposed transportation logistics system. Vinalines is teaming with SSA Marine of Seattle, Washington to adopt appropriate procedures and implement new technologies.

## EAST ASIA

### USTDA Assistance Furthers Development of China's Clean Energy Resources

A 120 megawatt (MW) coal mine methane power facility is producing electricity in China based on the results of a USTDA-funded study. Approximately \$40 million in U.S. exports were used in the development of the facility located in Jincheng in China's Shanxi Province.

The project was designed to further Chinese efforts to reduce greenhouse gas emissions, improve mine safety and increase the capacity of the local power grid. USTDA supported the project with a grant to Shanxi Jincheng Anthracite Coal Mining Group (JMG), which funded a contract between JMG and SCS Engineers, Inc.



Caterpillar engines/generators were used in the construction of the Jincheng coal mine methane power facility in China.

of Long Beach, California. Under the contract, SCS Engineers defined equipment specifications for the project and facilitated the evaluation of bids by suppliers.

The positive results of the USTDA-funded assistance and financing provided by the Asian Development Bank supported the award of a contract to Caterpillar, Inc. of Peoria, Illinois, and its Chinese partner, Shanghai Electric, with a U.S. content value of nearly \$40 million. Caterpillar, Inc. supplied gas engines and other equipment and services associated with the project.

Following the success of this project with JMG, Caterpillar was selected to provide an additional 31 methane gas-powered generator sets to produce 54MW of power at the Cheng Zhuang and Mei Gan Shi coal mines in Shanxi Province. "These projects are major steps forward in China's road to sustainable development and demonstrates the benefits of positive bilateral trade relations between the United States and China," said Rich Lavin, Caterpillar group president with responsibility for Asia.

Overall, these projects represent important contributions in the development of clean energy solutions to meet China's growing power needs. Moreover, they reflect the increasing cooperation between U.S. and Chinese energy sector interests under the Asia-Pacific Partnership for Clean Development and Climate, a priority energy and environmental initiative of the Bush Administration.

## Promoting ICT Sector Development in Africa

(continued from page 1)

The event attracted approximately 200 participants, including His Excellency Alhaji Aliu Mahama, Vice President of Ghana; Ambassador David Gross, U.S. Coordinator for International Communications and Information Policy; and Commissioner Deborah Taylor Tate of the Federal Communications Commission, as well as Ministers and other senior government officials from 12 West African nations. The agenda addressed key policy issues and highlighted efforts to expand telecommunications infrastructure, improve delivery of government services, and support the growth of e-commerce.

The conference built on the agency's previous work in promoting the emergence of the necessary ICT infrastructure to support Africa's growth and development. The agency's successes include

collaboration with the International Finance Corporation and MTN Nigeria in funding technical assistance in implementing a community phone project. The project involves providing phone kits to women in rural communities, using financing from microfinance institutions, to establish businesses as telephone service providers in their communities.

A USDA-funded contractor was responsible for overseeing the program's implementation in Nigeria, where the initial program targets were met in the 435 communities across the 22 states where it was implemented. Gloria Ngozi Ezeokafor is one of the more than 1,500 "village phone ladies" in Nigeria, who have been trained to run businesses selling airtime on a per-call basis to their communities.

"My service reaches over 2,000 people, enabling them to conduct their businesses more efficiently," said Gloria about the impact of her company on the local community. "My customers, many of whom work in the market, are now able to reach their distributors when they need more stock, or call their customers when they have new goods."

Based on the results seen to date, there are plans to install an additional 3,000 Motorola handsets in Nigeria and to expand the program to 3 other African countries. USDA funding is supporting the selection of countries for the next phase of the project. The entire project envisions training up to 20,000 women like Gloria to become telephone service providers in their communities.



Gloria Ngozi Ezeokafor (right) owns a business as a community phone operator in Nigeria as part of USDA-supported project through the International Finance Corporation. Her business is helping to promote economic growth by connecting businesses in her community with suppliers and potential customers.

## Younger Named Regional Director for Latin America and the Caribbean

Nathan Younger was named Regional Director for Latin America and the Caribbean in early 2008. In this capacity, he is responsible for developing and implementing USDA's economic development program throughout the region.



Nathan Younger

Nathan brings to the position nearly a decade of experience in the political risk insurance industry at Zurich Emerging Markets Solutions and at the Overseas Private Investment Corporation (OPIC).

Earlier in his career, Nathan worked at USDA as a Country Manager for Latin America and the Caribbean, Sub-Saharan Africa, and the Middle East and North Africa.

Recently, *Update* had an opportunity to talk with Nathan.

**UPDATE:** Welcome back to USDA! What inspired your desire to return to agency?

**NATHAN:** Ever since I first learned about USDA, I was very interested in its mission. I enjoy the win-win nature of our activities, the interaction with host-country officials and companies, and the ability to make extensive use of my Portuguese and Spanish language skills.

**UPDATE:** Since you last worked at USDA roughly 10 years ago, has anything changed with respect to the agency's mission or its focus?

**NATHAN:** I think the biggest change is USDA's diversification into new areas, such as trade capacity building. This provides the agency with additional tools through which it can help countries, beyond traditional project-definition activities.

**UPDATE:** What are the leading development priorities in Latin America and the Caribbean?

**NATHAN:** The region's leading development priorities are in the areas of energy, environment (including water and wastewater treatment) and transportation. These are also core areas of expertise for USDA, and we see considerable demand for our participation in these sectors.

**UPDATE:** Earlier this year, USDA sponsored a major infrastructure conference in Mexico. What can you tell us about that event?

**NATHAN:** In February, USDA co-sponsored the *U.S. and Mexico: Building Partnerships in Infrastructure Conference*. The event was designed to give U.S. companies an opportunity to find partners in Mexico to pursue projects that will emerge under the Government of Mexico's National Infrastructure Program. The event brought together approximately

400 participants from the public and private sectors of Mexico and the United States. Since then, several U.S. companies have reported that the event has already yielded tangible business opportunities for them.

**UPDATE:** How is USDA working with other U.S. Government agencies in the region?

**NATHAN:** USDA is working more closely than ever with a variety of U.S. Government agencies. For example, USDA is coordinating efforts with the Millennium Challenge Corporation (MCC) and OPIC to foster increased investment in the Northern Zone of El Salvador. USDA recently signed three grants that will directly complement and build upon the MCC's \$461 million Compact in El Salvador.

**UPDATE:** What advice do you have for U.S. companies interested in commercial opportunities associated with development projects in the region?

**NATHAN:** USDA, other U.S. Government agencies and a number of regional and multilateral institutions disseminate a considerable amount of online information regarding both recently completed projects and upcoming projects. At a minimum, U.S. firms should tap into these no-cost resources in an effort to stay ahead of the information curve.

**UPDATE:** Thank you for your time.



## U.S. Trade and Development Agency

1000 Wilson Boulevard, Suite 1600

Arlington, Virginia 22209-3901

Phone: (703) 875-4357 • Fax: (703) 875-4009

Website: [www.ustda.gov](http://www.ustda.gov)

E-mail: [info@ustda.gov](mailto:info@ustda.gov)

PRE-SORTED  
FIRST-CLASS MAIL  
POSTAGE & FEES PAID  
U.S. TRADE &  
DEVELOPMENT  
AGENCY  
PERMIT NO. G-830

### INSIDE THIS ISSUE!

- Larry W. Walther Sworn In as USTDA Director
- USTDA Reopens Program in the West Bank
- Promoting ICT Sector Development in Africa
- Regional Successes
- Meet Nathan Younge, Regional Director for Latin America and the Caribbean
- Upcoming Events

## USTDA Reopens Its Program in the West Bank

President George W. Bush appointed USTDA Director Walther to serve as an official member of the Presidential Delegation to Bethlehem at the Palestine Investment Conference in May. The conference presented an important opportunity for USTDA to support Prime Minister Salam Fayyad's economic development plans and to reopen the agency's program in the West Bank.



(Left to right) USTDA Director Walther, Palestinian Authority Minister Hassouneh, and BCI Managing Director Baransi shake hands following the signing of a USTDA grant agreement that will promote the expansion of wireless Internet connectivity in the West Bank.

During the conference, Director Walther awarded a grant to BCI Communications & Advanced Technologies Ltd. to fund technical assistance in the expansion of wireless Internet connectivity through the deployment of a WiMax system in the West Bank. The grant marked the first USTDA assistance in the Palestinian Territories since 1995.

At the grant signing ceremony in Bethlehem, Director Walther said, "This technical assistance represents a strong step forward for our program in the Middle East. The project is an opportunity for USTDA, working with the private sector in the West Bank, to support the development of important information and communication technology infrastructure and enhanced trade partnerships between the United States and the Palestinian Authority."

His Excellency Kamal Hassouneh, Minister of Telecommunications and Information Technology of the Palestinian Authority, witnessed the signing

of the grant agreement between USTDA and BCI. Signing the grant for BCI was Said Baransi, BCI's Managing Director, who stated, "USTDA assistance is very important to our project. It is a very positive step forward and a vote of confidence for a strong USA/Palestinian partnership, BCI capabilities, and the Palestinian ICT sector."

The proposed WiMax network will target the 10 largest cities in the West Bank, providing approximately 45,000 users with broadband wireless services by the fourth year of operation. Because the network will also serve other network "end points" such as Internet cafes, WiFi hotspots, and other access points, the total number of users gaining access to broadband network services as a result of the project may be considerably higher.

USTDA plans to expand its West Bank portfolio with a grant that will fund technical, business and financial advisory services related to the establishment of an Internet data center in Ramallah. In addition, USTDA is sponsoring an orientation visit to the United States to familiarize West Bank marble and stone industry representatives with U.S. dimension stone equipment, services and technology. The visit is expected to take place in October 2008 to coincide with the annual StoneExpo in Las Vegas, Nevada.