LEADERSHIP NOW

THE CLINTON GLOBAL INITIATIVE WAY OF MOBILIZING FAST CASH IN TIMES OF CRISIS

LIVE FROM CGI'S ANNUAL MEETING, WE LEARN HOW WESTERN UNION IS BECOMING A "LIFELINE FOR NGOS ACROSS BORDERS."

BY: <u>ALICE KORNGOLD</u>

"I've just returned from Jordan and Iraq visiting with children

who are refugees from Syria and who are in dire need of food, water, hygiene kits and supplies for shelters," says Carolyn S. Miles, who is president and CEO, <u>Save the Children</u>. The NGO provides emergency services to children in 120 countries, including 4 million who are suffering as a result of the war in <u>Syria</u>.

Historically, ethnic, religious, and political differences have caused violence. Unfortunately, there is growing <u>evidence</u> that climate change will exacerbate conflicts in fragile states, while increasing the occurrence and severity of natural disasters. Vulnerable populations will suffer the most. These issues were addressed at the panel session I moderated this morning at the <u>Clinton Global Initiative (CGI) Annual Meeting 2013</u> in New York City.



A panel at the CGI Annual Meeting, moderated by the author, discusses the effect of climate change on fragile states.

Relief workers on the ground need ready access to cash when disaster strikes so that they can deliver help to those in distress. The more remote the region, the greater the challenge. Western Union has found a way to get money into the hands of aid staffers through a program called NGO GlobalPay, their 2012 CGI Commitment. "The cash made available through Western Union, nearly instantly, allows us to meet the essential needs of the children," said Miles. "Our response team can buy what they need from the local economy to address the unique needs of those most vulnerable."

An organization called <u>Aid Still Required</u> helps communities affected by disasters--in Indonesia, Darfur, and Haiti, for example--to establish and run vital programs for long-term recovery and development. "With Western Union's help, our Haitian program team has access to bank accounts, making it possible to implement our post-traumatic-relief program for rape victims, and other services," said Andrea Herz Payne, founder and board chair.

Based on his experience for nearly two decades in peacekeeping, institution-building, and refugee services in Bosnia, Rwanda, and the Middle East, John Ging spoke about the challenges of mobilizing and coordinating resources. Ging is the director of the operational division of the <u>United Nations Office for the Coordination of Humanitarian Affairs</u> (OCHA).

"NGOs send \$56 billion annually in cross-border payments for development aid and emergency relief. Yet the systems NGOs traditionally have used lack the transparency, reliability, and sophistication with foreign exchange that NGOs and foundations need and deserve," explains Hikmet Ersek, president and CEO, Western Union. It can take days or weeks to get the money from bank to bank and then into the field. "That is unacceptable when lives hang in the balance." Further complicating matters, Ersek explained that each of as many as five banks charges a fee for its service in the course of relaying the money, and many NGOs operate beyond access to financial institutions. Ersek committed Western Union to be a "lifeline for NGOs across borders."

<u>Patrick Gaston</u>, president of the Western Union Foundation, described the company's philanthropic and volunteer contributions that are an important part of the corporate strategy.

Valuable lessons emerged from the discussion:

- Solving global problems must be part of a company's core business strategy. Philanthropy is only one element. This comprehensive approach ensures that the company will achieve the greatest impact in serving the community, while benefiting its bottom line--a more sustainable model for a better world.
- 2. Maximize success through partnerships. Each panelist spoke to the value of cross-sector collaboration for building a better world, with NGOs bringing the on-the-ground expertise and relationships; businesses bringing expertise and human and capital resources; and intergovernmental institutions bringing their platform, relationships, expertise, and resources.
- 3. Learn as you go to increase your value. Over the past year, Western Union adjusted its course of action through its new insights about the needs of refugees and others who are most affected by natural disasters and political crises.
- 4. Building a better world is good for business--deepening the company's understanding of community needs and business opportunities; expanding the company's business and community relationships; and developing stronger communities, and ultimately economies, for businesses to thrive.

CGI is a powerful convener, engaging its members in making over

2,300 <u>Commitments to Action</u>--improving the lives of over 400 million people in more than 180 countries.

This morning's panel session closed with Western Union's gift of a GlobalGiving giving card to each guest in the audience. As a supporter of GlobalGiving, I invite you to check this link to help people anywhere in the world. You'll find the experience quite rewarding.

[Image by Flickr user Grufnik]



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