DEVELOPMENT CHALLENGE

Guatemala is the largest Central American country with nearly 13 million people and a population growth rate that surpasses Latin American neighbors (2.8%). It is a land of sharp contrasts that boasts unique natural resources and diverse cultural heritage—half are indigenous Maya—though over half of its people live in poverty and nearly half of its children suffer chronic malnutrition. Guatemala has the third most skewed income distribution worldwide and meager public investments lead to statistics like only one of every three children graduates from primary school.

BUSINESS CHALLENGE

Business leaders know what needs to be fixed but do not know go about making the changes necessary. What’s more they are unclear on how they can make sustainable investments that go beyond basic philanthropy. Businesses want to learn how to design, implement, and fine tune development that they can invest in with confidence.

APPROACH

Alianzas is a USAID program which seeks to leverage significant resources from the private sector through a minimum of 50 alliances to improve health, education and nutrition. Through this partnership initiative, USAID engages national and multi-national company leaders in order to show them how sustainable development works. The program makes social indicators available publicly; hosts informational conferences on development issues and best practices; leads observational tours to rural and marginal urban communities; and garners ample media coverage of private-public sector alliances, small and big. Business leaders trusted USAID as a technically sound and ethically credible partner with which to learn the ropes of development. Alianzas partners repeatedly and publicly appreciate USAID development expertise, commitment to transparency and established development-oriented working relationships at national and community levels.

RESULTS

- Surpassed USAID target leverage of 2:1 and achieved 3:1, demonstrating the private sector’s commitment to improve health and education.
- Created 102 alliances (original goal was 50) with common development goals with 174 partners in all 22 departments and in 189 of the 333 municipalities directly, and in all 333 indirectly through mass media education and health campaigns.
- Engaged foundations, companies, NGOs, academia, faith-based organizations and government in hands-on development activities to reduce poverty and increase opportunity among vulnerable populations.

FAST FACTS

START: 2005   END: 2010

PARTNER CONTRIBUTIONS:
PRIVATE SECTOR: $18.6 MILLION
USAID: $6 MILLION

December 2009

To see more Alliances In Action, visit www.usaid.gov.