



# U.S. Trade and Development Agency

2013 ANNUAL REPORT



**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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**ABOUT THE USTDA 2013 ANNUAL REPORT PHOTOGRAPHY**

Most of the photographs featured in this annual report were taken by USTDA staff members.

## MESSAGE FROM THE DIRECTOR

In Fiscal Year 2013, the U.S. Trade and Development Agency built upon its impressive history of linking U.S. businesses to export opportunities in developing and middle-income countries. By engaging U.S. industry in infrastructure development projects, USTDA helps build mutually beneficial partnerships between the U.S. private sector and overseas project sponsors at a critical point in project planning. The Agency supports U.S. jobs through exports by providing important early project planning assistance to high-growth emerging markets, helping them to develop the infrastructure needed for trade.

The Agency targets its funding in areas of the greatest opportunity, thereby positioning U.S. companies to achieve results. The success of its U.S. private sector clients is reflected in the growth of the Agency's export multiplier: For the fifth year in a row, USTDA's export multiplier has increased – for every dollar the Agency programmed over the last decade, an unprecedented \$73 in U.S. exports were generated. Further, the nearly \$3 billion in new exports identified this year bring USTDA's total exports generated to date to nearly \$36 billion.

The Agency's success results, in part, from its rigorous, evidence-based decision-making processes. USTDA continuously evaluates its program tools to determine their overall effectiveness. The Agency prioritizes funding for activities in markets and sectors that have strong opportunities for U.S. exports, where U.S. industry expertise can meet the development needs of its partner countries. As a result of this data-driven approach, USTDA continued to focus its FY 2013 programming in three key infrastructure sectors: energy, transportation and telecommunications. The majority of the Agency's activities this past year focused on eighteen priority countries, which together were forecast to grow at nearly twice the rate of world GDP growth in 2013.

This focus led USTDA to engage in a number of activities over the course of the past year. The Agency was asked to join President Obama in Tanzania for the launch of the Power Africa initiative, which will mobilize \$16 billion in public and private capital for sub-Saharan Africa's critical power infrastructure needs. USTDA also launched its *Global Procurement Initiative: Understanding Best Value*, which will level the playing field for U.S. companies competing on contract opportunities in emerging economies by educating public procurement officials in those markets about the benefits of integrating best-value determinations and life-cycle cost analyses into their procurement policies. The Agency also celebrated the tenth anniversary of one of its most successful programs, the *U.S.-China Aviation Cooperation Program*, at its biannual Aviation Symposium in Beijing.

USTDA's dedicated staff is proud of its contributions to the growth of U.S. exports and to economic development in emerging markets. This report highlights just a few of the ways in which the Agency played an important role in facilitating increased U.S. exports while fostering economic growth in our partner countries.



USTDA Director Leocadia I. Zak

A handwritten signature in blue ink that reads "Leocadia I. Zak". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

**Leocadia I. Zak**

Director, U.S. Trade and Development Agency





# 2013: LIGHTING THE WAY

USTDA expanded opportunities for U.S. businesses to export their goods and services to emerging markets – in support of jobs here at home – by forging strategic relationships between the private and public sectors in the United States and its partner countries.

The Agency continues to prioritize its funding for activities with a strong probability of success, which allows U.S. companies to build relationships and make sales to new markets while developing and middle-income countries achieve their economic development goals. As a result of this targeted approach, in FY 2013 alone, the Agency identified \$2.95 billion of new exports generated from USTDA-funded activities, which has helped support approximately 14,000 jobs in the United States. The activities described below demonstrate the benefits of USTDA's unique brand of economic and commercial cooperation.

#### **Mobilizing Capital to Power Africa**

In June, USTDA Director Zak joined President Obama in sub-Saharan Africa for the launch of the Administration's signature Power Africa initiative. President Obama visited Tanzania's Ubungo Symbion Power Plant, where he announced the goal of increasing electricity access by at least 20 million households and businesses, as well as enhancing energy resource management capabilities – providing a roadmap for USTDA's future programs. To highlight its commitment to this initiative, USTDA co-hosted a roundtable in South Africa with African private sector firms and financial institutions to discuss how Agency programs can help mobilize capital for energy development to meet the goals of Power Africa.

Consistent with the Power Africa objectives, USTDA, the Overseas Private Investment Corporation (OPIC) and the Department of State developed the U.S.-Africa Clean Energy Finance Initiative (US-ACEF),

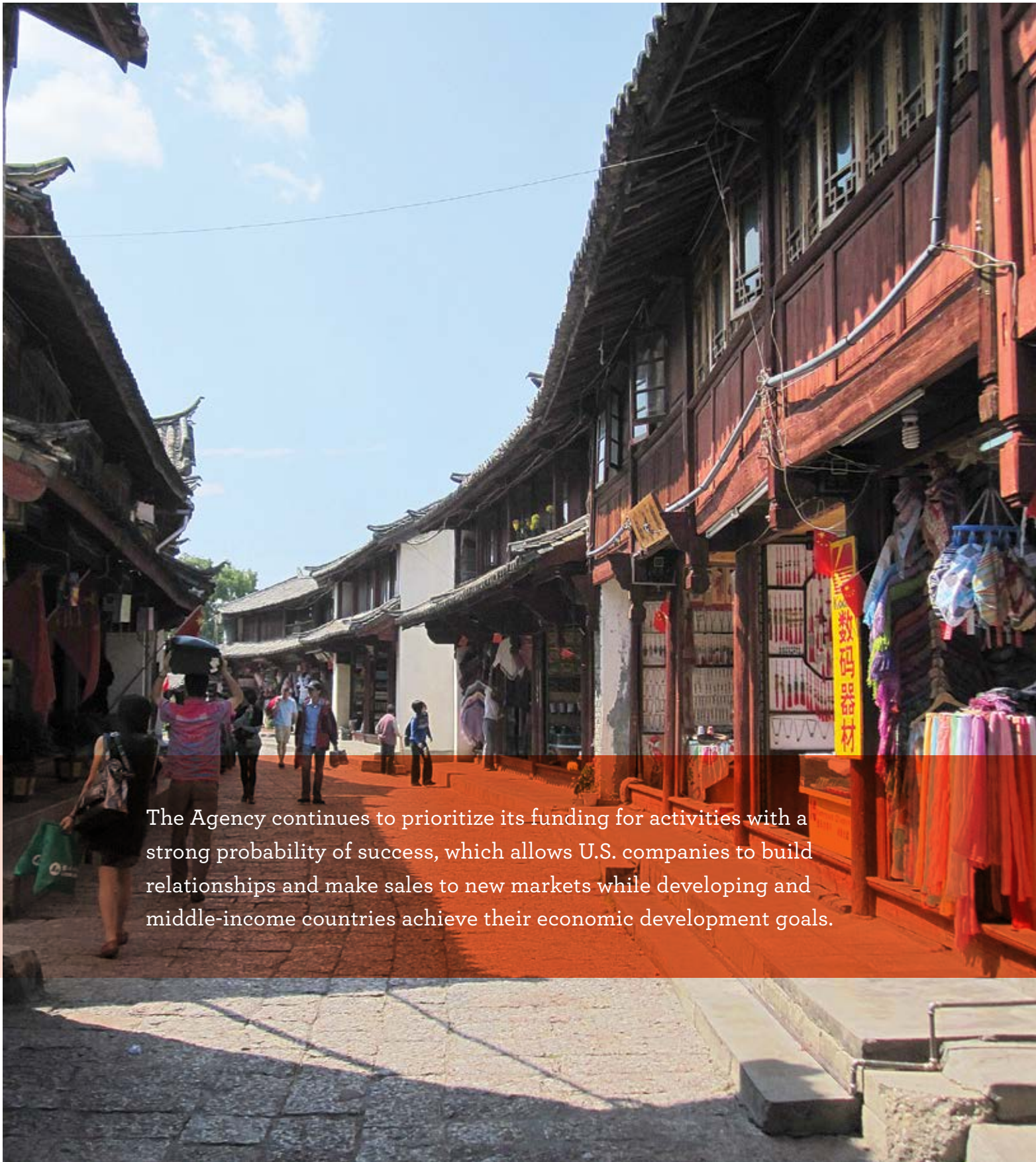
an innovative financing mechanism that aligns U.S. government resources to catalyze significant private sector investment in Africa's clean energy infrastructure. Under the four-year program, USTDA will leverage its project planning expertise to support activities both eligible for and currently in OPIC's pipeline for private-sector investment transactions. The program will help ensure that technically and financially sound projects reach implementation, rather than falling short because they lack funding for critical "last mile" activities.

Building on this initiative is the U.S.-Africa Clean Energy Development and Finance Center, which was developed by USTDA, OPIC and the Export-Import Bank of the United States (Ex-Im). The Center provides U.S. private sector and sub-Saharan African developers with a centralized means to identify and access U.S. government support for their clean energy export and investment needs. Housed in the U.S. Consulate in Johannesburg, the Center is coordinating its resources with those of the U.S. private sector, multilateral and local development banks, and private banks and equity firms.

#### **Strengthening Public-Private Partnerships**

**CHINA:** USTDA believes in the crucial importance of leveraging industry innovations and government resources for win-win results. In China, this philosophy led USTDA to support the creation of four public-private partnerships in aviation, energy, health and agriculture over the past ten years. The first of these, the U.S.-China Aviation Cooperation (ACP), has grown to include over 40 U.S. industry members and five public sector partners since it was





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founded. U.S. companies attribute nearly \$5.4 billion in sales to the ACP's USTDA-funded activities. In 2013, USTDA hosted the sixth biannual *U.S.-China Aviation Symposium* in Beijing. Attracting over 350 participants from the United States and China, the conference provided 80 U.S. companies access to China's top aviation decision-makers. This event supported the ACP's efforts to expand U.S. exports to China's rapidly growing aviation sector by highlighting U.S. expertise and addressing constraints in the Chinese market.

Building upon the success of these public-private partnerships, U.S. industry established the U.S. Agriculture Food Partnership in 2013 to focus on the largest source of U.S. exports to China. The Partnership will provide a platform to better promote U.S. agricultural interests by introducing U.S. best practices to help China develop a safer, more sustainable agricultural supply chain. This Partnership meets U.S. agribusiness' growing need for broader advocacy while emphasizing positive cooperation between the U.S. and Chinese agricultural sectors. USTDA looks forward to supporting activities under the Partnership as opportunities arise.

**INDIA:** The key drivers of USTDA's program in India remain the *U.S.-India Aviation* and *Energy Cooperation Programs*, which represent the long-term commitment of both countries to advancing India's development priorities while positioning U.S. firms to help implement India's critical aviation and energy infrastructure projects. USTDA highlighted the breadth and tangible outcomes of these efforts during the Strategic Dialogue held in New Delhi in June 2013. Director Zak, who participated in this annual dialogue led by Secretary of State John Kerry, helped strengthen the U.S. economic and trade relationship with India by announcing new USTDA

commitments to advance bilateral cooperation, including support for advanced air navigation systems as well as training to strengthen India's aviation regulatory and safety capacities.

During the Strategic Dialogue, Director Zak and U.S. Secretary of Energy Ernest Moniz also participated in key meetings focused on the two countries' strategic energy sector cooperation, where they discussed programs that provide Indian partners with leading U.S. expertise to advance their infrastructure plans. One such program is a common Smart Grid Test Bed grant that USTDA provided to India's Central Power Research Institute to help promote full-scale deployment of smart grid technologies across India's power sector.

**BRAZIL:** Since the *U.S.-Brazil Aviation Partnership* was launched in April 2012, USTDA has led the efforts of its partners [the U.S. Department of State, Federal Aviation Administration, Transportation Security Administration and Brazil's Ministry of External Relations, Secretariat of Civil Aviation and National Civil Aviation Agency] to enhance bilateral cooperation in areas such as airport expansion, airspace management, and aviation safety and security. In FY 2013, the Agency hosted three successful workshops focused on airport certification, environmental standards, airport service quality and light aircraft. Nearly 400 aviation stakeholders from the U.S. and Brazil attended these events. Additionally, USTDA funded a program to develop a roadmap and implementation plan to increase capacity at 16 major airports in Brazil. These programs are connecting U.S. companies to the growing business opportunities in Brazil, where significant investments are being made to accommodate the substantial increase in air traffic expected for the upcoming World Cup and Olympic Games.







The value that U.S. industry places on the GPI was highlighted by the private sector members of the President's Export Council, who submitted a letter to President Obama recommending that the Administration fully support USTDA in the GPI's implementation.

#### **Leveling the Playing Field for U.S. Industry in Overseas Procurements**

In August 2013, USTDA launched the *Global Procurement Initiative: Understanding Best Value* (GPI) in response to requests from both its U.S. industry and overseas partners. The GPI aims to educate public procurement officials in emerging economies about the benefits of integrating best-value determinations and life-cycle cost analyses into their procurement policies. By fairly and transparently evaluating value in procurements, emerging economies will benefit from sustainable investments while creating a level playing field for greater international competition.

USTDA launched the GPI in partnership with the George Washington University's (GW) Government Procurement Law Program, the only degree-awarding program in North America that focuses on the law of government contracts. The major development banks have also agreed to collaborate with USTDA and GW when possible; their contributions are essential, given the importance of multilateral bank financing in developing and middle-income countries. The GPI's partners recognize that least-cost procurement methods, frequently employed in emerging markets, often discourage competition in international tenders. Objective methods for value

assessment, such as life-cycle cost analyses, will lead to transparent procurement decisions that level the playing field for U.S. companies. The value that U.S. industry places on the GPI was highlighted by the private sector members of the President's Export Council, who submitted a letter to President Obama recommending that the Administration fully support USTDA in the GPI's implementation.

#### **#TradeChat**

USTDA convened nine different federal export and trade promotion agencies during World Trade Month to host a first-of-its-kind Twitter Q&A series for U.S. companies. By using the hashtag #TradeChat, businesses were able to ask questions directly to the agencies that support President Obama's *National Export Initiative*. The three-part series provided U.S. industry with export solutions, including information on the federal resources available to companies who are interested in exporting goods and services to overseas markets. #TradeChat also provided USTDA the opportunity to expand its digital outreach by highlighting events and services that directly support small business exporters. The information shared by the participating agencies during #TradeChat reached over 400,000 Twitter accounts and set the standard for future social media events.

A photograph of a woman in the foreground, wearing a black sari with white floral patterns, speaking and gesturing with her hands. In the background, two other women are visible: one in a blue headscarf and another in a red and orange patterned sari. The scene appears to be outdoors in a rural or semi-urban setting.

# MAKING GLOBAL LOCAL: BUILDING CONNECTIONS

Since USTDA launched its *Making Global Local* initiative last year, it has become the largest domestic outreach effort in the Agency's history. *Making Global Local* was designed to increase the number of U.S. companies that benefit from USTDA's programs, with the ultimate goal of creating high-paying U.S. jobs through expanded exports to emerging markets.

Since the program's creation, USTDA has formed strategic partnerships with 32 state and local trade promotion organizations across the United States. With increased awareness of and access to USTDA's priorities and programs, these partner organizations are helping companies in their communities identify sales opportunities abroad through various USTDA-funded activities.

Through its robust network of *Making Global Local* partners, USTDA gathers market intelligence on key industry clusters, cutting-edge manufacturers and innovative service providers – the majority of which are small and medium-sized enterprises (SMEs) – in order to connect U.S. businesses from around the country with foreign buyers. The Agency has been leveraging its partnerships – and the business intelligence gleaned through them – in order to participate in governor and mayor-led trade missions for the first time in its history, and to effectively coordinate and market the dozens of reverse trade missions it hosts each year. In fact, more than 90% of USTDA-hosted reverse trade missions in FY 2013 visited cities and towns where the Agency has *Making Global Local* partners.

Throughout the next year and beyond, USTDA and its partner organizations will continue to explore innovative ways to collaborate in order to better serve the needs of companies interested in increasing their sales in high-growth emerging markets.

#### USTDA'S PARTNER ORGANIZATIONS

- California Chamber of Commerce
- Colorado Office of Economic Development and International Trade
- County of Riverside – Office of Foreign Trade
- Denver Sister Cities International
- Duquesne University Small Business Development Center
- Erie County Industrial Development Agency (New York)
- Export Finance Assistance Center of Washington
- Greater Houston Partnership
- Illinois Chamber of Commerce
- Invest Atlanta
- Kansas Global Trade Services
- Los Angeles County Economic Development Corporation
- Los Angeles Regional Export Council
- Maryland Small Business Development Center
- Massachusetts Office of International Trade and Investment
- Mayor's Office of International Trade and Development (Houston, TX)
- Minnesota Trade Office
- Mississippi Development Authority International Trade Office
- Missouri International Trade and Investment Office
- North Dakota Trade Office
- Pennsylvania Small Business Development Centers
- Port of Virginia
- Tampa Bay International Business Council
- Utah Governor's Office of Economic Development
- Vermont Economic Development Authority
- Virginia Small Business Development Center
- World Trade Center Atlanta
- World Trade Center of Greater Philadelphia
- World Trade Center of New Orleans
- World Trade Center of San Diego
- World Trade Center Savannah
- World Trade Center St. Louis





By forming strategic partnerships, USTDA and local trade promotion organizations have continued to increase the involvement of small businesses in Agency-funded activities, thereby expanding their opportunities to increase exports.





### Supporting Small Businesses

In FY 13, USTDA awarded 64% of its direct contracts to small businesses, demonstrating the Agency's reliance on small businesses to provide technical guidance and recommendations that inform the Agency's funding decisions. USTDA draws extensively on the expertise of small- and medium-sized consulting and engineering firms to provide independent technical and financial analysis during the critical early stages of a project's definition.

Since its inception, USTDA has been a catalyst for engaging small businesses in the international arena. By providing opportunities for these companies to apply their expertise in an international context, USTDA has provided valuable experience that would otherwise have been difficult for them to obtain. As a result, many small businesses that first expanded their global reach by working with USTDA have gone on to work on other international activities independent of the Agency's support.

USTDA has broadened its outreach to the small business community through its various initiatives

and by partnering with other U.S. government agencies. With the launch of *Making Global Local*, even more small businesses across the country are realizing the benefits of the Agency's export-promotion programs. By forming strategic partnerships, USTDA and local trade promotion organizations have continued to increase the involvement of small businesses in Agency-funded activities, thereby expanding their opportunities to increase exports. USTDA also collaborates with a variety of other partners at the federal, state and local levels—including the Small Business Administration (SBA) as well as the Department of Commerce's U.S. Export Assistance Centers and the District Export Councils—to increase awareness of the Agency's export-promotion programs. USTDA's participation in outreach events hosted all across the country – whether by *Making Global Local* partners, trade associations or other federal agencies – provides a vehicle for USTDA to connect with and recruit small businesses to participate in Agency-funded activities.

Following a meeting with FirmGreen Inc., a small renewable-energy company, the Agency recognized the value the firm would bring to an upcoming Brazil waste-to-energy reverse trade mission and quickly arranged for the Brazilian delegation to visit the company's facilities in Orange County, CA. Drawing from its experience designing, integrating and financing the world's largest biogas-to-energy facility at the Jardim Gramacho landfill near Rio de Janeiro, FirmGreen was able to share its lessons learned with the delegates and to discuss new renewable energy projects in Brazil. Since the visit, FirmGreen has helped ensure the successful commissioning of the facility in Brazil, even providing site tours to some of the Brazilian delegates.







# EVALUATIONS: UNLOCKING RESULTS



In the Agency's history of linking U.S. businesses to export opportunities, USTDA has generated nearly \$36 billion in U.S. exports and, consistent with its Congressional mandate, has emerged as the leading U.S. government agency for project development and planning activities in emerging economies.



Over the last decade, every \$1 dollar of USTDA program funding has generated \$73 in U.S. exports – exceeding last year's multiplier rate of \$63 and the multiplier for two years ago of \$58. This return on investment demonstrates the Agency's ability to meet the needs of the U.S. business community and host country partners by employing the most effective tools to promote infrastructure development.

The export multiplier is at the heart of the Agency's robust evaluations process, which provides information about what USTDA's program activities have achieved for U.S. companies and foreign partners. USTDA evaluates how each project performs by measuring the direct outputs in terms of project implementation by host country and the resulting U.S. exports. USTDA continuously monitors, tracks and analyzes the results of activities to determine their effectiveness and responsiveness to U.S. industry, emerging market needs and U.S. government policy priorities, in order to confirm that the Agency is accomplishing its mission.

USTDA evaluates performance on a continuous basis to support funding decisions and to ensure oversight and accountability of the Agency's programs. USTDA analyzes performance results by country and sector, reviews its program successes as well as failures, and identifies the most effective tools to leverage funding. In addition to USTDA's historic results, the Agency

examines U.S. export growth potential and forecasted trends in key markets. USTDA uses evaluation data when making funding decisions by assessing the potential for export sales, as well as past Agency results in the relevant country and sector. USTDA funding is prioritized for those projects for which the Agency's data suggests the strongest potential for success. This rigorous and comprehensive approach to evidence-based decision-making allows the Agency to target resources in the most effective ways to increase the probability of success. By remaining responsive to the needs of its U.S. private sector partners, USTDA levels the playing field for U.S. industry in overseas markets, increasing opportunities for exports and consequently creating jobs at home.

USTDA's Program Evaluations Office has significantly expanded its capacity and improved its methods for capturing results over the past two years. Working with independent outside evaluators to collect and verify data on program performance, USTDA continues to refine its techniques for obtaining information that validates whether and how USTDA's funding affected its intended outcomes. Looking ahead, the rigorous analysis of USTDA's results will continue to enhance program management and data-driven decision-making to deliver tangible impacts for USTDA's partners.

A large, mushroom-shaped rock formation, known as the Rock of Gibraltar, stands prominently in a desert landscape. The rock is light-colored and has a flat, top surface. The sky is a clear, deep blue. The foreground is a sandy, yellowish-brown desert floor with some small, dark patches. The overall scene is bright and sunny.

# USTDA PROGRAMS: FINDING THE RIGHT BALANCE

USTDA's "toolbox" of activities and programs help achieve the Administration's top priority of increasing U.S. exports in support of domestic job growth.

### **Reverse Trade Missions: Making Connections**

Reverse trade missions (RTMs) provide unique opportunities to foster business relationships between U.S. companies and our overseas partners. In 2013, USTDA funded 24 reverse trade missions that introduced U.S. company representatives to key foreign decision-makers, including senior governmental and private sector officials from high-growth markets.

These carefully planned missions bring foreign delegates to the United States to observe the design, manufacture and demonstration of industry-leading goods and services that can help the delegates achieve their development goals. The reverse trade missions target current and near-term business opportunities, often creating immediate results and export successes for U.S. businesses.

### **Conferences and Workshops: Identifying Opportunities, Showcasing Technologies**

This year, USTDA continued to host conferences and workshops in the United States and overseas that brought together leaders from the public and private sectors to discuss specific business opportunities in key sectors and markets around the world. These meetings provide U.S. companies with vital knowledge on specific programs and activities that could positively impact their businesses. Further, these events help U.S. companies build partnerships and identify export opportunities. Events like the *U.S.-Turkey Smart Grid Workshop* and the *U.S.-China Aviation Symposium* allow U.S. companies to showcase their technologies and services, as well as meet with foreign project sponsors and other potential customers.

### **Feasibility Studies and Pilot Projects: Getting It Right from the Start**

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 defined. These studies provide the comprehensive analysis required for major infrastructure investments to achieve financing and 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. Agency-funded pilot projects demonstrate the effectiveness of U.S. solutions and provide the analysis, evaluation and empirical data needed for potential foreign projects to secure funding. Pilot projects have proven to be an excellent tool for showcasing U.S. capabilities.

### **Technical Assistance: Creating a Favorable Business and Trade Environment**

USTDA 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 capacity-building activities. These technical assistance programs, which often bridge gaps in the project development life cycle and help shepherd projects through to financing, are facilitating favorable business and trade environments for U.S. goods and services. USTDA's technical assistance has been successful in creating U.S. exports and supporting U.S. jobs, while also promoting economic growth in partner countries.





# ENERGY: POWERING DEVELOPMENT

Energy remained at the core of USTDA's global program in FY 2013. The Agency focused on supporting strong U.S. export-producing activities to assist our partner countries in expanding the supply of renewable energy sources and promoting the use of cleaner, more efficient technologies for all energy sub-sectors.

As a result, USTDA's energy sector investments increased substantially, growing from 37% of total program obligations in FY 2012 to 47% in FY 2013. This increased demand for USTDA's energy-related programs was manifested in both the many specific projects that the Agency supported in developing and middle-income countries, as well as in initiatives in which USTDA has a leading role. These include USTDA's ongoing Energy Cooperation Programs in India and China, as well as USTDA's support for the launch of key Administration priority initiatives concerning clean energy and climate change mitigation: Power Africa, the U.S.-China Climate Change Working Group and the U.S.-Asia-Pacific Comprehensive Energy Partnership.

Increased concerns regarding air quality, energy security and climate change are leading many of USTDA's partner countries to pursue energy diversification strategies, with a particular focus on domestic renewable energy sources. The use of renewable energy resources for power and fuel continues to expand in nearly every region of the world, growing 8.5 percent in 2012 to more than 1,470 gigawatts.

U.S. companies continue to be technology leaders in the renewables sector, but face increasing competition from foreign markets. To level the playing field for U.S. industry, USTDA supported twelve renewable energy activities in FY 2013, including wind, geothermal, solar, hydropower, biomass and waste-to-energy projects. In 2013, USTDA identified sales of U.S. renewable energy products associated with our 2010 Clean Energy Exchange Program for the Americas Reverse Trade

Mission series. For example, a Maryland business was awarded additional consulting contracts to advance geothermal power projects in Colombia and a company based in Wisconsin confirmed sales of equipment to Brazil's Renova Energia for use in a wind energy project.

To capitalize on U.S. competitiveness and current market trends, USTDA also pursued climate-friendly energy production, primarily from natural gas and key renewable sources. U.S. industry leads in many of the critical technologies and services that can help emerging economies meet their energy supply needs while transitioning to climate-friendly energy production. This is particularly true in the production of unconventional natural gas, including both coal bed methane and shale gas. The transformation of the United States in less than ten years from gas-constrained to gas-abundant has been achieved primarily through the rapid growth in unconventional gas production, powered by U.S. innovation and technology. Given this dramatic success, other countries such as China and India have expressed strong interest in developing their own resources using U.S. technology. USTDA has provided targeted assistance for such development, including funding two feasibility studies in FY 2013 that will study developing shale gas deposits in India. Furthermore, USTDA hosted shale gas training workshops in China that introduced Chinese energy sector officials and project sponsors to U.S. shale gas best practices, policies and technologies.

For over a decade, USTDA has helped India develop its coal bed methane deposits into productive resources. Through a variety of program tools





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targeting a number of India's resource sites, USTDA has helped generate over \$25 million in U.S. exports to date. Utilizing this new resource, India can reduce harmful methane emissions, provide a clean source of energy, and attain greater energy independence and security. Unconventional gas projects in Turkey, Georgia and Indonesia are also expected to be implemented in the near future based on the results of USTDA's assistance.

With the global electricity transmission and distribution market forecasted to reach nearly \$500 billion over the next seven years, USTDA has actively stayed ahead of the curve by gradually increasing its support of smart grid projects. Globally, the growth of the electricity market is increasingly concentrated in emerging markets where newly privatized electric utilities are faced with significant losses and tighter emissions restrictions. Many foreign governments are developing plans to build smarter, greener, more integrated cities – and some

of these plans will adopt the latest technologies. Other countries are making significant investments to improve existing infrastructure. These environments represent enormous opportunities for U.S. industry, and USTDA has been working to position U.S. companies to pursue them successfully.

U.S. companies are highly competitive in grid modernization technologies and can assist utilities to improve efficiency, save costs, reduce losses and improve resiliency to natural disasters. USTDA's RTMs and workshops often serve as critical first steps toward procurements. For example, in South Africa, USTDA organized an RTM following a 2011 *Smart Grid Workshop* to foster the participation of U.S. firms in the country's upcoming smart grid projects. The activity resulted in U.S. companies supplying advanced metering infrastructure to the South African market. Following the visit, the City of Johannesburg awarded Itron (Liberty Lake, WA) a \$150 million contract to supply smart meters.

USTDA has supported a number of pilot projects and technical assistance (TA) that provide analysis and introduce favorable policies to enable smart grid implementation. For instance, Tata Power Delhi Distribution Limited, a utility serving 4.5 million people in northern India, recently implemented all of the recommendations from a USTDA-funded TA on distribution automation. Nearly 15 U.S. companies provided software, hardware and services for this project. As a result, Tata Power is now one of the most advanced utility providers in India and has deployed the country's first Outage Management System, which allows the utility to identify faults more quickly and dispatch a repair crew before the consumer calls. This project was also part of a sector-wide reform program in India that has allowed Tata Power to become privatized, secure a revenue stream and serve as a model for other utilities in the country.





# TRANSPORTATION: FACILITATING BUSINESS

Transportation, which again featured at the heart of the Agency's commitments and results in FY 2013, exemplifies the accomplishment of USTDA's dual mission of increasing U.S. exports and fostering economic growth in partner countries. Around the world, investments in the modernization and expansion of aviation, rail and maritime infrastructure provide growth returns and broad economic benefits. USTDA and its partners have consistently seen that increasing capacity and efficiency across all transport modes is necessary to create the platform for sustainable growth in supply chains, trade and the movement of people.

The Agency continued to invest in transportation projects in FY 2013, committing over 29% of its total program obligations to strong export-producing activities in its key international markets. Most notably, U.S. businesses are generating exports as a result of the Agency's investments in this sector.

The majority of these new exports have come from the aviation subsector, demonstrating the high value of advanced U.S. technologies, including aircraft, engines, communications and air traffic management systems. Growing worldwide demand for commercial aviation, general aviation and air cargo services provides many opportunities for long-term commercial engagement in USTDA's partner countries. The Agency's innovative public-private cooperation initiatives in the aviation sector have become hallmarks of its program. With the launch of the *U.S.-China Aviation Cooperation Program* (ACP) a decade ago, and continuing with similar programs in India, Brazil and South Africa, these multi-faceted collaborations with U.S. industry and partner country civil aviation authorities are opening the door to U.S. commercial opportunities in key trade markets.

USTDA made significant investments in airport infrastructure in 2013, an area where U.S. companies are increasingly looking overseas. In Brazil, USTDA is funding an implementation plan to improve overall airport capacity at 16 major airports in the country ahead of the 2014 World Cup and 2016 Olympic Games. In Ghana, USTDA provided sustained support to fund the development of construction design and procurement documents for the rehabilitation and renovation of the passenger terminal at the Kotoka International Airport in Accra. USTDA also supported a reverse trade mission to expose private and public sector representatives from the Turkish aviation industry to U.S. technology and solutions as they develop a third airport in Istanbul.

USTDA additionally invested in several intelligent transportation systems (ITS) projects that utilize electronic, communications and information technologies to improve all aspects of surface transportation networks. The implementation of ITS technologies increases the efficiency and safety of existing transportation infrastructure by reducing congestion in metropolitan areas and enabling





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more rapid connectivity between major cities and economic zones. One such project supports the development of recommendations for the implementation of ITS for the Tiete and Pinheiros corridors in Sao Paulo, Brazil. USTDA also funded a grant in conjunction with two U.S. companies (W&S Solutions and Econolite) to evaluate the viability of an ITS pilot project in Guangzhou, China. The study includes recommendations for ITS upgrades and a pilot project to showcase U.S. technology at six intersections. Both grants are expected to open the door for U.S. ITS technology exports that would make traffic flows safer and more efficient.

Rail, particularly freight rail, continues to present significant opportunities for U.S. transportation companies. Large emerging markets such as

China, India, Brazil, Mexico and Indonesia are experiencing steady growth in freight rail. Rising global investment in freight rail is driving demand for locomotives, and USTDA's program has assisted U.S. companies with these export opportunities. For example, USTDA has supported projects that encourage the development of efficient freight management and track maintenance systems, engines and repowering engine kits, and signaling and communication technologies to improve the efficiency of rail operations.

In a sector that continues to drive the growth of U.S. exports, jobs and the broader economy, USTDA looks forward to continuing to link partner countries' transportation stakeholders to leading U.S. providers of technology, services and expertise.

**T**he **ASEAN Connectivity through Rail Workshop**, held in Jakarta, Indonesia in September 2013, brought together U.S. rail sector leaders with prospective partners in Southeast Asia. As ASEAN economies make upgrades to increase freight and passenger rail capacity, extend and rehabilitate existing rail infrastructure, develop mass transit lines in urban areas, and pursue cross-border rail and transport linkages, this workshop highlighted the United States' experience and best practices in the areas of signaling systems for safety and capacity; locomotive operations, procurement, maintenance, and rehabilitation; track maintenance; transportation planning and project management; and financing strategies, including leasing. The workshop built upon the success of a previous USTDA-funded reverse trade mission, after which the State Railway of Thailand purchased several million dollars in locomotive engines and engine repowering kits that are forming the base of the continued growth in ASEAN's rail sector.







# TELECOMMUNICATIONS: CONNECTING PEOPLE



Over the past decade, investments in telecommunications infrastructure and information and communication technology (ICT) applications have seen tremendous growth, especially in developing and middle-income markets.

According to the International Telecommunications Union, internet usage by individuals in these markets is estimated to have doubled in the past five years, to 30 users per 100 inhabitants. Mobile cellular subscriptions also doubled during this period. Emerging markets accounted for over a quarter of global ICT demand in 2012 and are expected to increase to nearly one half by 2020.

USTDA is helping to facilitate the growth of this sector by investing in activities that offer the greatest opportunities for U.S. private sector engagement, including data centers, financial sector information technology (IT) and fiber optic cable systems.

Global data is predicted to grow by 800% between 2012 and 2017.<sup>1</sup> Furthermore, as data moves into the cloud, cloud computing is driving changes in data center design and operation. Due to the skyrocketing amount of global data usage – and the growing need in developing countries to house and process this data – USTDA has received increasing demand for assistance in data accumulation and processing in recent years. The Agency's investments in data center activities have increased substantially, addressing its partner countries' needs to manage increased data flows. USTDA will continue to pursue projects in this sub-sector, focusing on the optimization of data centers to support cloud computing.

Given the increased global demand for telecommunications infrastructure and ICT applications, many of USTDA's host country project sponsors, particularly those in the financial sector, are looking to U.S. technologies to secure the growing volumes of data on their broadband networks.

In 2013, USTDA supported reverse trade missions for senior bank, insurance company and government

representatives from Brazil and Colombia. The objective of these visits was to familiarize the delegates with U.S. technologies and solutions for secure and efficient banking, particularly related to mobile and internet banking, anti-money laundering, fraud analytics and predictive modeling, document and data management, and ICT infrastructure and storage. The delegates met with relevant U.S. companies, banking and government organizations, U.S. commercial banks and financial institutions, and banking information technology and service providers. By cultivating business partnerships under these RTMs, USTDA is helping to promote U.S. private sector technological solutions to secure the financial sector in emerging markets.

Fiber optic cable systems stretch between land-based stations to carry telecommunication signals and telephone, internet and private data traffic. As consumers around the world have increasingly demanded high-speed internet in their homes and on mobile devices, wireless carriers and cable providers are demanding fiber optic cable at increasing rates.

USTDA's activities in this sub-sector have supported the deployment of submarine cables and land-based backbone networks, as well as legal and regulatory activities. USTDA has facilitated the success of several submarine cable systems, including East Africa's SEACOM, which is dramatically increasing connectivity and reducing prices for information and communication services. Building upon this success, USTDA supported a feasibility study in 2013 to help Nigeria's Main One Cable Company plan the extension of a 300-mile undersea fiber optic network from Lagos to Port Harcourt. USTDA will continue to support U.S. industry in this sector as consumer demand for fiber optic networks accelerates.

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<sup>1</sup> Colliers International Data Center Market Report. <http://www.colliers.com/~media/images/unitedstates/markets/minneapolis-st.paul/market%20reports/q2%202012/data-q2-2012.pdf>

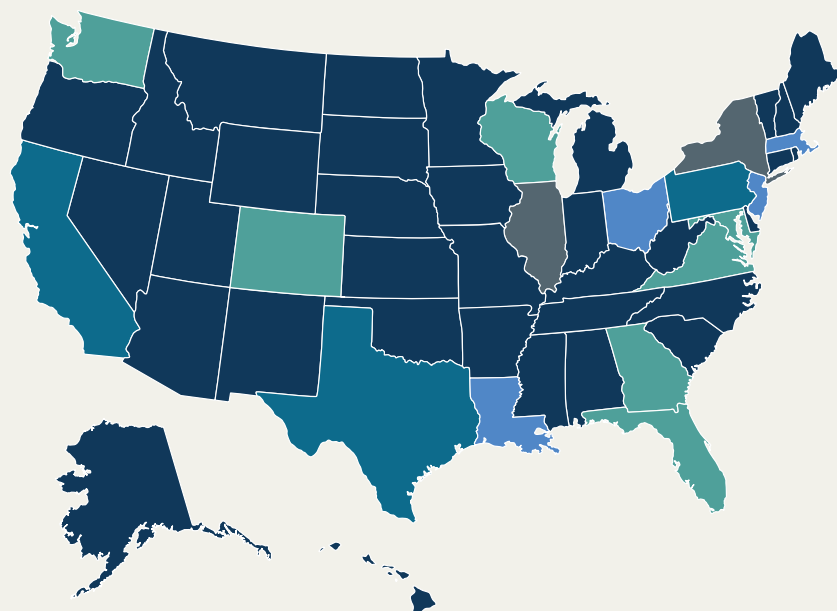


USTDA hosted a reverse trade mission for a delegation of officials from Indonesia's national search and rescue agency, BASARNAS, to highlight available U.S. services and technologies for first response capabilities. The visit was planned in order to position U.S. companies to learn about upcoming procurements in Indonesia and establish business relationships that could lead to export sales. Participants from BASARNAS were introduced to U.S. suppliers of ICT products and software, helicopters, boats, and radio communications equipment essential to emergency search and rescue operations in the wake of aviation, maritime and natural disasters. Following the visit to the U.S., BASARNAS purchased \$1.4 million in ICT and communications products from three large U.S. firms, which have enabled it to respond more effectively to major incidents.





## EXPORT CONTRACTS BY STATE



Across the United States, companies have realized export success through USTDA's programs. The graphic depicts states that have been awarded overseas sales contracts as a result of USTDA's activities between 1992 and 2013.

### TOTAL U.S. EXPORT CONTRACTS

# 3765

#### NUMBER OF EXPORT CONTRACTS BY COLOR



## QUICK FACTS

# \$73

Exports generated  
for each  
\$1 invested

# \$36 B

Total U.S. exports  
generated by  
USTDA programs

# 83

The number of  
activities USTDA  
funded in  
FY 2013

# 64%

Percentage of contracts  
awarded by USTDA  
to small businesses  
in FY 2013

# CLIENT RESOURCES

## Internet — [www.ustda.gov](http://www.ustda.gov)

USTDA's website provides comprehensive information on its program, current business opportunities, upcoming events, completed reports, Agency news, and recent publications.

## Requests for Proposals (RFP)

USTDA posts RFP announcements about current business opportunities with the Agency and its overseas grant recipients on the Federal Business Opportunities (FBO) website at [www.fbo.gov](http://www.fbo.gov). Links to the FBO postings are available on USTDA's website at [www.ustda.gov](http://www.ustda.gov). RFP packages may be requested electronically via USTDA's website.

## On-Line Consultant Database

Many USTDA activities are reserved exclusively for small businesses. Small U.S. businesses interested in being considered for contracting opportunities with USTDA can register with the Agency's On-line Consultant Database on the Agency's website. Businesses should also register with the U.S. Government's Central Contractor Registration website at [www.ccr.gov](http://www.ccr.gov).

## Library

USTDA's library maintains final reports of Agency-funded activities and can provide electronic copies of those reports upon request by e-mailing [library@ustda.gov](mailto:library@ustda.gov). Furthermore, USTDA posts new reports directly on its website, [www.ustda.gov](http://www.ustda.gov).

## Publications

The Agency distributes a biweekly eNewsletter, *Trade Posts*, to provide information about USTDA's activities and events. Visit USTDA's website to sign up to receive *Trade Posts*. Requests for copies of printed publications can also be made via the Agency's website.

## Questions about USTDA

General inquiries about USTDA's program can be made by calling (703) 875-4357, faxing (703) 875-4009, e-mailing [info@ustda.gov](mailto:info@ustda.gov), or completing the Contact Form on the Agency's website.

To contact USTDA's program staff, send an e-mail to your region of interest:

- **East Asia:**  
[East\\_Asia@ustda.gov](mailto:East_Asia@ustda.gov)
- **Latin America and the Caribbean:**  
[LAC@ustda.gov](mailto:LAC@ustda.gov)
- **Middle East, North Africa, Europe and Eurasia:**  
[MENA\\_EE@ustda.gov](mailto:MENA_EE@ustda.gov)
- **South and Southeast Asia:**  
[South\\_Southeast\\_Asia@ustda.gov](mailto:South_Southeast_Asia@ustda.gov)
- **Sub-Saharan Africa:**  
[Africa@ustda.gov](mailto:Africa@ustda.gov)

## USTDA Executives and Department Heads

To contact a USTDA Staff member, please call our main office line at 703-875-4357.

Director .....	Leocadia I. Zak
Deputy Director .....	Peggy Philbin
General Counsel .....	Enoh T. Ebong
Chief of Staff .....	Clark Jennings
Director for Policy and Program and Regional Director, East Asia .....	Geoffrey Jackson
Director, Public Affairs and Congressional Relations .....	Thomas R. Hardy
Director for Export Promotion .....	Leila Aridi Afas
Regional Director, Latin America and the Caribbean .....	Nathan Younge
Regional Director, Middle East, North Africa, Europe and Eurasia .....	Carl B. Kress
Regional Director, South and South East Asia .....	Henry Steingass
Regional Director, Sub-Saharan Africa .....	Paul Marin
Program Evaluations Director, Office of Evaluations .....	Diana Rossiter
Grants Administrator, Office of Grants Administration .....	Pat Daughetee
Chief Financial Officer .....	Liz Gustafson
Chief, Office of Acquisition Management .....	Garth Hibbert
Administrative Officer Office of Administration .....	Carolyn Hum
Chief Information Officer .....	Thomas R. Hardy



# SUMMARY OF FY 2013 PROGRAM ACTIVITIES

## USTDA ACTIVITIES

BY VALUE OF OBLIGATIONS

	2011		2012		2013	
DM/Desk Studies	\$1,816,914	4.4%	\$2,076,927	4.8%	\$2,183,364	5.3%
Feasibility Studies	\$17,251,963	42.0%	\$14,141,409	32.2%	\$16,182,817	39.1%
Reverse Trade Mission	\$8,745,649	21.3%	\$10,542,425	24.0%	\$5,770,693	13.9%
Technical Assistance	\$11,355,473	27.6%	\$12,854,646	29.3%	\$14,069,603	34.0%
Trade-Related Training	\$300,000	0.7%	\$781,834	1.8%	\$1,479,714	3.6%
Workshop/Conferences	\$1,242,351	3.0%	\$3,176,034	7.2%	\$1,709,113	4.1%
Other	\$373,494	1.0%	\$349,651	0.7%	\$25,306	0%
<b>Total</b>	<b>\$41,085,844</b>	<b>100%</b>	<b>\$43,922,926</b>	<b>100%</b>	<b>\$41,420,610</b>	<b>100%</b>

## USTDA ACTIVITIES BY ECONOMIC SECTOR

BY VALUE OF OBLIGATIONS

	2011		2012		2013	
Agribusiness	\$819,070	2.0%	\$0	0%	\$269,463	0.6%
Clean Energy/Energy Efficiency	\$15,527,145	37.8%	\$16,335,973	37.2%	\$17,610,249	42.5%
Human Resources	\$1,558,479	3.8%	\$1,135,744	2.6%	\$409,362	1.0%
Manufacturing	\$290,058	0.7%	\$0	0%	\$0	0%
Mining & Natural Resources	\$846,899	2.0%	\$91,453	0.2%	\$1,810,693	4.4%
Multi-Sector & Other	\$947,000	2.3%	\$675,224	1.5%	\$1,187,251	2.9%
Services	\$4,220,618	10.3%	\$2,298,610	5.2%	\$2,701,217	6.5%
Telecommunications	\$4,429,963	10.8%	\$3,282,419	7.5%	\$3,893,748	9.4%
Transportation	\$11,018,381	26.8%	\$17,373,332	39.6%	\$12,164,251	29.4%
Water & Environment	\$1,428,231	3.5%	\$2,730,171	6.2%	\$1,374,376	3.3%
<b>Total</b>	<b>\$41,085,844</b>	<b>100%</b>	<b>\$43,922,926</b>	<b>100%</b>	<b>\$41,420,610</b>	<b>100%</b>

# FY 2013 PROGRAM ACTIVITIES LISTED BY REGION

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
<b>EAST ASIA</b>						
China	China Aviation Symposium	Technical Symposium	American Association of Airport Executives	Cambridge	MA	\$25,025
China	FY 2013 USFCS Specialist Xiaolei Wan	Technical Assistance	U.S. Foreign and Commercial Services			\$6,000
China	Workplace and Construction Safety	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	\$262,978
China	Guangzhou Intelligent Transportation System DS	Desk Study	TERA International Group, Inc. (TERA)	Sterling	VA	\$7,000
China	U.S.-China Shale Gas Training Program	Technical Assistance	Institute of Gas Technology	Des Plaines	IL	\$377,986
China	Technical Assistance and Pilot Project Groundwater Investigation	Technical Assistance	Geotech Environmental Equipment, Inc.	Denver	CO	\$428,532
China	Green Port Technologies	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	\$286,985
China	Electricity Distribution Data Integration, Management, Visualization Pilot Project	Desk Study	Energy Markets Group (EMG)	McLean	VA	\$8,000
China	Waste-to-Energy Pilot Project	Desk Study	Walter R. Niessen dba Niessen Consultants	Andover	MA	\$7,875
China	U.S.-China Aviation Cooperation Program Phase IX	Desk Study	Montgomery Consulting Group, Inc.	Winter Park	FL	\$6,000
China	Guangzhou Intelligent Transportation System	Feasibility Study	W & S Solutions, LLC	Pleasanton	CA	\$494,486
China	U.S.-China Aviation Cooperation Program Phase IX	Technical Assistance	Selection in progress			\$567,420
China	U.S.-China Aviation Cooperation Program Phase IX	Technical Assistance	Federal Aviation Administration (FAA)	Washington	DC	\$85,241
China	U.S.-China Standards & Conformity Assessment Cooperation Program, Phase III	Technical Assistance	American National Standards Institute	Washington	DC	\$496,118
China	Electricity Distr. Data Integration Mntg. and Visualization Pilot	Feasibility Study	Selection in progress			\$799,847
China	Integrated Shale Gas Management Solution	Desk Study	Advanced Resources International, Inc.	Fairfax	VA	\$7,000
China	Environmental Sector Opportunities	Definitional Mission	Interdisciplinary Research Consultants-US (IdRC-US)	Springfield Gardens	NY	\$59,260
China	Quality Management Intelligence Dashboard	Desk Study	OMMA Healthcare, LLC	Rollinsville	CO	\$7,000
China	U.S.-China Green Data Center Demonstration	Desk Study	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herndon	VA	\$7,000
China	Shanghai Distributed Energy Microgrid Demand-Side Management	Desk Study	Energy Markets Group	Washington	DC	\$8,000
China	Aviation Sustainability Initiative	Desk Study	Montgomery Consulting Group, Inc.	Winter Park	FL	\$8,000
China	Anti-Monopoly Law Program Phase III	Technical Assistance	TERA International Group, Inc. (TERA)	Sterling	VA	\$238,454
China	U.S.-China Aviation Sustainability Initiative	Technical Assistance	Selection in progress			\$885,700
China	U.S.-China Smart Grid Technical Exchange Program	Technical Assistance	NEMA	Rosslyn	VA	\$368,000
China	Mid-Range and Heavy Duty Commercial Vehicle Fuel Economy Standards	Reverse Trade Mission	TERA International Group, Inc. (TERA)	Sterling	VA	\$302,733
China	Health Information Technology Dashboards	Feasibility Study	Selection in progress			\$402,362
China	Air Quality Management Program	Technical Assistance	Selection in progress			\$842,584
China	U.S.-China Intellectual Property Law Training Program	Training	TERA International Group, Inc. (TERA)	Sterling	VA	\$544,797
China	Aviation Sustainability Initiative FAA Transfer Funds	Technical Assistance	Federal Aviation Administration (FAA)	Washington	DC	\$13,218
China	USFCS Specialist Xiaolei Wan	Technical Assistance				\$110,951

**Total for East Asia: \$7,664,552**

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
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## LATIN AMERICA AND CARIBBEAN

Brazil	Airports Modernization Technologies	Reverse Trade Mission	Koeppen, Elliott & Associates	Washington	DC	\$12,197
Brazil	Pampulha Airport Development Project	Technical Assistance	KED Group, LLC	Columbia	SC	\$110,610
Brazil	Aviation Sector Opportunities	Definitional Mission	Ronald F. Price dba QED Airport & Aviation Consultants	Amelia Island	FL	\$64,997
Brazil	U.S.-Brazil Aviation Partnership Phase I Initiative	Technical Symposium	Futron Corporation	Bethesda	MD	\$892,945
Brazil	Waste-to-Energy and Landfill Gas-to-Energy	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$279,305
Brazil	Ceara State Digital Backbone Network Business and Governance Model	Technical Assistance	Selection in progress			\$171,706
Brazil	Broadband Network Technologies	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	\$277,976
Brazil	Tiete and Pinheiros Intelligent Transportation	Technical Assistance	Selection in progress			\$420,000
Brazil	Airport Capacity	Desk Study	Ronald F. Price dba QED Airport & Aviation Consultants	Amelia Island	FL	\$7,000
Brazil	Amapa State Information Technology Strategy and Data Center Design	Technical Assistance	Selection in progress			\$572,275
Brazil	Ionospheric Scintillation	Feasibility Study	Selection in progress			\$701,905
Brazil	Brazil Strategic Airport Capacity Improvement Project	Technical Assistance	Selection in progress			\$1,040,736
Brazil	USFCS Specialist Rodrigo Mota	Technical Assistance				\$187,386
Chile	Renewable Energy Sector Projects	Definitional Mission	Castalia LLC	Washington	DC	\$81,205
Chile	Punta Arenas Coal Gasification	Reverse Trade Mission	The Webster Group, Inc.	Washington	DC	\$281,144
Chile	99 MW Tablaruca Wind Farm on Chiloe Island	Feasibility Study	Selection in progress			\$610,000
Chile	San Antonio – Santiago Intermodal Corridor	Feasibility Study	Selection in progress			\$620,000
Chile	Puerto Natales 5 MW Biomass Energy Plant	Feasibility Study	Selection in progress			\$484,000
Chile	58 MW Combined Biomass and Hydroelectric Renewable Energy Park	Feasibility Study	Selection in progress			\$607,000
Chile	Low-Head Hydropower Project Portfolio	Feasibility Study	Selection in progress			\$721,657
Colombia	Intelligent Supervision and Advanced Control System	Technical Assistance	Selection in progress			\$463,944
Colombia	U.S.-Colombia Smart Grid Workshop	Technical Symposium	MFM Lamey Group	Miami	FL	\$293,378
Colombia	Implementation of Intelligent Transportation System Technologies	Technical Assistance	Selection in progress			\$479,000
Colombia	Information and Communication Technology Sector Opportunities	Definitional Mission	Martin P. Morell	New York	NY	\$60,895
El Salvador	Proposed TOR Modifications for the Port of La Union Vessel Traffic Program TA	Desk Study	Airline Capital Associates, Inc.	New York	NY	\$3,000
Mexico	Portable Water Filtration Pilot Project	Desk Study	Performance Technology, Inc.	Lewiston	ME	\$9,000
Mexico	Puebla ITS Technologies	Feasibility Study	Selection in progress			\$455,000
Mexico	Unconventional Gas Development	Reverse Trade Mission	The Meridian International Center	Washington	DC	\$234,576
Mexico	Rail Sector Projects	Definitional Mission	The Seneca Group, LLC	Washington	DC	\$49,315
Mexico	Solar Power Development	Reverse Trade Mission	Telecom/Telematique, Inc.	Washington	DC	\$226,049
Mexico	Resource Guide for U.S. Industry on Priority Infrastructure Projects	Definitional Mission	The Seneca Group, LLC	Washington	DC	\$89,844
Panama	Maritime Transportation Sector Projects	Definitional Mission	HE Pena Jr, Transportation Consulting	Charleston	SC	\$59,556
Regional LAC	LAC Contract for Advisory and Assistance Services	Technical Assistance	Eric Cameron Toler	Washington	DC	\$27,207
Regional LAC	Financial Sector IT Security Modernization	Reverse Trade Mission	Technical Resources International, Inc. (TRI)	Bethesda	MD	\$517,477
Regional LAC	Travel for Jacob Flewelling	Technical Assistance	Jacob Flewelling			\$8,000

**Total for Latin America and Caribbean: \$11,120,285**

## MIDDLE EAST, NORTH AFRICA, EUROPE & EURASIA

Algeria	Oran Tertiary Wastewater Treatment Facility	Feasibility Study	AECOM Technical Services, Inc.	Orlando	FL	\$30,000
Azerbaijan	Azerspace-2 Communications Satellite Project Feasibility Study	Feasibility Study	Selection in progress			\$604,000
Azerbaijan	Azercosmos Telecommunication Geostationary Satellite	Definitional Mission	Space Partnership International, LLC	Bethesda	MD	\$40,325
Egypt	TAQA Concentrated Solar Power Plant	Desk Study	CJ Aron Associates, Inc dba Greenmax Capital Advisors New York Office	Brooklyn	NY	\$8,000
Egypt	Agribusiness Opportunities	Definitional Mission	Peoples Group, The	Arlington	VA	\$49,941
Jordan	Solar Stean Augmentation Project Proposal Evaluation	Definitional Mission	3E Consulting LLC	Columbia	MD	\$39,987
Kazakhstan	AZHK Smart Grid Project	Feasibility Study	Selection in progress			\$614,615
Kazakhstan	Aviation Sector	Definitional Mission	Ronald F. Price dba QED Airport & Aviation Consultants	Amelia Island	FL	\$60,000
Kazakhstan	Electric Power Sector	Definitional Mission	Constant Group, LLC	Maywood	NJ	\$54,000
Kazakhstan	Kazakhstan Rail	Definitional Mission	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herndon	VA	\$32,735
Kazakhstan	Kazakhstan Rail	Definitional Mission	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herndon	VA	\$27,265
Morocco	ONEP GIS System	Desk Study	Performance Technology	Lewiston	ME	\$5,000
Regional MENAEE	Eurasian Market Development II – Scott Greenip	Technical Assistance	Greenip, Scott			\$5,808
Regional MENAEE	MENA/Europe Regional Advisory and Assistance Contractor	Technical Assistance	Jonathan Tosi Chu	Washington	DC	\$40,600
Regional MENAEE	Scott Greenip Travel – E/Eurasia	Technical Assistance	Scott Greenip			\$3,689
Romania	Information and Communications Technology	Definitional Mission	Global Resources, Inc.	Irvine	CA	\$63,848
Romania	Oil and Gas Sector	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	\$240,831
Romania	Oil and Gas Sector	Definitional Mission	Appropriate Energy Management, Inc.	West Jefferson	OH	\$64,956
Romania	Digital Archiving and Content Management	Feasibility Study	Selection in progress			\$288,000
Romania	Ministry of Administration and Interior Data Center Modernization	Feasibility Study	Selection in progress			\$400,600



COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
Turkey	Smart Grid Applications in Power Distribution	Feasibility Study	Actionable Strategies, LLC	New York	NY	\$67,000
Turkey	Coal Bed Methane Recovery and Utilization	Desk Study	3E Consulting LLC	Columbia	MD	\$5,000
Turkey	Smart Grid in Electricity Transmission	Feasibility Study	Selection in progress			\$536,520
Turkey	Marine and Hydrokinetic Energy	Definitional Mission	Constant Group, Inc.	Maywood	NJ	\$25,000
Turkey	Geothermal Energy	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$208,874
Turkey	Third Istanbul Airport	Reverse Trade Mission	American Association of Airport Executives (AAAE)	Alexandria	VA	\$215,225
Turkey	Smart Grid Workshops	Technical Symposium	MFM Lamey Group	Miami	FL	\$257,615
Turkey	Istanbul New Airport	Definitional Mission	Ascendant Program Services, LLC	Bethesda	MD	\$79,629
Ukraine	Power Plant Modernization	Reverse Trade Mission	Global Marketing and Communications	Arlington	MA	\$31,092
Ukraine	Pilot Gas Condensate Production Project – Translation Services	Technical Assistance	U.S. Embassy-Kiev, Ukraine			\$3,000
Ukraine	Smart Grid and Power Transmission and Distribution Workshop	Technical Symposium	Business Council for International Understanding (BCIU)	New York	NY	\$238,650

**Total for Middle East, North Africa, Europe & Eurasia: \$4,341,805**

## SOUTH AND SOUTHEAST ASIA

Burma	Civil Aviation Modernization	Reverse Trade Mission	Futron Corporation	Bethesda	MD	\$280,979
India	Technical, Management and Operational Development Training (TMODT) Program	Technical Assistance	Hi-Tec Systems, Inc.	Egg Harbor Township	NJ	\$2,700
India	FY 2013 Funding Request USFCS Specialist Mehnaz Ansari	Technical Assistance				\$6,200
India	Ports Sector	Definitional Mission	Leonard Sugin	New York	NY	\$75,000
India	Smart Grid and Energy Efficiency	Definitional Mission	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herndon	VA	\$75,000
India	Shale Gas	Desk Study	Intratech, Inc.	McLean	VA	\$10,000
India	Total Airspace and Airport Modeler (TAAM)	Feasibility Study	Jeppesen Sanderson, Inc	Englewood	CO	\$476,320
India	Performance Based Navigation Procedure Development	Technical Assistance	Selection in progress			\$706,139
India	Refineries Modernization	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$204,700
India	Railways Sector	Definitional Mission	David Burns dba David Burns Railway Consulting	River Forest	IL	\$70,142
India	Development of Shale Gas and Oil Resources	Feasibility Study	Invenire, Inc.	Houston	TX	\$609,693
India	Mumbai Demand Side Management Pilot Power Project	Feasibility Study	Innovari, Inc.			\$662,155
India	Central Power Research Institute Smart Grid Test Bed Project	Technical Assistance	Selection in progress			\$692,000
India	Shale Gas and Oil Resource Development	Feasibility Study	Selection in progress			\$588,685
India	ACP Aviation Sector Projects	Definitional Mission	KED Group, LLC	Columbia	SC	\$74,916
India	Technical, Management and Operational Development Training Phase II Program	Technical Assistance	Selection in progress			\$400,900
India	Airport Geographic Information System	Technical Assistance	Selection in progress			\$497,888
India	FY 2014 USFCS Specialist Mehnaz Ansari	Technical Assistance				\$84,848
Indonesia	Gibuni 30 MW Geothermal Power Development	Feasibility Study	Layman Energy Associates, Inc.	San Luis Obispo	CA	\$546,766
Indonesia	Pertamina Refineries Master Plan	Desk Study	Intratech, Inc.	McLean	VA	\$9,000
Indonesia	National Geospatial Information Infrastructure	Technical Assistance	Selection in progress			\$331,646
Indonesia	Revamp of Pertamina Refinery	Feasibility Study	Selection in progress			\$1,071,206
Indonesia	Natural Gas Infrastructure	Definitional Mission	The Innovation Network LLC	Lexington	MA	\$118,000
Pakistan	Desk Study Review: 5-10 MW Waste-to-Energy Plant Near Karachi FS	Desk Study	Cambridge Project Development	Miami	FL	\$9,720
Philippines	Transport Sector	Definitional Mission	Ascendant Program Services, LLC	Bethesda	MD	\$59,787
Philippines	Power Distribution Modernization: MERALCO	Desk Study	Constant Group, LLC	Maywood	NJ	\$8,000
Regional SSE Asia	Business Development Manager Storage	Other	Joe Moholland Moving	Woodbridge	VA	\$1,099
Regional SSE Asia	Regional Manager for Asia Contract	Technical Assistance	Mark Dunn	Baltimore	MD	\$186,500
Regional SSE Asia	Asia-Pacific Flight Standards	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$229,576
Regional SSE Asia	Waste to Energy / Biomass	Reverse Trade Mission	Meridian International Center	Washington	DC	\$287,555
Regional SSE Asia	USTDA Regional Office, Bangkok, Thailand	Technical Assistance				\$120,475
Thailand	Implementation of GBAS Air Navigation Technology	Desk Study	KED Group, LLC	Columbia	SC	\$6,700
Vietnam	Review for the Vietnam Cloud Computing Data Center Final Report	Desk Study	Hellerstein, Judith dba Hellerstein and Associates	Washington	DC	\$3,000
Vietnam	FY 2013 USFCS Specialist Tuyet Trees	Technical Assistance	U.S. Foreign and Commercial Services			\$6,900
Vietnam	National Power Transmission Information Technology Roadmap	Technical Assistance	Selection in progress			\$627,850
Vietnam	Wind Power Development	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$244,458
Vietnam	Wind Grid Code Development and Renewable Integration Study	Technical Assistance	Selection in progress			\$287,917
Vietnam	FY 2014 USFCS Specialist Tuyet Trees	Technical Assistance				\$31,240

**Total for South and Southeast Asia: \$9,705,658**

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
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## SUB-SAHARAN AFRICA

Ghana	NEDCo Management and Investment Planning	Technical Assistance	Selection in progress			\$410,000
Ghana	ECG Smart Grid Applications	Feasibility Study	Selection in progress			\$646,000
Ghana	Aboadze-Domunli-Prestea Transmission Line	Feasibility Study	Selection in progress			\$655,000
Namibia	NamPower Electricity Generation and Transmission	Reverse Trade Mission	Core International, Inc.	Washington	DC	\$199,990
Nigeria	LADOL Electronic Management Platform	Technical Assistance	Selection in progress			\$220,000
Nigeria	Energy Solutions	Definitional Mission	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herndon	VA	\$99,992
Nigeria	Main One Cable Company Fiber Optic	Desk Study	Martin Morell	New York	NY	\$5,000
Nigeria	Electricity Distribution Sector	Reverse Trade Mission	The Webster Group, Inc.	Washington	DC	\$229,953
Nigeria	Main One Cable Company Fiber Optics Expansion	Feasibility Study	Selection in progress			\$550,000
Nigeria	Gas Based Industrial Complex	Desk Study	Intratech	McLean	VA	\$7,000
Regional SSA	Business Development Manager Storage	Other	Joe Mohollad Moving	Woodbridge	VA	\$1,708
Regional SSA	Business Development Manager	Technical Assistance	Jason Nagy	Dulles	VA	\$190,000
Regional SSA	Contract for Advisory and Assistance Services	Technical Assistance	Meredith Schuessler	Arlington	VA	\$41,317
Regional SSA	Contract for Advisory and Assistance Services	Technical Assistance	Christopher Anthony Giglio	Arlington	VA	\$44,668
Regional SSA	Agribusiness	Reverse Trade Mission	The Peoples Group	Arlington	VA	\$219,523
Regional SSA	Light Aircraft and Helicopter	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	\$240,520
Regional SSA	Oil and Natural Gas Sector	Definitional Mission	Advanced Resources International, Inc.	Fairfax	VA	\$75,000
Regional SSA	FY 2014 USDA Regional Office, Johannesburg, South Africa	Technical Assistance				\$226,500
Regional SSA	Renewable Energy	Definitional Mission	3E Consulting LLC	Columbia	MD	\$129,998
Rwanda	Banque Nationale du Rwanda ICT Modernization	Technical Assistance	ICD Corporation	Williamstown	MA	\$66,828
South Africa	Review of Airside Capacity Enhancements Final Report	Desk Study	Montgomery Consulting Group, Inc.	Winter Park	FL	\$5,000
South Africa	Ekurhuleni Smart Metering	Feasibility Study	Selection in progress			\$695,000
South Africa	Western Cape Government Solar PV Project	Feasibility Study	Selection in progress			\$545,000
South Africa	Mobilizing Private Capital for Africa Roundtable	Technical Symposium	Department of State – Embassy of South Africa			\$1,500
South Africa	U.S.-South Africa Aviation Training Program – Phase I	Training	American Association of Airport Executive (AAAE)	Alexandria	VA	\$934,917
South Africa	Renewable Energy Grid Integration	Reverse Trade Mission	Business Council for International Understanding (BCIU)	Washington	DC	\$255,998
South Africa	Ibhubesi Offshore Gas Subsurface Field Development Plan	Feasibility Study	MHA Petroleum Consultants LLC	Denver	CO	\$700,000
South Africa	Renewable Energy	Definitional Mission	Walter I. Serbetci dba ENERCON America	Chicago	IL	\$109,000
South Africa	Solar Power Training Program	Desk Study	Montgomery Consulting Group, Inc.	Winter Park	FL	\$7,500
South Africa	South Africa CSP Solar Power Projects	Desk Study	Green Powered Technology, LLC	Falls Church	VA	\$12,500
South Africa	General Province Solar Rooftop PV	Desk Study	Constant Group, LLC	Maywood	NJ	\$6,250
Tanzania	Kilombero Waste Stream Commercialization	Desk Study	Walter R. Niessen dba Niessen Consultants	Andover	MA	\$3,795
Tanzania	Mtwara Generation and Transmission Development	Desk Study	CORE International	Washington	DC	\$7,500
Tanzania	Solar Photovoltaic Power Plant Development	Desk Study	Green Powered Technology, LLC	Falls Church	VA	\$6,450
Zambia	Iyendwe Valley Hydropower Plant	Desk Study	CORE International	Washington	DC	\$5,000

**Total for Sub-Saharan Africa: \$7,554,408**

## WORLDWIDE

Regional Worldwide	Travel Insurance	Other	USI Insurance Services dba USI Affinity	Walnut Creek	CA	\$22,499
Regional Worldwide	Regional Advisory and Assistance Contractor	Technical Assistance	Sarah Randolph	Arlington	VA	\$45,054
Regional Worldwide	Research and Analysis Program Contract	Technical Assistance	Ascendant Program Services, LLC	Silver Spring	MD	\$887,868
Regional Worldwide	Power Transmission, Distribution and Smart Grid Applications	Desk Study	Constant Group, LLC	Maywood	NJ	\$78,481

**Total for Worldwide: \$1,033,902**

**GRAND TOTAL: \$ 41,420,610**





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## **Independent Auditors' Report**

The Director  
U.S. Trade and Development Agency:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the U. S. Trade and Development Agency ("USTDA"), which comprise the balance sheets as of September 30, 2013 and 2012, the related statements of net cost, changes in net position, and budgetary resources for the years then ended, and the related notes to the financial statements (hereinafter referred to as "financial statements").

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget ("OMB") Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 14-02 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of USTDA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion on the Financial Statements**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United States Trade and Development Agency as of September 30, 2013 and 2012, and its net costs, changes in net position, and budgetary resources for the years then ended in accordance with U.S. generally accepted accounting principles.

## **Other Matters**

### ***Required Supplementary Information***

U.S. generally accepted accounting principles require that the information in the Management's Discussion and Analysis section be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The Director's message, performance, and other information sections of the *USTDA Performance and Accountability Report* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by Government Auditing Standards**

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered USTDA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of USTDA's internal control. Accordingly, we do not express an opinion on the effectiveness of USTDA's internal control. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether USTDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 14-02. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or OMB Bulletin No. 14-02.

We also performed tests of USTDA's compliance with certain provisions referred to in Section 803(a) of the *Federal Financial Management Improvement Act of 1996* ("FFMIA"). Providing an opinion on compliance with FFMIA was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests of FFMIA disclosed no instances in which USTDA's financial management systems did not substantially comply with the (1) Federal financial management systems requirements, (2) applicable Federal accounting standards, and (3) the United States Government Standard General Ledger at the transaction level.

**Purpose of the Other Reporting Required by Government Auditing Standards**

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of USTDA's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for KPMG LLP, featuring the letters "KPMG" in a large, bold, sans-serif font, with "LLP" in a smaller, bold, sans-serif font to the right.

November 22, 2013

# U.S. TRADE AND DEVELOPMENT AGENCY

## BALANCE SHEETS

As of September 30, 2013 and 2012

### ASSETS

Intragovernmental:

Fund balance with Treasury (Note 2)

Total intragovernmental

Accounts receivable, net (Note 3)

General property and equipment, net (Note 4)

Total assets

2013

2012

\$ 97,489,880	\$ 105,936,940
97,489,880	105,936,940
3,176	130
563,313	455,258
\$ 98,056,369	\$ 106,392,328

### LIABILITIES AND NET POSITION

Liabilities

Intragovernmental:

Accounts payable (Note 5)

Other liabilities (Notes 2 and 5)

Total intragovernmental

Accounts payable (Note 5)

Other liabilities (Note 5)

Total liabilities

Net position:

Unexpended appropriations

Cumulative results of operations

Total net position

Total liabilities and net position

\$ 767,727	\$ 410,012
39,812	344,960
807,539	754,972
5,803,284	6,635,416
641,909	618,319
7,252,732	8,008,707
90,706,792	98,368,749
96,845	14,872
90,803,637	98,383,621
\$ 98,056,369	\$ 106,392,328

The accompanying notes are an integral part of these statements.



U.S. TRADE AND DEVELOPMENT AGENCY

**STATEMENTS OF NET COST**

For the Years Ended September 30, 2013 and 2012

	2013	2012
<b>Cost of Operations:</b>		
Grants program costs	\$ 51,986,382	\$ 54,920,156
Less earned revenue	—	—
Net cost of operations (Notes 6 and 11)	<u>\$ 51,986,382</u>	<u>\$ 54,920,156</u>

*The accompanying notes are an integral part of these statements.*

U.S. TRADE AND DEVELOPMENT AGENCY

**STATEMENTS OF CHANGES IN NET POSITION**

For the Years Ended September 30, 2013 and 2012

	2013	2012
<b>Cumulative results of operations:</b>		
Beginning balances	\$ 14,872	\$ (113,836)
Budgetary financing sources		
Appropriations used	51,714,320	54,714,403
Other financing sources:		
Imputed financing	354,035	334,461
Total financing sources	52,068,355	55,048,864
Net cost of operations	(51,986,382)	(54,920,156)
Net change	81,973	128,708
Ending balances	\$ 96,845	\$ 14,872
<b>Unexpended appropriations:</b>		
Beginning balances	\$ 98,368,749	\$ 100,017,436
Budgetary financing sources:		
Appropriations received	50,000,000	50,000,000
Appropriations transferred in	1,511,000	5,700,000
Other adjustments (rescissions and cancellation of expired funds)	(7,458,637)	(2,634,284)
Appropriations used	(51,714,320)	(54,714,403)
Total budgetary financing sources	(7,661,957)	(1,648,687)
Total unexpended appropriations	\$ 90,706,792	\$ 98,368,749
<b>Net position</b>	\$ 90,803,637	\$ 98,383,621

*The accompanying notes are an integral part of these statements.*



U.S. TRADE AND DEVELOPMENT AGENCY  
**STATEMENTS OF BUDGETARY RESOURCES**  
For the Years Ended September 30, 2013 and 2012

	2013	2012
<b>Budgetary resources:</b>		
Unobligated balance, brought forward, October 1	\$ 11,333,089	\$ 8,001,435
Recoveries of prior year unpaid obligations	9,759,565	7,215,415
Other changes in unobligated balance	(3,416,337)	3,065,716
Unobligated balance from prior year budget authority, net	17,676,317	18,282,566
Appropriations (discretionary and mandatory)	47,468,700	50,000,000
Total budgetary resources	<u>\$ 65,145,017</u>	<u>\$ 68,282,566</u>
<b>Status of budgetary resources:</b>		
Obligations incurred (Note 7)	\$ 56,010,300	\$ 56,949,477
Unobligated balance, end of year:		
Apportioned (Notes 2, 8 and 10)	4,671,544	6,478,431
Unapportioned (Note 2)	4,463,173	4,854,658
Total unobligated balance, end of year	<u>9,134,717</u>	<u>11,333,089</u>
Total budgetary resources	<u>\$ 65,145,017</u>	<u>\$ 68,282,566</u>
<b>Change in obligated balance:</b>		
Unpaid obligations, brought forward, October 1 (gross)	\$ 94,258,891	\$ 99,425,899
Obligated balance, start of year (net)	94,258,891	99,425,899
Obligations incurred	56,010,300	56,949,477
Outlays (gross)	(52,190,172)	(54,901,070)
Recoveries of prior years' obligations	(9,759,565)	(7,215,415)
Obligated balance – end of the period		
Unpaid obligations, end of year (gross)	\$ 88,319,454	\$ 94,258,891
Obligated balance, end of the period (net) (Note 9)	<u>\$ 88,319,454</u>	<u>\$ 94,258,891</u>
<b>Budget Authority and Outlays, Net</b>		
Budget Authority, gross (discretionary and mandatory)	\$ 47,468,700	\$ 50,000,000
Budget Authority, net (discretionary and mandatory)	<u>47,468,700</u>	<u>50,000,000</u>
Outlays, gross (discretionary and mandatory)	<u>52,190,172</u>	<u>54,901,070</u>
Outlays, net (discretionary and mandatory)	52,190,172	54,901,070
Distributed offsetting receipts	—	—
Agency outlays, net (discretionary and mandatory)	<u>\$ 52,190,172</u>	<u>\$ 54,901,070</u>

*The accompanying notes are an integral part of these statements.*

## NOTES TO FINANCIAL STATEMENTS

September 30, 2013

### (1) Summary of Significant Accounting Policies

#### (a) Description of Reporting Entity

USTDA is an independent U.S. government agency administered under the authority of Section 661 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. §2421). The Agency is not subject to Federal, state or local income tax, therefore no provision for income taxes has been recorded in the accompanying financial statements.

USTDA helps U.S. companies create jobs through 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 RTMs while creating sustainable infrastructure and economic growth in partner countries.

The organization was established on July 1, 1981 as the Trade and Development Program (TDP) by delegation of authority as a component of the International Development Cooperation Agency (IDCA). In 1988, under the Omnibus Trade and Competitiveness Act, the organization was designated a separate component agency of IDCA. On October 28, 1992, Congress enacted the Jobs Through Exports Act of 1992, which renamed TDP as the Trade and Development Agency and established USTDA as an independent executive branch agency under the foreign policy guidance of the Secretary of State.

#### (b) Basis of Presentation

These financial statements have been prepared to report the financial position, net costs, changes in net position, and budgetary resources of USTDA, as required by its authorizing legislation Public Law 113-6. These financial statements include all activity related to USTDA's appropriation (No. 11-1001) and reimbursable interagency agreements, whereby USTDA receives transfers from other Federal agencies for use in specific regions or sectors.

#### (c) Budgets and Budgetary Accounting

Congress annually adopts a budget appropriation that provides USTDA with authority to use funds from the U.S. Treasury to meet operating and program expense requirements. All revenue received from other sources, except for appropriations transferred from other Federal agencies, must be returned to the U.S. Treasury.

#### (d) Basis of Accounting

USTDA's Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position are prepared using the accrual basis of accounting. This basis requires recognition of the financial effects of transactions, events, and circumstances in the periods when those transactions, events, and circumstances occur, regardless of when cash is received or paid. USTDA also uses budgetary accounting to facilitate compliance with legal constraints and to track its budget authority at the various stages of execution, including commitments, obligation, and eventual outlay. The Statement of Budgetary Resources is prepared using budgetary accounting methods.

The standards used in the preparation of the accompanying financial statements are issued by the Federal Accounting Standards Advisory Board, which represent accounting principles generally accepted in the United States of America for U.S. government entities.

#### (e) Appropriations and Other Financing Sources

Appropriations are recognized as a financing source at the time they are authorized and apportioned. Appropriations used to fund grant activities and administrative expenses are recognized as expenses and revenue as the resultant related expenses are incurred.

During FY 2012 and FY 2013, USTDA received an appropriation to be used for program and administrative expenses, which are available for obligation through September 30, 2013 and 2014, respectively. These funds were appropriated in accordance with Title VI of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012 and the Further Continuing Appropriations Act, 2013 (the Act). Beginning with FY 2008 appropriations, USTDA's appropriation acts allow de-obligated funds that were initially obligated prior to their expiration to remain available for re-obligation for an additional 4 years from the date on which the availability of such funds would



## NOTES TO FINANCIAL STATEMENTS

September 30, 2013

otherwise have expired. In FY 2013, USTDA re-apportioned approximately \$.3 million of FY 2008 de-obligations, approximately \$.9 million of FY 2009 de-obligations, and \$2.3 million of FY 2010 de-obligations.

Funds transferred from USAID for Support for East European Democracy Act (SEED), Economic Support Funds (ESF), the Freedom Support Act (FSA) and Assistance to Europe, Eurasia, Central America (AAECA) during FY 2002–2012, are available for re-obligation in the manner described in the preceding paragraph. SEED, ESF, and FSA funds for FY 1999–2001 that were initially obligated prior to their expiration remain available for re-obligation until cancellation. In FY 2013, USTDA re-apportioned approximately \$.6 million of FY 2009 transfer authority de-obligations and \$.1 million of FY 2010 transfer authority de-obligations.

**(f) Fund Balance with Treasury**

USTDA does not maintain cash in commercial bank accounts. The U.S. Treasury processes cash receipts and disbursements. The balance of funds with Treasury primarily represents appropriated funds that are available to pay current liabilities and finance authorized purchase commitments relative to goods or services.

**(g) Property and Equipment**

Property and equipment is stated at cost, less accumulated depreciation. USTDA capitalizes property and equipment with an acquisition cost greater than \$5,000 and useful life exceeding one year. Depreciation is calculated using the straight-line method and is based on an estimated useful life of 10 years for all assets, except computer equipment and software, which is depreciated over 5 years. Leasehold improvements are amortized over the estimated period of occupancy or the life of the improvement, whichever is less. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

**(h) Liabilities**

Liabilities represent amounts owed by USTDA as the result of transactions or events that have occurred as of fiscal year end. Liabilities covered by budgetary or other resources are those liabilities for which Congress has appropriated funds or funding is otherwise available to pay amounts owed. Liabilities not covered by budgetary or other resources represent amounts owed in excess of available, congressionally appropriated funds or other amounts. The liquidation of liabilities not covered by budgetary or other resources is dependent on future congressional appropriations or other funding. There is no certainty that Congress will appropriate funds to satisfy such liabilities.

USTDA has no capital leases. Regarding its building lease, the General Services Administration (GSA) entered into a lease agreement for USTDA's rental of building space. USTDA pays GSA a standard-level users' charge for the annual rental. The standard-level users' charge approximates the commercial rental rates for similar properties. Average annual rent expense and related charges are approximately \$1.7 million through 2013.

**(i) Undelivered Orders**

Undelivered orders represent the amount of orders for goods and services outstanding for which funds have been obligated, but the liabilities have not been incurred.

**(j) Accrued Leave**

Annual leave is accrued as a liability as it is earned. The liability is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect current year pay rates. To the extent that the current or prior year appropriations are not available to fund annual leave earned, but not taken, funding will be obtained from future appropriations. USTDA's handling of annual leave earned, but not taken is compliant with established regulations. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

## NOTES TO FINANCIAL STATEMENTS

September 30, 2013

**(k) Cumulative Results of Operations**

Cumulative results of operations represent the difference between net property and equipment and unfunded annual leave, plus the net difference between expenses and financing sources since the inception of an activity.

**(l) Retirement Plan**

USTDA's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7.0 percent of their gross pay to the plan, and USTDA contributes 8.51 percent. The cost of providing a CSRS benefit, which is 32.3 percent as computed by the Office of Personnel Management (OPM), is more than the amounts contributed by USTDA and its employees. In accordance with Statement of Federal Financial Accounting Standard (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, USTDA reports the full cost of providing pension benefits to include the cost financed by OPM.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983 are automatically covered by FERS and the Social Security Act. Employees hired prior to January 1, 1984 could elect either to join FERS and the Social Security Act or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which USTDA automatically contributes 1 percent of employees' pay and matches any employee contribution up to an additional 4 percent of basic pay. For most employees hired since December 31, 1983, USTDA also contributes the employer's matching share under the Social Security Act. For the FERS basic benefit, the employees contribute 0.8 percent of their basic pay while USTDA contributes 11.2 percent for a total contribution rate of 12 percent. The cost of providing a FERS benefit, as computed by OPM is 14.2 percent.

The total amount of imputed financing for retirement and other post-retirement benefits paid by OPM for FY 2013 amounted to \$354,035 which includes \$129,772 for pension cost for CSRS and FERS; \$223,305 for the Federal Employees Health Benefits (FEHB) Program; and \$958 for Federal Employees Group Life Insurance (FEGLI). In FY 2012, OPM funded \$334,461 to pension, health, and life insurance benefits on behalf of USTDA's employees. These amounts are included in USTDA's FY 2013 and FY 2012 financial statements, respectively.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by USTDA. The reporting of these amounts is the responsibility of OPM. USTDA has properly computed this amount and recorded a liability for it.

USTDA paid approximately \$553,963 and \$521,551 for retirement system coverage for its employees during FY 2013 and FY 2012, respectively.

**(m) Use of Estimates**

Management has made certain estimates and assumptions when reporting in these financial statements on assets and liabilities. They are also used in expenses and note disclosures. Actual results could differ from these estimates. Significant estimates underlying the accompanying financial statements include depreciable lives of property and equipment with no residual value, and the grants payable accrual. USTDA used a ratio of the average of accounts payable to unpaid obligations over a five year period and applied the resulting percentage to calculate the current year's estimate of accounts payable.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2013

**(2) Fund Balance with Treasury**

Fund Balance with Treasury represents USTDA's undisbursed budgetary authority and funds to be returned to Treasury at September 30, 2013 and 2012, as follows:

	<b>2013</b>	<b>2012</b>
Fund balances:		
Appropriated funds	\$ 97,454,171	\$ 105,591,980
Miscellaneous Receipts	35,709	344,960
Total	<u>\$ 97,489,880</u>	<u>\$ 105,936,940</u>
Status of fund balance with Treasury:		
Unobligated balance:		
Available	\$ 4,671,544	\$ 6,478,431
Unavailable	4,463,173	4,854,658
Obligated balance not yet disbursed	88,319,454	94,258,891
Non-budgetary	35,709	344,960
Total	<u>\$ 97,489,880</u>	<u>\$ 105,936,940</u>

Unobligated fund balances are either available or not available. Amounts are reported as not available when they are no longer legally available to USTDA for obligation. However, balances that are currently reported as not available can change over time, because they may be used to increase the amount of the initial obligation to cover additional expenditures that relate to these obligations.

**(3) Accounts Receivables**

Accounts receivables at September 30, 2013 and 2012 consist of the following components:

	<b>2013</b>	<b>2012</b>
Accounts receivable	<u>\$ 3,176</u>	<u>\$ 130</u>

FY 2013 and FY 2012 accounts receivable represents employee salary compensation to be returned to USTDA; no allowance is necessary as the amount is fully collectable.



**NOTES TO FINANCIAL STATEMENTS**

September 30, 2013

**(4) Property and Equipment, Net**

General property and equipment and related accumulated depreciation balances at September 30, 2013, and 2012 are as follows:

September 30, 2013				
<b>Class of Asset</b>	<b>Service Life</b>	<b>Acquisition value</b>	<b>Accumulated depreciation/ amortization</b>	<b>Net book value</b>
Computer Equipment	5 years	\$ 688,638	\$ 440,609	\$ 248,029
Furniture and Fixtures	10 years	284,179	156,966	127,213
Computer Software	5 years	15,382	5,567	9,815
Other Equipment	10 years	296,094	117,838	178,256
Leasehold Improvements	0 years	113,182	113,182	—
Total property and equipment		<u>\$ 1,397,475</u>	<u>\$ 834,162</u>	<u>\$ 563,313</u>

September 30, 2012				
<b>Class of Asset</b>	<b>Service Life</b>	<b>Acquisition value</b>	<b>Accumulated depreciation/ amortization</b>	<b>Net book value</b>
Computer Equipment	5 years	\$ 553,166	\$ 363,059	\$ 190,107
Furniture and Fixtures	10 years	274,764	176,431	98,333
Computer Software	5 years	10,050	3,023	7,027
Other Equipment	10 years	266,313	106,522	159,791
Leasehold Improvements	0 years	113,182	113,182	—
Total property and equipment		<u>\$ 1,217,475</u>	<u>\$ 762,217</u>	<u>\$ 455,258</u>

Depreciation expense for fiscal years ended September 30, 2013 and 2012 is \$141,823 and \$153,379, respectively.

During FY 2013 and 2012, USTDA purchased property and equipment in the amount of \$267,284 and \$239,296, respectively. In addition, during FY 2013 USTDA retired \$87,284 in property and equipment with related accumulated depreciation amounting to \$69,878, representing a loss on disposals of \$17,406. During FY2012, USTDA retired \$88,008 in property and equipment with related accumulated depreciation amounting to \$79,549, representing a loss on disposals of \$8,459.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2013

**(5) Liabilities**

Total liabilities represent the sum of liabilities not covered by budgetary resources, and those covered by budgetary resources. As of September 30, 2013 and 2012, total liabilities were as follows:

	<b>2013</b>	<b>2012</b>
Intragovernmental Liabilities:		
Liabilities not covered by budgetary resources:		
Miscellaneous receipts to be returned to Treasury	\$ 35,709	\$ 344,960
Worker's Compensation	4,103	—
Liabilities covered by budgetary resources:		
Accounts payable	767,727	410,012
Total intragovernmental liabilities	<u>\$ 807,539</u>	<u>\$ 754,972</u>
Other Liabilities:		
Liabilities not covered by budgetary resources:		
Accrued annual leave	\$ 465,541	\$ 440,515
Liabilities covered by budgetary resources:		
Accounts payable	5,803,284	6,635,416
Accrued payroll	176,368	177,804
Total other liabilities	<u>\$ 6,445,193</u>	<u>\$ 7,253,735</u>
Total liabilities	<u>\$ 7,252,732</u>	<u>\$ 8,008,707</u>

All liabilities other than unfunded accrued leave are considered to be current liabilities. Approximately \$6 million of the accounts payable balance as of September 30, 2013 relates to grants payments owed but unpaid. This balance was \$6.1 million as of September 30, 2012.

**(6) Intragovernmental Costs and Exchange Revenue**

Program costs for the fiscal years ended September 30, 2013 and 2012 consists of the following:

<b>Grants Program</b>	<b>2013</b>	<b>2012</b>
Intragovernmental costs	\$ 2,881,398	\$ 2,656,359
Public costs	49,104,984	52,263,797
Total grant program costs	51,986,382	54,920,156
Intragovernmental earned revenue	—	—
Net grant program costs	<u>\$ 51,986,382</u>	<u>\$ 54,920,156</u>

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2013

**(7) Apportionment Categories of Obligations Incurred**

During the years ended September 30, 2013 and 2012, funds were obligated in the following categories:

<b>Obligations</b>	<b>2013</b>	<b>2012</b>
Category A – funds that are obligated for operating expenses	\$ 13,764,322	\$ 12,725,724
Category B – funds that are obligated for program activities	42,245,978	44,223,753
Total obligations incurred	<u>\$ 56,010,300</u>	<u>\$ 56,949,477</u>

**(8) Unobligated Balances Available — Apportioned**

Total available unobligated balance of budget authority at September 30, 2013 and 2012 consist of the following:

	<b>2013</b>	<b>2012</b>
Unrestricted no-year funds	\$ 325,959	\$ 325,959
Funds transferred from USAID for feasibility studies and related activities in the New Independent States (NIS), and Support for East European Democracy (SEED)	54,564	49,564
Funds transferred from USAID for feasibility studies and related activities in the NIS (Freedom Support Act (FSA) no-year funds)	89,773	58,328
Total no-year funds	<u>\$ 470,296</u>	<u>\$ 433,851</u>
Funds transferred from USAID for feasibility studies and related activities in Libya (ESF-MERF)	—	41,681
Funds transferred from USAID and reappportioned for feasibility studies and related activities in Pakistan (ESF) and regional Eurasia (AEECA)	1,323,370	380,987
USTDA core budget two-year appropriations	2,877,878	5,621,912
Total unobligated and available appropriations	<u>\$ 4,671,544</u>	<u>\$ 6,478,431</u>

**(9) Undelivered Orders**

At September 30, 2013 and 2012, undelivered orders balances consisted of the following:

<b>Purpose</b>	<b>2013</b>	<b>2012</b>
Obligated balance at the end of the period	\$ 88,319,454	\$ 94,258,891
Liabilities covered by budgetary resources	(6,747,379)	(7,223,232)
Undelivered orders	<u>\$ 81,572,075</u>	<u>\$ 87,035,659</u>



**NOTES TO FINANCIAL STATEMENTS**

September 30, 2013

**(10) Permanent Indefinite Appropriations**

No-year funds at September 30, 2013 and 2012 exist for the following purposes:

<b>Purpose</b>	<b>2013</b>	<b>2012</b>
General program activities	\$ 325,959	\$ 325,959
FSA transfer funds for feasibility studies and activities in the NIS	89,773	58,328
Support for feasibility studies and activities (NIS and SEED)	54,564	49,564
Total permanent indefinite appropriations	<u>\$ 470,296</u>	<u>\$ 433,851</u>

**(11) Reconciliation of Net Cost to Budget**

The following schedule reconciles resources available to USTDA to finance operations and the net cost of operating for fiscal years ended September 30, 2013 and 2012:

	<b>2013</b>	<b>2012</b>
Resources used to finance activities:		
Budgetary resources obligated	\$ 56,010,300	\$ 56,949,477
Recoveries of prior years obligations	(9,759,565)	(7,215,415)
Imputed financing for costs absorbed by others	354,035	334,461
Total resources used to finance activities	<u>\$ 46,604,770</u>	<u>\$ 50,068,523</u>
Resources used to finance items not part of the net cost of operations:		
Change in budgetary resources obligated for goods and services ordered, but not received	\$ 5,463,583	\$ 4,980,341
Resources that finance the acquisition of assets	(267,284)	(239,296)
Loss on disposition of assets	17,406	8,459
Total resources used to finance items not part of the net cost of operations	<u>\$ 5,213,705</u>	<u>\$ 4,749,504</u>
Costs that do not require resources:		
Depreciation and amortization	\$ 141,823	\$ 153,379
(Increase)/decrease in accounts receivable	(3,045)	(42)
Costs that require resources in a future period:		
(Decrease)/increase in accrued leave liability	25,026	(51,208)
(Decrease)/increase in accrued worker's compensation liability	4,103	—
Total costs that do not require resources	<u>\$ 167,907</u>	<u>\$ 102,129</u>
Net cost of operations	<u>\$ 51,986,382</u>	<u>\$ 54,920,156</u>

# U.S. TRADE AND DEVELOPMENT AGENCY

## OTHER INFORMATION

As of and for the Year Ended September 30, 2013

### INTRAGOVERNMENTAL ASSETS

As of September 30, 2013

Trading Partner	Partner #	Accounts Receivable	Fund Balance with Treasury
Department of the Treasury	20	\$ —	\$ 97,489,880
Total		\$ —	\$ 97,489,880

### INTRAGOVERNMENTAL LIABILITIES

As of September 30, 2013

Trading Partner	Partner #	Accounts Payable	Fund to be Returned to Treasury
Department of Interior	14	\$ 25,776	\$ —
Department of Labor	16	4,103	—
Department of State	19	175,344	—
Department of Treasury	20	—	35,709
General Services Administration	47	381,000	—
National Archives	88	97	—
Office of Personnel Management	24	851	—
U.S. Foreign Commercial Services	13	184,659	—
Total		\$ 771,830	\$ 35,709

### INTRAGOVERNMENTAL EXPENSES

For the Year Ended September 30, 2013

Trading Partner	Partner #	Amount
Department of Agriculture	12	\$ 3,057
Foreign Service Institute	21	1,320
Department of Homeland Security	70	25,710
Department of Interior (IBC)	14	668,779
Department of State	19	404,927
General Services Administration	47	1,735,869
National Archives	88	1,254
Office of Personnel Management	24	1,072
U.S. Foreign Commercial Services	13	39,220
U.S. Postal Service	18	190
Total		\$ 2,881,398

#### **USTDA 2013 ANNUAL REPORT PHOTOGRAPHY**

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## U.S. TRADE AND DEVELOPMENT AGENCY

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