



U.S. TRADE AND DEVELOPMENT AGENCY

AFRICAN TRADE LANES PARTNERSHIP

OVERVIEW

The U.S. Trade and Development Agency (USTDA) is initiating a multimodal *African Trade Lanes Partnership* to advance the development of sub-Saharan Africa's most vital trade lanes and transportation networks to facilitate local, regional, and global trade. This initiative is designed to promote regional cooperation and connectivity in all modes of transportation, including aviation, maritime, land, and rail.

During this two-year initiative, USTDA will provide \$4 million for transportation infrastructure planning across sub-Saharan Africa, including technical assistance, investment analysis, business workshops, training, project definition, and other critical trade capacity building activities. USTDA's resources will help to leverage donor assistance and private capital to promote the implementation of efficient trade lanes and core transportation infrastructure.

BACKGROUND

An inadequate transportation network is one of the main impediments to alleviating poverty in sub-Saharan Africa. The development of the region's trade lanes will contribute to economic development and trade by reducing transportation costs, facilitating the shipment of goods, and promoting the free movement of people. Modernizing airport, road, railway, and customs networks will help landlocked countries improve their access to global markets, while more efficient and secure ports and airports will reduce traffic congestion and facilitate international trade.

PARTNERSHIPS

USTDA's initiative aims to support the objectives of the African Growth and Opportunity Act (AGOA), including increased trade and investment in the region. As such, the *Partnership* is intended to complement existing transportation infrastructure development activities that are being supported by bilateral, multilateral, and non-governmental assistance agencies. In particular, USTDA will closely coordinate its activities with its policy, technical, and foreign assistance partners in the U.S. government, including the U.S. Agency for International Development and its African Global Competitiveness Initiative (AGCI), the Millennium Challenge Corporation (MCC), the U.S. Department of Transportation and its modal agencies, and the Departments of State and Commerce. USTDA's initiative also aims to leverage private sector resources and engage in public-private partnerships that will promote the program's objectives.

PROGRAM ACTIVITY

The first phase of USTDA's *African Trade Lanes Partnership* will involve a series of project definitional missions to evaluate and define appropriate trade lane development investment and capacity building activities for USTDA's funding consideration, covering such topics as transportation standards, customs facilitation, multimodal development planning, integrated border management systems, and communications networks to facilitate commerce.

The missions will encompass subject matter on operational procedures and emerging technologies, transportation logistics, supply chain security and management, alternative means of financing transportation infrastructure, and regulatory issues that are important to transportation development.

USTDA's first mission will focus on road, rail, customs, and port requirements along the East African Central Corridor, which runs between Tanzania and Rwanda, with possible extensions into Uganda and Burundi. The mission is expected to visit these countries in May 2008. USTDA intends to fund related project definitional missions for western and southern Africa, as well. Additional missions are planned in the area of aviation safety and security, including the investigation of potential project opportunities related to aviation weather monitoring, airport safety and security standards, air navigation, and other critical aviation sector needs.

During the first phase of the *African Trade Lanes Partnership*, USTDA also intends to support a sub-Saharan Africa regional aviation safety and security conference, as well as a technical mission to the United States for MCC Compact countries that are investing in road network expansions. Subsequent phases of the \$4 million *Partnership* will include USTDA support of transportation project preparation activities that are identified in the project definitional missions.

PROGRAM PRIORITIES

USTDA's work will primarily focus on physical infrastructure improvement. Priority attention will be given to projects that complement and can leverage existing donor assistance, in countries that demonstrate a genuine commitment to a regulatory and investment environment that promote the development of a trade infrastructure. USTDA intends to support U.S. government policy priorities and initiatives, including the AGCI, the MCC, and the Administration's Africa Strategy, which includes a directive on safe skies for Africa and multimodal transportation development.

The *Partnership* will focus on project activities of mutual economic benefit to the United States and to the host countries in sub-Saharan Africa. The initiative will be implemented using USTDA's brand of foreign assistance, which applies U.S. private sector solutions to transportation challenges in developing countries.

Ultimately, the *Partnership* will provide African public and private sector transportation officials the opportunity to interact with development banks, industry, regional partners, and U.S. industry and government experts. In keeping with USTDA's mission, African transport officials will have the opportunity to learn about the latest U.S. transportation products and services, helping to ensure that U.S. companies will have more commercial success throughout the region. At the same time, the program is being designed to introduce U.S. companies to opportunities to do work in sub-Saharan Africa and to build important relationships with African public and private sector entities.

ABOUT USTDA

USTDA advances economic development and U.S. commercial interests in developing and middle income countries. 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. 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.