USAID
FROM THE AMERICAN PEOPLE

Building Alliances Series:

ECONOMIC GROWTH & TRADE

The Office of Development Partners/Private Sector Alliances wishes to offer our profound appreciation to all the individuals who contributed their time and ideas towards the development of this guide. This guide was written by Cecilia Brady and Jay Daniliuk.

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INTRODUCTION

Welcome USAID Alliance Builders!

Public-private partnerships done right are a powerful tool for development, providing enduring solutions to some of our greatest challenges. To help familiarize you with the art of alliance building, the Office of Development Partners / Private Sector Alliances (ODP / PSA) office has created a series of practical guides that highlight proven practices in partnerships, demonstrate lessons learned, and provide insight on identifying and designing strategic partnerships that will meet your sector-focused development objectives. *

The purpose of this guide is to support you in building public-private partnerships in Economic Growth and Trade. (Micro-enterprise development is covered in a separate sector guide.) Whether you are new to alliances or a seasoned expert, in the following pages you will find tips, resources, and information that remove some of the mystery behind alliance building in this sector. Additionally, we hope this guide will inspire you, with its stimulating questions and partnership examples from around the world, to think creatively about designing alliances that will address key challenges wherever you are working. Although the series includes partnership examples from many organizations, the guides emphasize USAID's Global Development Alliance (GDA) model of alliances.

While this guide is meant to promote your partnership efforts in Economic Growth and Trade (EGAT), it represents only part of the EGAT alliance information available. There are also additional EGAT resources and guidance readily available to you on the GDA website:

usaid.gov/GDA

inside.usaid.gov/GDA/resources/tools.pdf.

* The terms "alliance" and "partnership" are used interchangeably in this guide, but both terms refer to the type of collaboration that can be designated as a GDA.

ALLIANCE MODELS IN EGAT: WHAT WORKS?

If you are designing a new partnership, a good place to begin is to review projects that have already been successful, as well as some new ideas in the field that are emerging as important areas of activity. Take a look below at six EGAT alliance models.*

MODEL 1: TRADE AND INVESTMENT

Economic growth is key to transforming the developing world, and trade and investment are building blocks for successful growth strategies. Alliances that focus on trade and investment should be attractive for partners that have an interest in increased trade linkages and the benefits they can bring, and might be especially compelling for local companies.

In Vietnam, FedEx is working to improve the country's trade infrastructure in a partnership with the Vietnamese Customs Department in Ho Chi Minh City. The partners have collaborated to establish a **state-of-the-art pre-clearance system for handling air cargo**, consistent with the ASEAN region's new Single Window policy. FedEx and local agent SBS Seaborne Company Limited provide the scanning and logistics technology, staff time (so that their staff can be trained by Vietnamese Customs), and computer systems that separate incoming goods for different levels of inspection. The new system, operating since September 2009, reduces air cargo clearance times dramatically, in some cases from 2–3 days to 30-60 minutes. This system reduces the time and cost for FedEx and its customers that ship goods to Vietnam, and reduces the Customs Department's administrative costs. This partnership (which does not include USAID) is a pilot initiative, but it is being expanded with parallel goods flow for DHL and other air freight companies in a larger facility near the Ho Chi Minh City airport.

** These guides use the term "model" to mean a sample or category of alliance type or structure.*

In the **Maritime Security Alliance for Haiti**, USAID partnered with Caribbean Central American Action, an NGO funded by the private sector, to support maritime security efforts and International Ship and Port Security compliance in Haiti, all of which are critical for uninterrupted maritime trade. Partnership activities included port facility security assessments and plans, capacity building at the country's various ports on new maritime security regulation, and outreach by business leaders to their peers and customers regarding the importance of keeping Haiti's ports consistent with international best practice. Funding was provided by USAID, the Government of Haiti and private sector partners like Crowley Maritime, Seaboard Marine, and Tropical Shipping. The Association des Industries d'Haïti acted as local coordinator, with technical consultation provided by the Florida Ports Council and oversight by Haiti's National Port authority. The partnership was active from 2004 to 2007.

The **Free Trade Agreement Communications Campaign** in Peru focused on improving the public's understanding of the benefits of the U.S.-Peru Trade Promotion Agreement (PTPA), which was up for a vote in the Peruvian Congress in 2006. USAID formed a partnership with Peru's National Confederation of Private Business Institutions (CONFIEP) and launched a media campaign targeting rural, central and southern regions of the country, as well as a national campaign targeted to Congress, political parties, SMEs and the general public. USAID provided expertise in communicating the benefits of free trade, and CONFIEP collaborated on designing the message that would be most effective for each target audience. The partnership's success was unequivocal: by mid-2006, 60% of the general public supported the PTPA and the Peruvian Congress overwhelmingly ratified the agreement.

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MODEL 2: BUSINESS CLIMATE

In order for the private sector to produce the goods, services, jobs and tax revenues needed for economic growth, businesses require a strong and transparent business environment. In addition, robust commercial legal systems are the cornerstone of a healthy business environment, and should enable individuals and firms to prosper by improving access to justice, establishing strong property rights, and ensuring business and contract rights that meet the demands of a global economy. Alliances that focus on improving the business climate will attract partners that are interested in reducing the barriers that keep their businesses from flourishing.

The **Strengthening Russian Commercial Courts Alliance** (2006-2007) exposed Russian judges and legal staff to international best practices in commercial law. Partners USAID and the Supreme Commercial Court of the Russian

Federation (SCC) collaborated on training activities, covering issues such as electronic files and archives, automated assignment of cases; technical obstacles to the implementing of "e-justice" (which includes the publication of court decisions online and acceptance of documents for filing in electronic form). Intellectual property rights were also covered, including copyrights; patents; software; problems of infringement of copyright and piracy, especially in the areas of pharmaceuticals, software, and DVDs; and relevant international legal norms. USAID funded the program and identified relevant technical experts. The SCC donated staff time and collaborated on ways to disseminate capacity-building throughout the court system.

In the **Adoption of International Accounting Practices, Principles and Procedures Alliance** (2004-2006), USAID partnered with the Center for Business Skills Development (CBSD), Certified General Accountants of Canada, the International Accounting Standards Committee Foundation, and the Institute of Management Accountants. The alliance, active throughout Central Asia, Ukraine, Moldova, and Russia, promoted financial transparency, accountability, and professionalism through the adoption and implementation of international accounting practices, principles, and standards. CBSD administered accounting examinations and provided office facilities to the project. The Certified General Accountants of Canada provided examination expertise to the certification program, as well as their international credibility. USAID provided funding support for technical assistance for related activities, and coordinated partnership activities.

In Mexico, USAID's alliance partner the National Law Center for Inter-American Free Trade (NLCIFT) is working closely with the *Instituto de Estudios Judiciales of the Tribunal Superior de Justicia* (Mexico, D.F.) to engage in research, analysis, and discussion of how commercial cases are currently addressed and resolved by Mexican courts. Through a series of coordinated workshops, NLCIFT has facilitated the participation of business executives, notaries, law professors, lawyers and judges to **identify, analyze, and draft best court practices for specific business sectors**. A direct outcome of the workshops is the establishment of a working group on best practices pertaining to real estate transactions; the group will report its conclusions in the first quarter of 2010. It is expected that NLCIFT's work with the *Instituto de Estudios Judiciales* will develop concrete suggestions recommendations to amend codes of procedure and substantive law. These amendments in turn will contribute to the modernization of case management and increased predictability in the adjudication of commercial cases in Mexico, including a shift in emphasis from procedural actions to weighing facts in evidence.

USAID's **NetTel@Africa** project is an alliance that provides an interesting model for collaboration on business climate issues. NetTel@Africa links universities across the continent into a network for capacity building and knowledge exchange in technology policy, regulation and applications. Universities share knowledge in their areas of expertise, and can draw on knowledge in other areas from network partners, co-creating coursework that is used by all. Moreover, the universities are linked to African regulatory bodies which require the capacity building services and thus have provided operating costs. The private sector has provided access to up-to-date knowledge networks and human resources. NetTel@Africa's goal is to build the capacity of policy makers, regulators, private sector operators, consumer advocates, and academic institutions so that reliable ICT and telecommunications services across Africa are available, efficient and accessible. Collaboration among the university partners rather than competition has become the priority.

MODEL 3: ENTERPRISE DEVELOPMENT

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Individual firms within an economy are the catalyst for growth. USAID has developed many partnerships that support the development of business enterprises. Alliances in this area may attract partners that also seek to encourage broad-based growth. (For alliances that cover micro-enterprises, please see the Micro guide in this series.)

In Armenia, USAID has partnered with European Bank for Reconstruction and Development (EBRD) and local business advisory firms and other companies in the **Business Advisory Services Program**. The alliance, active 2007-2010, aims to increase the number and viability of business enterprises in Armenia's rural and poor areas through the introduction of modern management practices. USAID provided start-up funding, and the EBRD provides funding and implementation oversight. Local business advisory firms provide trainers and share knowledge of national and local regulations.

In Kazakhstan, USAID partnered with the Exxon Mobil Foundation and Kazakhstan Loan Fund (KLF) to establish the **Alliance for Support of Women in Business in Astana** as well as the **Enterprise Development Center of Astana**. USAID and the ExxonMobil Foundation provided both funding and technical support. Two local organizations implement and manage the partnership. By the end of 2009, the Enterprise Development

"The new Business Essentials courses [at the Enterprise Development Center] will enable many people in Astana and nearby regions to acquire the business knowledge and skills required to successfully start or improve their business operations."

– EDUARD TSOY, DIRECTOR OF THE ASTANA BRANCH OF THE SMALL AND MEDIUM BUSINESS DEVELOPMENT FEDERATION

Center had trained about 4,500 entrepreneurs (over 75% women) in strategic and business planning, financial management, marketing, human resources management, taxes, and law. Over 130 small and medium businesses received business consulting services under the alliance.

USAID partnered with Cisco in Indonesia to develop **a unique internship program that encourages small and medium-sized businesses to adopt information technology.** USAID worked through its SENADA project, which focuses on developing light manufacturing industries in Indonesia. One hundred students from universities that host the Cisco Networking Academy Program worked for six months in SMEs in Indonesia's footwear, home furnishings, auto parts and garment industries. USAID provided funding to the four universities, and Cisco and USAID provided training and mentorship for the students throughout the internship. At the end of the six months, each student submitted a "technology roadmap" for the host company, presenting a plan for the company to drive growth using technology.

MODEL 4: FINANCIAL SERVICES

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A sound financial system is critical for growth, generating tax revenues and providing the structures, institutions and products needed by the business community, entrepreneurs and households. Partnerships that address system-wide issues, the introduction of new products or building capacity in existing institutions may be attractive for private sector partners.

In Armenia, USAID partnered with Credit Agricole Group (CAG), the Agricultural Cooperative Bank of Armenia (ACBA), the Lebanese Leasing Company (LLC) and the International Finance Corporation (IFC) to establish the ACBA Leasing Co, the **first privately-financed commercial leasing company in Armenia**. When the partnership was initiated in 2003, Armenia's financial system was quite small, and medium- and long-term financing for small and medium companies was very difficult to obtain. The leasing company provided a new financial instrument that could provide capital equipment to agribusiness enterprises and other private businesses in Armenia on a financial lease basis. Partners CAG, ACBA, LLC, and the IFC provided startup capital and IFC, USAID, and CAG (through its consulting arm, Credit Agricole Consultants) provided technical support. The IFC has also provided assessments and studies of the legal, regulatory and market environments for leasing.

The **Remittances for Economic Growth Alliance** in Mexico links USAID with the World Council of Credit Unions and Mexico's credit union network. The partnership aims to lower the costs of personal remittance transfers and create broader access to financial services, such as savings, credit, and mortgages. USAID provided funding and the World Council on Credit Union and several local partners are training local credit union staff in Mexico and providing updated technologies for money transfers. The network includes

Mexico's largest credit union, Caja Popular Mexicana, which has over 320 branches and more than 800,000 clients.

In Malawi, USAID has partnered with the **Financial Services Volunteer Corps** (FSVC) to undertake anti-corruption reforms in the financial sector to ensure adequate transparency and oversight, through addressing specific capacity needs in the Reserve Bank of Malawi, commercial banks and discount houses. With funding from USAID and the Reserve Bank of Malawi, FSVC is developing policies and systems and training staff in appropriate corporate governance for banks. By working directly with the Malawian financial regulators and commercial banks, these activities will help encourage deeper financial markets and increased private capital inflows into Malawi. The partnership is active 2008-2010.

In the **Georgian Bankers Association Alliance** (2007 - 2009), USAID is supporting the evolution of the country's financial system and banking sector. The Agency partnered with the Association of Banks of Georgia (ABG) to create the Georgian Bank Training Center (GBTC) to provide training programs for professional bankers that meet international standards and certification requirements. Designed primarily for commercial banks, GBTC is also open to all financial companies, including microfinance institutions, the National Bank of Georgia, insurance companies, leasing companies, pension funds, the securities industry, and individuals that are seeking a career in finance. USAID provided funding to develop the GBTC, which was matched by the contributions of ABG-member commercial banks. The ABG selected Caucasus University (CU) to house, manage, and support the GBTC, and the CU in turn donated the exclusive use of a building and staff.

MODEL 5: DEVELOPMENT CREDIT AUTHORITY PARTNERSHIPS

The Development Credit Authority (DCA) is a tool which already includes elements of a partnership, when USAID covers up to 50% of a private bank's lending risk. This shared risk encourages lending, often in sectors or markets where the financial institution does not have lending experience, or where the financial institution may question whether lending would be profitable or too risky (not creditworthy). Partnerships may be appropriate where sector-specific training and technical assistance could be provided by an NGO or private sector company.

In Ecuador, USAID partnered with FINCA Ecuador (a microfinance NGO) to strengthen the ability of two local banks, Banco Pichincha and Banco Procredit, to finance loans to **small producers and operators in the eco-tourism industry**. The alliance focused on identifying new markets and promoting backward and forward linkages in the value chain. USAID provided the 50% DCA guarantee and some additional funding for technical activities. Substantial technical support was provided by FINCA.

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"In partnerships that address economic growth and trade, a key issue is to maintain impartiality. USAID should be the neutral broker and should always be promoting competition among private vendors, not just the interests of one partner."

- DAVID DOD, EGAT/EG/EPG

MODEL 6: ECONOMIC GROWTH AFTER CONFLICTS OR EMERGENCIES

Getting the economy growing again after an emergency or a period of conflict is an extremely important step. In the case of countries emerging from conflict, economic growth can help prevent tensions from returning. The private sector, through partnerships, can play an important role in economic rebuilding, and may be motivated by a desire to see their operations, markets and customers restored.

USAID has developed several partnerships in Afghanistan. The **Etebar Alliance** developed the country's first **consumer credit profile service**. For the first time, major employers, banks, telecommunications operators and retailers gained access to information that helped them make credit decisions for SMEs and consumers. USAID provided funding and technical expertise, while local company Digistan built the networks necessary to make the service function. Also in Afghanistan, USAID entered into a partnership to form the **Insurance Corporation of Afghanistan** (ICA), the country's first local insurance company. Beginning in 2008, USAID worked with ICA owners and managers to develop a system that packages information in ways that are complete and universally acceptable

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to international underwriters and re-insurers. The alliance's goal was to develop a clearer understanding of the local insurance market on the part of international underwriters, quicker issuance of policies, more appropriate pricing of insurance products and substantially improved investor confidence in many sectors of the economy.

"In our alliance that linked producers with exporters, we knew there were already good agricultural and manufacturing practices in place. We wanted to expand exports, so we formalized these practices. In a way we just strengthened what was already there."

- GLENDA DE PAIZ,
USAID / GUATEMALA

WHAT MOTIVATES PARTNERS TO

Type Of Company	Companies Can Be Motivated By	Possible Non-cash Contributions
Trade and industry associations	Desire for collective action, desire to improve standards or procedures across an entire industry, desire for improved investment or business climate	Access to association membership, advocacy, technical expertise
Logistics and shipping companies	Desire to make border, customs and importing procedures faster and/or more efficient	Technical expertise, software, procedures, training manuals, experience with best practices from other countries, staff time
Financial Institutions	Desire for state-of-the-art technology and systems, desire for more transparent and attractive investment regimes, industry competition	Staff time, knowledge of local market and regulatory regimes, training facilities, network of branches
NGOs, non-profits and foundations	Goal of improving business climate, philanthropy	Staff time, training programs and facilities, technical expertise

JOIN EGAT ALLIANCES?

Ilustrative Companies That Have Participated in EGAT Alliances	Alliance Models
Certified General Accountants of Canada, Institute of Management Accountants, National Confederation of Private Business Institutions (Peru), Association of Industries of Haiti, local and regional business associations	Trade and investment, business climate
Fedex, DHL, Crowley Maritime, Seaboard Marine, local firms	Trade and investment, business climate
Credit Agricole Group, World Council of Credit Unions, Association of Banks of Georgia, other local and regional banks	Business climate, financial services, enterprise development
Exxon Mobil Foundation, International Accounting Standards Committee Foundation, FINCA, ACCION, Conservation International	Business climate, enterprise development

FINDING A GOOD PARTNER

Once you've considered possible models and industry sectors, there are many good ways to identify specific private sector actors. You can use the following list of questions to identify potential partners. USAID's implementing partners often know the answers to many of these questions, and you may want to work through this list with them:

1. What companies are the primary importers and exporters, and what challenges are they facing at the border?

2. Are there industry associations that support importers and exporters?

3. Talk to companies that are actively invested in your host country. What are the challenges they see in the business climate?

4. How do these investors view their local partners? Are there business skills or professional certifications that are missing in the local context?

5. Investors can also comment on the protection of intellectual property in local markets. Could a partnership address any perceived gaps?

6. Assess the state of business education at local universities. Are MBA or business graduates finding jobs at a satisfactory rate? If not, what is missing?

7 How do local and international businesses view the financial services sector? Are business and consumer financial products easily available?

8 The convening authority of the Ambassador is powerful; he or she has unique ability to bring together diverse stakeholders to discuss trade and other EGAT issues. Would such a meeting be productive?

9 Canvass entrepreneurs. Are there business development services needed in the local economy?

10 Do remittances flow easily and without restriction? Can remittances be channeled into partnership activities?

Other resources can help you identify private sector partners:

Chambers of Commerce and Associations can tell you which local and international businesses are particularly interested in development issues. Chambers of Commerce meetings are an easy way to reach a large audience of key stakeholders.

The **Foreign Commercial Service** at the Embassy is also a resource for excellent intelligence on companies that are active in or looking to enter the local market.

Talk to your **Regional Alliance Builder** and get his or her perspective on alliance partners and trends across your region. To find out if your region has an assigned alliance builder, look on the GDA website.

WHAT PARTNERS CAN OFFER

Partnerships need cash. However, partners can add value to an EGAT alliance in many ways beyond financing. Often, USAID and alliance partners have unique in-kind resources that the other may lack. Understanding the full range of what each partner can offer may help you communicate to potential partners

- Technical knowledge, expertise, intellectual property
- New technologies or improvements to existing technology systems, especially for border procedures
- Media and communications outreach
- Facilities for training or meetings
- Experience with certification procedures
- Convening power within membership organizations or industry sectors
- Knowledge of national and local regulatory schemes, including weaknesses, gaps and barriers

WHAT CAN USAID OFFER TO POTENTIAL PARTNERS?

- Strong and collaborative relationships with the Ministry of Trade and other government officials whose work impacts economic growth and international trade, including the business environment and investment regulations
- Perspective on and familiarity with the local environment; USAID's knowledge of the country and society may be able to identify collaboration opportunities for the potential partner.
- Legitimacy: ability to act as neutral broker. USAID has a long-term, in-country presence.
- Practical experience: ability to draw on proven practices in EGAT-related alliances from other countries and regions. USAID has a track record of successful economic growth partnerships around the world.
- Convening power: USAID can bring multiple stakeholders to the table to discuss challenges around competitiveness, trade and the business environment.

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ISSUES TO WATCH / LESSONS LEARNED

Issues to consider when developing EGAT partnerships:

- Investors on the ground may have a more realistic perspective on **intellectual property issues**. They can see where the problems are and may be able to suggest solutions.
- **External factors** (like WTO accession requirements, or international rankings) can often provide significant motivation for reform, and should be used creatively.
- **Public outreach and education** are key in free trade negotiations. The local business community can often make the most compelling case for trade liberalization.
- **Many donors** work on Aid for Trade issues. Donor coordination in this area is critical.
- For professional certification programs (accountants, lawyers, etc.), make sure that the capacity exists for **continuing professional education and re-certification** when necessary.
- **Demonstration projects** can be valuable, especially when systemic reform is slow or stalled.

THIRTEEN WAYS TO GET STARTED

1 LOOK AT TRADE FLOWS AND TRADE LOGISTICS

What are the primary imports and exports, and who are the largest trading partners? How is the customs system functioning? Are there delays at the port or at land crossings? Starting with the basics of your host country's trade picture will give you an idea of some of the primary challenges, and whether alliances might be helpful in addressing them.

2 REVIEW EXISTING AND PENDING TRADE AGREEMENTS

Take a look at your host country's existing bilateral, regional and multilateral trade agreements, including pending treaties and bilateral investment treaties (BITs). How are the treaties benefiting industry? Is the financial services sector meeting the needs of all stakeholders involved in trade? Talking with the Ministry of Trade and with private sector companies may give you some ideas for alliance possibilities.

3 MEET WITH THE PRIVATE SECTOR

One way to generate private sector interest in partnerships is to present opportunities at an open meeting. You can work with local chambers of commerce or similar organizations to organize an event, or you can offer to speak at an event that's already been scheduled. Highlights should include your Mission's goals and programs, USAID's experience with private sector collaboration, and

how the private sector benefits from partnership with USAID. A meeting is also the perfect opportunity to hear the private sector's perspective on trade and business issues, and to identify common interests. Visit the GDA website for PowerPoint presentations and other tools.

4 REVIEW THE RANKINGS

Review international rankings like the World Bank's Doing Business, the Logistics Performance Index, and the World Economic Forum's Global Enabling Trade report. Each of these reports assesses a country's capacity for trade and investment. Remember that USAID's BizCLIR Technical Assistance program is designed to take the rankings of the Doing Business report to the next level—diagnosing the impediments to growth and providing solutions for reform.

5 MEET WITH THE INVESTMENT PROMOTION AGENCY

The national investment promotion agency (and state-level agencies, if they exist) have experience dealing with potential investors, and should have a clear idea of what barriers exist for increased trade and investment. Meet with the agency and solicit their opinion on what kind of partnerships might be helpful, as well as on potential partners.

6 REVIEW OPPORTUNITIES TO BE FOUND THROUGH INVESTMENT MAP AND TRADE MAP

The International Trade Centre's Market Analysis Tools can help clarify trade trends and can assist with market analyses. Trade Map (http://www.trademap.org) provides on-line access to the world's largest trade database and presents indicators on export performance, international demand, alternative markets and the role of competitors from both the product and country perspective. Investment Map (http://www.investmentmap.org) aims to assist investment promotion agencies in defining priority sectors for investment promotion, identifying potential investors in a given sector, identifying competitor countries for inward investment, and defining opportunities for bilateral investment. Access is free for USAID staff and for all users in developing countries.

7 ASSESS THE ENHANCED INTEGRATED FRAMEWORK ACTION MATRIX, IF ANY

If your host country is in the Enhanced Integrated Framework process, there should be an action matrix that prioritizes the country's needs for trade-related technical assistance. Review the matrix to see if the priority areas may be appropriate for a partnership, and whether other donors are already active in addressing these needs.

"I think the private sector may be interested in partnerships that address intellectual property rights. The private sector is often a stronger enforcer of these rights than local or national regulatory agencies."

- WADE CHANNELL, EGAT/EG/TIF

8 TALK WITH OTHER USAID COUNTRY TEAM MEMBERS

Some of the best partnership ideas can come from your colleagues. Mission staff involved in other sectors may already have partnerships that could involve EGAT issues, or they may be working with the private sector in relevant areas. Look for areas of overlap and cross-sectoral or cross-cutting issues.

If appropriate, ask your colleagues to arrange an introduction to their private sector partners. They can also advise you on how they designed and manage their partnerships.

9 CONSIDER CLIMATE CHANGE

Climate change will affect a broad sweep of economic activity in nearly every country on the globe, potentially altering incentives in every sector, from agriculture to shipping. Trade flows and trade patterns may shift. Consider how a partnership might address the challenges around climatic change in your country.

10 EMBED PARTNERSHIPS INTO EXISTING PROGRAMS

Consider how a partnership could contribute to the success of your Mission's core programs, especially

those that are focused on economic growth or competitiveness. A potential alliance partner could expand the scope of your existing programs or could add unique resources that would deepen impact. Proposing participation in an ongoing program allows potential partners to easily see how their resources will make a difference. Missions achieve the highest level of development impact when partnerships are aligned with core programs.

11 LEVERAGE EXISTING RELATIONSHIPS

USAID has relationships with hundreds of private sector organizations. Search the GDA database or ask the ODP/PSA office to find out if and where we've worked with a potential partner before. The ODP/PSA Team has also developed global relationships with companies such as Microsoft, Intel and Rotary International. Visit the GDA website to find out more. Not only are there existing partnership models with these global framework companies, the ODP/PSA Team can also leverage its contacts at the company to engage local affiliates in-country.

12 CONTACT THE ODP/PSA TEAM

The staff at the ODP/PSA office is available to advise Missions on any aspect of partnership-building or management, as are Mission-based Regional and Country Alliance Builders. The Team knows how to navigate the most common challenges including procurement, due diligence, relationship management, reporting, etc. If necessary, the ODP/PSA Team can also coordinate with your Mission's Office of Procurement or your Regional Legal Advisor to address particularly challenging situations.

13 INCLUDE ALLIANCE ACTIVITIES IN SOLICITATIONS

As you design RFP's and other solicitations for your Mission's projects, include alliance activities that complement key objectives. Implementing partners are often great alliance resources, both for identifying partners as well as managing partnership implementation. The General Counsel's office has developed specific language for including alliance-building activities in solicitations. Please download the template language from "Tools for Alliance Builders" on the GDA website.

EXISTING USAID MECHANISMS

Think about using one of these existing Indefinite Quantity Contracts or other mechanisms to encourage an existing partner to get involved in economic growth and trade.

Enterprise Development & Financial Markets

- Business Growth Initiative (Task Order - TO)
- Doing Business - Partnership with IFC/IBRD (Public International Organization Grant - PIO)
- International Real Property Foundation (Cooperative Agreement - CA)
- SEGIR FS II (Financial Sector) (Blanket Purchase Agreement -BPA)
- Financial Services Share ("FS Share") (TO)
- GBTI II (Global Business, Trade and Investment) (Indefinite Quantity Contract - IQC)
- U.S. Securities and Exchange Commission (Inter-agency Agreement - IAA)
- Volunteers for Economic Growth Alliance ("VEGA") (Leader with Associates - LWAs)

Trade & Investment

- Federal Trade Commission (IAA)
- International Trade Centre (PIO)
- Business Climate Legal and Insitutional Reform ("BizCLIR") (TO)
- Trade Capacity Boost ("TCBoost") (TO)

ADDITIONAL IDEAS & RESOURCES

USAID Resources

Securing the Future: A Strategy for Economic Growth

A Guide to Economic Growth in Post-Conflict Countries

The Market Analysis Tools (Investment Map, Trade Map, etc.) on the International Trade Centre's website. USAID staff can access these tools for free, as can all users in developing countries.

Other Donors and Organizations

For additional inspiration, take a look at what other donors and organizations are doing in EGAT-related alliances and projects. Links to all resources listed below, and many more, are available on the GDA website.

United Nations Conference on Trade and Development

DFID and Trade.

The **Global Facilitation Partnership for Transportation and Trade** (The United Nations Trade Facilitation Network)

The **Enhanced Integrated Framework (EIF) for Trade-Related Technical Assistance to Least Developed Countries**, established in 1997, supports trade capacity building and integrating

trade issues into overall national development strategies. The EIF is designed to respond to the trade development needs of low-income countries so that they can become full and active players and beneficiaries of the multilateral trading system.

Reports and research related to EGAT issues and partnerships.

All links available on the GDA website.

Report: Global Enabling Trade Report (World Economic Forum, published annually)

Report: Logistics Performance Index (World Bank, 2007)

Website and annual reports: Doing Business (World Bank)

Report: Unlocking Global Opportunities: the Aid for Trade Program of the World Bank Group (World Bank, 2009).

Report: Logistics and Transportation Corporate Citizenship Initiative (Word Economic Forum, 2005)

Report: Emerging Markets, Emerging Models: Market-Based Solutions to the Challenges of Global Poverty (Monitor Group, 2009).

CASE STUDY: ENTERPRISE DEVELOPMENT

AFRICAN DIASPORA MARKETPLACE

Project:	African Diaspora Marketplace
Objective:	To catalyze job creation, income generation and the delivery of vital goods and services by providing matching grants to African diaspora members who plan to start new or expand existing businesses in Sub-Saharan Africa
Partners:	USAID, Western Union, Western Union Foundation, Ecobank, Barr Management, Academy for Educational Development (AED), and OPIC's Enterprise Development Network (EDN)
How the alliance works:	In 2009, the newly-created African Diaspora Marketplace launched its business plan competition, designed to elicit business ideas from members of the African diaspora. Business proposals had to propose a partnership between U.S.-based diaspora members and entrepreneurs in Africa. Winners would receive a matching grant between $50,000 to $100,000.
Partners' Contributions:	*USAID:* Financing, program design and management, overall coordination with partners, and outreach. *Western Union Company and Western Union Foundation:* Financing, media and outreach, and design and management input. *EcoBank:* Financing *Barr Management:* Financing *AED:* Implementing partner *OPIC's Enterprise Development Network:* Technical assistance to ADM finalists
Lessons Learned:	Interest in home-country business creation among diaspora members is very high. The business plan competition received over 700 applications in a period of 60 days. Diaspora members can bring substantial resources and knowledge to the table. The 60 ADM finalists would have mobilized nearly $22 million in investments. Diaspora members have a wide range of interest and experience in their countries of origin. Business ideas included several sectors, from agribusiness and fish farming to healthcare and information technology. Requiring diaspora to partner with local entrepreneurs allows for a synergy of transnational linkages and local knowledge. Technical assistance programs to assist enterprises and ensure their success are valuable complements to the ADM.

CASE STUDY: BUSINESS CLIMATE

TAX AND CUSTOMS REFORM

Project:	Business Climate Reform Alliance, Georgia
Objective:	To identify common tax and customs problems hindering international and domestic businesses operating in the country, and to collaborate with the Government of Georgia on solutions.
Partners:	USAID, Georgian Ministry of Finance / State Revenue Service, European Union Customs Project, American Chamber of Commerce in Georgia and its members, private sector Georgian businesses.
How the alliance works:	The alliance grew out of USAID's Business Climate Reform project in Georgia. AmCham proposed the idea of seeking business input on proposed reforms, and when USAID took the idea to its Georgian counterparts, the GOG requested a task force. AmCham led the task force and reached out to Georgian businesses to identify common problems, prioritize them and propose solutions. The alliance's task force also worked on removing ambiguities from legislation governing tax and customs.
Partners' Contributions:	*Georgia Ministry of Finance / State Revenue Service:* Staff time *European Union Customs Project:* Technical advice on customs reform, international best practices, and compliance with treaty obligations *American Chamber of Commerce members:* Member time and resources *Private sector Georgian businesses:* Details on how current and proposed legislation affects business operations *USAID:* Coordination among parties, links to and technical assistance from larger project, advising Government of Georgia

Lessons Learned:	Although the partnership did not involve large amounts of financial resources, it had a significant impact on the business environment. Georgia rose to 15th place in the World Bank's Doing Business rankings during the time the overarching project was implemented. This partnership provided the GOG with a valuable mechanism that resulted in benefits beyond those that were initially envisioned. First, the GOG was able to consult broadly with the private sector without appearing to consult too closely with large companies. In addition, the government eliminated unproductive time spent considering complaints from individual companies that did not include solutions. The alliance ensured that all proposed solutions were supported by international best practice and Georgia's treaty obligations. The larger project estimates that the value of the reforms to the public and private sector more than $743 million, representing a return of $57 for every dollar of the U.S. Government's investment in the larger project.

"Especially in customs reform, I think express shipment companies might be good alliance partners. They have a clear interest in working towards more efficient systems."

- BRINTON BOHLING, EGAT/EG/T/

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