

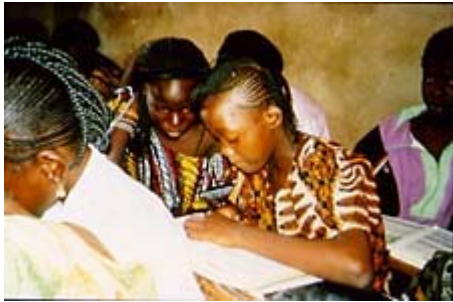


# USAID



The United States Agency for International Development

## The Global Development Alliance WISHH Workshop Oct. 18, 2004



# Presentation Overview

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- **Context of GDA**
- **Why GDA?**
- **What Is GDA?**
- **What It's Not**
- **Experience to Date**



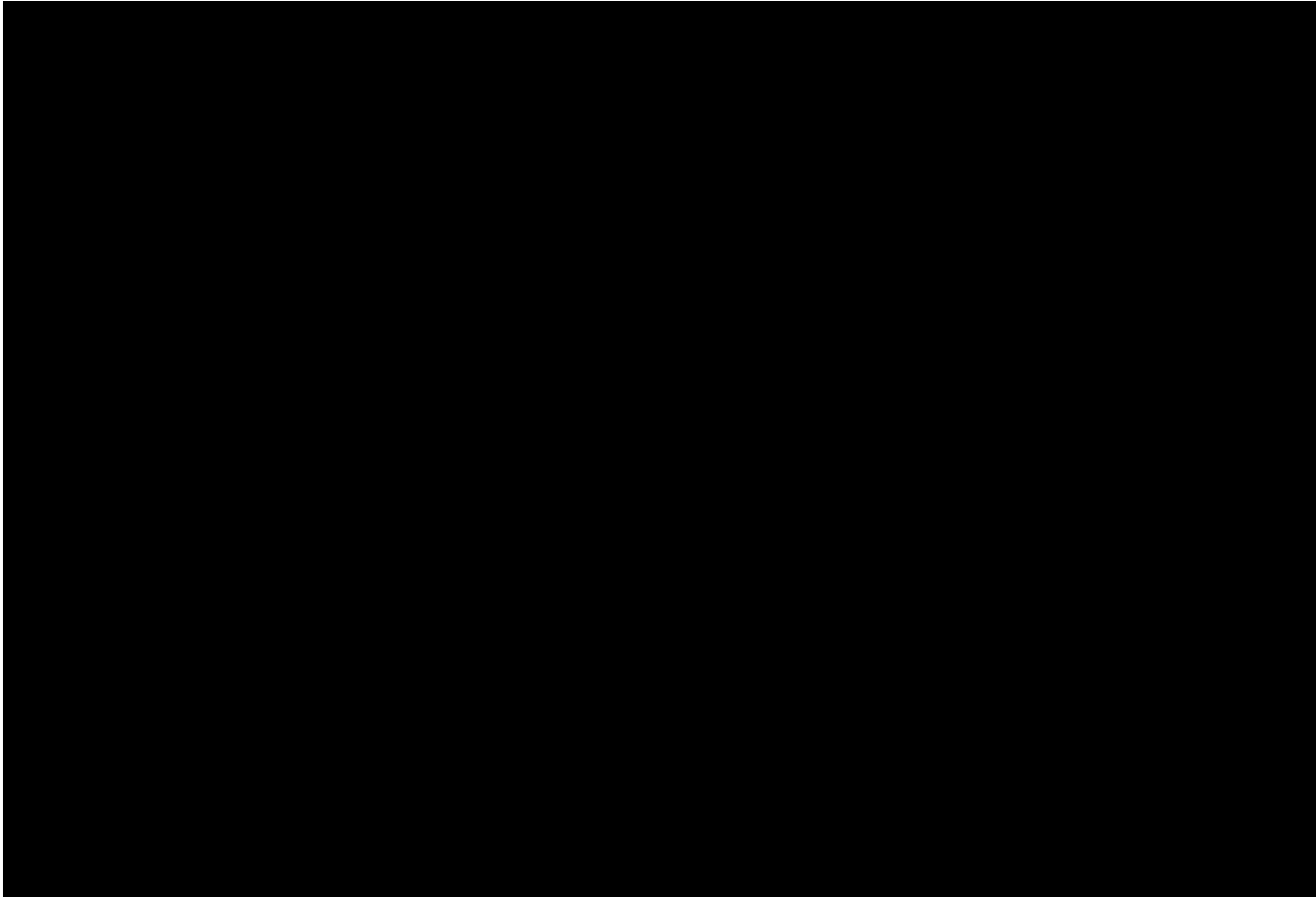
# Why a Global Development Alliance ?

## Why does USAID see the need to do business differently?

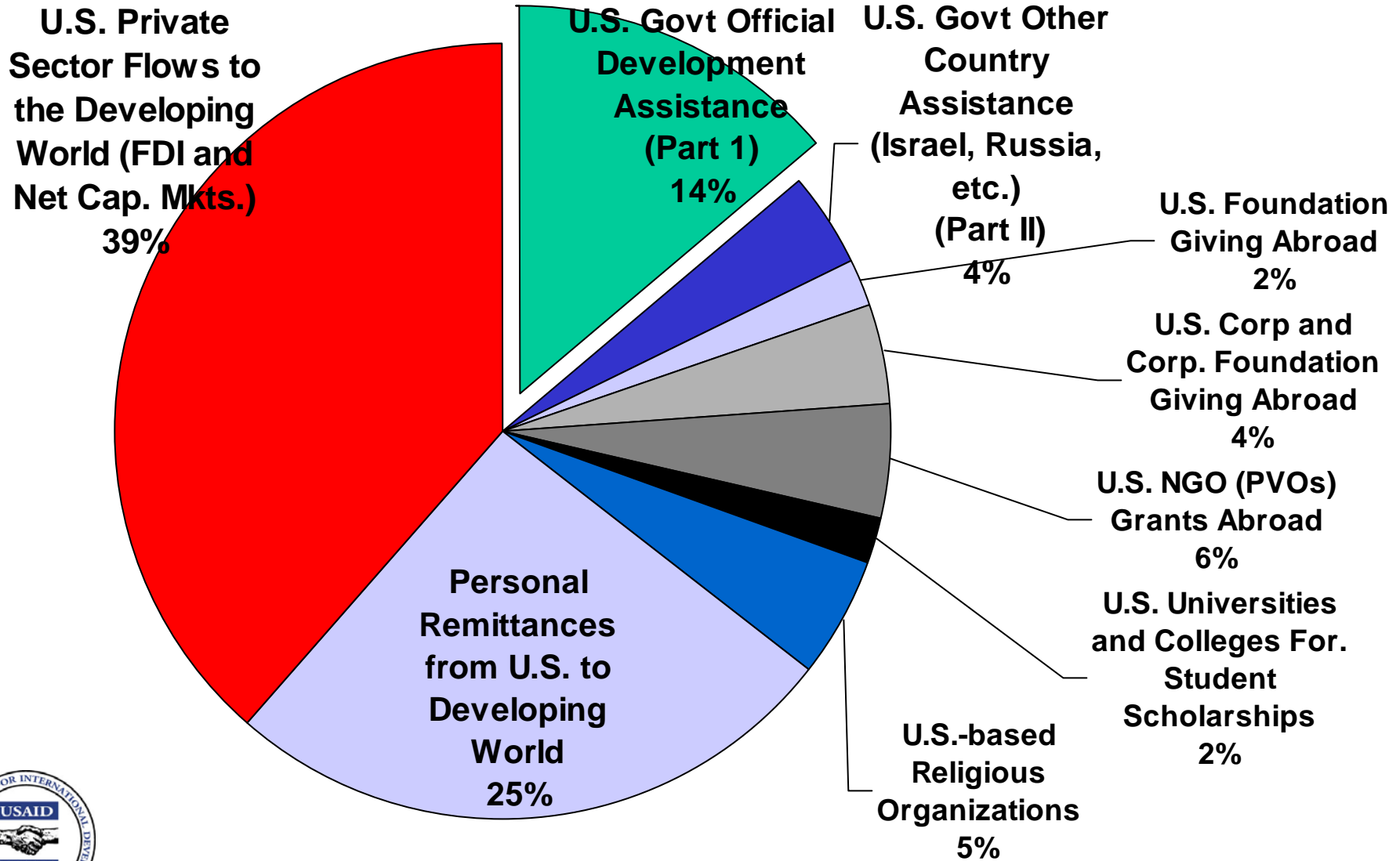
- Respond to a changing global environment
- Increase USAID's effectiveness and impact in meeting development objectives
- Leverage additional resources for development activities
- Improve the quality of partnerships



# USAID's Global Development Alliance



# U.S. Total Flows to the Developing World in 2000: \$70.5 BN



# What is the GDA Business Model ?

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**Joint definition of the development problem and its solution**

**Partners sharing resources, risks and development results in pursuit of an objective better obtained by joint efforts**

**Often using innovative approaches to work with new partners or traditional partners in new ways**

**1:1 Leveraging of Resources – financial or in-kind**



# What is the GDA Business Model ?

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## For USAID this means:

- a shift in our culture and roles
- a shift in our strategic thinking
- a shift in some of our business practices, enhanced agility and speed



# What Public-Private Alliances (PPA) are NOT

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**PPAs are NOT entirely new**

**PPAs are NOT everything we do**

**PPAs are NOT a “thing we do” but a way we do the things we do**

**PPAs are NOT another passing development fad**



# Incentives for Business

- ✓ **Increased market shares**
- ✓ **Reputation boost due to public perception of corporate social responsibility**
- ✓ **Access to USAID's strengths:**
  - **Collaboration with policymakers and key institutions**
  - **Development expertise**
  - **Long-term in-country presence**
  - **Funding**
  - **Network of local and global partners**



# What Partners Contribute

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**Funding**

**Markets & Purchasing Power**

**Activity Design Better Connected to  
Market Realities**

**Technology & Intellectual Property**

**Skills, Services & Expertise**

**Synergies Resulting from Joint Efforts**



# Funding Mechanisms for Collaboration

## ✓ Parallel Financing:

- Shared objectives
- Clear understanding of roles
- Separate funding tracks
- Memorandum of Understanding (MOU)

## ✓ Pooled Resources:

- Agreed upon and legally binding governance structures
- New or existing 501(c)3 or Public International Organization (PIO)
- Common funding track



# Alliance Summary for FY 02 & FY 03

Approximately 200 alliances Agency-wide totaling roughly \$500 million in USAID funds and over \$2.7billion in partner resources leveraged\*

- **AFR:** 62 country-specific & 21 regional totaling \$102m
- **ANE:** 23 country-specific & 3 regional totaling \$35m
- **E&E:** 23 country-specific & 1 regional totaling \$50m
- **LAC:** 25 country-specific & 15 regional totaling \$73m
- **Worldwide:** 9 global alliances totaling \$28m
- **Global Health:** 19 alliances totaling \$253m

\* This information is updated regularly and subject to change.

