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GLOBAL DEVELOPMENT ALLIANCE'S **THE DEVELOPMENT FRONTIER**

January/February 2008

GDA Welcomes New Director



Courtesy Mr. David Boyer

The U.S. Agency for International Development (USAID) and the Global Development Alliance (GDA) are proud to welcome K. David Boyer Jr. as director of Global Development Alliance Coordination. He is simultaneously serving as the senior advisor to the Administrator on Public-Private Partnerships. Boyer's appointment signals the high priority Administrator Henrietta Fore is placing on increasing the effectiveness of aid through joint endeavors with private sector partners.

"USAID is the global leader in public-private alliance building and I am honored to have this opportunity to help us further expand and deepen our use of partnerships," says Boyer. "By placing alliance-building at the center of our development assistance efforts, we are amplifying the value of public funding to alleviate poverty. Simply, collaboration with the private sector is crucial to accomplishing our goals, Administrator Fore recognizes this, and I hope to help the Agency mainstream the GDA model to better serve our partners in the developing world."

Boyer is the founder and director of GlobalWatch Technologies Inc., a leading information security consulting and software engineering firm. He has 25 years of experience building companies. In 2006, Boyer was elected to the prestigious Board of Directors for the Chief Executive Organization, a group of 2,000 distinguished global leaders in business, industry, government, or local communities. He has served on numerous boards and commissions as a champion for public-private partnerships, minority business activity, national security, and information technology (IT) solutions.

Networking Academies Alliance Goes Global



Source: USAID. USAID Administrator Henrietta H. Fore and Cisco Chairman and CEO John Chambers via TelePresence.

On February 4, USAID and Cisco Systems Inc. elevated their already robust Networking Academies partnership to the next level by signing a Global Memorandum of Understanding (MOU). The five-year agreement focuses on promoting economic growth, education, small-and medium-business expansion, and information and communications technology (ICT) skill capacity building.

USAID Administrator Henrietta Fore and Cisco Chairman and Chief Executive Officer John Chambers signed the Global MOU from Washington, D.C., and San Jose, Calif., respectively, by Cisco's TelePresence video conferencing technology.

"Cisco is an ideal partner to help realize the spread of technology in the developing world," said Fore. "As a well-recognized leader in the field of networking technologies, they've got incredible global reach."

Since 2000, USAID has worked with Cisco to bring its Networking Academy, a technical schooling program, to more than 45 developing countries in Africa, Asia and the Middle East. To date, the program has reached more than 50,000 students, helping to provide them with the technology and computer skills to compete in the global marketplace.

Cisco, a multinational California-based corporation, designs and sells networking and communications technology equipment.

USAID Names Russia's Denis Korepanov "Alliance Leader of the Year"

USAID named Russia's Denis Korepanov the Global Development Alliance Leader of the Year at the 2007 USAID Awards Ceremony on January 30 in Washington, D.C. As recipient of one of the Agency's most prestigious awards, Korepanov, a program development specialist, was recognized for his leadership in the development and management of public-private alliances. He is an important champion and a leader in helping to mainstream the GDA model within the Mission to meet strategic development objectives surrounding health, democracy promotion and development promotion in Russia. Keep up the great work, Denis!



Source: USAID. Denis Korepanov accepting Alliance Leader of the Year Award from USAID Administrator Henrietta H. Fore.

Fore Meets with Top Executives in Davos



USAID Administrator Henrietta Fore met with the chief executive officers and executives of key private sector partners, including Coca-Cola Company, Intel, and Microsoft International during the World Economic Forum in Davos, Switzerland. The meetings were part of an effort to recognize some of our most dedicated partners for their contribution to development assistance and to identify opportunities for advancing the Global Framework agreements USAID has with them to facilitate additional projects with Missions and bureaus around the world.

Fore also met with representatives of The Bill and Melinda Gates Foundation, Motorola, the Standard Chartered Bank UK, Caterpillar, Unilever, and Merck to explore further GDA potential.

GDA Advises European Aid Agencies on Partnering for Development

GDA Senior Advisor Barbara Addy attended a conference on public-private development partnerships hosted by the Swiss Agency for Development and Cooperation (SDC) in Nottwil, Switzerland this past January. Addy led a working group that included officials from Dutch, German, and Swiss donor



agencies to address the corporate and cultural barriers that keep partnerships between private firms and public officials from forming effectively.

“A key discussion point among donors at the conference was the issue of mainstreaming public-private partnership within their organizations,” said Addy. “USAID’s Global Development Alliance was seen as a model that has successfully mainstreamed public-private partnership as a critical development tool.”

Donors participating in the conference agreed to continue meeting annually to discuss models for partnerships between the public and private sectors and further opportunities for collaboration. They also committed to monitor and evaluate the effectiveness of working in public-private alliances to address development challenges.

USAID Enters into First Global Development Alliance in Timor-Leste



USAID has entered into its first Global Development Alliance in the country of Timor-Leste to help improve the lives of more than 20,000 coffee farmers. The two-year, \$1.3 million partnership brings together USAID, Cooperativa Café Timor, the National Cooperative Business Association (NCBA), and Cooperative Business International (CBI) to upgrade the capacity of Timor-Leste’s Cooperativa Café Timor coffee cooperative.

The coffee co-op will collaborate with CBI and USAID to establish an effective joint-venture financing, marketing, and management services company. USAID has committed \$300,000 to the project. That investment will be used to leverage \$1 million from CBI for strengthening and expanding Timor-Leste’s vital coffee sector.

This alliance comes at a time when the government of Timor-Leste is in the process of developing its economic policies and business regulations, which include a new foreign investment law. The alliance will be one of the first major joint ventures under the new law. It will serve as a test case for the government as well as an example to others considering investments in Timor-Leste.

Donbass Fuel-Energy Joins USAID to Power the Ukrainian Economy

USAID and the Donbass Fuel-Energy Company (DTEK), a leading Ukrainian coal and energy-generating firm, teamed up for a promising, locally focused GDA. The two-year alliance is expected to top \$3 million in revenue for the Ukrainian economy. The partnership will craft a strategic economic plan to generate new jobs, build city administration capacity, and attract investment in seven target cities across three provinces.



Public officials and representatives from private firms will sit on strategic planning committees to map municipal resources and assets. An initial \$150,000 donation from DTEK will bring in consultants experienced in local economic development to spark the planning process. Once a city’s strategic plan is approved by its mayor and city council, it will be adopted as law. Each city will also establish an economic development unit that is charged specifically with executing its strategic plan. Money raised from alliance partners will help target cities to implement strategic economic-growth plans.

The collaboration with DTEK builds on a USAID/Ukraine local economic development project which has already enjoyed great success in the region: it has helped more than

40 Ukrainian cities draft strategic economic plans, attracting investments of \$600 million and creating 12,000 jobs.



OPPORTUNITY ALERT: ECO-FUNDS

Private Investments Earn Green in Developing Countries

Alliances between publicly financed environmental funds and capital markets lead to creative opportunities for generating sustainable income for poor communities.

One exciting innovation in development finance employed by USAID is debt-for-nature swaps. These are debt repayments that countries owe to the United States that are redirected in local currency for conservation efforts at national levels. This is the result of the Enterprise for the Americas Initiative (EAI) and the Tropical Forest Conservation Act (TFCA). (http://www.usaid.gov/our_work/environment/forestry/tfca.html) In the Latin American and Caribbean region, 20 environmental grant-making funds are funded by U.S. debt-for-nature swaps under the management of USAID.

In November, the GDA explored the capacity of this unusual investment model to attract private capital at the EAI/TFCA annual meeting in San Salvador. The meeting was held in conjunction with REDLAC, a 40-member network of Latin American and Caribbean environmental funds. The U.S.-underwritten fund representatives explored investment strategies to leverage additional private resources to expand the impact of their conservation efforts.

Another investment innovation already in use is the capacity to issue green bonds. One successful example is a Bolivian fund, PUMA (Fundación Protección y Uso Sostenible del Medio Ambiente). PUMA has already attracted equity investment in bond securities the government of Bolivia has issued. Pension funds and insurance pools provide similar opportunities to devise investment instruments that allow direct support for conservation.

This hybrid public-private philanthropic class of funds is also exploring opportunities to generate revenue from the carbon credit market. Investment opportunities exist to capitalize on natural plants that absorb carbon pollution, otherwise known as biological sequestration.

The GDA, in collaboration with the Global Climate Change program at USAID, is actively seeking out ways to facilitate partnerships with investors via other channels. One of the most promising involves pension fund investment. On February 11-13, they welcomed Bryan Martel, the environmental investment advisor to the California Public Employees' Retirement System (CalPERS), to explore partnership potential between U.S. Government agencies and venture capital investments from pension funds seeking to stimulate the international market around clean technology. CalPERS has already leveraged a \$2 billion fund to \$6 billion to help create the clean technology market in the

U.S. They are now leading an international coalition of pension funds to apply the same investment strategy in emerging economy countries.

To learn more about these alternative financing strategies, please contact Melanie Oliviero at Melanie_oliviero@dai.com.

Share Your Ideas and Experiences about GDA

The key to improving the Global Development Alliance is in your hand! Please help us make the GDA better by filling out a brief online survey about the GDA model and approach. The survey is part of an independent evaluation that will help us develop a framework for future monitoring and evaluation activities. Survey results will help GDA refine its strategy and work plans, develop new tools and training programs for alliance implementations, and design innovative mechanisms to help Missions build more alliances with improved scale and impact. All answers are confidential. To take the survey, go to:

https://www.surveymonkey.com/s.aspx?sm=TPkHGBtEBKX9pU5oGcCzhg_3d_3d. Responses received before February 27 are certain to be counted.

Thank you for helping us do our job better!

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Recent and Upcoming GDA Events Calendar

GDA Technical Assistance and Training	Addis Ababa, Ethiopia	1/28-2/1
<p>Profiles of Success: Involving the Private Sector in Disaster Management Panel Discussion</p> <p>GDA Senior Advisor Benjamin Kauffeld participated in a panel discussion to highlight work of GDA for humanitarian assistance and disaster relief work.</p>	Washington, DC	1/30
<p>GDA Meets with Procter & Gamble</p> <p>GDA and Procter & Gamble explored synergies around partnership in sanitary napkin distribution to adolescent girls in Africa, leading to an increase in school retention rates.</p>	Washington, DC	2/11
GDA Technical Assistance and Training	Phnom Penh, Cambodia and Colombo, Sri Lanka	2/11-22
<p>Brown Bag: GDA Combats Money Laundering in Russia</p> <p>Featuring USAID/Russia's Denis Korepanov, USAID Financial Services Specialist Hugh Haworth, and Financial Services Volunteer Corps Managing Director Chad Kilbourne. For more information please contact gda@usaid.gov.</p>	Ronald Reagan Building, Washington, DC 12:00 – 2:00 pm	2/26
<p>MTV EXIT ASIA Documentary Screening and Discussion</p> <p>MTV Foundation Director Thomas Ehr will present The MTV EXIT (End Exploitation and Trafficking) Asia documentary which is the result of a partnership between USAID and MTV Foundation. Panel discussion will follow. For more information please contact gda@usaid.gov.</p>	Ronald Reagan Building, Washington, DC 12:00 – 2:00 pm	3/11
GDA Technical Assistance and Training	Jakarta, Indonesia	3/11-18