



USAID
FROM THE AMERICAN PEOPLE

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

September 2007

A Message from Jim Thompson, Acting Director, USAID Global Development Alliance Business Model

Six years ago, the U.S. Agency for International Development (USAID) created the Global Development Alliance (GDA) to magnify the impact of U.S. foreign assistance through public-private alliances with major multinational corporations, foundations, nonprofit organizations, and donors. Together, we have built on the complementary strengths of member organizations by connecting USAID's development expertise with the risk-taking capacity of foundations, the humanitarian interest of non-profits, and the technology and resources of businesses. By leveraging these resources, the GDA has been tremendously successful in forming cutting-edge, enduring alliances for sustainable development solutions that reduce the redundancies of resource allocation for maximum development impact.

Today, GDA has formed more than 600 alliances with over 1,700 partners to leverage \$5.8 billion from an investment of \$2.1 billion in public resources. In short, the GDA model has matured and evolved with experience. Not only are we developing new alliances at a more rapid pace, we are now expanding a number of these partnerships with companies such as Intel, Starbucks, Microsoft and Cisco to a global level with a new model for cooperation. These "Global Frameworks" allow us to undertake higher quality activities with less start-up time.

These global frameworks help USAID meet its objective to build enduring alliances between the Agency and its private sector partners. By expanding our relationships with corporate partners, USAID has become a strategic advisor and trusted partner to the private sector. As such, we are leading the U.S. government's efforts to develop more sustainable social and economic development programs for greater impact through these partnerships and through greater inter-development agency collaboration.

The public-private alliance model has been recognized by other U.S. government development actors such as the Department of State, the Office of the Global AIDS Coordinator, and the Millennium Challenge Corporation for its forward-thinking and strategic value. With Acting Administrator Henrietta H. Fore's strong support, USAID through GDA is demonstrating leadership and innovation in cultivating joint ventures that will help the U.S. government achieve its goal to better serve the developing world.

USAID and Microsoft to Launch Global Relationship



On Sept. 6, Acting Administrator Henrietta Fore announced that USAID will sign a global Memorandum of Understanding (MOU) with Microsoft Corporation. The announcement was made during the Society for International Development's 50th anniversary celebration in Washington, DC. The global MOU advances USAID's and Microsoft's relationship to the next level. Collaborators since 2002, this new model for cooperation allows USAID Missions anywhere in the world to build high-quality alliances with Microsoft in less time. The MOU will support programs that focus on governance, economic growth, health, and capacity building. An official signing will take place on Oct. 22 during the annual USAID Mission Director's Conference.

Partnering to Combat Illegal Logging in Asia

USAID is scaling up its efforts to fight illegal logging in Asia with a \$24 million regional Global Development Alliance (GDA). The Responsible Asia Forestry and Trade (RAFT) Alliance aims to protect Asia's unique biodiversity and tropical forests by transforming the market for tropical timber and by promoting sustainable forestry practices.



Source: USAID

Building on successes of the Alliance to Promote Certification and Combat Illegal Logging in Indonesia, RAFT works with forest producers in Cambodia, Indonesia, Laos, Malaysia, Papua New Guinea, and Vietnam. RAFT seeks to mainstream the use and acceptance of credible legal timber trade standards throughout the region. RAFT is working to stem the tide of illegal deforestation that results in several billion dollars worth of losses across the Asian continent every year. The alliance provides training in participatory planning, conflict management and identification in producer countries, and helps consumers identify and address procurement policies and investment-screening procedures that promote the legal timber trade in China, Japan, Singapore, the European Union, and the United States.

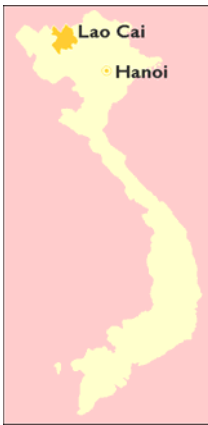
Describing the impact the alliance will have, USAID Senior Advisor for Natural Resources Management Mary Melnyk says "retailers can provide legal wood and assure their customers, like you and me, that the wood products they are buying did not destroy forests, did not cause conflict and are legal. Overall, it's a great program for markets to distinguish legal from illegal wood."

Partners include the Nature Conservancy, Tropical Forest Foundation, Tropical Forest Trust, World Conservation Union, WWF, DLH Nordisk, Home Depot, Lowe's, ScanCom, and Xerox.

BusinessWeek Features Vietnamese WiMAX Alliance



BusinessWeek featured a high-tech telecommunications Global Development Alliance (GDA) that is bringing broadband Internet and Voice over Internet Protocol (VoIP) to remote locations in Vietnam. The article, appearing in the Aug. 13 issue, highlighted accomplishments of the alliance between USAID, Intel and Vietnam Data Communication. The new technology allows high-speed WiMAX broadband technology to reach Lao Cai in northern Vietnam.



Lao Cai is one of Vietnam's poorest cities. Although the city is the economic center of a rural agricultural province of the same name, telecommunications have been limited to a few shared community phones. Fixed-line telephone service in remote Lao Cai does not extend beyond town borders. By blanketing the entire Lao Cai province with WiMAX broadband and VoIP infrastructure, this GDA aims to expand Lao Cai's traditional agriculture and forestry industries by stimulating trade with neighboring China. It also seeks to attract foreign investment to the region.

The WiMAX alliance in Lao Cai came about as part of USAID's Last Mile Initiative, a global program launched in 2004 to spur increases in productivity by bringing modern communications infrastructure to farmers and small businesses in remote areas that have been bypassed by major telecommunications networks. Similar programs are underway in Ethiopia, Guatemala, Macedonia, Nigeria, Peru, and Sri Lanka.

Launching New Ventures in Nicaragua

A group of visionary entrepreneurs is taking a cutting-edge approach to financing socially responsible businesses in Nicaragua. Launching New Ventures in Nicaragua is a \$1.7 million Global Development Alliance (GDA) that provides management tools, networks, and access to capital to Nicaraguan entrepreneurs who present financially sustainable business ideas.



This alliance brings together USAID with Agora Partnerships, Fundación Roberto Terán, and TechnoServe. Agora works with volunteer Master's of Business Administration (MBA) candidates from Columbia University, Georgetown University and other top business schools who travel to Nicaragua to provide hands-on strategy consulting to small-business entrepreneurs. With GDA support, Agora is able to leverage private investment to bring "micro venture capital" to businesses too big for microfinance, but too small for traditional lending.

Agora Partnerships manages a venture capital fund designed to grow 15 Nicaraguan companies over three years. "Micro-credit is traditionally focused on self-employment," says Ben Powell, managing partner of Agora Partnerships. "Our focus is helping small businesses grow, create jobs, and compete in the formal economy."

Key to the success of the model is identifying dynamic entrepreneurs, building trust and investing in management capacity to maximize social and economic return. “The alliance spends a lot of time not just on financial and management education, but on really getting to know the entrepreneurs and their families,” Powell explains. “Ultimately it’s about connecting and empowering people to improve their own communities through enterprise.”

Businesses supported to date include a company that builds sustainable bamboo houses for low-income populations, a designer and manufacturer of men’s shoes, and a producer of salt blocks for the cattle industry.

The Vision for the Future: Partnerships to Unite Power and Purpose

On Sept. 6, USAID Acting Administrator Henrietta Fore highlighted her vision for the future of international development in an address to celebrate the 50th anniversary of the Society for International Development in Washington, DC. Recognizing that this Administration’s development agenda is particularly ambitious and the foreign assistance budget has nearly tripled in the last six years, Fore promised to “capitalize on this moment – and ensure USAID and our efforts together are strong, revitalized, and ready for the next phase.”



Source: SID

According to Fore, this next phase, called the “Global Development Commons”, is an era where the connections between our organizations and resources “matter more than ever, an era when we need to leverage information, ideas, technology and public-private partnerships to spur innovation and deliver results.”

At the center of her platform is a “new way of doing business”. As the world leader in engaging the private sector, USAID mobilizes ideas and resources, skills and technologies to deepen the impact of development through public-private partnerships. Fore highlighted how the Global Development Alliance (GDA) helps USAID expand its network in the for-profit world by partnering with non-traditional partners to help the public sector’s investment go significantly farther. The acting administrator cited the upcoming global MOU with Microsoft as an important example of the kind of work the Agency is completing.

Fore provided additional support for this message by focusing on public-private alliances at three events held during the United Nations General Assembly in New York on Sept. 24 and 25.

Recently at GDA

GDA, in collaboration with DAI, SID-Washington, and Georgetown University's Mortara Center for International Studies, hosted discussions with these speakers:

- **Rajan Kamalanathan**, Wal-Mart's Vice President for Ethical Standards (9/5)
- **Adele Simmons**, President of the Global Philanthropy Partnership (9/10)

On 9/12, Acting GDA Director **Jim Thompson** represented GDA on Capitol Hill in an event sponsored by the National Coffee Association of the U.S.A.

Acting GDA Director **Jim Thompson** and Acting USAID Administrator **Henrietta H. Fore** traveled to Silicon Valley to meet with Cisco CEO John Chambers and representatives from TechNet, AMD, and Sun Microsystems.

On 9/20, GDA Humanitarian Assistance Specialist **Ben Kauffeld** and the U.S. Chamber Business Civic Leadership Center (BCLC) convened a breakfast forum at the World Bank to promote public-private alliances in response to the wildfires in Greece. As keynote speaker, Acting USAID Administrator **Henrietta H. Fore** encouraged corporate attendees to contact GDA for developing alliances related to disaster response. Later, Acting GDA Director **Jim Thompson** discussed the future of partnerships on a BCLC panel with UNFIP's Amir Dossal, Reeta Roy from Abbott Laboratories, and Dan Runde from the IFC.

Acting GDA Director **Jim Thompson** and GDA Senior Advisor **Barbara Addy** accompanied Acting USAID Administrator **Henrietta H. Fore** to the United Nations General Assembly (9/24) for panels that featured public-private partnerships for "Improving the Lives of Youth" and for "Economic Growth".

Upcoming GDA Events

<p><i>International Business Forum</i></p> <p>On 10/10, GDA Senior Advisor Barbara Addy will chair a session at the World Bank, entitled Business and Nutrition: Reaching the Poorest Four Billion.</p>	Washington, DC	10/10
<p><i>Microsoft Unlimited Potential</i></p> <p>On 10/12, GDA will host a discussion in collaboration with Georgetown University featuring Microsoft and its Unlimited Potential program.</p>	Washington, DC	10/12
<p><i>International Forum on Remittances</i></p> <p>On 10/18, GDA Remittance Specialist Thomas Debass will address efforts to facilitate the flow of remittances.</p>	Washington, DC	10/18-10/19
<p><i>World Bank Annual Meeting</i></p> <p>Acting USAID Administrator Henrietta H. Fore and Acting GDA Director Jim Thompson will participate in a discussion on public-private alliances for economic growth.</p>	Washington, DC	10/19
<p><i>Strategic Alliance-Building Meetings</i></p> <p>Acting GDA Director Jim Thompson to convene USAID, PEPFAR, MCC, OPIC, and the State Department for strategic alliance-building sessions with venture capitalists (10/22) and foundations (10/23).</p>	San Francisco, CA	10/22-10/23
<p><i>Business for Social Responsibility Conference</i></p> <p>Acting GDA Director Jim Thompson to discuss with PEPFAR and key corporate leaders the strategic value of working collaboratively to promote the human rights of women in emerging economies.</p>	San Francisco, CA	10/23-10/26

SUBSCRIPTION INFORMATION

To subscribe, click here:

www.usaid.gov/cgi-bin/listserv.cgi?listname=USAID_GDA_NEWSLETTER

You can also unsubscribe from the above page.

RESOURCES

For information about GDA, please visit: www.usaid.gov/gda

For country list, please visit: www.usaid.gov/locations/missiondirectory.html

CONTACT US

For feedback or questions, email by clicking: GDA@usaid.gov