

OPPORTUNITIES IN INTERNATIONAL DEVELOPMENT



Webinar #4: May 30, 2019



INTERNATIONAL
TRADE
ADMINISTRATION



World Trade Month Go Global Webinar Series

We are here to help you **Go Global**.

Get answers to your top questions on **Opportunities in International Development**.

Brought to you by your federal trade partners: the U.S. Agency for International Development, the Overseas Private Investment Corporation, the U.S. Trade and Development Agency, and the Millennium Challenge Corporation.

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INTERNATIONAL
TRADE
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Episode 4: Opportunities in International Development

What do U.S. international development agencies do?

In which parts of the world are U.S. international development agencies active?

How can U.S. businesses work with U.S. international development agencies?

Today's Speakers

Host: Omari Wooden
U.S. Census Bureau

Presenters: Ned Rauch-Mannino
Advisor for Intergovernmental Affairs
U.S. Agency for International Development



Dianne Quebral
Director of Public Engagement
U.S. Trade and Development Agency



Alison Germak
Director for Corporate Development
Overseas Private Investment Corporation



Maxwell Sarpong
Supervisory Contracting Officer
Millennium Challenge Corporation

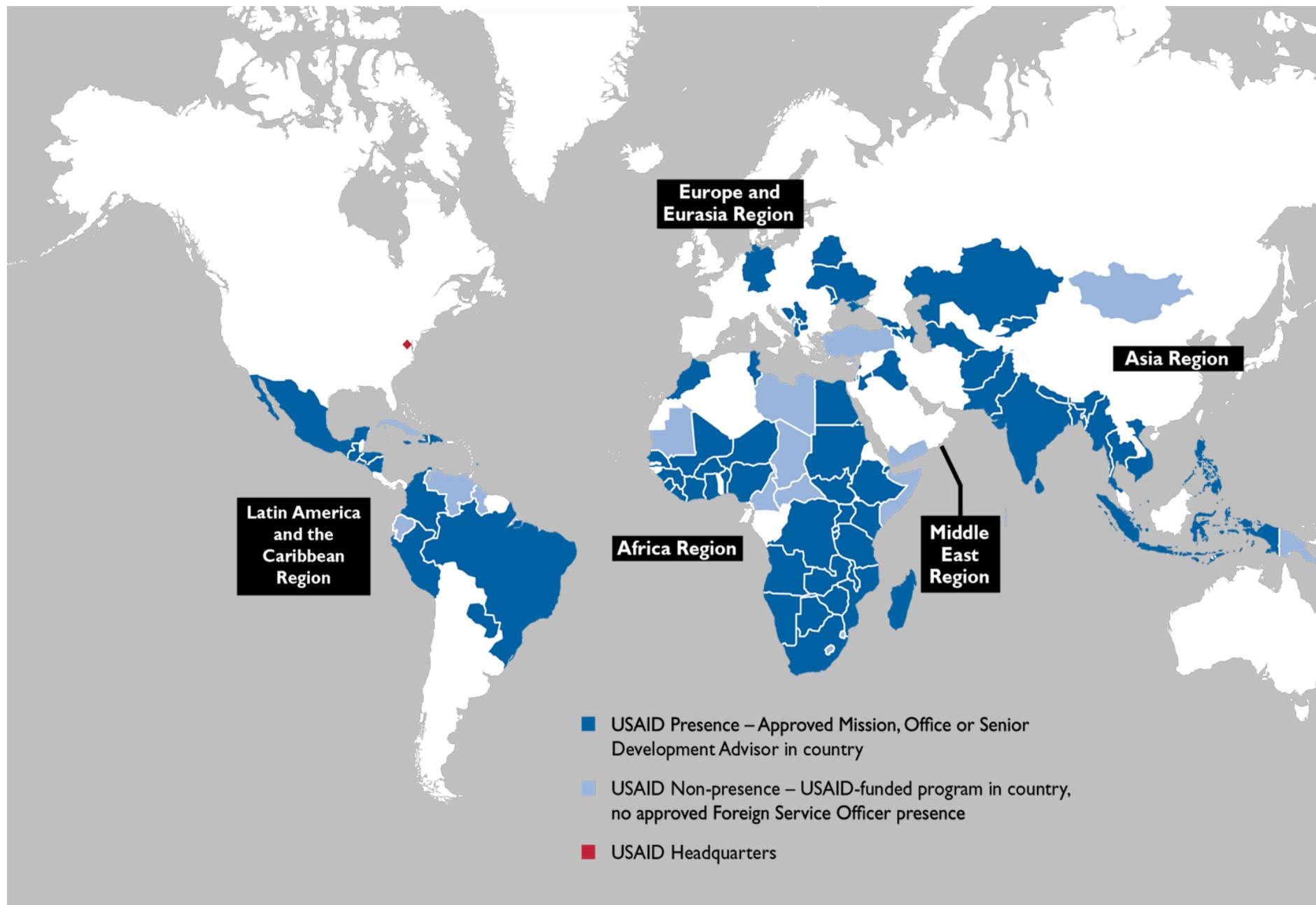


USAID MISSION

“On behalf of the American people, we promote and demonstrate democratic values abroad, and advance a free, peaceful, and prosperous world. In support of America's foreign policy, the U.S. Agency for International Development leads the U.S. Government's international development and disaster assistance through partnerships and investments that save lives, reduce poverty, strengthen democratic governance, and help people emerge from humanitarian crises and progress beyond assistance.”

WHERE WE ARE

Our workforce of over 9,000 serves in more than 100 countries around the world. USAID's workforce and culture serve as a reflection of core American values—values that are rooted in the belief of doing the right thing.



WHAT WE DO

USAID is the world's premier international development agency and a catalytic actor driving development results. USAID's work **advances U.S. national security and economic prosperity**, demonstrates **American generosity**, and promotes a path to **recipient self-reliance and resilience**. Through our work we:

- Provide Humanitarian Assistance
- Promote Global Health
- Support Global Stability
- Empower Women And Girls
- Catalyze Innovation And Partnership



USAID TRANSFORMS SECTORS



PROVIDING HUMANITARIAN ASSISTANCE

USAID stands with communities, around the world, when disaster strikes — it is who we are as Americans.



PROMOTING GLOBAL HEALTH

Investments in global health protect Americans at home and abroad, strengthen fragile or failing states, and promote social and economic progress.



SUPPORTING GLOBAL STABILITY

Despair is dangerous — while poverty does not cause violent extremism, it creates conditions that extremists can exploit.



EMPOWERING WOMEN AND GIRLS

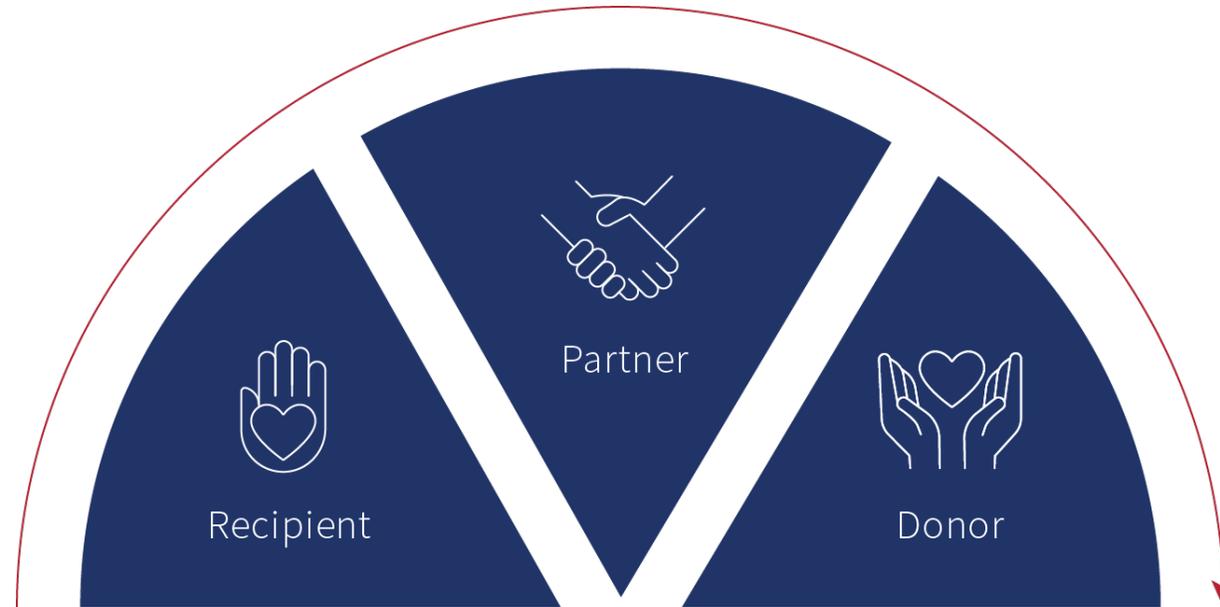
USAID is supporting women and girls and protecting life — peace and progress cannot be sustained without women's equal access to opportunities and participation in their countries' institutions.



CATALYZING INNOVATION AND PARTNERSHIP

The future of international development is enterprise-driven.

DEVELOPMENT JOURNEY



“We provide development assistance to help partner countries on their own development journey to self-reliance. Over the long run, our goal is to have countries go from being recipients, to partners, to donors.”

- USAID Administrator Mark Green

USAID WORKS WITH THE PRIVATE SECTOR

KEY WAYS USAID COLLABORATES WITH THE BUSINESS COMMUNITY

- **Private Sector Engagement Policy:** a strategic approach to international development through which USAID consults, strategizes, aligns, collaborates, and implements with the private sector for greater scale, sustainability, and effectiveness of development or humanitarian outcomes.
- The **New Partnership Initiative** allows USAID to work with a more diverse range of partners and provide more entry points for organizations to work with the Agency.
- USAID's **Office of Trade and Regulatory Reform** works with governments, the private sector and other donors to expand overseas markets, create economic opportunities and build strong, stable partners.
- Building Public-Private Partnerships: The **Global Development Alliance** is USAID's flagship model for building public-private partnerships, focused on market-based solutions to deepen USAID's development impact.
- **Catalyzing Investment:** Working with financial institutions, companies and other financial providers, USAID facilitates greater private investment in support of key development objectives in sectors such as energy, agriculture, and health.
- The **U.S. Global Development Lab** provides long-term capital to innovators and entrepreneurs through venture capital style grant competitions; partnering with impact investors, incubators, and accelerators to provide financing and technical assistance to entrepreneurs; and working with corporations and others to take proven innovations to scale.
- Support through **initiatives:** for example, **Power Africa** brings together technical and legal experts, the private sector, and governments from around the world to work in partnership to increase the number of people with access to power.

U.S. Trade and Development Agency

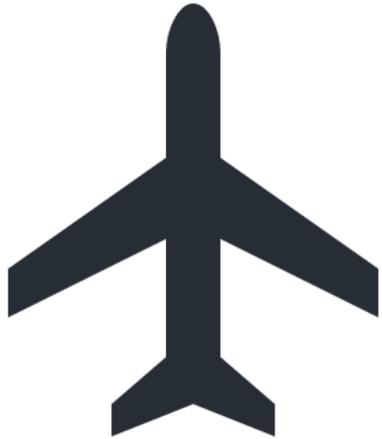
Mission:

- Create U.S. jobs through exports
- Prepare infrastructure projects
- Connect buyers and sellers



USTDA works exclusively in emerging markets

USTDA's Priority Sectors



TRANSPORTATION



ENERGY



TELECOMMUNICATIONS

USTDA's Results

\$104

U.S. exports
generated for
each \$1 invested
in FY2018

\$66 B

Total U.S.
exports
generated by
USTDA
programs

28,000

Estimated U.S.
jobs supported
by new USTDA
exports in
FY2018

\$4.9 B

New U.S.
exports
identified in
FY2018

USTDA Focuses on Infrastructure

USTDA links U.S. companies to global opportunities by providing:

- Access to foreign buyers through reverse trade missions, conferences and workshops
- Use of State Trade Expansion Program (STEP) grants
- Opportunities to participate in overseas projects through technical assistance or feasibility studies



Reverse Trade Missions

- In FY 2018, USTDA hosted 30 Reverse Trade Missions
- Almost 2,700 foreign decision makers visited 116 U.S. Cities
- Attend a Business Briefing during a Reverse Trade Mission
- Upcoming events at [USTDA.gov/events/events](https://www.ustda.gov/events/events)



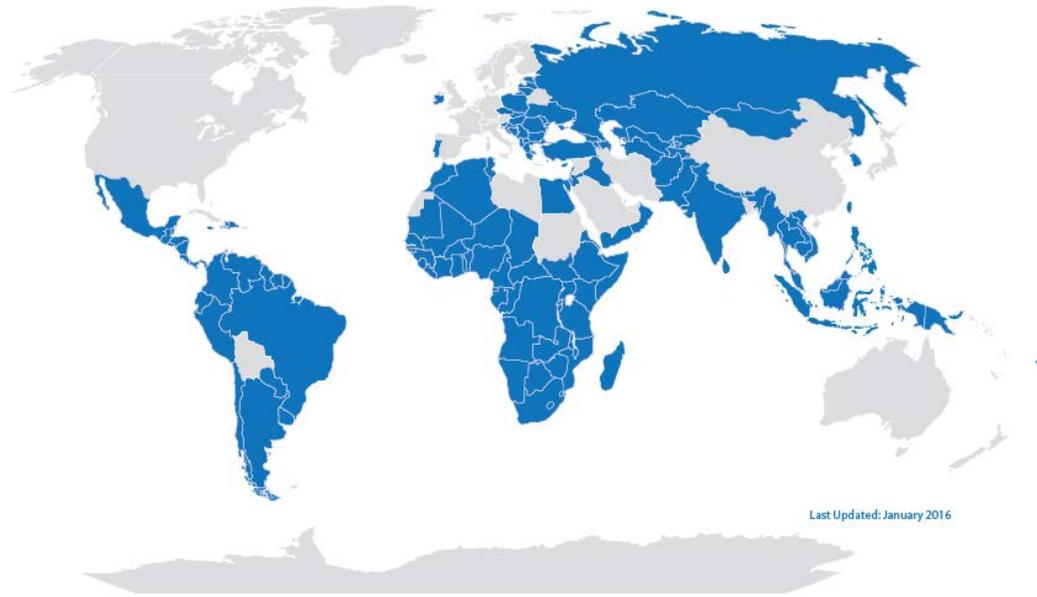
Connect with USTDA

- Small Business: ustr.gov/business-opportunities/small-business-info-getting-started
- Trade Leads: <https://ustr.gov/business-opportunities/trade-leads>
- Upcoming Events and Reverse Trade Missions: <https://ustr.gov/events/events>

Helping American Businesses Compete



As the primary U.S. Government agency supporting private-sector investments in the developing world, OPIC provides businesses with the tools to manage the risks associated with foreign direct investment.



OPIC currently manages a **\$22.9 billion portfolio** of projects across **90 countries** and operates on a self-sustaining basis at **no net cost to the American taxpayer.**

Our Products



OPIC offers innovative financial solutions to support private investors including debt finance, political risk insurance, and support for private equity investment funds.

Products

Debt Finance

- Limited-recourse, long-term financing for private-sector, commercial projects and lending platforms
- Direct loans and guarantees up to \$350M per project, up to 20-year term
- Specific programs tailored to small and medium-sized enterprises (SMEs)

Political Risk Insurance

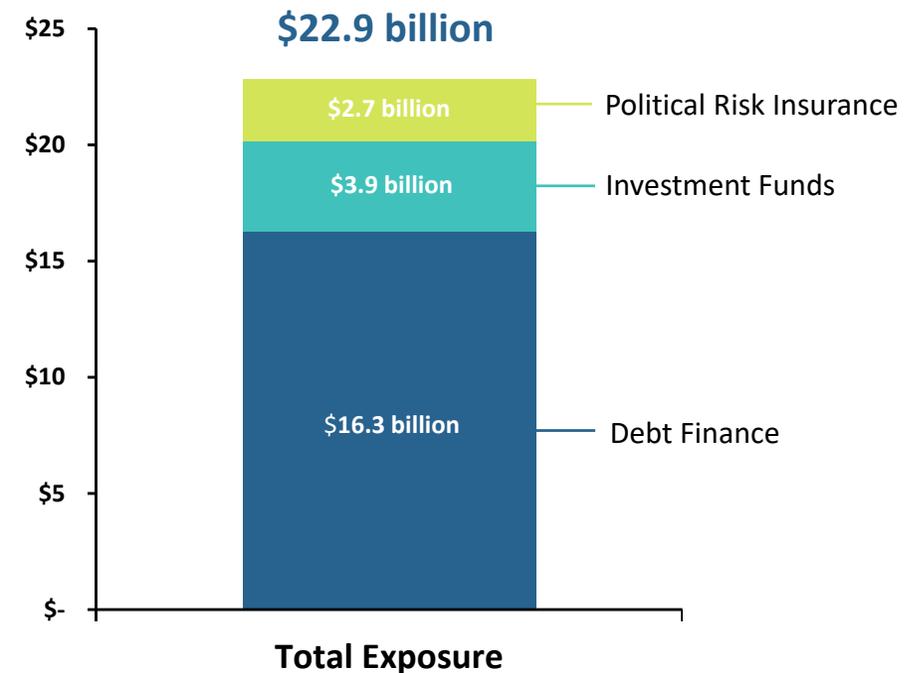
- Protection against currency inconvertibility, expropriation, and political violence, including terrorism, as well as other specialized coverage
- Policy coverage up to \$350M per project
- Fixed premium, cancellable only by insured

Support for Investment Funds

- Senior debt financing for private equity funds selected through competitive process
- Investment decisions made independently by selected fund managers

Current* Portfolio

Based on a \$29B statutory capacity



*October 2018

Project Examples



OPIC works with American businesses to stimulate economic development abroad and at home.



San Clemente, CA: Sambazon saw an opportunity to produce juice and other food products from the acai berry that grows in Brazil's rainforest. But as a small startup, it couldn't raise financing. OPIC provided a \$3.7 million loan to help the company build a processing facility. Today Sambazon has more than doubled in size and now operates a flourishing business selling acai juices nationwide.



Baltimore, MD: Ellicott Dredges is the world's oldest and largest maker of cutter suction dredges used to control floods and make waterways more passable. But when selling this equipment in Iraq and other conflict regions, it needed to ensure it would receive prompt payment. OPIC political risk insurance supported the sale of Ellicott's equipment in Iraq, Egypt, and other markets where private insurance wasn't available. Selling equipment overseas has supported the company's thriving American manufacturing operation.



Tulsa, OK: Joshi Technologies developed a technology to improve yields from aging oil fields, but struggled to obtain the financing needed to move forward with international production. A \$3.8 million loan from OPIC enabled the company to produce oil from the aging Palagua field in Colombia that was thought to be near the end of its producing life. Joshi was able to significantly increase yields by applying its slanted drilling technology.

The Future of U.S. Development Finance



In October 2018, President Trump signed the BUILD Act into law to consolidate OPIC and other U.S. Government development finance functions into a new, strengthened federal agency called the U.S. International Development Finance Corporation.

In addition to OPIC's existing financial capabilities, the new agency will have additional tools to help U.S. businesses invest in emerging markets, including:

Equity Authority

Expanded authority to make limited equity investments.

Project Assistance

Additional support for development projects in the form of feasibility studies and technical assistance.

A Higher Portfolio Cap

A maximum portfolio value of \$60 billion – more than double OPIC's current \$29 billion cap.



MILLENNIUM
CHALLENGE CORPORATION

UNITED STATES OF AMERICA

Who is MCC & why are we unique?

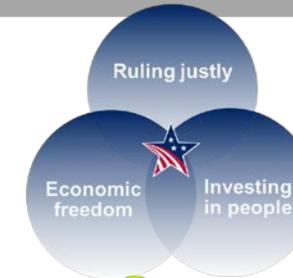
Mission

Established with bipartisan support in 2004 with a focused mandate:

Reduce poverty through economic growth.

Competitive Selection

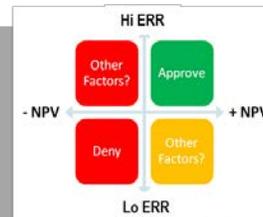
- MCC measures countries' policy performance based on 20 independent indicators.
- Only low-income and lower-middle income countries are considered for MCC funding.



Modernizing Development Assistance



Highly selective countries and sectors (binding constraint-based)



ERR-based project selection



Time-bound implementation



Focus on results

Sustainability

Countries are empowered to tackle their own challenges and are held accountable for achieving results



Partner countries identify constraints to growth, select and design projects ...



... and they implement the projects

Discovering MCC Headquarters & MCA Country Procurement Opportunities



Annually ~\$500M

Compact procurements

- Awarded and Administered by MCA Entities.
- Contract opportunities – all untied – are published to:
 1. <http://www.mcc.gov/>
 2. <http://mcc.dgMarket.com/>
 3. <http://www.devbusiness.com/>

dgMarket®



Annually ~\$70M

MCC Threshold and Corporate procurements

- Awarded and Administered by MCC.
 - Majority awarded to US companies.
- Opportunities published to
<http://www.FedBizOpps.gov>

FedBizOpps

Doing Business with MCC & HQ Procurement Methods

Why Do Business with MCC

1. Invoices are paid directly by the U.S. Treasury to the contractor
2. The procurement process establishes a fair playing field
3. All money is available up-front
4. Winning contracts are price-reasonable and best value
5. International environmental and labor standards are enforced

How to Do Business with MCC

1. Compete for contracts, grants, and PPPs
2. Invest alongside MCC
3. Inform the focus and design of MCC compacts

Engaging with MCC HQ

1. Orders against existing MCC contracts/BPAs (see [“Contract Vehicles”](#) site)
2. Orders against Government-wide contracts (e.g., GSA FSS, NASA SEWP, etc.)
3. Full and open ([FedBizOpps](#))
4. Interagency Agreements (IAAs)
5. Grants/cooperative agreements ([Grants.gov](#))

MCC Small Business Program Report

Small Business Goal Categories	Federal Goal	FY 2015 Results	FY 2016 Results	FY 2017 Results	Average (FY05-16)
Small Business (SB)	23%	60.7%	34.3%	33.8%	44.2%
Small Disadvantaged SB	5%	12.9%	7.9%	10.5%	10.3%
Woman-owned SB	5%	25.5%	7.8%	10.8%	12.1%
8(a) Procedure	3%	6.2%	1.8%	0.8%	7.6%
Hub-Zone SB	3%	5.6%	1.8%	2.3%	2.5%
Service-Disabled Veteran-owned SB	3%	11.2%	7.8%	3.8%	6.7%
Veteran Owned SB	3%	11.4%	8.1%	4.3%	7.6%
Minority Owned Business	--	8.1%	6.8%	12.3%	10.6%

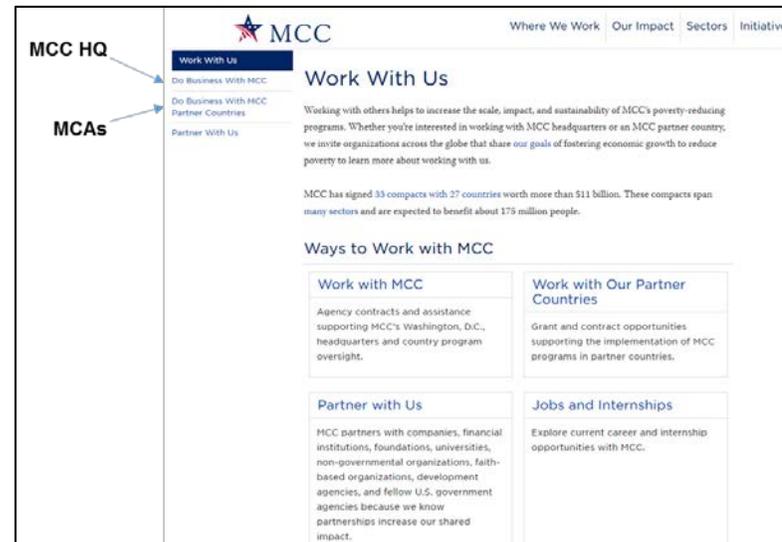
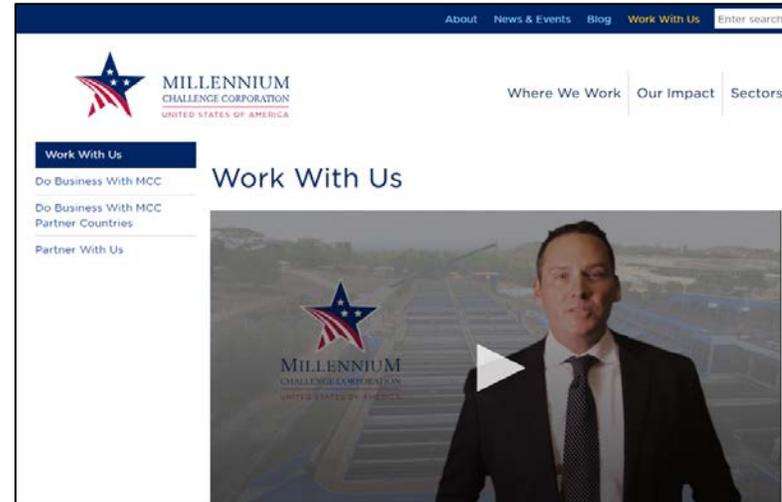
Notes:

- (1) **Authoritative Source for the Small Business Data is the Federal Procurement Data System – Next Generation (FPDS-NG)**
- (2) **Beginning in FY 2016, all overseas contracts count as eligible dollars whereas they did not in previous years, so MCC saw a decline in amounts once those dollars are included**

How to Find Opportunities

- Visit MCC's website—a one-stop shop
- Includes all live opportunities & 12-month forecasts

www.mcc.gov/work-with-us



Stay Engaged and Informed

- MCC's Work With Us page: www.mcc.gov/work-with-us
- Quarterly Business Forecast
- LinkedIn and MCA websites
- Market Outreach Events
- Subscribe to MCC's email list: www.mcc.gov/subscribe



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For more information, visit www.mcc.gov/work-with-us



Recorded Webinars

To access all previously recorded webinars go to:

<https://www.census.gov/foreign-trade/outreach/index.html>

- Find Buyers, Finance Deals and Get Paid
- Managing Challenges in the Global Marketplace
- Online Tools for Finding New Markets
- Opportunities in International Development



Questions?



FOR MORE INFORMATION

Ned Rauch-Mannino
Advisor for Intergovernmental Affairs
U.S. Agency for International Development
(202) 712-4036
nrauchmannino@usaid.com
www.usaid.gov

Alison Germak
Director, Corporate Development
Overseas Private Investment Corporation
(202) 336-8651
alison.germak@opic.gov
www.opic.gov

Dianne Quebral
Director of Public Engagement
U.S. Trade and Development Agency
(703) 875-4245
dianne.quebral@ustda.gov
www.ustda.gov

Maxwell Sarpong
Supervisory Contracting Officer
Millennium Challenge Corporation
(202) 521-7212
Sarpongmb@mcc.gov
www.mcc.gov