

## **“The Private Sector in Development Initiative” launches formal association**

WYE RIVER, MD, February 5, 2007 – More than 25 organizations met in Wye River, Maryland for a meeting this past weekend and agreed to work together to bring about a new phase of global development focused on giving private enterprise and entrepreneurs the tools to fight subsistence poverty.

Jennifer Potter, CEO of the Initiative for Global Development said, “Economic growth and job creation in developing countries requires a vibrant private sector. Promoting and increasing the availability of debt and equity financing, and of high-quality technical and managerial advice, to small and medium-sized businesses would have an enormous impact on poverty reduction in poor countries – and this group is on the leading edge of creating a broad strategy to accomplish this.”

The group, comprised of funds, non-profits, and advisors focused on entrepreneurship beyond microfinance, will launch a formal association that will invigorate private sector involvement in development.

Organized by the Aspen Institute and Dalberg – Global Development Advisors and sponsored by the German Marshall Fund of the United States, this group of practitioners aims to focus on job creation, building capital, and generating revenue while providing needed health, energy and other social services in emerging and developing countries.

“Thousands of entrepreneurs in developing countries build growing and profitable businesses while at the same time having a significant social impact,” said Peter Reiling, Executive Vice President at the Aspen Institute. “These small and medium-sized businesses play a critical role in creating jobs, opportunity and hope.”

The group includes some of the most innovative professionals in the development field with a proven track record of building competitive businesses world-wide, benefiting those who live “at the bottom of the pyramid.”

Entrepreneurs in emerging and developing countries face immense barriers to success, operating in risk-averse societies where financing and mentorship are scarce. This is particularly challenging for small and medium-sized ventures that are too large for micro-credit and have not reached scale to access larger investment funds or financing.

Over the next several months this group will:

- Compile facts about the size, reach and impact of its investments and business-building efforts to date;
- Compare the “bang for the buck” of the emergent private sector models to best-in-class parallel efforts in the traditional, aid, development, and philanthropy world;
- Attract top professionals to careers linked to “business solutions to development challenges”;
- Define common standards for measuring and reporting economic, social and environmental impacts;
- Expand the association membership that will take private sector development forward; and,
- Build an alliance of high-profile supporters from the worlds of finance, industry, high-tech and venture philanthropy.

## **Annex: List of organizations participating in the Private Sector in Development Initiative**

- Acumen Fund
- Agora Partnerships
- Ashoka
- Aspen Institute
- BlueOrchard Finance, S.A.
- BroadReach Healthcare LLC
- Dalberg Global Development Advisors
- De-risk
- Developing World Markets
- E and Co
- Ecologic Finance
- Endeavor
- Generation IM
- German Marshall Fund of the United States
- IFC Grassroots Business Initiative
- Initiative for Global Development
- International Business Leaders Forum
- Medley Partners
- Richmond Management LLC
- Scojo Foundation
- SEAF
- Technoserve
- United Villages, Inc.
- William Davidson Institute
- World Bank Development Marketplace