

United States Government
FY 02 Trade Capacity Building Assistance (\$US)
SOUTHERN ASIA NS

Activity Title	Activity Description	TCB Category	FY 02 Total
South Asia Regional Energy Initiative	Assistance to establish trade-related telecoms, transport, ports, airports, power, water, and industrial zones. The very basis for SARI/Energy is that regional energy cooperation is mandatory to unlock the economic potential of the region. Given the distribution of natural resources in the region (hydro in Nepal and Bhutan and natural gas in Bangladesh) regional energy trade will bring down the input cost of tradable goods and services from the region, and will increase productivity and competitiveness of the region. A major portion of the technical assistance and training SOWs is to improve the regulatory, financial, legal, contractual, technical and financial fundamentals of energy trade within South Asia. Specific examples of activities completed last fiscal: pre-feasibility studies for transmission interconnection between Bangladesh-Bhutan-India-Nepal and India-Sri Lanka; two workshops on clean energy trade (gas and hydropower) focusing on barriers and recommended models to address barriers; pre-investment study for gas-fired power for export between Bangladesh and India; training programs on regional grids and energy exchange; and legal/policy/ regulatory framework. Funded and implemented by USAID/ANE/SARI/E.	Competition Policy & Foreign Investment	\$ 3,200,000
South Asia Regional Energy Initiative: Business Services Training	Business Services & Training are support to improve the associations and networks in the business sector, as well as to enhance the skills of business people engaged in trade. SARI/Energy support to the U.S. Chamber of Commerce to set up the South Asia Regional Energy Coalition, and SAREC's role in turn to create private sector support for policies and project that promote regional energy trade. SAREC's second phase includes capacity building programs for regional trade associations, website hosting for trade opportunities. Executive exchanges through the USEA partnership program to improve understanding of the U.S. energy regulation, transmission and utility frameworks to foster increased private sector investment in these areas in the region. TA resulting in study quantifying the economic loss by industry as a result of poor power quality completed for Sri Lanka - 0.65% GDP loss (and ongoing studies for Bangladesh, Nepal and India). The DTT IPP Benchmarking study could also be part of this category since it is Funded and implemented by USAID/ANE/SARI/E.	Other Trade Facilitation	3,800,000
South Asia Regional Energy Initiative: Environment	Includes assistance to establish environmental standard or to promote environmental technology. Training and technical assistance activities related to the setting up of energy efficiency standards and labeling programs in Bangladesh, Bhutan and Nepal resulted in the following: formation of voluntary working groups to discuss implementation; a steering committee for harmonization of regional energy efficiency standards for appliances (starting with refrigerators) is under discussion; and harmonization discussions between India and Sri Lanka (countries which already have standards) have been initiated. Funded and implemented by USAID/ANE/SARI/E.	Environmental Trade & Standards	2,000,000

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South Asia Regional Initiative for Energy - Rural Electrification Services	As part of this activity, a number of training courses are being conducted throughout the South Asia Region in order to strengthen the rural energy sector in the countries and to develop an overall climate for cross-border energy trade. Specific examples include electricity trade between Bhutan and India, possible interconnections between Bangladesh, Nepal, and India, and cross-border trade of natural gas between Bangladesh and India. Specific technical assistance and training activities are being implemented that improve the overall power sector profile of the countries in the region including: (1) rationalizing subsidies in the energy sector; (2) implementing antimonopoly policies and allowing private sector participation, such as IPPs; (3) reforming government procurement to make the procedures more transparent and in accordance with international competitive bidding procedures; (4) introducing state-of-the-art power sector technology transfer; (5) encouraging bilateral and multilateral trade finance; (6) promoting investment protection mechanisms through the reform of policies to create a better business climate; and (7) strengthening utilities to rationalize cross-border electricity trade. Funded and implemented by USAID/EGAT/ENV.	Business Services & Training	50,000
		Competition Policy & Foreign Investment	50,000
		Other Services Development	50,000
		Gov/Transparency & Inter-Agency Coord.	50,000
		Activity Total	200,000
South Asia Regional Initiative for Energy Training	One major component of the South Asia Regional Initiative for Energy Training Program is a series of courses on Regional Grids and Cross-Border Energy Trade. The training program is focusing on the agreements that need to be in place before such trade can take place. Each course includes participants from the key potential trading partners in the region, e.g. India, Bangladesh, Sri Lanka, Nepal, and Bhutan. Funded and implemented by USAID/EGAT/ENV.	Export Promotion	200,000
		Competition Policy & Foreign Investment	200,000
		Other Services Development	600,000
		Activity Total	1,000,000
FY02 Total USG Trade Capacity Building Assistance to SOUTHERN ASIA NS			\$ 10,200,000