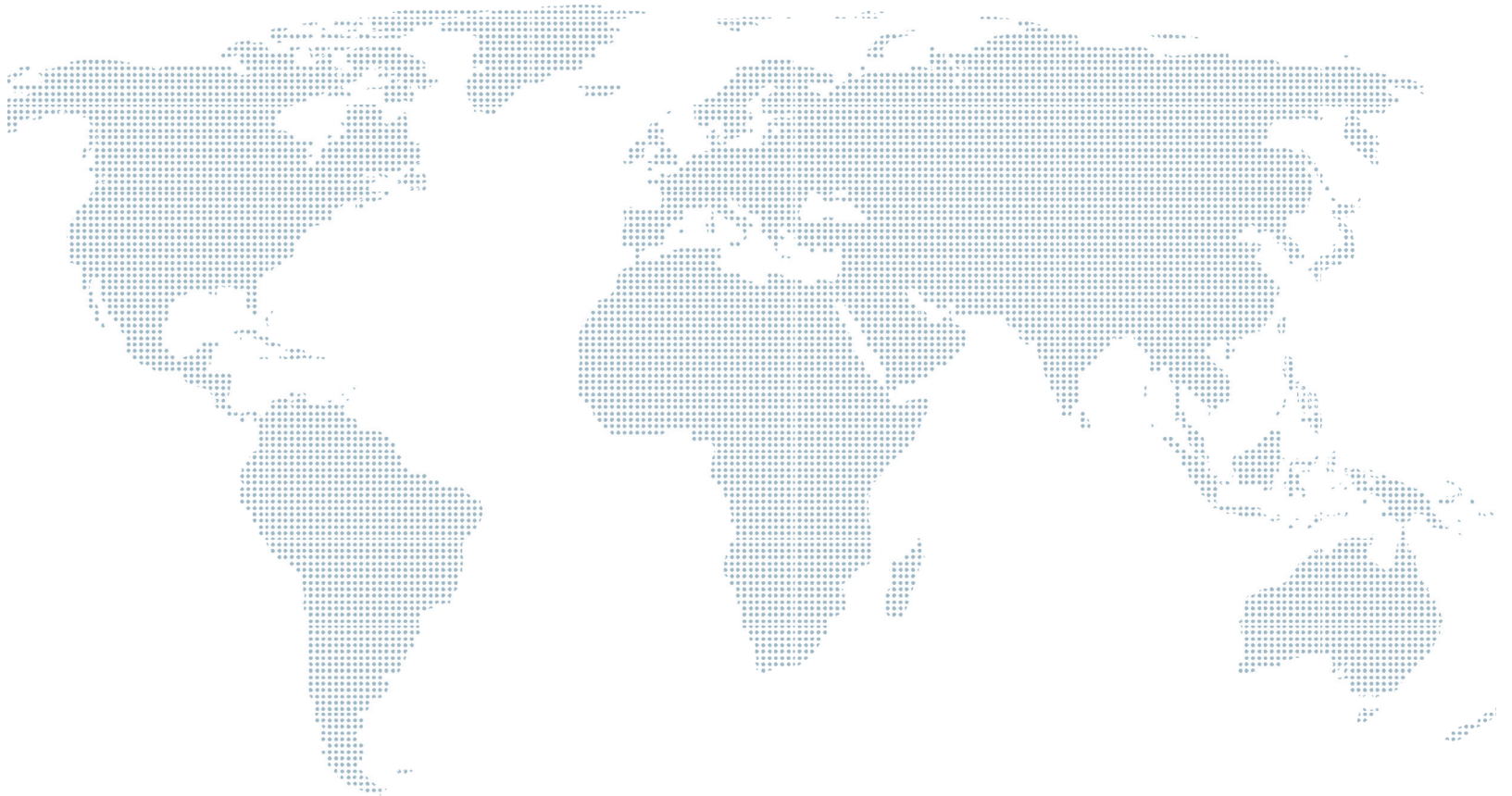




U.S. TRADE AND DEVELOPMENT AGENCY

# FISCAL YEAR 2013 CONGRESSIONAL BUDGET JUSTIFICATION



## MISSION

The U.S. Trade and Development Agency helps companies create U.S. jobs through the 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.



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## SECTION I: BUDGET REQUEST AND JUSTIFICATION

Funding for U.S. Trade and Development Agency (USTDA) budget is an investment to support job creation and economic growth since USTDA is an agency with a long history of proven results in achieving these objectives. Efficient and agile, USTDA produces significant results for U.S. businesses. The agency helps companies create jobs through the export of U.S. goods and services for priority development projects in emerging economies. It 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 our partner countries. This strategic use of resources is proven to be highly effective: **every \$1 programmed by USTDA generates over \$58 in exports of U.S.-manufactured goods and services.** The agency had a record-breaking year in FY 2011, identifying **\$4.9 billion in U.S. exports attributable to USTDA program funding.**

To continue this effort, USTDA respectfully requests a budget of \$57.6 million for fiscal year (FY) 2013. This budget request is designed to support job creation in the United States and further policy objectives through the support of economic growth programs, and is justified by a strong record of results.

### *USTDA Mission, History and Uniqueness*

The Agency's unique ability to provide development assistance to emerging economies while integrating and leveraging the resources of the U.S. private sector satisfies two important needs: (1) generating economic growth and jobs at home; and (2) promoting investments in "smart" development to generate measurable developmental impacts and ensure long-term sustainability. It accomplishes these results while maintaining the nimbleness and flexibility to advance critical foreign policy goals and support the expansion of U.S. exports overseas.

USTDA is well equipped in its statutory mission and in its expertise and operations to continue making significant contributions toward increasing U.S. exports and advancing economic development in developing and middle-income countries. Spun out of USAID in the 1980s as a means to achieve a commercial return on U.S. foreign assistance spending, USTDA's program tools advance trade promotion and an array of U.S. policy objectives in sectors such as energy, transportation, and information and communications technology (ICT). USTDA's approach to foreign assistance generates mutually beneficial results through the formation of long-term business relationships that foster sustainable development, facilitate local private sector growth, improve trade relations, advance U.S. commercial interests and create U.S. jobs.

USTDA has unique statutory authority to operate in middle-income countries "including those in which U.S. development programs have been concluded or those not receiving assistance" under

the Foreign Assistance Act<sup>1</sup>. This authority permits the Agency to serve as a bridge between traditional donor assistance and strictly commercial development.

### *Leveling the Playing Field*

As U.S. businesses work to remain competitive, the mission of USTDA is a critical component of America's global economic leadership. Today, 95 percent of the world's consumers live outside the United States, and it is our explicit mission to connect U.S. producers to those markets.

The increasingly fierce competition that U.S. companies face in emerging economies has led to a rise in requests for USTDA support from U.S. firms in their efforts to identify new opportunities abroad. In the aftermath of the financial crisis, USTDA's program is being relied upon more and more by American businesses to help open markets and level the playing field against foreign competition. From tied training grants to strategically timed reverse trade missions, USTDA helps U.S. firms to successfully compete against competition from abroad.

“ USTDA's programs directly support U.S. businesses facing competition from companies subsidized by foreign governments. From tied training grants to strategically timed reverse trade missions, USTDA helps U.S. firms compete on an international playing field that is often skewed against them.”

- Letter to Congress from the United States Chamber of Commerce, the United States Council for International Business, The Coalition for Employment Through Exports (CEE), the National Foreign Trade Council (NFTC), and the Emergency Committee for American Trade (ECAT)

### *USTDA Programs Open Markets for U.S. Companies*

USTDA's has a unique array of program opportunities available for U.S. firms to leverage in their drive to seek international markets for their goods and services. The following USTDA activities are specifically designed to open markets for U.S. exports and support economic development abroad.

#### The International Business Partnership Program: Connecting U.S. Firms with Foreign Buyers

In a targeted effort to maximize the exports immediately resulting from our investments, in FY 2010 USTDA launched the International Business Partnership Program (IBPP). The IBPP is designed to connect international buyers with U.S. manufacturers and service providers in order to open new export markets and commercial opportunities for American companies.

As part of the IBPP, USTDA has consistently increased each year's investment in **reverse trade missions** (RTMs), which bring foreign buyers to the United States, pending an upcoming procurement, in order to observe the design, manufacture, and operation of U.S. products and

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<sup>1</sup> Sec. 201. Trade and Development Agency, Jobs Through Exports Act of 1992.

services that can help them achieve their development goals. These strategically planned missions also present excellent opportunities for U.S. businesses to establish or enhance relationships with prospective overseas customers.

Also, USTDA organizes worldwide **conferences and workshops** to connect U.S. firms with foreign project sponsors. These sector- or project-specific events are designed to showcase U.S. goods, services and technology to foreign buyers. U.S. firms also have the opportunity to meet one-on-one with overseas project sponsors, providing U.S. companies a better understanding of upcoming procurement opportunities and how they can position their firms to take advantage of these export opportunities.

In FY 2011, IBPP programs connected more than **600 foreign buyers** to **1,000 U.S. company representatives**.

Together, IBPP programs connected more than 3,000 foreign buyers to 1,100 U.S. company representatives in FY 2011 alone. USTDA has already identified significant exports as a result of these activities.

#### Feasibility Studies, Pilot Projects, and Technical Assistance

In addition to introducing U.S. businesses to foreign buyers for ongoing business partnerships, USTDA invests directly into development projects at the earliest stages, giving U.S. businesses an opportunity to position their goods and services before procurement decisions are made.

USTDA-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 design specifications as well as the technical, legal, and economic analysis required for major infrastructure investments to receive financing and move forward with 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 commercially proven U.S. solutions and provide the analysis, evaluation and empirical data needed for foreign project sponsors to secure funding.

USTDA also 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.

## Cooperation Programs: USTDA Programs Open Markets for U.S. Companies

Utilizing all of the tools outlined above, USTDA has launched several Cooperation Programs, which are innovative public-private partnerships that advance development projects in sectors where U.S. technology is highly competitive and is likely to lead to significant export opportunities. In these programs, which specifically address one industry in one partner country, members include U.S. companies, local government, USTDA, and other U.S. government agencies.

Currently, cooperation programs exist for the aviation and energy sectors in China and India and healthcare sector in China. These programs include trainings, reverse trade missions, and exchanges of professionals between the U.S. and partner countries, so that our partner countries can benefit from American expertise, and U.S. business representatives can establish strong relationships with overseas markets.

### ***Focusing USTDA's Program to Increase Return on U.S. Taxpayer Money***

USTDA sets strategic goals and meets them through responsive, innovative, and effective program strategies. Based upon rigorous performance evaluations, USTDA has tailored its program to concentrate on countries that provide the highest impact on U.S. taxpayer dollars, both in export returns and foreign policy objectives. In FY 2011, USTDA narrowed its focus to 26 priority countries of 131 countries eligible for USTDA assistance. In FY 2013, USTDA will continue to narrow its focus to target 20 priority countries that offer the strongest opportunities to our business partners (See Section II). Concomitantly with the narrowing of USTDA's country focus, to better position U.S. firms in the international arena and invest in projects that will most likely provide the highest return, USTDA has programmed its funds towards priority sectors where U.S. industry is particularly strong. As discussed below, USTDA has prioritized investment in the energy, transportation, and ICT with a limited program in the healthcare sector.

“ USTDA is unique among development agencies in successfully supporting U.S. jobs by facilitating exports of U.S. goods and services for priority development projects in low and middle income developing countries. Unlike other aid agencies, USTDA links U.S. businesses to sustainable infrastructure and other opportunities in developing countries.”

- *Letter to Congress from Bechtel Enterprises, Caterpillar, Inc., Coalition for Employment Through Exports, Fluor Corporation, General Electric, Motorola Solutions, Oracle, Oshkosh Corp., Siemen's Corp., and Westinghouse Electric Co.*

### *Supporting Small U.S. Businesses*

Small businesses are creating about 70 percent of the new jobs in America, and USTDA has helped U.S. small businesses expand into international markets. Today, 95 percent of the world's consumers live outside the United States, and small businesses can grow dramatically by reaching those foreign markets.

USTDA draws extensively on the expertise of small consulting and engineering firms to provide a variety of services related to project definition and evaluation. For example, more than 90% of direct contracts awarded by the Agency are performed by small businesses. Furthermore, over 44% of grants awarded to overseas project sponsors directly lead to contracts with U.S. small businesses. These figures have remained relatively stable, and USTDA expects this support will continue in FY 2013.

#### **SUCCESS STORY:**

### *Small U.S. Business on the Fast Track to Export Success*



*NTELX technology implemented in Jordan*

NTELX, a Vienna, VA-based IT solutions provider, entered the international marketplace through a USTDA-funded pilot project to improve the flow of freight traffic at the congested Port of Aqaba in Jordan. NTELX's customized system substantially reduced processing times for trucks in the port's special economic zone, improved traffic flow, led to a country-wide reduction in the cost of trucking by 20 percent, and eliminated approximately 5,000 tons annually of carbon emissions. NTELX was awarded a ten year contract to manage traffic systems at the Port of Aqaba. As a result of this project, NTELX was able to replicate this success in Iraq and continues to explore other new business opportunities in the region.



## SECTION II: REGIONAL FOCUS AND PRIORITY AREAS

USTDA focuses on countries that represent high developmental priorities with the likelihood for commercial success in an effort to maximize the return on U.S. taxpayer dollars. As has been the case historically, emerging economies are projected to grow at a faster rate than are developed economies<sup>2</sup>. For FY 2013, USTDA will target **20 key markets** that offer strong probability of project success, potential for U.S. exports, and strong developmental benefits.

As seen in the adjacent table, from the World Bank Global Outlook, together these 20 emerging economies are expected to grow 5.7 percent in 2013<sup>3</sup>. That growth rate is significantly higher than the expected 3.6 percent world GDP growth, and more than twice that of the world's high-income countries, which expect only a 2.3 percent GDP growth rate in 2013<sup>4</sup>.

In these priority countries, the economic growth and expanding share of the U.S. export market<sup>5</sup> offer myriad opportunities to U.S. businesses to expand their overseas markets. However, there is enormous competition in these emerging markets, and opportunities for U.S. businesses and workers could go unrealized. USTDA was established to support U.S. exporters in such competition. In each of these identified markets, USTDA will focus on priority sectors (See Section III) consistent with its export promotion and development mission.

**GDP Growth Projections in  
USTDA Priority Countries, 2010-2013**

Real GDP growth	2010 estimate	2011 forecast	2012 forecast	2013 forecast
<b>World</b>	3.8	3.2	3.6	3.6
<b>High Income</b>	2.7	2.2	2.7	2.6
<b>United States</b>	2.8	2.6	2.9	2.7
<b>Priority Countries</b>	<b>5.6</b>	<b>5.4</b>	<b>5.6</b>	<b>5.7</b>
<b>Angola</b>	3.4	6.7	8.1	7.8
<b>Brazil</b>	7.5	4.2	4.1	3.8
<b>Chile</b>	5.2	6.1	5	4.5
<b>China</b>	10.3	9.3	8.7	8.8
<b>Colombia</b>	4.3	4.7	4.4	4.2
<b>Egypt</b>	5.2	1.0	3.5	5.0
<b>Ghana</b>	7.7	13.4	10.0	8.0
<b>India</b>	8.8	8.0	8.4	8.5
<b>Indonesia</b>	6.1	6.3	6.5	6.5
<b>Jordan</b>	3.1	3.5	4.0	5.0
<b>Kenya</b>	5.6	4.8	5.0	5.2
<b>Mexico</b>	5.5	4.4	4.1	4.2
<b>Morocco</b>	3.3	4.4	4.5	5.0
<b>Nigeria</b>	7.9	7.1	7.5	7.3
<b>Pakistan*</b>	4.1	2.5	3.9	4.3
<b>Philippines</b>	7.3	5.0	5.4	5.5
<b>Romania</b>	-1.2	1.6	3.7	4.0
<b>South Africa</b>	2.8	3.5	4.1	4.4
<b>Turkey</b>	8.9	6.1	5.1	5.3
<b>Vietnam</b>	6.8	6	6.8	7.2

*Source: World Bank Global Outlook*

<sup>2</sup> IMF, World Economic Outlook Update: A Policy-Driven, Multispeed Recovery, January 26, 2010, Figure 1.

<sup>3</sup> Consistent with World Bank methodologies, the aggregate growth rates for the 20 priority countries were calculated using a weighted average, thereby accounting for relative size of the priority country economies.

<sup>4</sup> World Bank Global Outlook Summary, June 2011

<sup>5</sup> According to U.S. Census Bureau International Trade Data, available at <http://www.census.gov/foreign-trade/balance/>, they accounted for 35 percent of all U.S. exports in 2011, up five percent from their share of the U.S. export market in 2008.

## *Major Developing Economies*

China, India, and Brazil are three major developing economies that offer U.S. exporters remarkable export opportunities. These three countries have rebounded quickly from the global economic crisis, and are experiencing rapid GDP growth. In the coming year, China's economy is expected to grow nearly 9%, India's growth is expected to be over 8%, and Brazil's growth is projected at more than 4%. All of these countries have growth projections well above the 2.3% world average<sup>6</sup>.

Simply put, China, India, and Brazil will have the need and resources to acquire a substantial amount of goods and services over the coming years, much of which will be imported. In order for the U.S. to be competitive in these growing markets, it is essential that procurement and project development officials in those countries gain experience with and meaningful access to U.S. goods and services. Further, USTDA efforts to build trade capacity and develop infrastructure for trade will leverage the growth of these countries into dynamic trade partners.

In FY 2013, China will remain a key market for USTDA to promote public-private partnerships and strategic trade policy initiatives designed to reverse the current trade deficit. Infrastructure planning activities in core sectors such as energy and transportation will comprise a majority of the portfolio in FY 2013, as well as continuation of a strategic healthcare pilot project.

USTDA should continue to invest in China for several key reasons: 1) a sustained high level of success with respect to USTDA's primary measurement of Agency effectiveness; 2) overwhelming support from the U.S. business community for continued and expanded USTDA action in China; and 3) parallel support from U.S. trade agencies, including the U.S. Trade Representative and the Departments of Treasury, Energy, State, and Commerce which note USTDA's capability to rapidly mobilize activities to support U.S. trade policy priorities.

As a part of USTDA's strategy to open India's market to greater U.S. exports, USTDA will seek increasing opportunities to work with the local private sector, while continuing to design effective programs to engage important government-dominated sectors. In India for FY 2013, USTDA expects to see increased activity in clean energy and energy efficiency activities as the U.S.-India Energy Cooperation Program, which formally began in November 2010, continues its rapid growth. At the launch of the program USTDA sponsored the Efficiency and Clean Energy Exchange Program which involved a series of four visits to the United States to introduce Indian energy sector officials to U.S. technologies and best practices in smart grid, grid-scale solar, unconventional gas and industrial energy efficiency. Through these visits, USTDA identified opportunities to play a role in ensuring U.S. companies are positioned to win new contract opportunities. In the aviation sector, USTDA will continue to play a central role supporting

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<sup>6</sup> The World Bank, Global Economic Prospects, "The Global Outlook in Summary, 2009-2013".

aviation capacity growth, safety management, and the transition to new air traffic management technologies for India's rapidly growing market. The U.S.-India Aviation Cooperation Program will see an increase in activities supporting actions consistent with USG policy and India's development goals, while leveraging substantial cost-sharing from U.S. aviation companies.

In Brazil, as the country prepares to host the Olympics in 2014, for USTDA is well positioned to help connect U.S. businesses to critical infrastructure development opportunities and respond to the additional demand from both the U.S. private sector and the Brazilian government. Inspired by the continued success of the Aviation Cooperation Programs in China and India, and in response to the requests of our aviation industry private sector partners, USTDA will soon launch a U.S.-Brazil Aviation Cooperation Program. The Brazilian aviation market has grown 194% in 10 years, and that growth is expected to continue. This public-private partnership, beginning in FY 2012, is expected to grow throughout FY 2013, and will connect U.S. businesses directly with opportunities to be a part of the growing market.

In addition, the increasing investment by the Brazilian Government into the country's infrastructure will lead to significant demand for USTDA's assistance by U.S. companies looking to increase their exports into the Brazilian market as the country modernizes its transportation systems and expands its energy and ICT sectors.

### ***Next Tier Markets***

Not far behind these three major developing economies are the "next tier" markets that already provide mature, large markets, and are likely to experience relatively high GDP growth rates as well. These countries will be critical to continued and sustained U.S. export growth.

USTDA's program in Mexico and Colombia in FY 2013 will focus on modernizing regional transportation linkages, supporting clean energy, improving quality of life in the region through the application of modern environmental technologies and by promoting the growth of ICT. In Mexico, such projects will derive from Mexico's National Infrastructure Program, the efforts of individual Mexican states to improve existing infrastructure and extensive Mexican participation in recent reverse trade missions to help USTDA find, examine, and develop potential projects. In Colombia, USTDA will build on its successful program to assist Colombia prepare for significant investments in transportation systems and clean energy development.

In Vietnam, USTDA expects to continue its focus on clean energy and transportation programs in FY 2013. The Government of Vietnam has recently expressed an interest in working closely with USTDA to promote clean energy development to offset the substantial coal projects that are currently moving forward. Vietnam specifically requested consideration for wind, biomass, and waste-to-energy opportunities. Important to this success, PetroVietnam, the state-owned oil and

gas company, has created a renewable division that will focus on opportunities in the near term and create demand for renewable and clean energy technologies, where the United States has a distinct competitive advantage.

The Middle East occupies a central place in U.S. foreign policy, and consequently USTDA remains focused on supporting economic development in our partner countries throughout this critical region. USTDA is working very closely with U.S. companies, overseas project sponsors, the U.S. Foreign Commercial Service and the U.S. Export-Import Bank, to identify key opportunities where the agency can maximize its effectiveness in connecting U.S. goods, services and technologies to overseas priority project opportunities. U.S. firms in the clean energy, ICT, and transportation sectors are poised to benefit from substantial development, particularly in the larger economies in the region such as Morocco, Egypt<sup>7</sup> and Turkey.

USTDA will continue to focus on the energy sector due to U.S. leadership in the field and remarkable demand throughout the region. Modernizing the power sector through creating increased renewable energy generation capacity and upgrading transmission and distribution networks to create “smart” grids, is a critical priority for the public and private sectors throughout MENA.

With respect to Egypt, USTDA has had a robust program in recent years, in particular in the transportation, energy and petrochemicals sectors. Recently completed activities have led to hundreds of millions of dollars in U.S. exports of goods, services and technology, and USTDA is

**SUCCESS STORY:**

*Colombia Refinery Fuels  
American Jobs*



*Cartagena's Oil Refinery*

As the result of a feasibility study and associated reverse trade mission funded by USTDA, the Cartagena Refinery (REFICAR) received approval of a \$2.8 billion loan/loan guarantee from the Export-Import Bank of the United States in 2011. This financing supports the purchase of equipment and services from over 150 large and small U.S. engineering/design, equipment supply, contracting, and process license firms, and supports about 15,000 American jobs.

Already, Chicago Bridge & Iron (CB&I) has won a \$1.4 billion engineering, procurement, and construction contract for the refinery expansion in the face of stiff foreign competition from companies in Korea, Argentina, and Italy. The project includes revamping the existing 80,000 barrel per day refinery to enable REFICAR to produce clean, ultra-low sulfur gasoline and diesel from heavy crude.

<sup>7</sup> USTDA will take guidance from the Department of State on ongoing and developing program activities in Egypt. As the situation there continues to change, USTDA will continue to assess the demand for involvement in addition to efficacy of continuing to work there.

pursuing additional activities that are expected to lead to similar results. Current turmoil notwithstanding, Egypt's large and growing economy, increasing energy needs, and strategic location should ensure that growth in key sectors such as energy and transportation will continue.

Lastly, Turkey is strategically positioned at the crossroads of Europe, Asia and the Middle East and its complex mix of modern industry and commerce continues to attract a diverse set of American companies, ranging from ICT to energy, to emerging opportunities in its booming economy. Notably for USTDA and U.S. exporters, the government has instituted an aggressive development plan to be achieved by 2023, the 100<sup>th</sup> anniversary of the Republic's founding, with more than \$120 billion in spending targeted for transportation and energy. The plan includes greatly expanding the country's transportation networks in rail, highways and ports, and dramatically expanding renewable energy generation capacity, all sectors in which U.S. industry is highly competitive.

To leverage these opportunities, USTDA activities help mitigate risks for U.S. companies that are interested in doing business in this challenging region, and the Agency's activities continue to support U.S. private sector engagement in the region. Additionally, USTDA project planning assistance to local project sponsors represents a tangible U.S. Government action that demonstrates the broader U.S. commitment to the region's economic advancement.

### ***Sub-Saharan Africa***

“CCA and its members have enjoyed a close and mutually beneficial relationship with USTDA... USTDA's involvement in African and elsewhere around the globe often means that our American companies are provided early on with crucial information about emerging business opportunities. This translates directly into jobs for Americans.”  
- Letter to Congress from Stephen Hayes, President and CEO,  
The Corporate Council on Africa

Africa is a largely untapped market for U.S. businesses, providing opportunity today and great potential for growth in the future. Between 2000 and 2008, Africa's annual output grew by 4.9%, faster than the global average of 3.8%. In FY 2012, the IMF projects that Sub-Saharan Africa will experience 5.8% economic growth, nearly 150% of the global average<sup>8</sup>. Most importantly the market is large, with more than one billion people living in Africa, young, and growing rapidly.

Investments in ICT infrastructure throughout Sub-Saharan Africa are contributing to dynamic growth across multiple economic sectors. In particular, undersea fiber optic cables, such as SEACOM, are dramatically increasing connectivity and reducing prices for information and communication services in East Africa. USTDA supported the development of these cable systems through multi-year efforts (including reverse trade missions and conferences) to link African project sponsors with U.S. technology and services. Ultimately, the SEACOM project was designed and installed using

<sup>8</sup> International Monetary Fund World Economic Outlook, April 2011.

U.S.-based state-of-the-art technology and, when launched in July 2009, demonstrated a historic shift in how Africa communicates with the rest of the world

In FY 2013, USTDA intends to continue to help Sub-Saharan Africa benefit from its newfound broadband capacity. In August 2010, USTDA formed the *East Africa Broadband Connectivity (EABC) Initiative* to advance ICT infrastructure, use of applications, and economic integration in the East African Community. Focus areas of the *EABC Initiative* include: (1) expanding terrestrial fiber optic networks and other ICT infrastructure; (2) promoting regional integration and linkages between East Africa and the rest of the world; and (3) promoting the utilization of innovative ICT applications in areas such as e-Health, e-Education and e-Banking. The USTDA efforts in telecommunications in Africa, including the EABC, will continue to play a prominent role in FY 2013.

For the foreseeable future, USTDA anticipates great interest by the U.S. private sector and African energy sector officials for clean energy solutions on the continent. As such, the Agency expects in FY 2013 to extend support for its *African Clean Energy Solutions (ACES) Initiative*, which was launched in August 2010. The *ACES Initiative* provides a framework for a series of activities that will advance USTDA's clean energy investments in Sub-Saharan Africa. Focus areas include: (1) supporting power generation using clean energy sources; (2) modernizing transmission and distribution grids; and (3) promoting energy efficiency and demand-side management.

In response to South Africa's commitment to invest heavily in efficient energy, in FY 2012 USTDA sponsored a successful Smart Grid Workshop and will follow it up with a reverse trade mission in the Spring of FY 2012. The South African Government's ongoing commitment to investing in energy efficient technologies and increasing clean energy capacity will continue over the next decade, and USTDA programs in FY 2013 and beyond will ensure that U.S. companies have an edge in that expanding market.

Together with clean energy and ICT, USTDA will prioritize transportation sector investments as part of our strategy for promoting U.S. business interests and economic development in Sub-Saharan Africa. Many of Africa's transportation networks remain underdeveloped and are an impediment to economic growth. In addition to poor infrastructure, Sub-Saharan Africa's competitiveness suffers from inadequate capacity related to trade logistics, supply chain management, and customs administration.

In FY 2013 USTDA will continue to focus its transportation sector strategy on developing regional solutions and integration. The model for our participation will be the Agency's multimodal *African Trade Lanes Partnership*. This initiative aims to advance the development of Sub-Saharan Africa's most vital trade lanes and transportation networks to facilitate local,

regional, and global trade. It also provides a more uniform context for USTDA's work in the region, promoting regional cooperation and connectivity in all modes of transportation, including aviation, maritime, land, and rail.

Ultimately, efforts to stimulate economic development in Sub-Saharan Africa will be paramount to achieving sustainable global development and dramatically increasing U.S. exports in the coming years. Over the last few years, countries across Africa have experienced some of the fastest growth rates in the world. This trend is sustaining economic development in the region, while presenting new business opportunities for U.S. firms.

### SECTION III: SECTOR FOCUS

USTDA's FY 2013 budget was developed based upon the assumption that USTDA would focus not only on priority countries, but also on priority sectors that: 1) reflect the greatest demand from developing and middle-income countries; 2) represent areas of U.S. private sector expertise and competitiveness; and, 3) have the greatest likelihood of receiving implementation financing. As a result, USTDA anticipates that it will continue to focus on its three established priority sectors: clean energy, transportation, and ICT. Furthermore, the budget request includes limited funding for a strategic healthcare program which will respond to the large demand from abroad as well as requests from the U.S. healthcare industry.

#### *Clean Energy*

The United States is positioned as a global leader in developing and manufacturing cutting-edge clean energy technologies. At the same time, emerging countries increasingly have the parallel objectives of increasing energy production, diversifying sources of supply, and improving environmental standards. As a result of both the demand for clean energy in priority countries and the growth of new energy and energy efficient technologies from U.S. sources, USTDA continues to invest in clean energy activities. This continued investment proves even more valuable as the demand from emerging economies and the supply of even newer U.S. technologies are anticipated to increase throughout FY 2013.

The renewable energy market, for example, is rapidly expanding. Global demand for hydroelectric, solar, and wind powered generation technology has experienced more

#### **SUCCESS STORY:**

### *Solatube Sees Light of Day in China*

As a U.S.-China Energy Cooperation Program (ECP) founding member, California-based Solatube has become a leading force in opening China's clean energy market for U.S. exports. Solatube's patented daylighting devices use advanced optics to bring natural lighting into interior building spaces.



*Example of Solatube  
daylighting system for  
commercial use.*

When Solatube first arrived in China in 2009, the daylighting industry was nonexistent, requiring Solatube to establish industry design standards to generate acceptance of and demand for its products. To pursue this challenge, Solatube became a founding member of the ECP in 2010. Through the ECP, Solatube participated in two reverse trade missions during which Chinese delegations visited Solatube customer sites and saw demonstrations of its daylighting technologies. Following the first visit, Solatube secured its first government project in Xinxiang City in Henan Province for the design and installation of daylighting units in two buildings.

Solatube then won a 20,000-square meter project in Shanxi, as well as an invitation to participate in the drafting and revision of three building lighting standards that now include daylighting systems.

When reflecting on ECP's value to U.S. business, Solatube General Manager Catherine Zhou stated "ECP gives small and medium enterprises, especially those leading a new industry, the leverage needed to work with the government, and to reach out to the Chinese market and get results."



than 30 percent annual growth throughout the past decade, and rapid expansion is expected to continue. With the cost of solar power generation decreasing 70 percent over the last three years, and the cost of wind power generation decreasing 80 percent over the last 25 years, renewable energy is now becoming a more affordable and attractive option for emerging economies. In response to this demand, U.S. companies are pioneering innovative technologies across all clean energy subsectors and are exporting their products more and more as new emerging technologies dramatically lower costs. U.S. photovoltaic exports alone, for example, have increased by 200 percent since 2006, while U.S. exports of wind technologies have seen an average annual growth rate of almost 30 percent since 2007<sup>9</sup>.

In response to this global demand and increasing requests from U.S. companies for assistance, USTDA is continuing to prioritize investments in clean energy and energy efficiency projects. Under its clean energy program, USTDA invests in: (1) renewable energy development, with a primary emphasis on solar and wind power generation and a secondary emphasis on geothermal and biomass/waste-to-energy power generation; (2) energy efficiency, with a primary focus on smart grid development; and (3) cleaner forms of traditional power generation utilizing technologies that reduce emissions, focusing on natural gas development and other cleaner alternatives to coal.

In response to this growth, USTDA has recently launched three key programs. The U.S-China Energy Cooperation Program, with over more than 45 member companies, and the U.S-India Energy Cooperation Program, with 17 member companies, advance clean energy projects where U.S. technology is highly competitive and is likely to generate significant export opportunities. The U.S-China Energy Cooperation Program has already sponsored five grants, four study tours, and a host of workshops and pilot projects, and more activity is planned through FYs 2012 and 2013. Through reverse trade missions, feasibility studies, conferences, and other activities organized under these public-private partnerships, USTDA will continue identifying opportunities to play a role in ensuring U.S. companies are best positioned to win new contract opportunities.

In 2010, USTDA also launched the *Clean Energy Exchange Program for the Americas*. USTDA has already hosted six reverse trade missions to introduce Latin American and Caribbean leaders to U.S. technology and service providers. In FY 2013, USTDA will assist specific export opportunities that have arisen from the visits already undertaken.

In summary, USTDA's record of success in quickly responding to the challenges impeding clean energy development in emerging economies makes the Agency an important tool to open markets for U.S.-manufactured clean energy technologies.

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<sup>9</sup> *US International Trade Commission, Executive Briefings on Trade June 2011*

## *Transportation*

Recognizing the crucial role that transportation infrastructure plays in the development of low- and middle-income countries, USTDA seeks to employ U.S. transportation technology and expertise in expanding this vital infrastructure in emerging economies. Efficient and expansive transportation systems in a nation create better access for all citizens to economic markets, healthcare, and food sources. It increases the reliability and productivity of any given economy.

Transportation is both a pre-requisite to, and an opportunity for increased exports. It is a sector in which USTDA and its business partners have experienced great success spanning the rail, aviation, and port sub-sectors. In addition to the exports generated directly by our projects, improving the transportation infrastructure in our partner countries guides their development into strong and capable trade partners for the United States, opening up even more opportunities for future U.S. business involvement.

The transportation sector is a key component of the U.S. manufacturing base that supplies products to U.S. consumers and countries around the world. It is also a sector in which USTDA's assistance has succeeded in combating stiff foreign competition. In particular, the aviation and rail sub-sectors have been important drivers of export success, supporting thousands of high-paying manufacturing jobs in some of the hardest hit parts of the United States. These

### **SUCCESS STORY:**

#### *U.S. Exports Take Off in Vietnam*

Helping Vietnam obtain Category I (CAT I) flight status under the FAA's International Aviation Safety Assessment Program was the goal of USTDA's multi-year program on aviation safety for the Civil Aviation Administration of Vietnam (CAAV). The expert assistance has helped strengthen CAAV record keeping, licensing, and certification procedures. In anticipation of operating longer distance flights, Vietnam Airlines has begun expanding its fleet with the purchase of Boeing aircraft, which has led to more than \$1 billion in exports of U.S.-manufactured goods and services from Boeing and its hundreds of suppliers located throughout the country.

sub-sectors are also well known for sourcing components from large and small companies in every state, making increasing exports of aircraft and rail equipment critical to supporting broad-based U.S. job creation through increased exports.

As the aviation industry continues to bounce back from a long recession, the international aviation market is expected to comprise nearly half of all U.S. aviation sales in 2012. Indeed, capacity constraints in other countries are already foreseen for aircraft, airports, and airspace controls. Each of these areas represents an export market for U.S. manufactured goods and services, though not without significant foreign competition often aided by their governments. For example, U.S. engine manufacturers are facing stiff competition from European rivals (heavily supported by their own

governments) to supply engines for Airbus's A380 aircraft in Vietnam and India, with each contract representing billions of dollars of export sales and representing the potential to support

thousands of high-paying manufacturing jobs in the United States. Beyond aircraft, there is a significant need for airports, navigation systems, and many other industries in the aviation sector.

The aviation industry has seen remarkable gains in China, and more accelerated growth is anticipated. As of last year, the Chinese airline fleet size was just under 1600 aircraft. By 2015, that number is expected to grow to more than 2700 aircraft – an addition of a new aircraft every two days. India has also witnessed dramatic increases in aviation growth, recording 18% annual growth rates. To respond to this growth, the Investment Commission of India estimates that India will need to invest \$80 billion for new aircraft and \$30 billion for airport infrastructure by 2020.

At the targeted opportunity level, the Agency focuses on strategic rail and port projects, which are of equal importance when trying to establish safe and secure supply chains. Therefore, USTDA will continue to work with countries to make the necessary investments in logistics and security management for rail and port development. For port-specific investments, the Agency will target vessel traffic management systems, customs facilitation, and overall port security projects where U.S. companies have a competitive advantage. In the rail sub-sector, USTDA will support the sale of U.S.-manufactured heavy-haul locomotive engines, development of efficient freight management and track maintenance systems, and signaling and communication technology.

In addition to the Agency's support of traditional supply chain management projects, USTDA also uses its expertise in the transportation sector to further the USG's food security initiative. USTDA has supported many transportation projects to directly enhance food security efforts in individual countries. More specifically, the Agency has funded multiple cold chain development projects with the explicit goal of moving food from farm-to-market efficiently and safely. As the Agency seeks to support multiple new transportation projects in FY 2013, it will look closely at those specific projects that can facilitate and support increased food security.

### ***Information and Communications Technology***

In today's modern world, almost nothing functions without an ICT system. As technology has evolved, what used to be classified as basic telecommunications infrastructure to operate telephone lines has grown exponentially to now support industrial sectors from modern transportation systems to smart grid power distribution systems. Many developing and middle-income countries have prioritized investments in ICT infrastructure, which is seen as the best way to leap forward and encourage economic growth. These emerging economies are looking to build fiber optic backbones, increase broadband capabilities, and establish data centers and cloud networks so that they can use expanded ICT applications to improve effectiveness in such areas as banking, e-government, transportation, and water delivery. The increased global demand for ICT infrastructure bodes well for U.S. companies, as the United States has historically been a leader in the global ICT market and U.S. companies are at the forefront of innovation in these

technologies. However, foreign competition from Asia and Europe is fierce and warrants USTDA's continued support in this sector to ensure that U.S. business maintains global leadership.

The advancement of these technologies has a dramatic effect on economic development. ICT is strengthening voice and data networks, modernizing power transmission and distribution systems, facilitating regional transportation and trade, promoting government transparency and accountability, and improving revenue collection. Given the complexity of planning and implementing these systems, USTDA anticipates ongoing strong demand for ICT assistance around the globe. In FY 2013, USTDA will prioritize its efforts in areas where its assistance can have the greatest developmental impact while creating meaningful export opportunities for U.S. companies. In particular, USTDA will continue to focus on developing fiber optic and other ICT infrastructure and promoting the utilization of innovative ICT applications that take advantage of the technological capabilities offered through access to broadband.

USTDA's ICT strategy builds on the Agency's record of success. In FY 2013, this approach will include increased investment in sub-Saharan Africa and continued support for ICT development throughout the Middle East and North Africa. As mentioned above, in East Africa USTDA will continue to invest in the *East Africa Broadband Connectivity Initiative*. The Initiative was launched following the implementation of the SEACOM undersea fiber optic cable, as a means to promote U.S. ICT applications that will allow the region to exploit its new broadband capacity.

In addition to focusing on private sector driven projects such as SEACOM, USTDA will continue to support activities that leverage untied sources of financing from multilateral development banks. The World Bank, for example, has active ICT development programs that range from fiber connectivity to various e-government and telemedicine applications. Likewise, the African Development Bank (AfDB) has also been active in this sector, financing several major fiber optic connectivity projects across Africa and announcing its intent to scale up infrastructure financing, including ICT, in the next several years.<sup>10</sup> Leveraging this investment and growth, USTDA anticipates maintaining its record of success by supporting ICT projects in developing and middle income countries that provide a level playing field for U.S. technology providers.

### ***Healthcare***

In FY 2011, USTDA recognized that there were special opportunities within certain regions that fell outside of the three established priority sectors. As such, the Agency agreed to distinguish sectors of special consideration to help address those areas in need of assistance, but

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<sup>10</sup> Source: The Bank Group Information and Communications Technologies (ICT) Activities, January 6, 2010

acknowledged that its budgetary constraints would not allow the Agency to properly pursue those opportunities in depth. Going forward, healthcare will be the only sector of special consideration.

Within the healthcare industry, the statistics are staggering: the global healthcare market is almost \$5 trillion, more than \$3 trillion of which is public and private spending outside of the United States. Growth is particularly strong in the developing and middle-income countries USTDA targets, including the developing countries where USTDA already has successful programs and vibrant relationships. For example, the 2005-2010 healthcare demand growth rates were 21.7% in Brazil, 17.4% in India, and 13.3% in China.

It is also a sector in which U.S. companies have a strong competitive advantage as a result of superior technology, advanced ICT capabilities and a strong intellectual property position. U.S. companies are world leaders in medical technology as well as the sub-sectors upon which medical technology relies including microelectronics, telecommunications, instrumentation, and software development. It is also notable that a large number of U.S. medical device companies are SMEs.

In response to requests for support from the U.S. private sector, in FY 2011, USTDA took a pilot project approach to the healthcare sector and designed and launched the U.S.-China Healthcare Cooperation Program (U.S.-China HCP). As a part of the U.S.-China HCP, USTDA will fund a series of reverse trade missions and workshops to promote the sharing of best practices and innovative technologies to support sustainable quality healthcare delivery in China during FY 2012. The activities to be funded under the U.S.-China HCP will continue through FY 2013 as planned; though, given budget constraints, the Agency will not support further expansion of the program in China or other healthcare projects despite the opportunities available.

## SECTION IV: MEASURING OUR INVESTMENT

As mentioned earlier, USTDA maintains a robust Program Evaluation Office that is responsible for tracking the results of USTDA’s funding commitments. It evaluates both the short- and long-term impact of USTDA’s program as it relates to U.S. export generation and benefits to host country economies. These efforts are critical to the Agency’s ability to identify and quickly respond to the needs of U.S. companies seeking to pursue business and export opportunities in international markets. The Office is also integral to the strategic planning process, helping to identify strategic sectors and countries for the Agency’s program commitments.

Since its inception in 1981, USTDA’s programs have contributed to over \$40.7 billion in U.S. exports. The Agency’s ability to promote U.S. exports and support U.S. jobs is principally measured by the Agency’s export multiplier, which is calculated over a ten-year evaluation period (currently 1999–2008). USTDA supplements this export multiplier by calculating its impact on small business, over the same ten-year evaluation base period.

### **Export Multiplier Rate Calculation**

The multiplier rate quantifies the amount of exports generated for every USTDA program dollar obligated. It is calculated by dividing the dollar value of U.S. exports USTDA identifies by the dollar value of USTDA’s funding commitments<sup>11</sup>. For the current ten-year evaluation period (1999–2008), USTDA has obligated \$302 million to foreign assistance projects, which has helped to generate \$17.6 billion in U.S. exports. Thus, for every \$1 dollar of USTDA funding, \$58.30 in U.S. exports are generated, which far exceeds USTDA’s projected goal of \$35 for the multiplier rate. Just two years ago, USTDA’s export multiplier was \$41. This return on investment demonstrates the Agency’s ability to help achieve the President’s goals in the National Export Initiative, meet the needs of developing and middle-income countries, and promote the strengths of the U.S. business community through the export of U.S.-manufactured goods or services.

Export Multiplier:	$\frac{\$17.6 \text{ billion}}{\$302 \text{ million}}$	=	\$58.30
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<sup>11</sup> USTDA maintains an internal evaluations staff as well as contracts with an external evaluations firm to identify U.S. exports generated as a result of USTDA program funding.

**Small Business Impact**

Within the ten-year evaluation period, over 73% of USTDA’s project related activities have been awarded to small businesses. These project-related activities include direct contracts, as well as grant program activities; 91.7% of direct contracts<sup>12</sup> and 44% of grant activities<sup>13</sup>, which can only be used with U.S. companies, have resulted in awards to small businesses.

Activities: $\frac{2,310 \text{ Activities with Small Businesses}}{3,133 \text{ Total Activities}} = 73.7\%$
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<sup>12</sup> The Small Business Administration (SBA) has set a goal for federal agencies to work with small businesses as the prime contractor on at least 23% of FAR contracts.

<sup>13</sup> Average of all years between FY 2000 and FY 2010.

## **SECTION V: SIGNIFICANT PROGRAM ACHIEVEMENTS IN FY 2011**

In addition to producing outstanding results in terms of increasing its export multiplier and identifying new project successes, USTDA demonstrated its willingness to take the lead in helping the U.S. government meet its strategic objectives. Indeed, in many instances, USTDA has been the catalyst for complementary action by other USG agencies.

### **Continued support of the National Export Initiative (NEI)**



In response to the launch of the NEI in 2010, USTDA mobilized all of its tools and created a new International Business Partnership Program (IBPP) with an initial focus on the reverse trade missions (RTMs) to support U.S. industry's efforts to broaden its export markets. As part of the NEI, USTDA committed to sponsoring 35 RTMs in 2010, a 60 percent increase from 2009, and then proceeded to exceed that goal, sponsoring over 40 RTMs in 2010 and again in 2011. An increase in RTMs was part of a conscious effort to focus on short-term results, and the Agency is already seeing the benefits of that decision. In part due to USTDA efforts, we are on track to achieving the President's goal of doubling exports by 2015.

### **Cooperation Programs**

In response to requests from U.S. industry, USTDA established two new cooperation programs in FY 2011—the U.S.-India Energy Cooperation Program (U.S.-India ECP) and the U.S.-China Health Cooperation Program (U.S.-China HCP). The cooperation programs are public-private partnerships initiated by and through USTDA that bring U.S. companies together with the U.S. and partner country governments to address strategically critical infrastructure and other development projects. These partnerships give both governments an important private sector resource to draw from to help with key development issues. They have also generated numerous specific business opportunities for U.S. companies. The growing success of these cooperative programs has enabled USTDA to showcase its unique ability to integrate and leverage the U.S. private sector in its foreign assistance activities to create lasting benefits for both the United States and USTDA's partner economies.

In support of the U.S.-India ECP, USTDA launched the Efficiency and Clean Energy Exchange Program to introduce Indian officials and private sector project sponsors to U.S. expertise in these technologies through a series of four reverse trade missions to the United States. These missions, which began in FY 2011 and will continue in FY 2012, focus on the highest priority areas of clean energy and energy efficiency commercial opportunities such as: smart grid applications; grid-scale solar power development; unconventional gas, coal bed methane and carbon capture and storage; and commercial and building energy efficiency.



As the U.S.-China HCP grows, the goal is to expand the Program's scope to support areas such as rural healthcare, emergency response, personnel training, and medical information technology, all with a view to increasing U.S. export opportunities.

**SECTION VI: OPERATING EXPENSES**

	<b>FY 2011 (Actual)</b>	<b>FY2012 (Budget)</b>	<b>FY2013 (Budget)</b>
<b>Operating Expenses</b>	<b>Includes 2010 carry/over</b>	<b>Projections</b>	<b>Request</b>
Full Time Permanent Employee Salaries Other Than Full Time Permanent Employee Salaries	3,899,221	4,343,572	4,745,800
Other Personnel Compensation	797,407	828,209	828,892
Total Personal Service Payments	94,075	50,587	88,203
Civilian Personnel Benefits	4,790,703	5,222,368	5,662,895
Total Salaries and Benefits	1,363,751	1,396,316	1,495,004
Rental Payments to GSA/Others	6,154,454	6,618,684	7,157,899
Travel and Transportation	1,544,439	1,514,796	1,730,000
Communications, Util & Misc	607,502	650,000	687,000
Communications, Postal Fees & Mail Service	114,702	124,700	130,100
Printing and Reproduction	162,480	163,000	166,750
Consulting Services	79,908	87,500	82,500
Other Services	3,038,825	2,510,576	2,214,988
Inter-Agency Reimb. Agreements	158,544	231,661	213,759
Operation and Mgt. of Facilities	1,341,441	1,097,351	1,031,331
Equipment Maintenance	18,503	10,000	10,000
Supplies and Materials	32,677	36,500	31,000
Furniture and Equipment	80,401	88,200	88,200
Prior Year Carryover De-obs used	214,634	130,000	30,000
Carryover into next FY	-921,178	-572,668	-509,700
<b>Total Operating Expenses - Core Budget Obligations</b>	<b>572,668</b>	<b>509,700</b>	<b>136,173</b>
	<b>13,200,000</b>	<b>13,200,000</b>	<b>13,200,000</b>
FTE Count	50	50	50

USTDA requests an operating expense (OE) budget of \$13.2 million for FY 2013, **the same level since FY 2010**. Over 67 percent of the FY 2013 OE budget is comprised of the Agency’s two largest OE expenditures—salaries and benefits and rental payments. Other critical areas of the OE budget include: (1) funding the Agency’s Evaluation Program, which was described in detail above; (2) developing and implementing an effective management information system; (3) implementing a human capital development program; and (4) strengthening Continuity of Operations (COOP) and computer network remote access capabilities.

### **Developing and Implementing an Effective Management Information System**

USTDA is in the development phase for the replacement of its in-house management information system. By FY 2013, the new MIS will be fully implemented. The new MIS will provide a fully functional platform to support the effective management of all activities USTDA funds. In addition, the new system will better enable USTDA to meet reporting requirements of OMB and Congress as well as those of other agencies seeking to report on a “whole of government” basis.

### **Implementing a Human Capital Development Program**

USTDA has the important responsibility of hiring, developing and supporting its greatest asset—the dedicated personnel who make the Agency’s vision a reality. This is particularly true in an organization the size of USTDA where every employee has a critical role to play in the overall success of the Agency’s mission and there is virtually no staff redundancy. USTDA’s Human Resources (HR) goals are: (1) empower employees through professional and career development; (2) identify and implement efficiencies through automation and process re-engineering; and (3) increase employee engagement and satisfaction. The Agency’s HR goals are in alignment with the Administration’s and Office of Personnel Management’s (OPM) comprehensive initiatives to hire, retain and develop the best and the brightest Federal civilian workforce.

#### *Empower Employees through Professional and Career Development*

Equipping employees with the tools needed to perform their official duties is essential to continuing the high level of performance and effectiveness for which USTDA is noted. Building on the success of training conducted in FY 2011 for USTDA managers and supervisors, the Agency intends to expand leadership and management training in FY 2013. This on-going training will emphasize key skills and competencies required for effective management of Agency projects and objectives.

Promoting diversity and encouraging inclusion in the Federal workforce helps agencies recruit and retain talented individuals who reflect the range of diverse citizens we serve, and creates an environment in which people perform at the highest levels. Recognizing this fact, in FY 2011 the Agency formed a Diversity Advisory Panel composed of supervisory and non-supervisory employees. The Panel has already conducted research on Agency outreach and hiring practices and is developing new methods and sources to increase targeted populations for new staff and internships. Some of the training resources in FY 2013 will support the important work of the Diversity Panel.

### *Increase employee work-life satisfaction*

Work-life is the practice of providing employees a flexible, supportive work environment that allows them to be focused and productive at work. USTDA will work to improve employee satisfaction with health, wellness, and work-life flexibilities. In response to OPM's FY 2011 guidance on the Telework Improvement Act of 2010, USTDA established the requisite policy framework and implemented an Agency-wide telework program. It was evident through employee focus groups and "All Hands" meetings that the regularization of what had been a case-by-case, situational telework system is popular among employees. Going forward, the Agency intends to explore other workplace flexibilities, and will begin by researching and drafting policies related to Alternative Work Schedules and other work-life issues.

### *Federal Employee Viewpoint Survey*

Over the past several years, the Agency has shown consistent improvement in employee satisfaction, as reflected in the 2011 Federal Employee Viewpoint Survey (EVS). For example, USTDA employees gave unanimous positive responses in the 2011 EVS to the following six questions: (1) I know how my work relates to the agency's goals and priorities; (2) The people I work with cooperate to get the job done; (3) Employees in my work unit share job knowledge with each other; (4) When needed I am willing to put in the extra effort to get a job done; (5) Employees are protected from health and safety hazards on the job; and (6) Managers review and evaluate the organization's progress toward meeting its goals and objectives.

As to the areas of possible improvement, the Agency worked with employees to issue a new telework policy shortly after the EVS was administered and we are in the process of addressing the alternative work schedule issue. Another challenge, limited opportunities to get a better job within the Agency, is largely a function of the Agency's small size (most departments consist of 4-5 people).

### **Strengthening Continuity of Operations (COOP) and Computer Network Remote Access Capabilities**

In FY 2013 improvement of the Agency's continuity of operations planning (COOP) continues to be a priority. In FY 2011 the Agency conducted a pilot-program using Google to move its email and email archiving services into the cloud. While ultimately we believe cloud email services are the best way to satisfy USTDA's COOP needs, the Agency will continue to explore other options. We are strengthening our remote access capabilities to the network to make telework easier for our employees in a COOP situation and/or while operating in official travel status.

## **REPRESENTATIONAL FUNDS**

USTDA requests a representational fund of \$5,000. As a foreign assistance agency, it is essential that USTDA's representational funds be sufficient to allow Agency staff to operate appropriately in international diplomatic environments. The modest increase in funds will better support both the extensive work the Agency engages in overseas and local outreach and related programs that bring emerging economy decision-makers together with the U.S. business community.

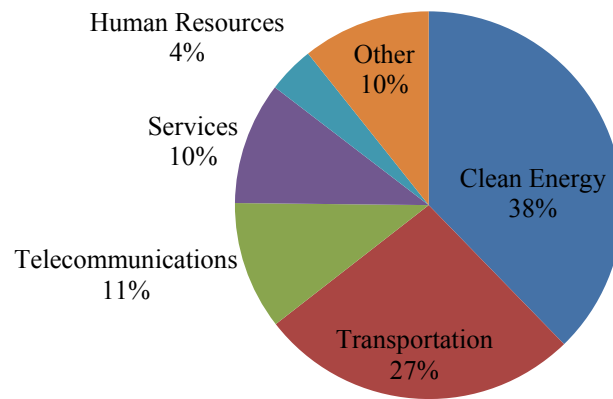
**TOP SECTORS**

The following tables show the top five sectors where USTDA provided assistance in FY 2011, FY 2010, and FY 2009:

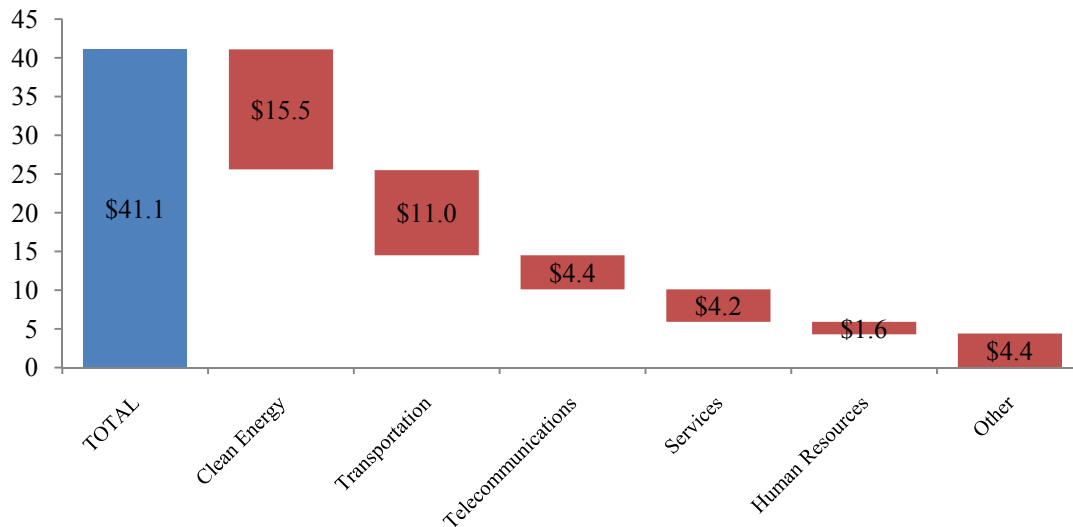
**TOP 5 SECTORS IN FY 2011**

SECTOR	FUNDING AMOUNT	% OF FUNDING
Clean Energy	\$15,527,145	37.8
Transportation	\$11,018,381	26.8
Telecommunications	\$4,429,963	10.8
Services	\$4,220,618	10.3
Human Resources	\$1,558,479	3.8

**FY 2011 Spending Breakdown by Sector**



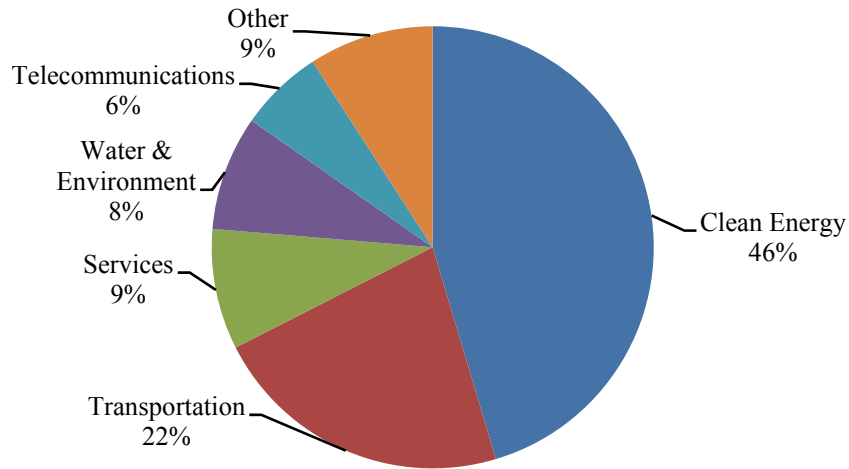
**FY2011 Spending Breakdown by Sector (in millions)**



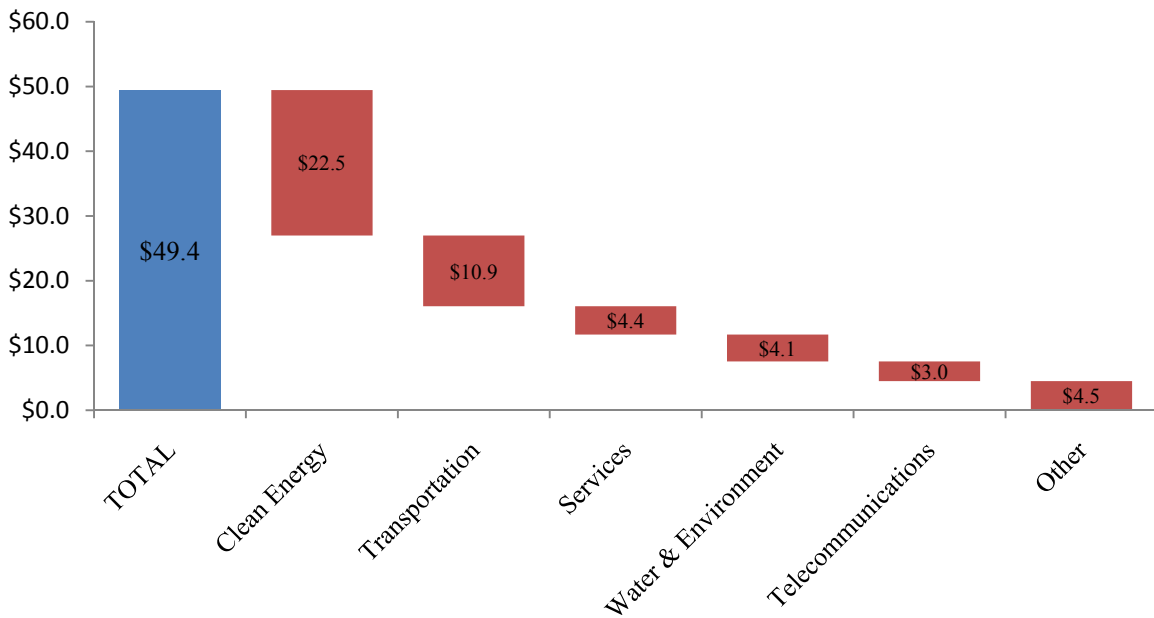
**TOP 5 SECTORS IN FY 2010**

SECTOR	FUNDING AMOUNT	% OF FUNDING
Clean Energy	\$22,453,434	45.4
Transportation	\$10,942,456	22.1
Services	\$4,367,970	8.9
Water & Environment	\$4,148,347	8.4
Telecommunications	\$3,034,904	6.1

**FY2010 Spending Breakdown by Sector**



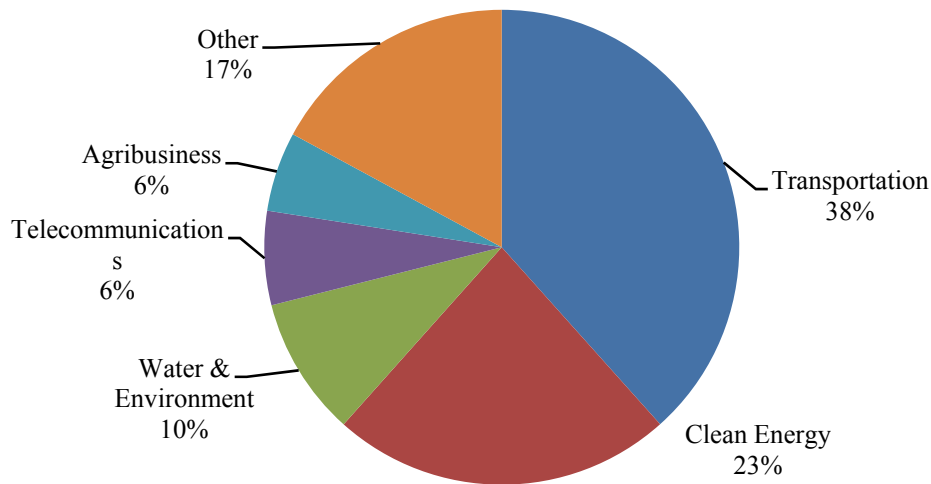
**FY2010 Spending Breakdown by Sector (in millions)**



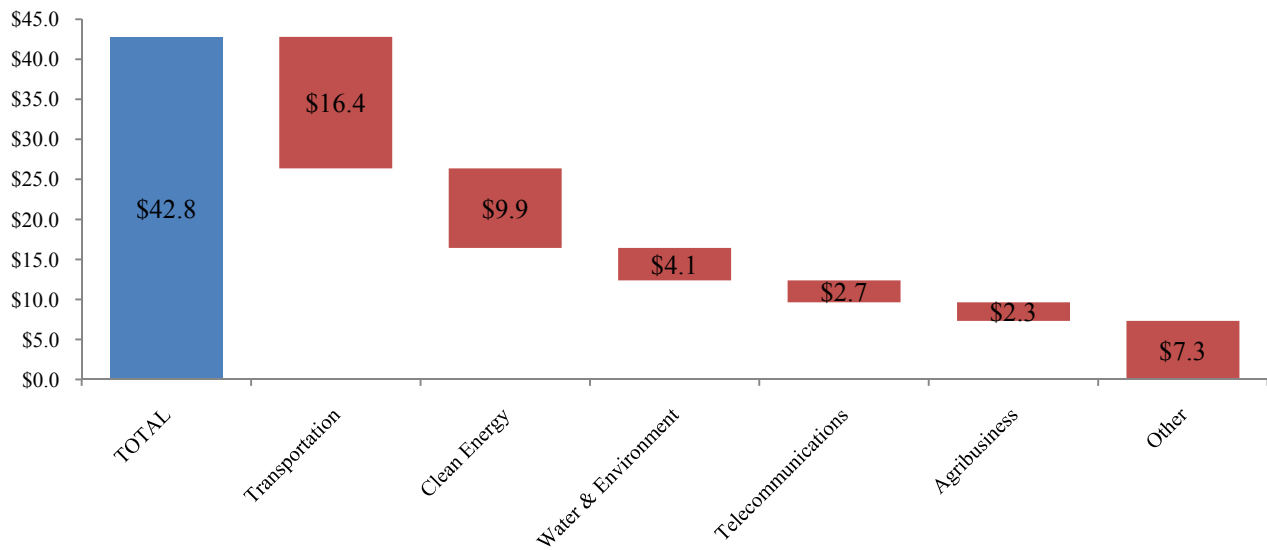
**TOP 5 SECTORS IN FY 2009**

SECTOR	FUNDING AMOUNT	% OF FUNDING
Transportation	\$16,426,031	38.4
Clean Energy	\$9,938,824	23.3
Water & Environment	\$4,052,211	9.5
Telecommunications	\$2,738,199	6.4
Agribusiness	\$2,320,892	5.4

**FY2009 Spending Breakdown by Sector**



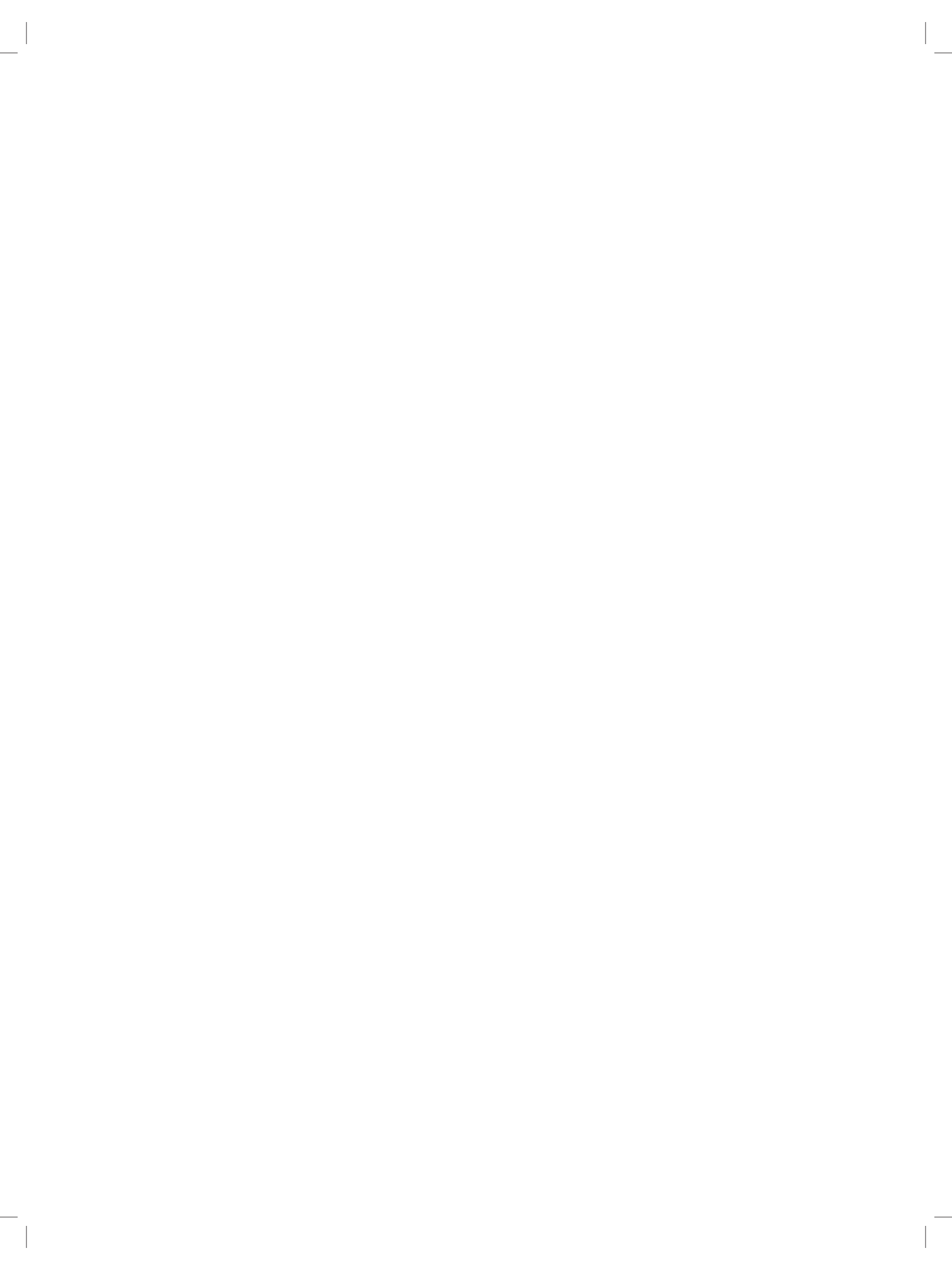
**FY2009 Spending Breakdown by Sector (in millions)**





**BUDGET HISTORY TABLE**  
**FY 2005 – FY 2013**

<b>Fiscal Year</b>	<b>Request</b>	<b>Appropriation</b>	<b>Carryover from Prior Year</b>	<b>Available for Obligation</b>	<b>Obligated</b>
<b>FY 2005</b>	\$50,000,000	\$51,088,000	\$1,436,000	\$52,524,000	\$51,159,000
<b>FY 2006</b>	\$48,900,000	\$50,391,000	\$2,549,000	\$52,940,000	\$52,626,000
<b>FY 2007</b>	\$50,300,000	\$50,432,000	\$1,344,000	\$51,776,000	\$49,078,000
<b>FY 2008</b>	\$50,400,000	\$49,992,000	\$2,817,000	\$52,809,000	\$52,777,000
<b>FY 2009</b>	\$50,800,000	\$50,800,000	\$1,314,000	\$52,114,000	\$50,739,442
<b>FY 2010</b>	\$55,200,000	\$55,200,000	\$2,031,787	\$57,321,787	\$55,121,631
<b>FY 2011</b>	\$56,200,000	\$49,900,000	\$2,103,085	\$52,003,085	\$51,334,371
<b>FY 2012</b>	\$56,270,000	\$50,000,000	\$1,433,367	\$51,433,367	n/a
<b>FY 2013</b>	\$57,600,000	n/a	n/a	n/a	n/a





## U.S. TRADE AND DEVELOPMENT AGENCY

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