

USAID's GLOBAL DEVELOPMENT ALLIANCE

The landscape in which America's foreign assistance programs are implemented has changed dramatically since USAID was created. Globalization, a sharper focus on corporate social responsibility, the proliferation of new foundations and NGOs, and other developments all suggest the need to adapt the way we deliver foreign assistance. Thirty years ago, 70% of resource flows from the U.S. to the developing world were channeled through official development assistance. Today, only 15% passes through government channels, with the rest made up by foreign direct investment, corporations, foundations, personal remittances, individual giving and other private sources.

The Global Development Alliance (GDA) is a key USAID response to these changes. The GDA business model is predicated upon partnership among government, private business and the non-profit sector, and combines the complementary strengths and unique capabilities of each.

This platform for development - public-private alliances –connects Agency programs and staff to a range of partners with whom USAID does not normally engage, as well as the wealth of additional resources found in the private sector.

In fiscal years 2002-2003, some 200 public-private alliances were initiated, with \$500 million in USAID funds matched by over \$2 billion in partner resources. These alliances between government, non-profits and the private sector bring additional experience and expertise to bear on development issues while saving the U.S. Government hundreds of millions of dollars in equivalent expenditures each year.

Below are just two examples of alliances that channel private investment in support of development goals:

- **Angola Enterprise Development Alliance.** ChevronTexaco is committing \$10 million – fully matched by USAID - to resettle 150,000 ex-combatants from Angola's 27 year civil war and help rebuild the country's shattered economy. Activities include agricultural extension services, enterprise development, business training, and access to credit for entrepreneurs and rural producers.
- **Safe Drinking Water Alliance.** Procter & Gamble, Johns Hopkins Bloomberg School of Public Health, Population Services International (PSI), and CARE are working with USAID to market and test PuR, a new household water purification technology developed by Procter & Gamble after years of testing. The product is distributed commercially in Pakistan as part of a campaign to promote safe drinking water, socially in Haiti through NGOs, and in a humanitarian relief setting in Ethiopia through CARE.

For more information, please visit www.usaid.gov/our_work/global_partnerships/gda/.

