

PRIVATE SECTOR PEER LEARNING: MECHANISM PROFILES

Global Development Alliances (GDAs), United States Agency for International Development

Description: [Global Development Alliances](#) (GDAs) are the United States Agency for International Development's (USAID) public-private partnership model that draws on the assets and expertise of the private sector to build market-led solutions that advance development objectives. They are co-designed, co-funded and co-managed by all involved partners so that the risks, responsibilities and rewards of a partnership are shared. The driving rationale for GDAs is that the public and private sectors, working in tandem, can accomplish goals that neither sector could achieve on its own.

Development Assistance Committee member: United States

Duration: Ongoing since 2001

Budget: Not available

Geographic focus: Open

Sectoral focus: Open

Offered: Grant match-funding

Objectives: GDAs are designed to: 1) engage and collaborate with the private sector to identify and define key development problems; 2) mobilise and leverage resources and apply expertise to address development challenges; 3) share responsibilities, risks and rewards with partners; and 4) offer a compelling value proposition or return on investment.

Partners: GDAs must include at least one private sector partner as defined in USAID's GDA annual programme statement. A partner must support a project at a minimum ratio of one to one in cash or in-kind contributions (minimum 25% cash, plus commodities, technologies and expert consultations). GDAs are composed of resource partners that fund projects (e.g. Microsoft, Pfizer, Barclays and the Rockefeller Foundation) and implementing partners that execute and monitor project activities (e.g. CARE, World Vision and development contractors). Occasionally, partners serve as both resource and implementing partners. In addition to funds, USAID offers local connections that facilitate business opportunities in new markets.

How it works: GDAs are initiated by submitting a GDA concept paper or replying to a GDA annual programme statement. Prospective alliances must foster market-based solutions that deepen development impacts and align with USAID's interests in the following sectors: economic growth, trade and entrepreneurship; health; agriculture and food security; environment; education; democracy and governance; humanitarian assistance; information and communication technology; energy; water and sanitation; gender equality and women's empowerment. Prospective alliances must include plans for financing and budgets, branding and marketing, implementation, monitoring and evaluation, sustainability, and gender and disability integration. GDAs are governed with memorandums of understanding for resource partners and USAID's award mechanism for implementing partners. GDAs – which are based on principles of trust, equity and mutual benefit – design, fund and manage projects in conjunction with USAID and therefore share resources, risks and results. USAID operating units can issue addenda to a GDA annual programme statement, which identify and advertise priority areas for alliance development that are of special importance to the units.

Monitoring and evaluation: GDAs have been evaluated through case studies, interviews and web-based surveys. However, these evaluations have not tracked development impacts and tend to be more descriptive than analytical. Evaluations have focused on the operation of partnerships, such as partners' concerns about their relationships with USAID, rather than comparative advantages or the impacts of GDAs on beneficiaries. Evaluations have led to recommendations on core indicators, reporting mechanisms, and training in measuring long-term impacts.

Results: Since 2001, USAID has formed more than 1 500 GDAs with over 3 500 partner organisations, which have an estimated value of more than USD 20 billion in public and private funds.

Insights: GDAs are based on a model that enables the co-creation of projects with the private sector. The use of GDA annual programme statements provides general direction for partnerships and allows partners space to co-create projects. In addition, the use of short GDA concept papers to initiate partnerships reduces burdens on private sector partners seeking to engage and allows for all partners to quickly identify whether their interests are aligned.

SOURCES:

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- USAID (10 February 2015), “Global Development Alliances”, www.usaid.gov/gda.
- USAID (20 May 2016), “Global Development Alliance annual program statement”, www.usaid.gov/work-usaid/get-grant-or-contract/opportunities-funding/global-development-alliance-annual-program.