

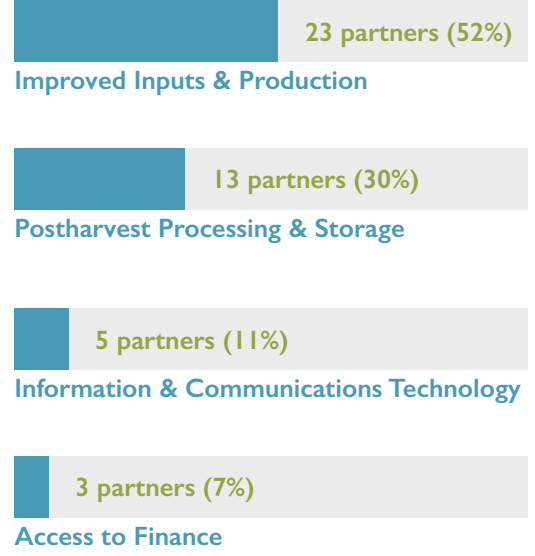
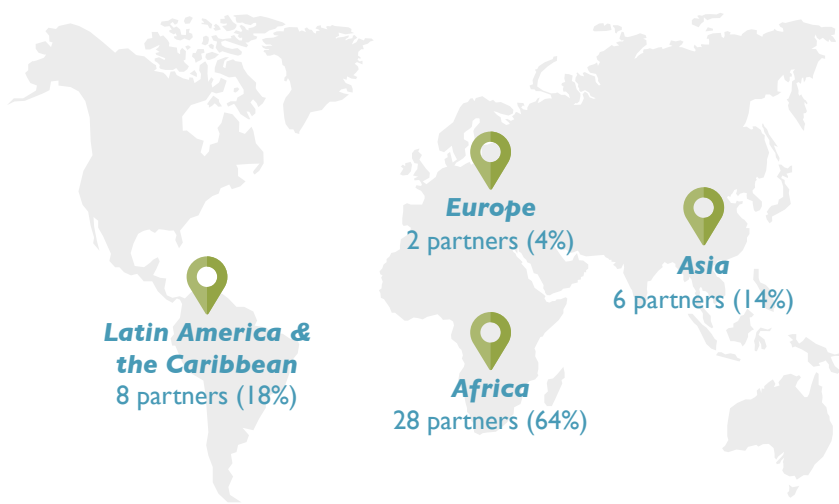
## Partnering for Innovation

# BUSINESS UNUSUAL: KEY FINDINGS FROM COVID-19 PARTNER SURVEY

For nearly a decade, Feed the Future Partnering for Innovation has built partnerships with 65 private sector agribusinesses across 24 emerging markets to introduce innovative agricultural technologies and services to smallholder farmers. Without question, the arrival of the COVID-19 pandemic has only intensified the many challenges facing these businesses on a daily basis. To better understand these impacts, Partnering for Innovation tapped into its global network of partnerships to capture on-the-ground insights into how these businesses are quickly navigating and even evolving during this unprecedented time.

### ABOUT THE SURVEY

Feed the Future conducted a survey via e-mail in May 2020 of **44** private sector partners from **19** countries across **4** sectors:

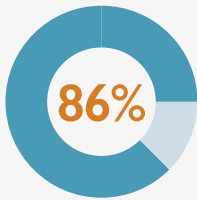


### KEY FINDINGS

The survey asked partners to provide insights on how COVID-19 is impacting their operations in the following five areas: sales; workforce; liquidity and financing; production; decisions. Responses revealed the majority of these businesses face significant challenges in each of these areas, especially sales, production, and cash flow/holdings.

#### SALES

Significant drop in sales



experienced a **decrease** in sales.

Of those with a decrease in sales, **47% saw sales fall by more than half** in April 2020.

#### WORKFORCE

Deep and enduring staff cuts



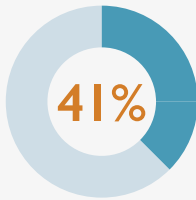
36%

have laid off/furloughed employees.

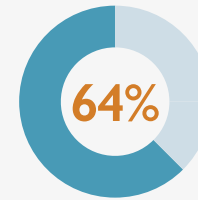
Over two-thirds plan to re-hire at some point, however **almost no partners plan to hire back at the same staffing levels** even if operations recover.

#### LIQUIDITY & FINANCING

Clock is ticking to save business



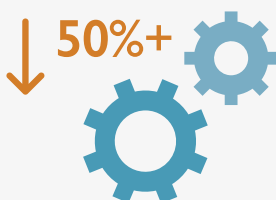
have **3 months or less** in current cash flow and cash holdings to maintain operations.



are considering a **loan or other credit**.

#### PRODUCTION

Significant drop in production

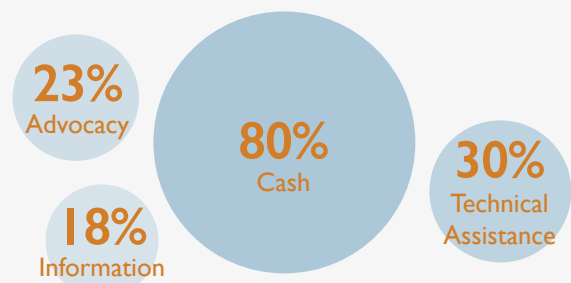


Nearly half of partners that experienced a production decline in April 2020 saw levels **drop by 50% or more**.

9 out of 10 partners that produce physical products experienced **supply chain disruptions**.

#### DECISIONS

Cash is a top priority



The vast majority of partners listed **cash** as the most important type of **support desired** for navigating the pandemic.

#### ABOUT FEED THE FUTURE PARTNERING FOR INNOVATION

Feed the Future Partnering for Innovation is a program funded by USAID's Bureau for Resilience and Food Security and implemented by Fintrac Inc. that builds partnerships with agribusinesses to help them sell new products and services to smallholder farmers, who represent a potential market of more than 500 million customers worldwide.