

Global Development Program Fact Sheet

Increasing Opportunities for People in the Developing World

Nearly 2.5 billion people in the developing world live on less than \$2 a day. This kind of grinding poverty—incomprehensible to most people in developed countries—often reduces life to a daily struggle for survival. The basics of food, water, and shelter are in chronic short supply, and healthcare and education can be unattainable luxuries.

Life in rural areas, where most of the very poorest live, can be particularly punishing. Many rural families farm small plots of land and are left hungry by harsh weather, crops that don't thrive, and meager harvests. These rural populations are disproportionately burdened by malnutrition and illness, and they have limited access to hospitals, schools, sanitation systems, and clean water.

Opportunities to escape this kind of poverty are elusive. The world's poorest people generally lack access to even the most basic affordable, quality financial services—from loans to savings accounts to insurance—that would help them take the first steps out of poverty. And while economic and social progress is increasingly driven by information technology, only one in six people around the world can even get to a computer with Internet access.

Our Approach

The Global Development Program seeks to increase opportunities for people in the developing world to lift themselves out of hunger and poverty. Rooted in the belief that all lives have equal value, we are resolved that all people—even those who are severely impoverished—should have the chance to lead healthy, productive lives.

With this in mind, we have focused on areas with the potential to be:

- Effective in addressing a problem that has received limited attention and has potential for a significant breakthrough
- Scalable in terms of being ultimately able to reach hundreds of millions of people
- Sustainable in terms of long-term operations and financing

Our aims are ambitious but achievable. Progress will require big, long-term, strategic commitments. It means that we have to be focused and results-driven, but also flexible, open to new approaches, and willing to bet on innovative ideas, even some that might not work. In all of our efforts, we seek to work closely with partners.

Global Development Grantmaking Areas

Agricultural Development: Three-quarters of the world's poorest people—those who live on less than \$1 a day—rely on agriculture for food and income, but many cannot grow enough food to sell or even eat. There are more than 800 million hungry people in the world, and this number is growing every year. We are working to help small farmers overcome hunger and poverty by increasing their productivity and boosting their incomes. To do this, we collaborate with many partners to improve the entire agricultural value chain: offering farmers better seeds, irrigation systems, and soil and crop management expertise; creating more nutritious and hearty crops; and linking farmers to markets where they can sell their harvests.

Grant Highlights

- \$100 million in partnership with the Rockefeller Foundation to create the Alliance for a Green Revolution in Africa, which will spearhead efforts to increase the agricultural productivity of small farmers in Africa.
- \$13.5 million to International Development Enterprises to develop and promote irrigation technologies that are critical to the success of small-plot farming.
- \$30 million to the UN Foundation to preserve the crop diversity needed to help farmers to grow crops that thrive in their specific, often challenging environments.

Financial Services for the Poor: Affordable, quality financial services like savings accounts, loans, insurance, and mortgages make it possible for people to manage life's risks and take advantage of life's opportunities. Yet only 10 percent of the world's poor currently have access to these services, often leaving them unable to meet basic needs and take the first steps out of poverty. We want to help change this by dramatically increasing access to microfinance: small-scale ways for people to borrow,

accumulate, or transfer money. We work with partners to seek out and support new products, technologies, and business models that could help dramatically scale up these services, as well as advance research to fill data and policy gaps and make microfinance more efficient and effective.

Grant Highlights

- \$23.9 million to the Consultative Group to Assist the Poor (CGAP) to explore how the poor could use cell phones and other technologies to use financial services more efficiently.
- \$5.5 million to Aga Khan Foundation U.S.A. to provide microinsurance and help poor families in Pakistan and Tanzania protect themselves from financial shocks such as the death of a breadwinner or loss of business or crops.
- \$5.5 million grant and \$10 million low-cost loan to Opportunity International Inc. to dramatically expand a network of commercial banks in some of the poorest parts of Africa.

Global Libraries: Information technology is a powerful driver of economic and social progress, but there is great inequality in the global distribution of these tools—some people are able to use them but most are not. The result is a severe “digital divide”: approximately 5 billion people, almost 90 percent of the world’s population, do not have access to computers connected to the Internet. Building on the success of a similar program undertaken by the foundation in the United States, we partner with governments, businesses, community groups, and others to provide free access to computers connected to the Internet through public libraries.

Grant Highlights

- \$10 million to the Chilean *BiblioRedes: Abre tu Mundo* (Open Your World) project to provide computers with Internet access to 100% of public libraries and training to more than 200,000 people across the country.
- \$732,000 investment in Botswana to create a business plan to provide Internet access in public libraries and reading rooms.
- \$16 million to the Ministry of Culture of Latvia to support the installation of computers with Internet access and training of staff in public libraries.

Special Initiatives: We know that there are many ways to help people in developing countries escape from poverty and hunger, and we want to explore and learn from a range of opportunities—even some that fall outside of our established areas of giving. Special Initiatives allow us to examine potential new areas of giving, learn about specific issues or approaches not in our core giving, and respond to emergency situations.

Grant Highlights

- \$60 million to a range of initiatives to help poor people avoid illness and death by providing and promoting clean water and sanitation facilities, as well as healthy hygiene practices, in developing countries.
- \$44 million to the William and Flora Hewlett Foundation to improve access to education—one of the best ways to boost long-term development prospects—across the developing world.
- \$15 million to BRAC, the Bangladesh-based community development group, to try to replicate its successful model of integrated microfinance, agriculture, and health services in Tanzania.