



US International Energy Assistance and Cooperation

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Topics:

Title V of NNPA of 1978

Strategy

Programs

Funding

Title V: Energy Cooperation with Developing Countries

Reflected concern that developing countries would develop nuclear power and capabilities that might further spread of nuclear weapons and materials. Intent to help developing countries to meet their energy needs with non-nuclear alternatives.

Authorized a program of cooperation for (1) meeting the energy needs of developing countries; (2) reducing the dependence of such countries on petroleum fuels –solar and renewables; (3) expanding energy alternatives available to developing countries

Mandates energy sector and resource assessments, trade facilitation, partnerships, training,, technology cooperation and technical exchanges

Funding would come from DOE appropriations and DOE will act under guidance of State Department and in cooperation with USAID and other agencies.

International Energy Strategy under Obama and Trump Administrations

Obama NSS focused on reducing import dependence, clean energy and climate change

GCCI

Green Climate Fund

Paris Climate Agreement and Emissions Targets

Clean Power Plan

Clean Energy Ministerial and Mission Innovation

Shift under Trump to fossil fuels “energy dominance” strategy – December 2017 NSS

Reduce barriers to US energy development;

Promote export of energy, technology, and services;

Ensure energy security of the US and its allies;

Attain universal energy access;

Further America’s technological edge in energy.

Energy Programs

- USAID: Technical assistance in energy reform, renewables and energy efficiency, energy access, utility performance improvement and re grid integration. Power Africa Initiative lead. ESF energy programs in Af-Pak, Jordan and energy security in Ukraine and AEEC countries.
- MCC: Large source of USG capital assistance for energy. Focus on electricity transmission and distribution – big increase in energy Compacts in Africa under Power Africa.
- OPIC: Finance and insurance for energy, particularly renewable and power generation. Big focus on Africa.
- TDA: Feasibility Studies to promote exports with major focus on energy. New initiative to support US LNG exports.
- Export-Import Bank: Loan guarantees and financing. Mandate extended but hamstrung by lack of Board quorum.
- Trump proposed in FY18 Budget elimination of OPIC and TDA. Now wants to combine USAID DCA and OPIC in new development finance agency.

Funding

- Over international energy funding estimated at about \$2.5 billion in FY16 not including Export-Import Bank or Treasury funding to IFIs. Preliminary numbers for FY17 show substantial reduction.

FY16:

- USAID -- \$425 million
- MCC -- \$651 million
- OPIC -- \$1400 million
- TDA -- \$30 million
- STATE -- \$10 million

- Administration Budget Proposals for FY18 and FY19 – major cuts to foreign ops funding and reductions to energy and environmental programs
- Congressional action on FY18 appropriations delayed.
- Big challenge from China: China Development Bank and Export-Import Bank of China -- funding of \$43 billion for energy in 2016. \$1 trillion pledged for infrastructure under Belt Road Initiative