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**THE DEVELOPMENT FRONTIER**  
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**Spotlight on USAID/Russia: Strategy for Success**



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Since adopting the Global Development Alliance (GDA) model for creating public-private partnerships in 2003, USAID/Russia

has leveraged over \$85 million on 17 alliances that focus on strengthening civil society, health, small- and medium-sized enterprise development, and local governance programming. The Russia Mission's success is dependent partly on its ability to position itself as a valuable partner and resource to private companies interested in social investment and also on its highly refined strategic approach toward building alliances.

For USAID/Russia, that strategy includes working closely with local Russian companies. According to Denis Korepanov, the GDA Coordinator at USAID/Russia, "We decided that it would be more efficient if we work with companies that have an invested interest in making changes in Russia." Not only does that make the alliance stronger, but it also has secondary implications when growing Russian firms move abroad and start implementing public-private alliances in other countries.

So far, the approach has clearly been working for the Russia Mission. However, Mr. Korepanov says that working with smaller local firms can sometimes be challenging. "Small, local companies often are not very familiar with development concepts or Corporate Social Responsibility (CSR)," says Mr. Korepanov. "This is challenging for us because we need to educate them, which takes time and effort."

Despite this, the resulting partnerships are often very strong and lead to a lasting relationship. The Siberian Urals Aluminum Company (SUAL) Urban Development Alliance is one example of a highly successful alliance between dedicated partners. The SUAL alliance focuses on increasing civic involvement in all aspects of community life. This model is recognized in a joint study of Case Western Reserve University and the United Nations' Global Compact Office as the best corporate social investment model in Eurasia, and among the top 3 percent out of 4,000 corporate social investment programs. "A partnership like this not only helps Russia and Russian businesses, but also provides unique opportunities for USAID in Russia."

## Acting USAID Administrator Highlights Partnerships for Hunger Relief



Source: USAID

In a speech honoring World Food Prize winner Dr. Phillip Nelson for his innovation in agricultural and food processing technology, USAID Acting Administrator Henrietta Fore highlighted the expanding role partnerships play in food security and hunger reduction throughout the world. She cited the Ethiopia Productive Safety Net Program which was designed to stabilize incomes and prevent the sale of household assets during food shortages. Beneficiaries of the program received food or cash in exchange for participating in public works in their communities during the six months of the year between harvest and planting season. USAID partnered with 23 sponsors, field missions, and other donors to reach more than 7 million people in chronically food-insecure households. Acting Administrator Fore reinforced that private and non-profit partners have enormous monetary and technical resources to share and said, “forming public-private partnerships is critical to both expanding and deepening our collective global impact.”

Chronic malnourishment continues to affect over 850 million people. Acting Administrator Fore emphasized, “While we recognize that broad based economic growth is the longer-term solution to eliminating poverty and malnutrition, the immediacy of hunger today necessitates a coordinated and decisive response.”

## ConocoPhillips Donates \$1 Million for Education



ConocoPhillips Indonesia has donated \$1 million to fund a GDA that supports the rehabilitation or reconstruction of 22 elementary and junior secondary schools in earthquake-affected areas of Central Java and Yogyakarta. This public-private alliance between USAID and ConocoPhillips aims to restore high quality education services through USAID’s Decentralized Basic Education program implemented by Research Triangle Institute, Education Development Center, and Save the Children.

ConocoPhillips utilized the Agency’s Gift Authority to contribute to this Global Development Alliance, an authority that has significantly facilitated corporate participation in USAID disaster response efforts. USAID and ConocoPhillips previously worked together to support community recovery in Aceh following the 2004 tsunami.

## GDA Introduces Technology for Streamlined Alliance Building



The Global Development Alliance is expanding on its library of resources available to Missions and Operating Units for conducting due diligence on potential resource partners. GDA is working with Innovest ([www.innovest.com](http://www.innovest.com)), a leader in socially responsible investment information, to provide a report evaluating a company’s standing on 120 performance factors, including innovation capacity, local community interaction, workplace practices, and emerging

market activities. The Innovest reports also monitor sustainability and corporate social responsibility performance. This tool replaces the Calvert reports formerly used by USAID.

## USAID and the World Cocoa Foundation Reach Out to Farmers



Source: Farmer drying cocoa beans, Robin Graham

USAID is supporting a new program that helps cocoa farmers form co-ops and develop financing options along with new marketing techniques to sell their products. USAID, along with the World Cocoa Foundation and the Canadian International Development Agency is supporting this program, which will improve cocoa farmers' incomes in Cameroon, Ghana, the Ivory Coast, Liberia, and Nigeria.

This new program is an extension of the Sustainable Tree Crops Program (STCP), a West-Africa based alliance begun in 2002. The goals of STCP include increasing rural income through innovations in production, marketing, and policy. John Rowsome, president of the Confectionery Manufacturers Association of Canada says, "This program will make it easier for cocoa farmers to sell their crop together, at the right time, for the right price."

## Brazil Director Discusses Innovative CSR Initiative



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On June 26, the Global Development Alliance hosted USAID/Brazil Mission

Director Dr. Jennifer Adams for a discussion of the Brazil Mission's innovative Corporate Social Responsibility Initiative (CSR Initiative). Launched in October 2006 by Ambassador Clifford Sobel, the initiative is the product of an alliance between USAID/Brazil and the American Chamber of Commerce in Brazil and represents an original approach for the cultivation of public-private partnerships under the GDA framework.

As part of the partnership, fifty of the United States biggest corporations working in Brazil such as Microsoft, Ford, Intel, and Wal-Mart came together with the objective of improving information and resource sharing and fostering partnerships and joint ventures. In order to assess the impact of their development work, the group created an "Investment Map," which found that combined CSR investments in Brazil approximated \$160 million in 2006, and that investments were heavily concentrated in two sectors: education and environment.

The mapping exercise highlighted areas where the alliance partners, USAID/Brazil and the partner corporations, could cooperate and coordinate for the greatest impact. As a

result, both public-private and private-private alliances have been formed including the U.S. Brazil Higher Education Partnership and the Youth Ambassadors Program.

Key to the model's success, Dr. Adams stressed, was the importance of alliances and defining a mission objective such as meeting the Millennium Development Goals. Because of the CSR Initiative's success in Brazil, Dr. Adams is bringing the model to other Latin American countries.

## **GDA Creates a Reader's Guide for "Next 4 Billion" Publication**



Source: World Resources Institute

The Global Development Alliance has created a reader's guide to the *The Next 4 Billion: Market Size and Business Strategy at the Base of the Pyramid*, a study jointly published by the World Resources Institute and the International Finance Corporation, which identifies alliance models that have been successful in meeting the market needs of the poor in developing and rebuilding states. The reader's guide will enable USAID program and policy managers to link USAID development goals with key industries and companies that are targeting the "Base of the Pyramid" (BOP) markets. It also

instructs policymakers how to make the business case to the private sector for alliances and illustrates several successful models of BOP alliances that have delivered measurable development impact.

## **USAID Bids Farewell to JICA's Koji Jitsukawa**



The Global Development Alliance bid farewell in late June to Koji Jitsukawa, from Japan's international aid agency (JICA), following the completion of a two-month knowledge exchange that is part of USAID's ongoing collaboration with Japan. During his time in the GDA office, Koji observed the GDA business model in action and came to better

understand how the model could be effectively applied in Japan. According to Mr. Jitsukawa, "the private sector mapping exercise will be very helpful for JICA at the field level." He is currently writing a follow-up report of findings which he will then share with JICA as well as with the GDA.

The exchange is just the latest component of the GDA's relationship with JICA. In January, Jerry O'Brien and Michael Silberman went to Tokyo to present USAID's GDA model at workshops and seminars. JICA has since expressed a strong interest in expanding collaboration with USAID in developing alliances.

## **State Seeks Nominations for Prestigious Benjamin Franklin Award**

The Department of State will start accepting nominations for the Benjamin Franklin Award for Public Diplomacy beginning September 15. The new award is among the most prestigious honors given to U.S. citizens and non-governmental organizations and

will be presented by the Secretary of State in the spring of 2008. The Global Development Alliance, in conjunction with the Department of State, encourages readers to help us identify candidates for this prominent award and submit nominations from September 15 to December 15, 2007. For additional information, please see the attached letter from Acting Director of the GDA Business Model Jim Thompson.

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