

# The U.S. Trade and Development Agency



Annual Report 2003

COMMERCIAL  
SOLUTIONS TO  
DEVELOPMENT  
CHALLENGES

## LEMNA RECOGNIZED IN THE U.S. TRADE AND DEVELOPMENT AGENCY ANNUAL REPORT 2003

### USTDA VIEWPOINT

#### Building Alliances With Other Agencies

USTDA works effectively with other U.S. Government agencies to bring their particular expertise and resources to a development objective. As such, USTDA is an active member of the Trade Policy Coordinating Committee (TPCC), supporting interagency efforts to benefit U.S. companies operating around the globe. In fact, during FY 2003, USTDA hosted two separate one-week TPCC training sessions for employees of TPCC-member agencies in its Business Center. By coordinating its efforts with those of other agencies, USTDA is able to significantly enhance its value to U.S. businesses and increase its effectiveness in supporting U.S. trade, economic development and foreign policy goals. Examples include:



**OFFICE OF THE U.S. TRADE REPRESENTATIVE (USTR):**  
Trade capacity-building activities associated with World Trade Organization and free trade agreement (FTA) negotiations, such as the U.S.-Central American FTA and the U.S.-Southern African Customs Union FTA.

**DEPARTMENT OF STATE:**  
USTDA receives policy guidance from the Department of State and works closely with the U.S. Agency for International Development (USAID) and U.S. Embassies and Consulates around the globe. USTDA has funded a number of activities in direct support of the STAR Initiative, in which the State Department serves as the lead agency.

USTDA maintains an active program in Pakistan that covers a number of critical infrastructure areas, such as telecommunications, housing, and water supply and increases the country's trade capacity. Pictured here (left to right) are U.S. Treasury Secretary John Snow, U.S. Ambassador to Pakistan Nancy Powell, and USTDA Director Aduky during a visit to Pakistan in September 2003.

**EXPORT-IMPORT BANK OF THE UNITED STATES (EIB):**  
Thirty percent of U.S. exports associated with USTDA-funded activities are financed by EIB. EIB Bank loans and guarantees. USTDA reports are designed to facilitate financing by EIB and other financial entities accessible to foreign project sponsors wanting to buy U.S. equipment.

**DEPARTMENT OF COMMERCE'S FOREIGN COMMERCIAL SERVICE (FCS):**  
Combining USTDA activities with FCS local contacts and expertise provides U.S. companies with an enhanced level of service.

**DEPARTMENT OF TRANSPORTATION (DOT):**  
USTDA draws upon private sector resources and DOT technical expertise, including the Federal Aviation Administration, in the area of aviation safety.

**DEPARTMENT OF HOMELAND SECURITY:**  
Joint activities with the Directorate of Border and Transportation Security in the areas of customs and transportation and supply chain security enhances Department of Homeland Security and USTDA effectiveness in these areas.

**DEPARTMENT OF THE TREASURY:**  
Treasury and USTDA engage in cooperative efforts on economic and trade issues to encourage market economics and greater transparency in developing markets.

**SMALL BUSINESS ADMINISTRATION (SBA):**  
SBA and USTDA both support efforts by small businesses to export their goods and services. SBA Administrator Hector Barrera was a keynote speaker at a USTDA Small Business Outreach Seminar in April 2003 as illustrated in more detail on page 7.

**OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC):**  
USTDA activities at the front end of potential projects help to create a favorable investment climate for U.S. companies and facilitate access to OPIC financing and insurance programs.



USTDA Chief of Staff Carl Kress (far left) participated in a trade delegation to Africa in FY 2003 led by U.S. Commerce Secretary Donald Evans (second from left). Pictured here (left to right) are Kress; Evans; Mr. Viet Ngo, President and CEO of Lemna International; Mr. J. N. A. Nunoo, Managing Director of Ghana Water Company; and Ms. Theresa Tagoe, Deputy Minister of Works and Housing. During the delegation's visit to Ghana, Lemna International of Minneapolis, Minnesota, and the Ghana Water Company Limited signed a contract to expand and rehabilitate the drinking water system for the city of Sunyani and 16 surrounding communities. USTDA funded a feasibility study on the project in 2001.

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### U.S. FOREIGN POLICY INITIATIVES



In May 2003, USTDA awarded a grant to the Thailand Royal Irrigation Department (RID) to maximize the efficiency and coverage of RID's flood forecasting and warning system. Pictured here are the participants in the ceremony where the grant was awarded, including Stacy Rosenfield (2nd from left), USTDA Asia Business Development Manager; Geoffrey Jackson (third from left), USTDA Assistant to the Director for Policy Planning and Regional Director for Asia; and Anant Chakkravartikul (fourth from left), Director General of RID.

Thailand, for example, USTDA is funding a study on a flood forecasting and warning system.

**Environmental Services**  
Basic environmental services, such as clean water, wastewater treatment, and solid waste management, are vital resources for growth in developing countries. In 2003, USTDA continued a strong program designed to give developing countries the technical assistance, training, and improved access to innovative U.S. technologies and the engineering and financial expertise needed to solve their environmental challenges.

The implementation of several USTDA-funded projects this year is testimony to the

success of USTDA's environmental program. In Hungary, a USTDA-funded study assisted a private Hungarian oil company in its efforts to improve the environmental standards of its refinery on the Danube River. This project yielded a \$35 million 15-year contract award to Earth Tech of Long Beach, California, for the construction and operation of a major wastewater treatment plant. In Morocco, a New Jersey consortium was awarded a build-operate-transfer contract for the Fez Landfill following a USTDA-funded study and training grant.

Financing is critical for any infrastructure project. This year, several USTDA projects addressed the need for fresh approaches to financing for water supply projects. In India, USTDA awarded a grant to Tamil Nadu Urban Infrastructure Financial Services Ltd. to fund an innovative technical assistance project that will help secure sub-sovereign financing by issuing bonds, bonds, and asset and sanitation pooled fund. In Ghana, LEMNA International of Minneapolis, Minnesota, recently won a contract for a water infrastructure rehabilitation and expansion project using an innovative public-private financing structure based on a combination of grant funds and user fees.

In Latin America, several projects funded in FY 2003 focused on developing the legal and regulatory institutions required to keep up

with increased trade and investment. For example, in Brazil, officials from the Institute for the Environment and Natural Resources participated in an orientation visit designed to familiarize them with U.S. environmental practices related to offshore oil production. In the Dominican Republic, USTDA provided technical assistance to Unidaid Corporativa Minera Corporation on environmental issues in the mining sector. In Chile, a USTDA definitional mission is identifying opportunities for technical assistance related to the environmental chapter of U.S.-Chile Free Trade Agreement.

Sustainable energy infrastructure is another essential requirement for long-term economic growth in developing countries. In this regard, USTDA has funded a number of clean energy activities this year, including a **Waste-to-Energy and Renewable Energy Conference for Central and Eastern Europe**, where 20 projects were presented. In addition, USTDA awarded five grants totaling \$1.2 million in FY 2003 for renewable energy projects in the Europe region alone. In Mexico, another waste-to-energy project, the Monterey Solid Waste Management Project, has led to the construction of a 7MW biogas generated power plant, the largest of its kind in Latin America.

During FY 2003, USTDA also focused on renewable energy projects to help African