TRADE CAPACITY BUILDING
FISCAL YEAR 2020 OVERVIEW

TCB OBLIGATIONS

$352 MILLION
U.S. Government’s TCB obligation total in FY2020

Investments in
534 ACTIVITIES

118 COUNTRIES,
geographic regions, or trade groups participated in TCB activities

TOP THREE LARGEST FUNDERS OF TCB-RELATED ACTIVITIES

$159 MILLION
U.S. Agency for International Development (USAID)

$158 MILLION
Department of Agriculture (USDA)

$57 MILLION
Department of Labor (DOL)

TWO LARGEST CATEGORIES IN TCB INVESTMENTS IN FY2020

$215 MILLION
In Trade-related Agriculture

$71 MILLION
In Trade-related Labor

U.S. GOVERNMENT TCB FUNDING

With one exception, each agency reported less funding in FY2020 compared to the prior year. The new Development Finance Corporation (DFC), which was formed in December 2019 by merging the Overseas Private Investment Corporation (OPIC) and the Development Credit Authority (DCA) of USAID, reported $25m in investments in FY2020 which is significantly below the FY2019 values for OPIC alone ($38m). The only agency to report increased funding in 2020 was the African Development Foundation, which increased obligations by 83% to $6.8m. The Department of Energy, Department of Homeland Security (DHS), Department of Transportation, and Environmental Protection Agency, reported no new TCB obligations in FY2020. The Department of Labor (DOL), Department of Commerce, and Department of the Treasury showed the smallest reductions from FY2019 to FY2020 (-4%, -5%, and -6% respectively). Total U.S. government (USG) investments in TCB decreased by 67% from FY2019 to FY2020. The decline can be primarily attributed to the net negative obligation of TCB-related funding from Millennium Challenge Corporation (MCC), and the decrease in obligations by almost all agencies, likely as a result of disruptions in programming arising from the COVID-19 pandemic and global response.

OBLIGATIONS BY FUNDING AGENCY
FY2014-FY2020

Source: USAID, TCB Database
Note: “Other” includes USDTA, DOI, DFC, Peace Corps, Inter-American Foundation, African Development Foundation, DHS, Commerce, DOD, FTC, DOJ, and EX-IM. Includes negative MCC obligations.
FY2020 REGIONAL OVERVIEW

Note that the obligations reported by region below do not include the negative MCC obligations.

**The Western Hemisphere** region received the largest amounts of TCB investment in FY2020 ($140m), a decrease of $17m from 2019 levels, which funded 105 activities in 25 countries or regional groups. Funding from USDA accounts for 39% of FY2020 obligations in this region ($55m), followed by USAID at 26% ($36m), and DOL at 22% ($31m).

The third-largest amount of TCB funding ($72m) was allocated to South and Central Asia, a decrease of $15m from 2019 levels. The Funding from USDA accounts for 39% of FY2020 obligations in this region ($28m).

**Sub-Saharan Africa (SSA)** states received the second most funding in FY2020 ($131m). Funding from USDA accounts for 51% of FY2020 obligations in this region ($66m), followed by USAID at 21% ($28m).

The fourth-largest amount of TCB funding in FY2020 ($47m) was allocated to East Asia and Oceania nations, a significant decrease of $87m from 2019 levels. USAID represents the largest funder of TCB activities in the region, with $32m, or 68% of FY2020 funding.

**Bilateral and Multilateral Assistance:** Bilateral TCB assistance ($340m) between the United States and recipient states accounted for 63% of all TCB assistance, while 37% of TCB funding ($200m) was allocated to global, region, and sub-regional programs.

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**TRADE CAPACITY BUILDING FUNDING BY REGION AND INCOME GROUP FY2020**

- **East Asia and Oceania**
- **Europe and Eurasia**
- **Middle East and North Africa**
- **South and Central Asia**
- **Sub-Saharan Africa**
- **Western Hemisphere**

Source: USAID, TCB Database

Note: The TCB Fast Facts do not include MCC data. The World Bank (WB) divides country economies into four income groupings: low, lower-middle, upper-middle, and high, based on gross national income (GNI) per capita.
With the exception of Trade-related Agriculture, all TCB funding categories declined for FY2020, likely as a result of disruptions in programming arising from the COVID-19 pandemic. Trade-related Agriculture remains the largest category of TCB activities.

Source: USAID, TCB Database
Note: Chart excludes Millennium Challenge Corporation (MCC); includes top 5 most funding in FY2020
Trade Capacity Building Focus: Upper Middle-Income Countries in the Western Hemisphere
Countries in the Western Hemisphere received the most TCB obligations in Fiscal Year 2020. From FY2014-2020, the Western Hemisphere has been the highest or second-highest funded region. Throughout FY2014-2020, USAID was the U.S. agency with the highest total obligations to the Western Hemisphere.

FY2014-2020 OBLIGATIONS TO REGIONS (MILLION USD)

FY2014-2020 TOTAL U.S. AGENCY OBLIGATIONS TO THE WESTERN HEMISPHERE
Western Hemisphere TCB Obligation Recipients
Western hemisphere countries receiving the highest amount of TCB obligations in 2020 were Colombia, Mexico, the Dominican Republic, and El Salvador. These are all upper middle-income countries where USAID has focused its work combating crime, generating economic prosperity, supporting civil society, and protecting the environment.

From 2014 through 2020, the Western Hemisphere received the most obligations for projects relating to Trade Related Agriculture, Trade-related labor, Enterprise Development, the Financial Sector, and Environmental Standards and Trade. The top receiving TCB category, Trade Related Agriculture, is key in promoting an economic environment in which the agribusiness private sector can flourish and create jobs.

Western Hemisphere Country Context
The country receiving the largest amount of TCB obligations, Colombia, has faced new challenges in an evolving development landscape following the country’s 2016 Peace Accord and economic and humanitarian strains from refugees. USAID’s targeted development initiatives have brought results to Colombia to promote economic prosperity, improve the living conditions of victims of violence and vulnerable groups, and promote respect for human rights. Obligations to trade-related agriculture trade capacity building efforts have worked to promote equitable economic growth, particularly through replacing illegal economies with viable legal alternatives. One such program USAID is implementing is Cacao for Peace (CFP), which supports rural peace and development by providing opportunities to Colombian cacao farmers from conflict affected regions. Another USAID program, Community Development and Lict Opportunities (CDLO) supports economic development and peacebuilding in conflict-affected communities, especially through activities that promote alternatives to illegal crop growing.