

## **I. TDA Africa Program and Assistance for African Projects**

### ***A. Overview of TDA programs and assistance***

TDA's mission is to assist in the creation of U.S. jobs by helping U.S. companies pursue overseas export opportunities. TDA accomplishes this through a variety of programs that focus on assistance for projects that have the potential to yield significant export opportunities for American companies.

Projects are typically in the agriculture, energy and power, health care, manufacturing, mining and minerals development, telecommunications, transportation and environmental services fields.

On a worldwide basis, TDA's budget has grown to \$44 million as of fiscal year 2000, and will increase to \$50 million in FY 2001. Interest in Africa is significant: in 1999 TDA funding in Africa and the Middle East was approximately 18% of all TDA expenditures. In Africa, TDA makes funds available to the World Bank and the International Finance Corporation in the form of 'trust funds' to engage US consultants for studies in Africa that hold significant US export potential.

TDA funding may take the form of the following:

- Definitional Missions & Desk Studies  
These studies are conducted to perform independent evaluation of the project or of particular opportunities in a geographic region or industrial sector. Desk Studies are always conducted in the United States when there is sufficient information to evaluate a project. Definitional Missions are always conducted in the host country or geographic region to evaluate what types of assistance TDA can provide or to develop a specific Terms of Reference for a particular feasibility study or other form of assistance. Each year TDA funds approximately 180 Desk Studies and Definitional Missions.
- Feasibility Studies  
Feasibility studies evaluate the financial, legal, technical and economic aspects of a project in the pre-investment stage. Feasibility studies advise the project sponsor about the availability of specific U.S. equipment and services that could be utilized during implementation. TDA funds approximately 125 of these Feasibility Studies each year with awards ranging between \$100,000 and \$1 million. For Africa, the average feasibility grant has been approximately \$280,000 over the last decade.
- Conferences  
TDA arranges business conferences to familiarize foreign decision-makers with American goods and services as well as to build sound relationships between foreign project sponsors and U.S. companies.

- Orientation Visits  
TDA sponsors visits to the United States by foreign delegations interested in procuring U.S. goods and services for specific projects.
- Trade Related Training  
TDA provides grants that enable foreign project personnel to receive necessary technical and managerial training provided that an American firm is selected for the contract.
- Technical Assistance  
Technical assistance grants are provided when required expertise for the development of an infrastructure project is unavailable in the host country. TDA has provided grants to develop the legal and regulatory framework relating to a project's implementation.

TDA has been active in Africa since its inception and has devoted \$28.2 million to funding various activities over the last decade. Over the last two year, TDA increased spending for Africa by 73% and 12.2%, respectively. These figures only represent amounts only for Africa and such African-wide initiatives such as conferences and other sectoral initiatives.

As a general rule, TDA's assistance has been weighted heavily towards feasibility studies, but the recent trend is towards the agency's other forms of assistance. In Southern and Western Africa over the last two years, TDA spent \$379,651 for official delegations to visit US company facilities and another \$1.4 million for technical assistance type programs.

Because TDA works closely with financial institutions headquartered in Cote D'Ivoire and South Africa, many projects and activities have been centered in these regions. Despite this natural concentration, TDA has taken active steps to identify US export opportunities in many other African countries.

TDA is able to operate in most countries in Africa, however, it is suggested that one contact TDA staff to determine which countries are currently eligible for assistance. One notable exception is Cote D'Ivoire where TDA cannot provide assistance at the present time.