

Remarks of Larry W. Walther Director, U.S. Trade and Development Agency U.S.-African Growth and Opportunity Transportation and Trade Forum Opening Plenary April 14, 2008

Good morning. Thank you for that kind introduction Susan. It is a great pleasure to be here to talk about the priority that USTDA places on transportation infrastructure as a catalyst for trade and development.

It is indeed an honor for me to be here today in my new role as Director of the U.S. Trade and Development Agency. Having only very recently arrived at the Agency, I enthusiastically welcomed the opportunity to make Africa my first overseas trip. This conference provides me the perfect forum for emphasizing the great importance the Agency places on the region. Indicative of this is the fact that USTDA's investment in Africa over the past three years has risen from 12 percent to 21 percent of our total program spending. This is a direct result of increased stability in the region and the strong partners we have developed here in Africa.

The decision to focus greater resources on sub-Saharan Africa was based in great measure on two things: 1) the unprecedented extent of regional cooperation that is taking place today and 2) the commitment to establish the infrastructure necessary for Africa's development. As President Bush said before arriving in Africa last month, "The best way to generate economic growth in Africa is to expand trade and investment. When businesses in Africa can sell their products and services around the globe, they create a culture of self-reliance and opportunity." Fundamental to USTDA's mission is that we respond to the priorities of project sponsors in the countries where we operate. I have already witnessed the enthusiasm, dedication and professionalism of our partners here in Africa as they work toward the goals President Bush spoke of.

Before our delegation arrived here in South Africa, we stopped in Ghana where I got a glimpse of the dynamic growth that is taking place across the continent. I was particularly impressed by our visit to the Port of Tema. Any visitor to the port can readily see, from the bustling pace of operations, the real economic boom taking place in Africa. During our visit, the dedicated port operators stressed their desire to expand the port's role as a hub for exporting goods from Ghana and from points inland. They were clearly committed to this objective and USTDA is pleased to be supporting their efforts with a grant awarded last year to establish a roadmap for the expansion of the facilities at the Ports of Tema and Takoradi.

The Port of Tema grant also reflects the message that we heard throughout last year's AGOA Forum -- that to be able to take advantage of the trade opportunities presented by AGOA, there <u>must</u> be adequate transportation infrastructure. Fundamentally, transportation infrastructure is a cornerstone for economic growth.

Similarly, in Namibia, USTDA has recognized the potential for the Trans Kalahari Corridor to serve as a catalyst for economic growth and development. In recent years, USTDA has funded a series of technical assistance and early investment analysis activities. These activities at the Port of Walvis Bay and with the TKC itself have helped to lay the groundwork for the completion of this important project that aims to offer an efficient transport corridor. Once implemented, the project will not only extend Namibia's ability to trade, it will create a western gateway for the Southern African Development Community. It also has the potential to relieve congestion at the ports of Durban and Port Elizabeth here in South Africa and to reduce travel time for cargo destined for Europe and the United States by as many as five days.

Together, our activities in Ghana and Namibia are good examples of the way that USTDA is responding to the call to meet Africa's transportation needs. <u>Each of us</u> is responding to that call by our presence here today as we seek ways to move the agenda forward. Our call is one with enormous ramifications. By our actions, we have the potential to promote growth, create jobs and literally <u>change lives</u> in Africa. Just as AGOA has provided a vehicle for Africa's growth, we must now provide the road.

To further this great cause, I am pleased that USTDA is committing \$4 million to a new multi-modal African Trade Lanes Partnership that Deputy Secretary Barrett mentioned earlier. As a first installment on the initiative, later today we will sign a \$725,050 grant with the Zambian Ministry of Communications and Transport. The grant will fund assistance to the Ministry in developing a master plan for Zambia's four international airports. The Government of Zambia has placed the highest priority on the development of these airports in furthering its economic growth and we at USTDA are delighted to support their efforts.

Later this week, we will continue to build on this initiative by signing a Memorandum of Understanding with the East African Community to solidify our commitment to support their development priorities. To begin, we will fund a reverse trade mission to the United States for EAC transport officials to participate in a senior-level policy dialogue. Those meetings will include ways to ensure the coordination of development assistance agencies and the U.S. private sector to promote regional transportation infrastructure and interconnectivity.

In addition, in the coming weeks we will begin project planning meetings to support the East African Central Corridor. Not only will we engage all of the countries on their aviation, rail and port development priorities, but will include customs processing to ensure that goods from the interior of Africa make it to the ports and onto the world market.

More broadly, during this two-year initiative, USTDA will provide funding for regional transportation project activities that align themselves with <u>Africa's priorities</u> in this important sector. In carrying out this program, our resources will help to leverage donor assistance and private capital to promote the implementation of efficient trade lanes and core transportation infrastructure.

We are pleased to advance this important initiative because we understand that the capacity of the private sector to lead in generating growth and jobs cannot reach its potential without the necessary infrastructure. We see our African Trade Lanes Partnership as an opportunity to establish the infrastructure necessary to support an ever deeper commercial relationship between African countries and the United States.

Fundamentally, USTDA's program is about providing African project sponsors with the tools and resources they need to make decisions on how to achieve <u>their</u> objectives. We believe the African Trade Lanes Partnership accomplishes this goal – I look forward to talking to you about this and other opportunities in which we may work together both today and in the future.

Thank you.