



U.S. TRADE AND DEVELOPMENT AGENCY

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**USTDA AWARDS OVER \$2.7 MILLION IN GRANTS
TO PROMOTE ECONOMIC GROWTH IN AFRICA**

Grants Awarded During a Signing Ceremony at the Fifth AGOA Forum

WASHINGTON, D.C. – (June 7, 2006) Supporting the growth of key economic sectors in Sub-Saharan Africa, strengthening the U.S.-African trade relationship, and facilitating the growth of open and competitive markets are the goals of seven separate U.S. Trade and Development Agency (USTDA) grants awarded today. The grants, which total \$2.77 million, are examples of the U.S. government's commitment to Sub-Saharan Africa's economic development under the framework of the Doha Development Round at the World Trade Organization (WTO) and the African Growth and Opportunity Act (AGOA).

The technical assistance and early investment analysis grants were conferred in a signing ceremony at the U.S. Department of State during the fifth U.S.-Sub-Saharan Africa Trade and Economic Cooperation Forum. USTDA Director Thelma J. Askey signed each of the grants on behalf of the U.S. government. The grants, which are described in a separate fact sheet, specifically support the electricity sector in Nigeria and South Africa; the transportation sectors in Nigeria, Senegal and the Common Market for Eastern and Southern Africa (COMESA); and capital market development in West Africa.

“USTDA recognizes the importance of infrastructure and trade capacity to the ability of the commercial relationship between Africans and Americans to reach its full potential,” said USTDA Director Thelma J. Askey in remarks at today's signing ceremony. “We also understand that the benefits of trade cannot accrue where the infrastructure is inadequate to support increased trade flows. As a result, our program is helping to establish the necessary infrastructure and capacity, consistent with the goals of AGOA and the Doha Development Round, for the private sector to lead in Africa's development.”

Today's grants represent the commitment of the U.S. government to the principles of the Doha Development Round and AGOA. The USTDA grants also demonstrate U.S. support for regional development initiatives in Africa that will increase the volume of commerce between nations and expand the role of the private sector in development.

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The USTDA grants recognize the importance of infrastructure to the ability of countries to attract investment and promote economic growth. In Sub-Saharan Africa, infrastructure is also essential to the ability of countries to implement and benefit from WTO trade agreements and AGOA trade preferences. In particular, today's grants target key sectors, such as energy, transportation, and finance, which are necessary to support broader economic growth and closer trade relations between the United States and Sub-Saharan Africa.

The competitive contracting opportunities associated with the USTDA grants awarded today will be announced on the *Federal Business Opportunities* website at www.fedbizopps.gov. U.S. firms should submit proposals according to the instructions contained in the *Federal Business Opportunities* announcement. Today's grant recipients will individually select the U.S. firms that will provide the USTDA-funded assistance associated with their own respective grant.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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Fact Sheet on the USTDA Grants Signed at the AGOA Forum

June 7, 2006

Nigeria: Bureau for Public Enterprises (BPE) - A U.S. Trade and Development Agency (USTDA) grant, valued at \$467,000, is funding technical assistance to the BPE in the privatization of Nigeria's two largest power plants, the 600 megawatt (MW) Shiroro Hydro-power Plant located approximately 75 miles to the north-west of Abuja, and the 320 MW gas-fueled Egbin Power Plant near Lagos. The grant will support a technical and financial analysis to prepare the plants for privatization. Mr. Chudi Ojukwu, BPE Project Manager, signed the grant on behalf of the grant recipient.

Nigeria: Electricity Regulatory Commission (NERC) - USTDA awarded a grant to NERC, in the amount of \$507,647, to fund technical assistance in developing electric-sector health and safety standards and providing hands-on technical training to NERC staff. The development and implementation of these standards throughout the industry will assist Nigeria with its privatization strategy and raise the level of confidence among investors looking to enter the country's electricity market. Dr. Ransome Owan, NERC Chairman and Chief Executive Officer, signed the grant on behalf of the grant recipient.

Nigeria: Ministry of Transport – USTDA is providing \$429,746 to fund technical assistance to the Nigerian Ministry of Transport in the development of an integrated computerization plan for the operations and management of the Nigerian Ports Authority. Through evaluation of current information and communications technology systems, technical training, and recommendations for implementation, this project will help increase the productivity of the Nigerian Ports Authority, and build human capacity to analyze, design and manage information technology (IT) systems. As a result of Nigeria's economic importance in West Africa, this technical assistance will facilitate more efficient trade throughout the entire region. Engr. Desmond Akawor, Executive Director of the Western Region at the Nigerian Ports Authority, signed the grant on behalf of the Nigerian government.

Regional: Common Market for Eastern and Southern Africa (COMESA) Air Traffic Management - A USTDA transportation-related grant, totaling \$294,900, will provide COMESA with technical assistance in assessing the technical and professional capabilities of air traffic management systems in those countries not covered under ongoing USTDA studies with the East African Community and the Southern African Development Community (i.e. Burundi, Comoros, Djibouti, Egypt, Eritrea, Ethiopia, Rwanda and, Seychelles). Mr. Erastus J.O. Mwencha, COMESA Secretary General, signed the agreement for the grant recipient.

Regional: West Africa Monetary Institute – USTDA awarded a \$191,980 technical assistance grant to the West African Monetary Institute to address the challenge of capital market integration and cross-border securities listing between the Nigerian Stock Exchange and the Ghana Stock Exchange. The project will analyze differences in the legal, regulatory, accounting and reporting policies, as well as the IT systems of the two stock exchanges. It will also provide recommendations and an implementation plan for facilitating interconnectivity and the cross-listing of securities between the two exchanges. As a result, the assistance will foster increased intra-regional commerce in West Africa. Mr. R. David Asante, Technical Advisor for the West African Monetary Institute, signed the agreement on behalf of the grant recipient.

Senegal: Société des Mines de Fer du Sénégal Oriental (MIFERSO) – In Senegal, a USTDA grant, in the amount of \$326,420, is funding updated and expanded economic, financial, and legal analysis for MIFERSO, a state-owned project development company, on a proposed new multi-commodity port complex to be located south of Dakar. The \$250 million new port complex will have multiple purposes, serving as an export terminal for Senegalese mining products, an import terminal for bulk materials, and a port of call for a new industrial zone being developed outside of the capital city of Dakar. Additionally, a new port complex will help decongest the Port of Dakar. Mr. Birame Diouf, MIFERSO Director General, signed the grant on behalf of the government of Senegal.

South Africa: Tiso Energy Power Plants - In South Africa, USTDA award a \$550,900 grant to fund technical assistance to Tiso Energy, a Black Economic Empowerment (BEE) company. The grant will support the preparation of a bid submission for the construction and operation of two oil-fired open cycle gas turbine peaking power plants located in the Eastern Cape and KwaZulu Natal Provinces in South Africa. AES Corporation, a global power company headquartered in Arlington, Virginia, will provide the technical assistance for the preparation of the bid submission. It is expected that the project will improve the reserve margins of electricity in South Africa as shortages are expected to occur as early as 2008. Mr. Cox Mokgoro, Managing Director of Mbane Power (a partner of Tiso Energy), signed on behalf of Tiso Energy.