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## U.S. TRADE AND DEVELOPMENT AGENCY

**FOR IMMEDIATE RELEASE**

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### **USTDA AWARDS GRANTS TOTALING \$1.1 MILLION TO COMPLEMENT MCC INFRASTRUCTURE INVESTMENTS IN EL SALVADOR**

LOS ANGELES, CALIFORNIA – (April 30, 2008) Establishing the necessary infrastructure and capacity for private sector trade and investment to serve as a catalyst for growth in El Salvador’s Northern Zone is the goal of two USTDA grants awarded today. The grants are designed to complement the Millennium Challenge Corporation’s (MCC) anti-poverty Compact in El Salvador and were awarded under USTDA’s DR-CAFTA Trade Integration Initiative.

“In awarding these grant, we have worked closely with other U.S. Government agencies to create a real partnership among our programs in El Salvador,” said USTDA Director Larry W. Walther. “By coordinating our efforts, we hope to increase the effectiveness of our individual programs in order to energize private investment.”

Today’s grants, to El Salvador’s National Development Commission (CND) and the Salvadoran Foundation for Economic and Social Development (FUSADES), were conferred at an event hosted by the El Salvador Consulate in Los Angeles at the City Club on Bunker Hill. The event was designed to foster a discussion with the Salvadoran community in the United States on U.S. private sector participation in El Salvador’s development. USTDA Director Walther signed both grants on behalf of the U.S. Government. MCC Chief Executive Officer Ambassador John J. Danilovich witnessed both agreements.

The grant to CND was signed today by Commissioner Coordinator Sandra de Barraza and witnessed by Salvadoran Vice Minister of Foreign Affairs Margarita Escobar. Earlier this week, FUSADES President Antonio Cabrales signed his organization’s grant agreement, which was witnessed by the Director of the FUSADES Trade and Investment Service Center Emma Aráuz.

OPIC Executive Vice President John A. Simon was present at today’s grant signing ceremony. FUSADES was represented at today’s event by Amy Angel, Manager of the Natural Resources Section within the Department of Economic and Social Studies at FUSADES.

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The Government of El Salvador has established the promotion of investment and economic growth in the Northern Zone as a development priority. To this end, the Government has committed to providing opportunities that will enable the Northern Zone's population to fully participate in the benefits of regional integration and the economic opportunities brought about by the Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA).

Under the \$345,000 grant awarded today to CND, USTDA will support these efforts by funding a study that will provide a framework for strategic investments in the Northern Zone. Specifically, the study will review all active development assistance plans and programs and identify gaps in those plans and programs. The study will use these findings to establish a comprehensive Northern Zone development and investment plan.

Through a separate \$285,000 grant to FUSADES, USTDA is funding the development of an Internet portal devoted exclusively to information about trade and investment opportunities in the Northern Zone. USTDA will also organize three related business roundtable workshops on the Internet portal and specific project opportunities in the Northern Zone.

Earlier this week, USTDA awarded a \$500,000 grant to the Municipality of Chalatenango to fund technical assistance in the development of municipal infrastructure and a commercial zone along road infrastructure that is being financed by the MCC. The project is expected to have a considerable impact on local infrastructure and commercial activity by establishing an ideal location for entrepreneurs to invest and create jobs for the local community.

USTDA launched its DR-CAFTA Trade Integration Initiative in 2005 to support priority projects in the Dominican Republic and Central America that further the benefits of increased trade, regional connectivity and economic growth under DR-CAFTA. To date, USTDA has invested over \$8.0 million under the Initiative in support of the region's National Trade Capacity Building Strategies.

The opportunities to provide the assistance funded by the USTDA grants awarded this week will be competed separately on the Federal Business Opportunities (FBO) website at [www.fbo.gov](http://www.fbo.gov). Interested U.S. firms should submit proposals according to the details in the Federal Business Opportunities announcements. CND, FUSADES, and the Municipality of Chalatenango will each select a U.S. firm to provide the assistance associated with their respective grant.

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