



An agrovet consulted as part of MSP's assessment of market systems resilience in Nepal.

Photo Credit: Vikara Institute

MARKET SYSTEMS AND PARTNERSHIPS ACTIVITY (MSP)
SEMIANNUAL REPORT
Reporting Period October 1, 2021 – March 31, 2022

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Executive Summary

The Feed the Future Market Systems and Partnerships (MSP) Activity **deepened its focus on advancing learning and good practice on market systems development (MSD) and private sector engagement (PSE)** within USAID, USAID's implementing partners, and market actors. This period (October 1, 2021 – March 31, 2022), MSP:

- **Launched three new private sector partnerships under MSP's global Partnership Facility**, which now engages six private sector firms across southern Africa and in Cambodia to strengthen business model and technology innovations that advance economic competitiveness. MSP has **leveraged \$3.5 million** from combined USAID and firm investments towards the aligned partnership goals. Partners are also **piloting and commercializing 13 technologies, practices, and approaches**, over half of which (54%) are in the field-testing stage. In October, MSP also introduced a more streamlined application process with the launch of the Solomon Islands partnership window and is now **engaged in co-development** with four new prospective partners to refine the shared value between business interests and the development objectives. The MSP Partnership Facility continues to expand as **second rounds of funding** are now underway in both southern Africa and Cambodia.
- **Finalized seven learning products that advance good practice and learning** in PSE and MSD, including a [foundational brief on how synergies between PSE and MSD can advance transformational impact](#); a [Primer on PSE in Fragile and Conflict Affected Situations](#), which was the most accessed resource on Marketlinks in 2021 and sparked strong interest from USAID's broad PSE community; and a [Market Systems Resilience \(MSR\) State of the Field Map](#) that reflects how 35 programs across 26 countries are practically applying MSR, spurring cross-program collaboration in this emergent space. Over the past six months, the **number of individuals accessing MSP resources grew by 47% to 15,714** through interactive meetings and online engagement.
- **Diversified MSP's presence at the local level** as we are now implementing in 11 countries. This includes the countries of MSP's private sector partnerships as well as field work for assessments and services such as the **MSR assessment in Nepal** and the **transaction advisory support in Uganda** (see Objective 2). This period MSP

KEY RESULTS TO DATE



17 Learning Products Developed



15,714 Individuals Accessing Resources on MSD and PSE Good Practice and Learning



158 Collaborators from USAID, Implementing Partners, and the Private Sector Bringing Diverse Perspectives



11 Countries with "On the Ground" Implementation



\$13.5 million Combined Funding Committed for Private Sector Partnerships



6 Partnerships Across **6** Southern Africa Countries and Cambodia, Leveraging **\$3.5 million**



10 Buy-ins (4 USAID/ Washington, 6 Missions)

also **piloted the beta PSE in Nutrition tool** finalized last period, coaching activity staff in Rwanda in applying the tool and generating critical insights for both USAID and MSP on the tool and uptake for implementing partners that will be integrated into the final tool and accompanying guidance. This is one example of MSPs ongoing refined focus on field-level application to strengthen uptake of MSP tools, learning, and services. In one early indication of applied learning and uptake, in MSP's semiannual survey of USAID Missions and Washington clients, **92% of respondents** said they are either applying or anticipate applying in the future learning, best practices, tools and/or other features from MSP products and services, and/or have witnessed other USAID colleagues or implementing partners doing so.

- Furthering this focus on application of good practice, **MSP supported USAID as it rolled out the first Fundamentals of MSD course to USAID staff**, which MSP developed in 2021. Over two weeks this March, **21 participants from eight Missions and USAID/Washington** engaged in the highly interactive capacity building course. This training directly supports MSP's efforts to build a dispersed set of MSD champions and reach influential decision-makers key to successful implementation of an MSD approach. Importantly, in a post training survey, **71% of participants said it was highly likely they will apply the principles of MSD to their work going forward** and gave examples of how the concepts and practical skills were already shaping their approach to new activity designs, oversight of current programming, and TDYs.
- **Continued taking a highly collaborative approach**, engaging with **74 new stakeholders** this period (nearly double from last period) through consultative feedback sessions, technical advisory committees, peer review, and case study capture. Interestingly, only 10% of MSP's collaborators are "repeat" collaborators, and MSP has involved collaborators within every single Learning Activity and buy-in. Together, these suggest how widely and broadly MSP is engaging new perspectives in our work. This period MSP intensified efforts to **engage new and underutilized partners** that bring new perspectives, experiences, and networks, engaging three strategic partners across three different MSP activities to push MSP to the frontier of learning and drive broader adoption by target audiences. See *Challenges and Iterative Learning* for more.



ACTIVITY OVERVIEW



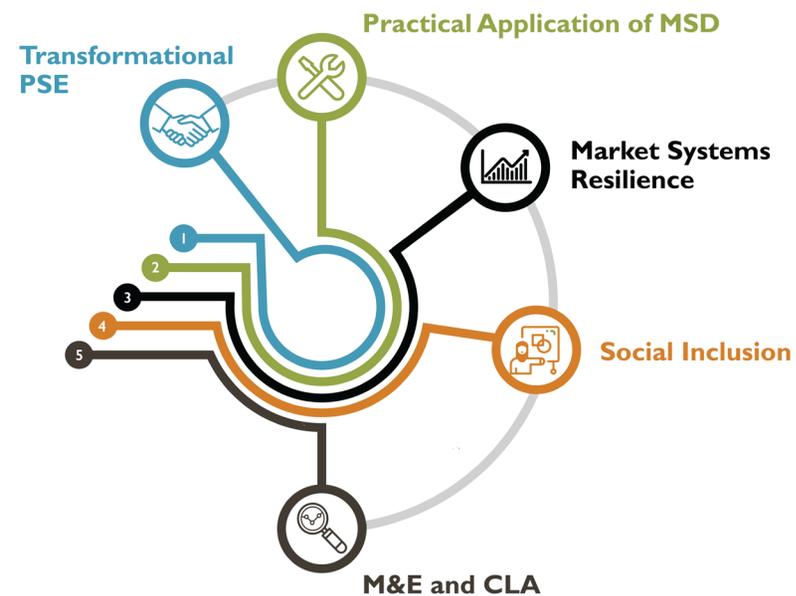
About MSP

The USAID-funded **Feed the Future Market Systems and Partnerships (MSP)** Activity is advancing learning and good practice on market systems development (MSD) and private sector engagement (PSE) within USAID, USAID's implementers, and market actors. MSP provides and improves upon the evidence, capacity, tools, technical assistance, and services required to design, implement, monitor, and evaluate activities that lead to inclusive and resilient agriculture-led economic growth, improved food security and nutrition, and increased incomes for the poor.

MSP supports USAID **to bring about a major cultural and operational transformation** by integrating PSE across all activities, while at the same time deepening MSD and facilitative approaches across the program cycle. The prime implementer of MSP is DAI, with core consortium partners **Global Knowledge Initiative (GKI), ISF Advisors, MarketShare Associates (MSA), TechnoServe, and Vikāra Institute** (formerly EcoVentures International), plus valuable collaborations with local partners, strategic technical advisors, industry peers, private sector partners, and other donors supporting MSP in achieving our objectives.

MSP is guided by a [Learning Agenda](#) with five key Learning Streams (priority areas), as shown in the adjoining image. Established in Year 1 through a highly consultative process, the Learning Agenda is a living document. All MSP activities across its four objectives (see next page) are aligned with and contribute to the Learning Agenda.

MSP'S LEARNING AGENDA



MSP Core Objectives



Support effective private sector partnership development and management

Via a Partnership Facility, executed through multi-year, demand-driven engagements with USAID Missions, and focused on advancing transformational outcomes



Provide USAID Missions with analytical and other services for design, implementation, and M&E

Through demand-driven analyses, design support, evaluations, stocktakings, and more



Generate knowledge on MSD and PSE

Via implementation of a multi-stream Learning Agenda and iterative learning-by-doing from MSP's own implementation



Build capacity to design, implement, and learn from MSD and PSE

Through participatory trainings, tool and resource development, experiential learning, communities of practice, peer learning exchanges, and more

COLLABORATION, LEARNING, ADAPTING



OBJECTIVE 1: PRIVATE SECTOR PARTNERSHIPS

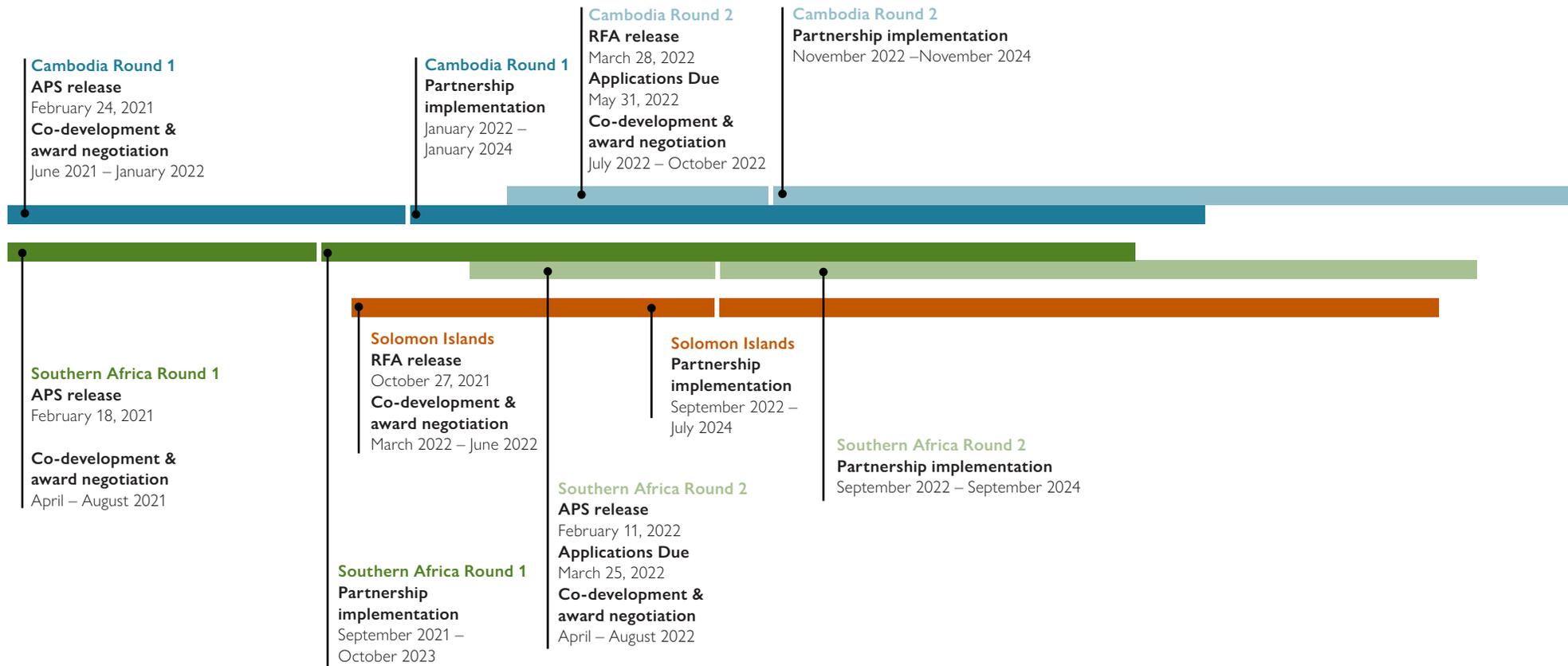
MSP facilitates private sector partnerships that create shared value from the alignment of core business objectives and development goals. As of March 31, 2022, **MSP has three active buy-ins with USAID in southern Africa, Cambodia, and Solomon Islands** to facilitate private sector partnerships. Combined, the **current Partnership Facility value is \$13.5 million**, nearly half of the \$30 million Facility ceiling.

MSP-facilitated partnerships channel corporate resources, expertise, technology, and influence to address a development problem; push firms and investors outside normal business practices by taking a socially inclusive approach to testing a new model or to scaling a business service or product; and shine a light on systemic barriers in the market system which constrain private sector involvement and investment. In using this approach, USAID and its partners can foster the conditions necessary for the target investment or business practice to endure (and even scale) beyond the life of the partnership. This can also pave the way for other industry actors to follow suit.

During this reporting period, MSP **launched second rounds of funding** for partnerships in both southern Africa and Cambodia and **initiated partnerships with three private sector firms** under the first round of funding: 260 brands (southern Africa), Khmer Cold Chain Company (Cambodia), and Amru Rice (Cambodia). MSP also continued to make progress on the other three partnerships in southern Africa with Natures Nectar, Afrifruta, and European African Seed Initiative (EASI). In Solomon Islands, MSP selected and is now engaging in co-development with four firms that will bring innovation to the local kava, coconut, and cocoa sectors. MSP is also expanding its partnership support package in Solomon Islands; given the relatively thin market, MSP will support access to accelerator services to accompany partners to address critical capacity needs both at the firm level and the sector level. These services will aim to speed up market interactions such as through support to MSP firms to: develop and refine their product and service offerings, refine their cost and pricing strategy, improve their supply chain strategy, and conduct market analysis to identify new customer segments.

Southern Africa	Cambodia	Solomon Islands
<p>Status Round 1: 4 partnerships in implementation; Round 2: Applications under review</p>  <p>Technical Focus Increase agricultural trade, investment and exports</p> <p>Details Current Fund: \$7 million over 2 years; Awarded to Date: \$2.5 million</p>	<p>Status Round 1: 2 partnerships in implementation; Round 2: Request for Application (RFA) released</p>  <p>Technical Focus Cold chain, logistics, transport, introducing or scaling new agricultural technologies or practices</p> <p>Details Current Fund: \$4 million over 2 years; Awarded to Date: \$1.4 million</p>	<p>Status Four finalist firms selected for co-development</p>  <p>Technical Focus Increased product quality, improved value addition of agricultural products</p> <p>Details Current Fund: \$3 million</p>

MSP'S PARTNERSHIP FACILITY: A TIMELINE



FEATURES OF MSP'S PARTNERSHIP APPROACH:

MSP's Partnership Facility selects concepts based on the strength of five core factors: business concept, development impact, sustainability, scale, and funding justification (additionality). Our approach focuses on:

- **Prioritizing upfront strategic opportunity analysis** so that MSP is working with the most impactful partner or coalition of partners and on the most strategic activities that can drive systemic impact;
- **Deciding to engage only when MSP's additionality is projected**, where MSP's involvement is critical to unlocking market-based solutions;
- **Drawing on relationship management practices** to steward partnerships, foster relationship health, as well as capture and disseminate learning;
- **Creating connections between the partner firm and other USAID projects and resources in-country** to broker fair and productive relationships between market actors that will bring sustained benefit to target populations;
- **Using partnerships as live case studies to shine a light on barriers in the broader environment, constraining private sector involvement and investment in a sector**, so USAID, and its ecosystem of actors, can foster the conditions necessary for the focus investment or business practice—and others of its kind—to endure (and even scale) beyond the life of the MSP partnership;
- **Integrating gender** in partnership design and implementation to empower women as suppliers, business leaders, customers, and employees.

Spotlight on Southern Africa Agricultural Trade and Investment Activity

Under the Southern Africa Agricultural Trade and Investment Activity, MSP aims to: 1) increase agricultural trade from regional countries to South Africa, 2) increase agricultural investment from South Africa to the region, and 3) increase agricultural exports from southern African countries to the United States through the African Growth and Opportunity Act (AGOA). Through strategic co-investment with the private sector, MSP is incentivizing firms to test and adopt sustainable supply chains into their existing business models to target specialty and upgraded markets in South Africa, the United States, and elsewhere in the region.

This period, MSP signed the last of four partnership agreements in the first round of funding under this window and launched a second round of funding which closed on March 25. Round 1 partners **AfriFruta, EASI, Nature's Nectar, and 260 Brands**, are off to a rapid start in order to maximize the agricultural season in southern Africa and make progress in processing capacity upgrades. All four firms have completed a number of their early milestones including the initial workplan and initial farmer recruitments (and for some, women represent 50% of recruits). Three firms—Nature's Nectar, AfriFruta, and 260 Brands—initiated supplier insight surveys to collect valuable, gender-disaggregated feedback from their smallholder suppliers on their motivations for engaging with the firm, capacities, and other key information that firms need to inform decisions in their partnership activities and enhance win-win outcomes for both firms and their smallholder suppliers. More detailed spotlights on each partnership, anticipated results, and how it will advance inclusive agricultural trade and investment, are presented in the Annex, starting on Page 29.

KEY FACTS:

Objectives: increased regional agricultural trade; increased agricultural investment from South Africa to the region; increased agri-exports to the U.S. via AGOA



Current Fund (Round 1):

\$7 million (\$2.5 million awarded to date)

Award Timeline: September 2021–October 2023 (Round 1)

Multi-stakeholder partnerships

Anticipated Results



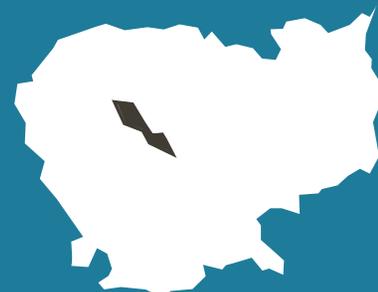
Spotlight on Cambodia Agricultural Investment Activity

In Cambodia, MSP investments facilitate market-based solutions to business challenges that can have large-scale impacts on the competitiveness and inclusiveness of Cambodia's agricultural sector. In January 2022, MSP signed two new partnership agreements with implementation now underway. A partnership with **Khmer Cold Chain Company (KCCC)** will scale Cambodia's cold chain and logistics infrastructure and support the first cross-docking facility in the country, strengthening small and medium enterprise (SME) access to secure and temperature-controlled supply chains and resulting in improved access to export markets, increased farmer income, and higher quality products for consumers. A separate partnership with **Amru Rice Cambodia Co., Ltd** will establish on-site cold storage for vegetables near its headquarters and at its agricultural cooperatives' sites, creating a decentralized cold storage and logistics network for its smallholder suppliers. Improved cold chain facilities will generate \$483,046 in sales revenue in year one alone and increase the incomes of hundreds of farmers, while also addressing barriers in the market system to operationalize import-export opportunities, improving food security, increasing smallholder farmer incomes, and reducing Cambodia's reliance on imported vegetables. More detailed spotlights on each partner are presented in the Annex, starting on Page 33.

On March 25, MSP **launched its second-round partnership window** in Cambodia, which focuses on introducing new technologies (or scaling existing technologies) and agricultural management practices. Illustrative partnership activities include warehousing, storage, cold chain, and other technologies that preserve stored products; agro-processing that generates additional income for smallholder farming households and for farmer groups; technologies that improve sanitary and phytosanitary food safety standards; and climate smart agriculture technologies and practices.

KEY FACTS:

Objective: advance economic competitiveness and inclusiveness through market access, agricultural services, infrastructure and logistics, and PSE and investment across the agricultural value chain.



Current Fund:

\$4 million over 2 years (\$1.4 million awarded to date)

Award Timeline:

January 2022 - January 2024 (Round 1)

Anticipated Results



2
private sector
partnerships



\$2.8
million leveraged



2
technologies promoted:
Temperature-Controlled
Logistics (TCL) and
CoolBot Storage Systems

Spotlight on Solomon Islands: Strategic Opportunity Identification

In Solomon Islands, MSP investments will drive economic development of rural farming households in Malaita by strengthening on-farm production and processing of quality export products to meet requirements of target international and regional end markets. Through partnerships under development in Solomon Islands, MSP will test and demonstrate the feasibility of upgrading Solomon Island agricultural commodities to meet the export standards while remaining competitive with other regional suppliers, with a priority focus on the cocoa, coconut, and kava sectors.

Based on a series of key informant interviews and extensive desk research completed during the last reporting period, MSP identified three target sub-sectors—cocoa, coconut, and kava—and unearthed strategic opportunities with private sector firms currently working in or looking to expand to Solomon Islands. MSP designed a solicitation tailored to the thin market and the assessed capacity of the suppliers and processors in the target sub-sectors in Malaita province and released the call for applications in October 2021. MSP distributed the solicitation to private sector firms, donor-funded programs, local business platforms, accelerators and transaction advisors operating in the region, women-focused NGOs and accelerators, and other marketing channels to promote the opportunity to a diverse set of actors.

As a result of these efforts, seven eligible applicants submitted concepts in January (three of which were firms uncovered during the Strategic Opportunity Identification process) and MSP selected four to proceed into award negotiation and due diligence. During the next reporting period, MSP will lead a co-development process through a series of virtual workshops with the selected applicants to engage in a dynamic process to clarify and refine their concepts to better capture the viability and sustainability of the business and development impact which they proposed. Concurrently, MSP will also conduct organizational and financial capacity due-diligence assessments. MSP aims to award these new partnerships before September 2022.



KEY FACTS:

Objectives:
Increased production and product quality and improved value addition of agricultural products

Current Fund:
\$3 million

Anticipated Award Launch:
September 2022



OBJECTIVE 2: SERVICES



MSP offers rapidly mobilized technical assistance services in response to USAID's demand for supplemental support to design, implement and monitor MSD and PSE activities. This period, MSP began implementation of multiple new engagements secured last period under Objective 2, highlighted below and on the following pages.

In March, alongside USAID RFS' PSE Secretariat, MSP launched development of a user-friendly **PSE for Climate Adaptation to Advance Resilience Guidance and Tool**. The resource, available in early 2023, will include 1) a summary of cutting-edge market-based solutions to promote climate adaptation to advance resilience; 2) an identification of gaps in corporate action to sufficiently adapt to climate change and to strengthen the resilience capacities of actors throughout the market system; 3) a strategic opportunity identification tool to define the shared climate-related corporate and development problem, to assess risk, and to identify the right partners and targeted solutions; 4) guidance that outlines different private sector partnership archetypes, or engagement models, to address climate adaptation in a way that promotes resilience; and 5) efforts to facilitate uptake and adoption which will include several webinars. This work feeds into MSP's Learning Stream on Transformational PSE and complements other thematic guidance developed under MSP on PSE for special considerations. It also supports ongoing efforts in resilience and climate adaptation by the RFS/Center for Resilience, Bureau for Development, Democracy and Innovation's Center for Energy and Environment, and PSE Hub. *MSP has engaged Business for Social Responsibility (BSR), who bring critical insights as key advisors on climate adaptation for private sector clients, to lead this work alongside MSP prime DAI.*

In Nepal, MSP is conducting an **Assessment of Market Systems Resilience** in the Feed the Future Zone of Influence. The study is looking at 1) the drivers of MSR through a qualitative diagnostic of the market system, 2) insights on the role that layered implementation of several Activities may have had in shaping these MSR drivers and enhancing household ability to benefit, and 3) spotlights of several innovative practices. This period, the research plan was developed and approved, and throughout March the research team conducted key informant interviews, focus group discussions, and market observations in Katmandu, Dhangadhi, and Nepalgunj. A stakeholder validation workshop is planned for early April, and the assessment report with case studies will be published in June alongside a series of learning-focused workshops in Nepal and Washington DC. This work also feeds into MSP's Learning Stream on MSR and is conducted for USAID/Nepal with funding from USAID/Bureau for Resilience and Food Security (RFS), jointly allocated with USAID/Bureau for Humanitarian Assistance (BHA). *MSP partner Vikāra Institute leads this work.*

Spotlight 1: PSE for Nutrition Guide

This period, MSP launched and completed a six-month pilot of the beta **PSE for Nutrition: A Strategic Engagement Tool, Partnering Guidance and Case Studies product** with Feed the Future Orora Wihaze (OW) activity in Rwanda, implemented by Venture 37. MSP developed this tool to support Missions and IPs in more strategically engaging the private sector to advance nutrition-sensitive outcomes. This pilot was part of an intentional strategy to capture end user feedback on the beta tool, which is now informing the finalization of both the tool and the institutional structure that supports its use.

MSP accompanied OW in piloting the tool to align business models and priorities of large national companies in Rwanda with the objective of increasing consumption of animal-based protein products. The pilot included a series of coaching sessions that leveraged the team's existing strengths alongside added value from use of the tool. For example, MSP supported OW to develop an enhanced understanding of the needs and pain points of larger food processors so that OW is well-positioned to inform the business case. MSP and OW devised strategies to speed up, where feasible, the PSE process and build up capacity around how to practically apply the seven archetypes explored in the tool. These archetypes include 'catalysing innovative nutritious foods distribution' and 'driving biofortified production capacity.' Understanding these archetypes can inform partnership designs and scalability and sustainability assessments. A final, publicly available version of the tool will be released in late 2022.



Photo credit: Orora Wihaze

This work also feeds into MSP's Learning Stream on Transformational PSE and is conducted for USAID/Rwanda with funding from USAID/RFS Center for Nutrition. This provides networking opportunities between Missions and USAID Washington; these colleagues can provide future technical assistance around PSE and nutrition. *MSP prime DAI and partner TechnoServe lead this activity.*

Spotlight 2: Indicators for Nutrition Investment

In late March 2022, MSP launched a new activity with USAID/RFS Center for Nutrition to **develop nutrition investment screening criteria to facilitate the evaluation of investment opportunities for nutrition impact**. The resulting criteria, anticipated to be finalized late in 2022, will initially be used for evaluating potential investments in new funds established by USAID, the U.S. International Development Finance Corporation, and the Eleanor Crook Foundation. USAID intends these criteria to have broad application—to a diverse range of funds—and to establish a widely accepted definition of what would be considered “nutrition lens investing” that will enable funds, lenders, and investors to indicate what percent of their portfolio consists of loans and investments that meet this standard. The first phase—to review and synthesize the main features of existing nutrition investment screening criteria and evaluate for ease-of-use and ability to assess nutrition impact—is now underway. This work feeds into MSP's Learning Stream on Transformational PSE. *MSP has engaged Wellspring, a frontline innovator in this nutrition-investment nexus, to lead this work alongside MSP prime DAI.*

Spotlight 3: Guidance on PSE for Large Scale Food Fortification

In January 2022, MSP began development of a **user-friendly methodology to support Missions and implementing partners in assessing the current and projected capacity of industrial-scale food processors to fortify staple foods and condiments.** These products can be effective food fortification vehicles if there is widespread, regular consumption at a local level. The methodology, which will be finalized in early 2023, will enable Missions to identify and strategically engage with private sector firms that are well-positioned to effectively and sustainably conduct large scale food fortification (LSFF) in accordance with national standards. This engagement builds on a broader buy-in between MSP and USAID/RFS Center for Nutrition.



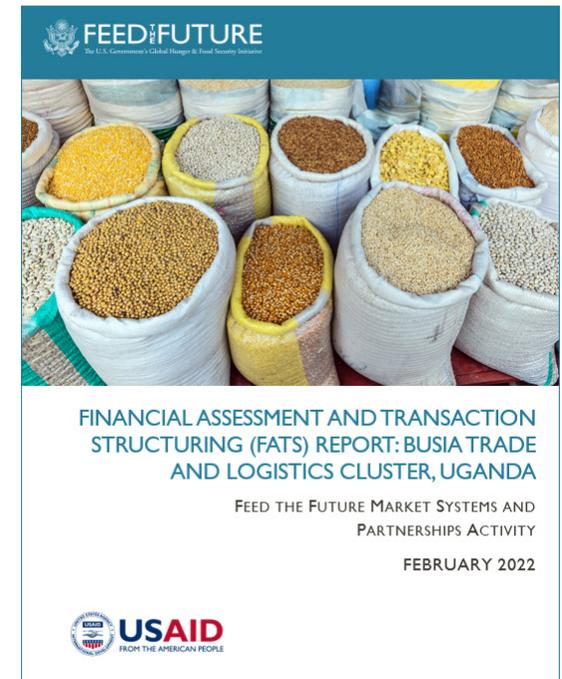
Photo Credit: Xaume Ollerros/RTI International

In February 2022, MSP completed a literature review that synthesized existing research, tools, and methodologies that have been used to assess the food processor LSFF landscape. These included inputs from major private sector firms as well as policy and regulatory frameworks. The literature review identified key sources of reliable data and information that Missions can leverage to conduct analysis, including strengths and resources developed by previous USAID work, as well as new sources. This work also supports MSP's Learning Stream on Transformational PSE and is funded by USAID/RFS Center for Nutrition. *MSP partner TechnoServe leads this work alongside MSP prime DAI.*

Spotlight 4: Uganda Agro-Industrial Parks: Transaction Advisory and Landscape Assessment

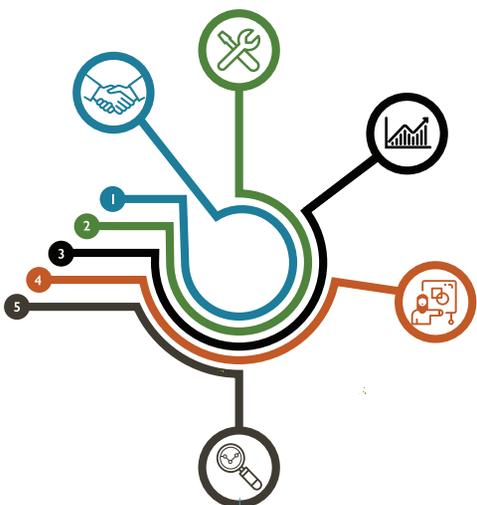
This period, MSP completed several key steps in its ongoing support to USAID/Uganda around two main services: **transaction advisory for the Busia Trade and Logistics Center (TLC) and a landscape assessment of agro-industrial parks.** In March 2022, MSP finalized the Financial Assessment and Transaction Structuring Report for the Busia TLC. This summarized efforts to assess financial feasibility and commercial viability and reflected efforts to identify potential developers and promote the opportunity to potential tenants. The report confirmed that the park is financially viable. MSP also proposed options for structuring the potential ownership, management, and investment of the initial base infrastructure development.

In December 2021, MSP also submitted an Inception Report for the landscape assessment of agro-processing opportunities at planned agro-industrial parks in various stages of development by Government of Uganda. The report leverages MSP's desk research, in-country key informant interviews, and alignment meetings with USAID/Uganda. It proposes five shortlisted parks and is the first step in identifying opportunities for USAID investment. *MSP partner ISF leads this work.*





OBJECTIVE 3: GENERATE KNOWLEDGE



To deepen knowledge on PSE and MSD and further stakeholder uptake of good practice, MSP **launched a second wave of learning initiatives** this period across each of the five learning streams highlighted below. A total of **15,714 individuals around the globe have accessed MSP learning products to date**—a 47% increase from last period. This includes participation in interactive meetings (e.g., MSR Community of Practice, webinars) and online engagement (e.g., MSP’s Activity webpage on Agrilinks, Marketlinks, the BEAM Exchange). This is sparked by targeted promotional efforts by influencers and champions, across social media (especially LinkedIn), and through newsletters (e.g., internal USAID newsletters reaching targeted groups in the PSE, MSD, and RFS communities; MSP’s own newsletter). MSP doubled down on its efforts to promote adoption of learning and avoid developing products that just ‘go on the shelf’ through several initiatives: (i) by continuing to nurture a design-for-adoption process; (ii) by strengthening efforts in this latest wave of learning initiatives to elevate field perspectives and champions—reflected in the MSD Tool Stocktaking, MEL in MSD clinics, COVID and Talent Pipeline survey, and a planned Learning Hub for the Women’s Inclusion and Empowerment ROI (WIE-ROI) Tool; and (iii) by engaging new and underutilized partners that can open new doors to the right audience of end users and ultimately help refine the value and influence of MSP learning.

These learning activities are funded with core funding from USAID’s Center for Agriculture-led Growth and contributions to learning from MSP’s buy-in clients. The following pages spotlight several of these activities and products in more detail.

Current Learning Activities

For a complete summary, see the Resources tab at www.agrilinks.org/msp

LEARNING AGENDA STREAMS



Transformational PSE: MSP aims to apply USAID’s principles of shared value, corporate relationship management, and systems change to a multi-stakeholder context to encourage the adoption of a more sustainable and inclusive operating model.

APPROVED ACTIVITIES

PSE in Fragile and Conflict Affected States: a primer offering concrete guidance and 13 real-world vignettes. Spotlight 6: Page 19. (DAI, GKI)

Commercializing Ag Technologies from USAID Innovation Labs: identifying promising innovations with a strategy to scale through partnerships and investment brokering. (DAI)

Additional initiatives aligned with this Learning Stream are spotlighted under Objective 2, starting Page 13.



Practical Application of MSD: MSP aims to build on MSD's broad theoretical base, emerging lessons from application, and existing tools to develop and disseminate practical guidance for operationalizing MSD.

MSD Tools Stocktaking: development of a centralized web-based repository of MSD tools, [sourced through industry engagement](#), to support uptake of good practice in applied MSD. Spotlight 8: Page 21. (DAI)

Towards Transformation in PSE and MSD: a [consultative brief](#) spotlighting strengths-based opportunities across PSE and MSD that advance transformation. Spotlight 5: Page 18. (DAI, MSA)

Foundations of MSD USAID Training: a mixed-media course delivered by USAID staff, primarily to Missions. Page 23. (DAI, Vikāra, MSA)



Market Systems Resilience: MSP aims to support strengthened resilience, a core objective of the GFSS, through a focus on MSR (the ability of a market system to respond to a shock or stress in a way that allows consistency and sustainability in the market system's functioning).

MSR Learning Series: A series of resources capturing practical guidance and experience, including an [MSR State of the Field Map](#) and an [introductory brief on Demystifying MSR](#). Spotlight 7: Page 20. (Vikāra)

MSR Community of Practice: established to facilitate ongoing peer-to-peer learning and capture innovation in this relatively new technical area. Spotlight 7: Page 20. (Vikāra)



Social Inclusion: MSP aims to strengthen inclusion within the context of MSD and PSE programming by strengthening the evidence base for and ability to assess benefits from social inclusion, with a focus on sustainability and Return on Investment (ROI).

Women's Inclusion and Empowerment ROI Tool: designed to address an evidence gap identified from MSP's [earlier research](#) and support firms to calculate the financial ROI in integrating and empowering women as leaders, employees, consumers and suppliers. Spotlight 10: Page 22. (MSA, William Davidson Institute)

Ensuring a Diverse Development Activity Leadership Pipeline in the Face of COVID-19 expands [previous MSP research](#) beyond MSD and incorporates [input](#) from 1,200 professionals, spurring calls to action. (Canopy Lab)



M&E and CLA: MSP aims to advance best practice in M&E and CLA within MSD and PSE, build the evidence base for the assumed benefits of sustainability and scale, and contribute learning in key concerns such as monitoring market systems change and metrics 'beyond leverage' for PSE.

MEL in MSD Exchange Clinics: a series of virtual peer learning conversations between senior, innovative MEL Managers on MSD programs in 9+ countries, building field-to-field, cross-donor networks. Spotlight 11: Page 22. (MSA, DAI)

Local Private Sector Learning & Systems Change: practical insights on how MEL can shape core intervention strategies with local private sector (e.g., enterprises, industry groups) to support more collaborative, competitive, customer-oriented systems. (MSA)

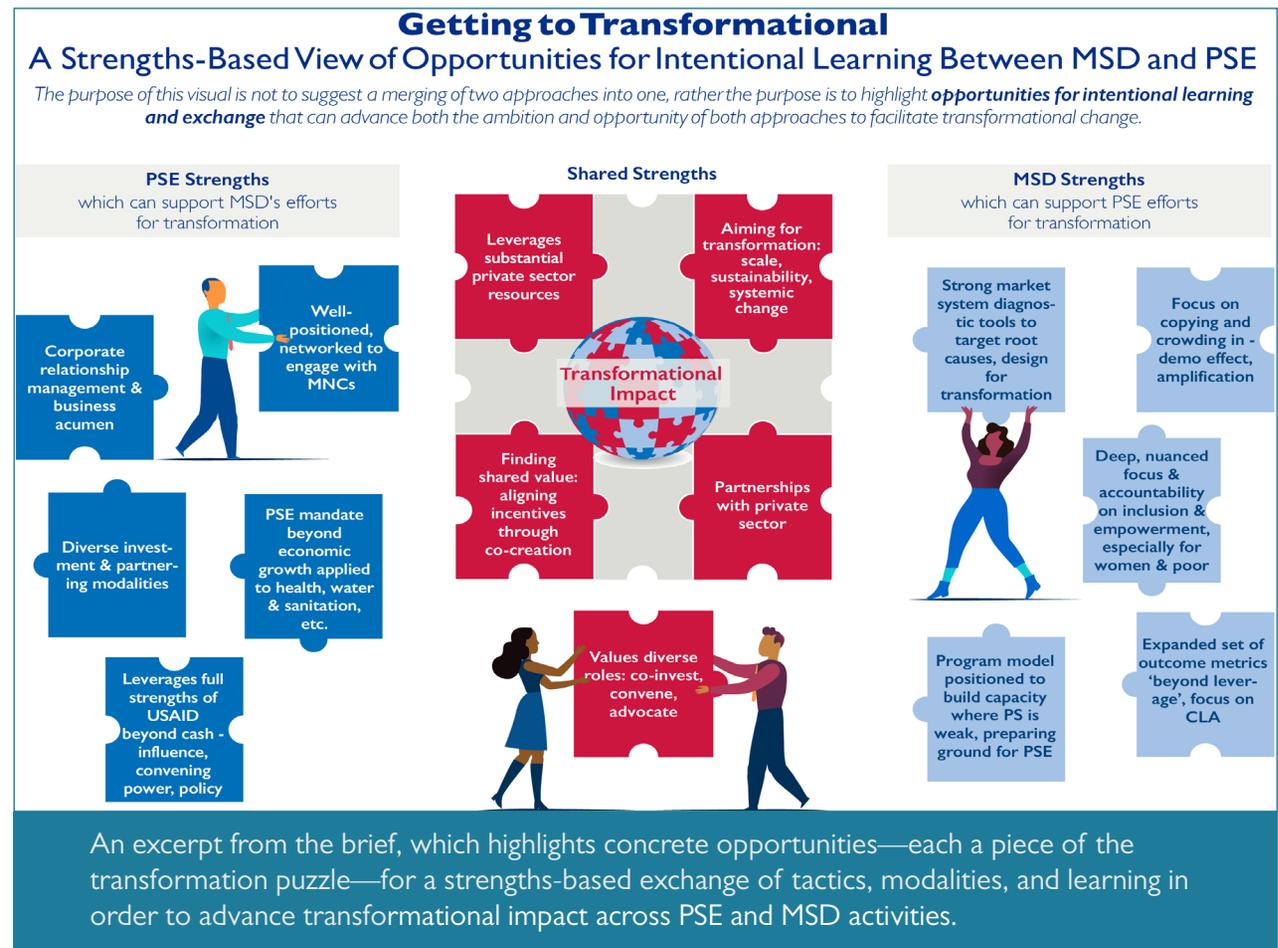
MSD Ex-post Study Series: to evaluate the sustainability and scale of outcomes from system change catalyzed by USAID-funded MSD Activities. Spotlight 9: Page 21. (MSA)

Spotlight 5: Synergies of PSE and MSD

USAID aims to drive transformation—systemic change that produces scaled, sustained results—and aims to strengthen synergies between MSD and PSE to this objective. MSP also operates at this nexus, and in December, published the foundational brief [Towards Transformational Impact: Synergies of PSE and MSD](#). The brief was the product of a highly consultative process with stakeholders in both the PSE and MSD communities at USAID and major implementers, engaged strategically in order to enhance buy-in for and relevancy of the brief’s messages, which include:

- 1. PSE and MSD objectives can intersect in the ambition to drive transformation** and a shared embrace of the private sector as pivotal actors in catalyzing and investing in this process.
- 2. Aiming for transformational impact, there are opportunities to build on respective strengths**—for example, MSD can leverage PSE’s strengths in corporate relationship management, diverse investment, and partnership strategies; PSE can leverage MSD’s strengths in systems analysis, replication strategies, and metrics beyond dollars leveraged.
- 3. Important nuances remain in how PSE and MSD interpret and implement for transformation;** understanding this can enhance effective collaboration and learning.

The brief is intended as a launchpad for additional initiatives that offer targeted guidance and case studies, build capacity, and strengthen networks. For example, USAID’s Market Systems Team Lead and the Deputy Director of the PSE Hub authored a [blog](#) to accompany the Brief’s launch that offers personal perspectives from influencers within the Agency on the synergistic opportunities spotlighted in the brief. MSP is planning a series of short vignettes to highlight practical examples to be developed later this year. *MSP prime DAI with partner MSA leads this activity.*



Spotlight 6: Primer on PSE in Fragile and Conflict Affected Situations

Published in October, the Primer on PSE in Fragile and Conflict-Affected Situations (FCAS) has resonated greatly with audiences in both the PSE and humanitarian communities. To develop the primer, MSP collaborated with dozens of PSE and humanitarian practitioners; advisors from four USAID bureaus—Conflict Prevention and Stabilization (CPS), Humanitarian Assistance (BHA), Resilience and Food Security (RFS), and Democracy, Development and Innovation's (DDI) PSE Hub; implementing partners; and firms of all shapes and sizes to pull together key considerations and insights. **The four key messages to doing PSE in FCAS are:**

- 1. Add a ‘third dimension’—conflict sensitivity—to the shared value definition.** This has traditionally focused only on the intersection of business interests and development objectives.
- 2. Emphasize best practice to do upfront opportunity scoping.** This is essential to understanding individual companies' roles in the system identifying who the most strategic and impactful set of partners might be and helping reveal companies whose interests are aligned with stability versus chaos.
- 3. Pay extra attention to a firm's position, risk appetite, and incentives.** This will be influenced in part by the type of private sector actor (social enterprises, local private sector, large footprint companies, and new investors) and how they may benefit from or productively adapt to instability and chaos.
- 4. Go beyond financial support** to embrace diverse engagement roles, such as conveners and active facilitators of systems leadership and offer additionality by helping partners navigate these environments to gain access to human capital, data, information, and infrastructure.

Despite being published at the end of the year, it was the [most-accessed resource on Marketlinks for 2021](#). It was featured in a [blog](#) authored by MSP to coincide with Marketlinks' related theme month, a [PSE Exposure story](#) independently authored by USAID's PSE Hub, and several newsletters (e.g. DCED, Agrilinks). MSP continued dissemination this quarter, particularly focusing on events to sensitize critical stakeholders to the key messages codified in the primer and initiate a dialogue around application. In addition to a recent internal USAID webinar (see adjoining text box), in May, MSP will also explore practitioner reflections on the key findings at a deep dive session with the Markets in Crisis Working Group at the [Market Systems Symposium](#).

In its own programming, MSP will be drawing on these lessons under forthcoming PSE efforts in FCAS, including in developing a strategic opportunity identification tool. *MSP prime DAI and partner GKI led this activity.*

FEED THE FUTURE
The U.S. Government's Global Hunger & Food Security Initiative

KEY TAKEAWAYS

Key Takeaways
The key takeaways from this primer are:

- 1. Adding a 'Third Dimension to Shared Value'**
The primer expands beyond the private sector value definition to include shared value when development objectives align with core business interests. In FCAS, we must apply a third layer of attention to ensure a partnership or program does good with programs such as the Health and Gender Equality to foster stability and resilience.
- 2. Do All Companies are Able**
In FCAS, the private sector can serve as a market system driver by contributing key positive attributes necessary for meeting such as jobs, to revenue, and the provision of essential goods and services. However, typically, private sector actors are not equipped, incentivized, or able to address a program's priority by participating in shared value models of cooperation. Identifying their value proposition in the system, as well as any potential unintended consequences for the program, should provide critical context for partnership development. It is essential to ensure that the private sector actor and value chain to engage, including partners whose interests align with yours and existing in the landscape, advanced and determine other key market system levers of action that are mutually compatible and needed.
- 3. PSE Best Practices to Move Important Issues in FCAS**
A 'PSE' best practice model of attention is to include system perspective, opportunity identification, shared ownership, and joint implementation. This requires prioritizing a mission to understand the market system and its system and to determine who the most strategic and impactful set of partners might be to USAID.

At a recent internal USAID webinar hosted by RFS for staff across the Agency, over 60 participants joined to unpack key takeaways from the PSE in FCAS Primer. Participants from Missions and Washington represented diverse backgrounds, including PSE, humanitarian, and conflict mitigation and prevention specialists.

Daniella Maor

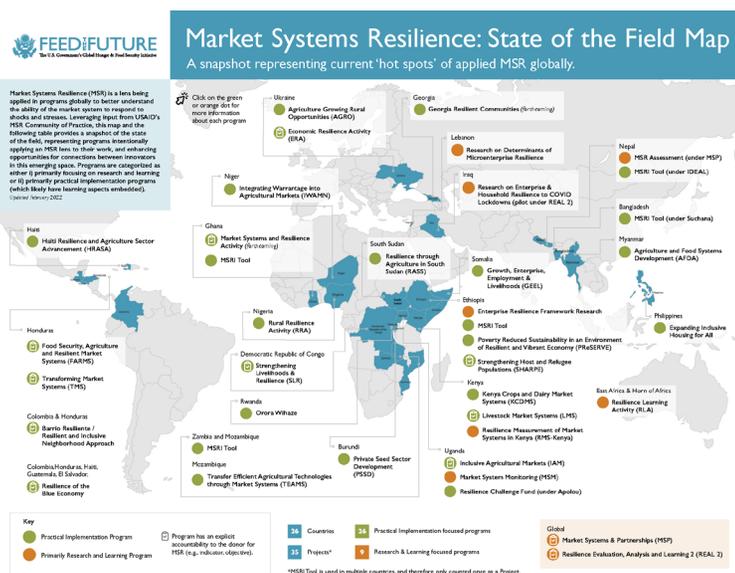
Spotlight 7: Demystifying MSR Suite

This period, MSP published the first pieces in a series of knowledge products aimed at demystifying MSR and amplifying practical application and innovation in this emerging space.

The [MSR State of the Field Map](#) is a visual landscape with accompanying detail on **how development programs are applying MSR in implementation and research initiatives**. It includes contact information and relevant publications contributed by **16 implementers on 35 programs across 26 countries**, representing programs funded by USAID as well as several other donors. The Map is designed to share learning and facilitate practical opportunities for collaboration. Within weeks of publication in February, the Map was viewed over 10,000 times on social media, re-shared by dozens, and has already prompted connections between players in this space.

In March, MSP published the brief [Demystifying MSR: An Introduction](#) which **fills a significant gap in the MSR literature by offering a simplified, short explanation of MSR and its key drivers**. It discusses how an MSR lens emphasizes stressors (as well as shocks), seeks insights from enterprises and market institutions (not just households), applies a unique analytical framework, and designs interventions to influence the system. The brief also includes examples of interventions that can strengthen MSR and entry points for practitioners looking to apply an MSR lens. The brief was published just prior to the close at the reporting period and dissemination efforts are in early stages. Yet it has already been promoted internally with USAID to the Center for Resilience (whose feedback on the brief was invaluable) and The Center for Economics and Market Development in USAID's Bureau for Development, Democracy, and Innovation's newsletter, which goes to 2,500 USAID staff globally. MSP will continue to highlight this resource to practitioners through its MSR Community of Practice and an MSR capacity building session planned at the Market Systems Symposium in May. *MSP partner Vikāra Institute leads this work.*

MSR State of the Field Map and Demystifying MSR Brief



DEMYSIFYING MARKET SYSTEMS RESILIENCE
An Introductory Brief

Key Takeaways:

- MSR provides a way to understand and design more risk-responsive programs; the capacity of market systems to absorb, adapt, or transform in the face of shock.
- To understand what drives MSR, consider how the system is structured (e.g. its diversity in business models and channels, connectivity and power dynamics between actors) and performance between its 6 components and cooperation systems, to business strategies: How do these facilitate or diminish risk?
- MSR practice emphasizes stressors (as well as shocks), seeks insights from enterprise institutions (not just households), applies a unique analytical framework, and designs interventions to influence the system.

Why is it that some communities, firms, and economies are better able to manage risk and 'be than others'? Market systems resilience (MSR) is a lens that supports analysis and program strengthening the ability of a market system to respond to and manage shocks and stresses in a way that allows sustainability in the market system's functioning that, in turn, supports households. MSR recognizes that, while market systems are constantly evolving, there are certain factors that shape how well the system as a whole holds up and evolves during challenging times to make it either increasingly resilient or more fragile. Better understanding and programming around these factors improve outcomes for market actors and the overall economy.

MSR is a relatively new and complex area that draws on traditional household level resilience frameworks, systems thinking, and market development approaches. These are not simple concepts, and the resources on MSR have often reflected this complexity—sometimes at the expense of being adaptable and application. This brief offers a simplified explanation of MSR and its key drivers, as well as examples of entry points for practitioners.

RESILIENCE TO SHOCKS & STRESSES: AN MSR LENS
Ideally, firms and industries can withstand a shock or stress in a way that allows them to absorb transforms—having them in the same or better position than before, with the ability to pre-prepare for shocks so that these have far less of a future impact. For example, when roads were destroyed by an earthquake in Indonesia, transportation of goods adapted, shifting from trucks to motorcycles to animals, back to people.

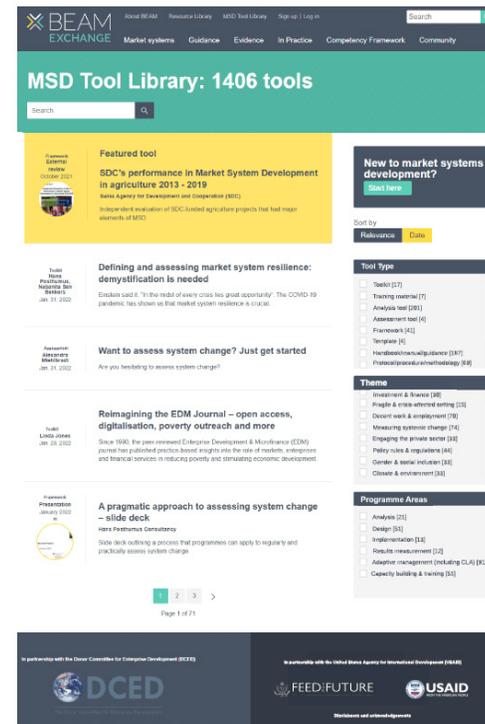
USAID
FOR THE AMERICAN PEOPLE

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DEMYSTIFYING MSR: AN INTRODUCTORY BRIEF 4

Spotlight 8: MSD Tool Library

MSP facilitated a call for MSD tools for the upcoming **MSD tool library**—a centralized, curated web-based repository of MSD tools to be hosted on the BEAM Exchange. The call for tools closed at the end of January, resulting in the collection of over 300 tools from more than 30 organizations and many independent consultants. MSP is now cleaning the data and building the new page for the tool library within the BEAM Exchange’s website. MSP and the BEAM exchange will launch the beta version of the MSD Tool Library during the next reporting period and will at the same time solicit stakeholder feedback through a short survey on individual tools, to support the identification of those tools that add the most value to MSD practitioners. Following the feedback, MSP will facilitate a virtual workshop with diverse stakeholders to finalize selection for the library. The final MSD Tool Library is expected to launch in the following reporting period. The BEAM Exchange will lead a library refresh roughly every two years. *MSP prime DAI leads this activity.*



Sneak peek of what the MSD Tool Library will look like on BEAM Exchange

Spotlight 9: MSD Ex-Post Studies



MSP is designing **a series of ex-post studies** that apply a consistent evaluation framework to build the evidence base for MSD across a portfolio of Activities. They will also assess the scale and durability of outcome trajectories as a result of targeted systemic changes. In October, MSP shortlisted a number of Activities that had strong potential and began outreach to Missions to explore interest in co-investing in this research, a strategy that will help maximize the relevance of the study’s findings at a localized level as well as globally. In January, MSP presented a draft Research Framework to an advisory committee comprised of MSD and evaluation specialists from USAID RFS/Center for Agriculture-Led Growth, the PSE Hub, and the Springfield Centre.

The Framework will guide all of the studies in this series and refines a core set of research questions, including: *What systemic changes was the initiative trying to create, to what extent had these changes been achieved when intervention activity stopped, and of those that had been achieved, have they been sustained? Why or why not? At what scale? Is there evidence of other systemic changes arising from the initiative that were not originally intended (positive and/or negative)?* The Framework also addresses strategies to minimize contamination (such as from other donor or government subsidies) in assessing an Activity’s contribution to change, and embraces gender-sensitive research protocols. MSP is testing the Framework as it develops a study-specific Research Proposal for the first Activity, which was identified in December 2021; field work on this first study in the overall series of studies will begin by early 2023. *MSP partner MSA leads this activity, with support from DAI.*

Spotlight 10: Women’s Inclusion and Empowerment Return on Investment Tool

There is increasingly strong evidence that empowering women in the workplace as leaders, employees, suppliers, and customers is not just good for society but is also good for business. However, this evidence is heavily skewed towards a developed country context and tends to focus on large public corporations. Building on MSP’s [earlier research](#) to fill the gap in evidence from SMEs in developing countries, MSP launched development of a **WIE-ROI Tool** in January 2022. This tool will **support firms to calculate the financial return on investment in integrating and empowering women as leaders, employees, consumers, and suppliers**. The end goal is for the tool to build the evidence base on financial impact from internal investments in gender, moving beyond the current focus on the social impact.

MSP is currently developing a framework on business strategies employed by firms to strengthen women’s inclusion and empowerment in 6 areas: workplace safety and gender-based violence, workplace culture, talent, leadership, supply chain diversity, consumers. This framework will serve as the foundation for the tool design and is being informed by a literature review and key informant interviews (KIs). Early findings of the literature review have demonstrated reference towards the six identified factors, with strong alignment on talent, and leadership tactics in emerging economies. The KIs will target: 1) diversity, equity, and inclusion (DEI) organizations based both in developed and emerging economies, as well as 2) women’s economic empowerment and gender lens investing experts. The next step of the research will focus on piloting the tool with a set of companies that are already implementing gender and social inclusion activities within their business operations. MSP will pilot the tool with firms from October 2022 through March 2023, updating the tool with feedback from the pilots. *MSP partner MSA leads this activity in collaboration with The William Davidson Institute at the University of Michigan (WDI) and AlphaMundi Foundation, with support from MSP prime, DAI.*



*Although Wall Street has been building this case for years—and creating multiple investment funds based on gender inclusiveness of public companies—there has been little work done to determine whether what’s good for OECD countries holds true elsewhere. [This research by USAID has] provided clear evidence that companies in developing countries also benefit financially from greater attention to inclusion. Increasingly, work like this **builds the case that failure to consider gender equality and broader inclusiveness as standard business operating procedure amounts to malpractice per se**. Kudos to **USAID for this work in the pursuit of both economic growth and justice.**” — Leading Gender Specialist within USAID*

Spotlight 11: Frontline MEL in MSD Peer Exchange Clinics



To **strengthen peer learning networks between senior MEL staff leading innovative MEL systems and surface frontline experience** from this critical yet oft-overlooked field-based stakeholder group, MSP began developing the methodology and participant groups for **a series of clinics** that will launch in May 2022. MSP tapped leading influencers in the MEL space to nominate field-based MEL managers working on both USAID and non-USAID programs. These individuals were invited to apply, and at the end of March, the small group was finalized. The clinics will launch in May and focus on several themes. These themes will be selected by participants but may include methods to assess contribution and experience putting systemic change frameworks into practice in a MEL system. In late 2022, MSP will publish a series of briefs and host a public webinar to expand the circle of learning that emerges from the clinics, especially for other MEL specialists. *MSP prime DAI and partner MSA lead this work.*



OBJECTIVE 4: CAPACITY BUILDING

To contribute to cultural transformation in integrating MSD and PSE throughout the program cycle, MSP is facilitating development of dispersed local leaders in these technical areas. This period a key initiative in that effort was launched when the **first cohort of USAID staff completed the Fundamentals of MSD course**, consultatively developed by MSP. The objective of this foundational course is to strengthen USAID staff capacity to operationalize MSD in their daily activities, champion and advocate the MSD approach, and be strong communicators on the approach and its differentiators.

Over two weeks this March, **21 participants from eight Missions and USAID/Washington** engaged in the highly interactive capacity building course. Content includes how market systems behave, working with complexity, market facilitation, adapting M&E and CLA for MSD programming, social inclusion, and designing and managing an MSD Activity. A post training survey found that **100%** of participant respondents found the course improved their understanding of MSD general principles (**64%** greatly); **71%** said it was highly likely they will apply the principles of MSD to their work going forward, including on new Activity designs, oversight of current programming, and TDYs. Comments included:

- *“Overall, this is the great course and the facilitators have done an excellent job... I particularly enjoyed the sessions related to systems thinking, social inclusion and general MSD principles... Having different classmates bring examples and views from their experiences helped further cement the material.*
- *“I am on two activity design teams and hope to really apply these principles! I've already asked about facilitation in one of the meetings.”*
- *[1] learned more about measuring systems change and new types of indicators (e.g., sentinel indicators).*
- *I am supporting a procurement and these sessions really helped me better understand how to procure an MSD activity and evaluate proposals.*
- *One participant said this was the best training he's done in his six years at USAID.*



USAID aims to offer the training in-person for the next cohort later in 2022; MSP will be adapting some of these training materials for implementers to release later this year. *MSP prime DAI leads this activity, with support from partners MSA and Vikāra Institute.*

Project Management and Operations

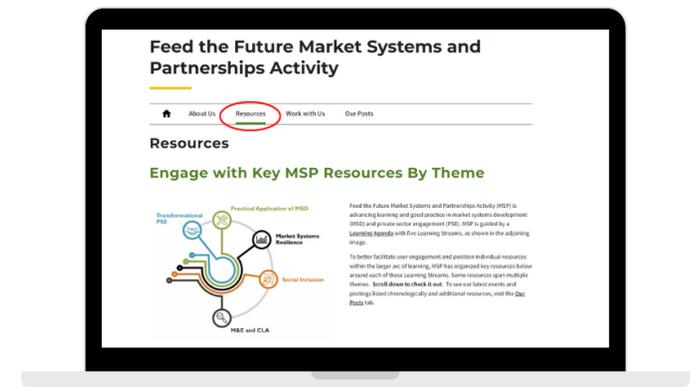
This period, MSP continued to grow and stretch operationally. Highlights include:

Operations: Priorities this period focused on (1) enhancing and developing tools, such as for tracking LTTA LOE, buy-in budgets, and DEC submissions; (2) streamlining process flows for key procedures, such as grants and consultant work flows; (3) offering clinics for current staff on a range of administrative processes (which will also serve to onboard new staff); (4) facilitating the procurement process for bringing on new subcontractors where new skill sets and perspectives are required, and (5) preparing to transition to a hybrid office setting during the next period, in which DC-based staff can go back to the office two days a week. In November, MSP also successfully completed its first Data Quality Assessment (DQA). The DQA was led by USAID and evaluated MSP’s methodological and practical approach to collecting and managing Activity-level indicator data.

Grants Management: MSP redesigned its Partnership Facility grant solicitation and development process to improve efficiencies and reduce the timeline for grant selection. Improvements include eliminating the APS stage and integrating the co-development process into the final grant negotiation phase. The new model was piloted in October with the launch of the SI-SCALE Facility window and also rolled out with the Round 2 RFAs for Southern Africa and Cambodia. MSP continues to analyze timelines, look for areas to streamline, and capture lessons learned to improve future rounds of grant creation, such as through a team ‘pause and reflect’ in March to discuss lessons learned in milestone development, which resulted in several tangible recommendations MSP is now exploring.

Staffing: In December, MSP onboarded the new DCOP for Operations and Partnerships and in April hired a Senior MSD Advisor (new position) and an Engagement Manager. MSP is recruiting for two more Engagement Manager positions, as well as a Project Management and Finance Specialist. As part of the overall talent management approach and consistent with MSP’s emphasis on CLA, leadership continued to prioritize staff engagement and sets aside time each month for team building and social activities, which are especially important in the remote environment, as well as regular clinics and ‘tech talks’ embedded into weekly staff meetings. MSP also started assigning “buddies,” to new hires, to support integration, connection, and organic support during onboarding.

Communications: In February, MSP updated the layout of its [Activity website](#), which now allows users to engage with MSP’s technical resources thematically instead of chronologically and see how one product fits within a larger arc of learning over time. MSP also continued to issue newsletters bi-monthly to promote exposure of key MSP resources of interest to PSE and MSD communities ([sign up here](#)). MSP also enhanced several internal communications-related processes, including rolling out Promotional Toolkits to ease social media engagement with key MSP products, developing branded templates for briefs, reports and PPTs, and expanding the sophistication of MSP’s social media efforts.



REFLECTIONS ON CHALLENGES AND ITERATIVE LEARNING

In addition to the broader technical learning advanced by MSP, the activity regularly takes time to pause and reflect to identify areas of growth, discuss challenges, and prioritize adaptive actions. Insights gleaned from these actions are embedded throughout this report, reflected in the relevant activity, with several over-arching highlights synthesized here.

Seeking New and Underutilized Partners and Collaborators: To truly adhere to our mission to advance learning, MSP has been very intentional this period in bringing in fresh, diverse perspectives to the table that help us push good practice to the next frontier. For example, this period MSP engaged three ‘new and underutilized’ USAID partners as MSP subcontractors: (i) BSR, which is at the forefront of mitigating climate change working directly with the private sector and is bringing invaluable experience and networks to the related guide (featured in the Objective 2 Overview page); (ii) Wellspring, which is supporting MSP’s effort to develop nutrition investment screening criteria and has recently completed a similar assignment for FCDO, (Spotlight 2); and (iii) William Davidson Institute, a recognized innovator in applying rigorous measurement approaches to understanding and leveraging social and business impacts of empowering women, will advise MSP’s WIE-ROI tool development (Spotlight 10).

It takes an investment of time to identify and onboard these partners and orient them to working with USAID. It is, however, worth the effort as engaging new and underutilized partners brings new ideas and insights, builds on ongoing learning outside of our core knowledge base, and leverages their networks for broader adoption and uptake of learning. MSP’s intentional focus on bringing in diverse perspectives is further evidenced through our continued emphasis on expanding and diversifying our *collaborators*, which included 74 new entities this period, including the staff of the Feed the Future Rwanda Orora Wihaze Activity who piloted the *PSE for Nutrition beta tool*; the dozen field-based MEL managers (who are often overlooked in global learning efforts) for the *MSD in MEL clinics* (Spotlight 11); and the DEI and HR leaders from IPs in the technical advisory committee that shaped and provided [feedback](#) into MSP’s *research on ensuring a diverse development activity leadership pipeline in the face of COVID-19* (spotlighted in the next report). To shape this research, 1,200 development professionals participated in a survey, representing development professionals across all sectors—representing **all career levels, 23% minority voices, and 92 nationalities**.

Partnership Facility: MSP had an opportunity to implement adjustments in the partnership process from earlier learning in the Solomon Islands window and Round 2 funding in Cambodia and Southern Africa. These shifts include refining MSP’s selection criteria and streamlining the grant competition process. In an effort to expand applicants for Round 2, MSP extended outreach and marketing efforts to target actors in the entrepreneurial ecosystem (e.g., transaction advisory firms, venture capitalists, business associations). In Southern Africa, the percent of applicants who applied and were deemed eligible for evaluation rose from 51% to 65%, likely reflecting a higher quality pool and clearer application guidelines. In Cambodia, where response rates were low in Round 1, MSP also broadened the qualification parameters to attract more, strong candidates to apply in Round 2. Lastly, as the Round 1 southern Africa partnerships moved forward in implementation this period, several factors necessitated adaptive shifts in milestone timelines: unpredictable weather across the region impacted planting periods and supplier recruitment; and global supply chain issues for equipment and materials required for the partnership activities.

Challenges of recruiting and working in a fully remote environment: Many of the global challenges experienced in the labor market are also affecting MSP. MSP has been actively recruiting for several positions for the majority of this period and has made numerous pivots in an attempt to attract the right candidates in an extremely competitive job market. MSP has streamlined our recruitment processes and adjusted outreach efforts to apply insights from recruitment ‘after action’ reflections.

SUMMARY OF RESULTS PROGRESS FOR MSP INDICATORS

INDICATOR	RATIONALE	DISAGGREGATES	CURRENT REPORTING PERIOD (10/1/2021-3/31/2022)		TOTAL ACCUMULATED TO DATE	
			Disaggregated values	Total Values	Disaggregated values	Total Values
1. Number of buy-ins	Each buy-in contributes towards the advancement of learning and good practice on PSE and MSD; this is a top-line metric of MSP's reach and responsiveness to USAID demand.	Long-term partnership buy-ins	0	0	3	10
		Short-term learning assignments	0		7	
2. Number of MSP collaborators	Successful implementation requires the integration of a diverse set of expertise and viewpoints that support PSE and MSD learning and good practice as well as collaboration with dispersed leaders to drive cultural and operational transformation MSP seeks to catalyze.	Formal (paid)	12	74	24	158
		Informal (unpaid)	62		134	
3. Number of learning products	Learning products serve to advance learning and good practice and support cultural and operational transformation on PSE and MSD within USAID and its implementers.	N/A	N/A	7	N/A	17
4. Number of individuals accessing MSP learning products	Provides a measure of the volume of exposure of MSP stakeholders to Activity learning products.	In-person or virtual event attendance	28	10,676	202	15,714
		Unique website page views	10,648		15,512	
		Downloads *non-unique subset of page views. Only event attendance and page views are counted in Total.	1,373		2,004	
5. Average client satisfaction score	A validation that MSP produces effective knowledge products and services which aim to drive organizational or cultural change and to ensure learning is self-sustained.	Long-term partnership buy-ins	4	4.25/5	4.08	4.28/5
		Short-term learning assignments	4.4		4.4	

SUMMARY OF RESULTS PROGRESS FOR MSP INDICATORS (CONT'D)

INDICATOR	RATIONALE	DISAGGREGATES	CURRENT REPORTING PERIOD (10/1/2021-3/31/2022)		TOTAL ACCUMULATED TO DATE	
			Disaggregated values	Total Values	Disaggregated values	Total Values
6. Value of new USG commitments and private-sector investment leveraged by the USG to support food security and nutrition	<i>Applied to the Partnership Facility only.</i> Measuring “dollars leveraged” is one normalized metric for understanding scale of additionality across diverse contexts. MSP has also introduced other indicators and learning processes to add nuance and depth.	USG commitment amount	\$727,289	\$3,568,515	\$727,289	\$3,568,515
		Private-sector partner leveraged amount	\$2,841,226		\$2,841,226	
7. Number of public-private partnerships formed as a result of MSP funding	<i>Applied to the Partnership Facility only.</i> More partnerships are desirable and contribute to inclusive and resilient agricultural-led economic growth, improved food security and nutrition, and/or increased incomes for the poor.	N/A	N/A	3	N/A	6
8. Number of technologies, practices, and approaches under various phases of research, development, and uptake as a result of USG assistance	<i>Applied to the Partnership Facility only.</i> This indicator helps track all partner-driven innovation catalyzed by USAID assistance. It helps to measure innovation at its source and will feed into broader insights around market trends and competitive dynamics.	Phase 1: Under R&D	1	13	1	13
		Phase 2: Field testing	7		7	
		Phase 3: Available for uptake	3		3	
		Phase 4: Demonstrate uptake	2		2	
9. Value of annual sales of producers and firms receiving USG assistance	<i>Applied to the Partnership Facility only.</i> Measuring changes in the value of annual sales is an important indicator for business growth, productivity, and overall market health. This indicator also supports insights around several dynamics of inclusivity and diversity by disaggregating data across three levels.	1st level: Type of product/service	<i>Too early to report</i>	<i>Too early to report</i>	<i>Too early to report</i>	<i>Too early to report</i>
		2nd level: Type of producer/firm				
		3rd level (a): Sex				
		3rd level (b): Age				

ANNEX

MSP Partnership Facility: Private Sector Partner Spotlights



Partnership value:
\$529,502
 1:1 Partner/MSP
 commitment ratio



Geography:
**Zambia and
 South Africa**



Projected sales:
\$283,500



Projected exports:
81 Metric Tons (MT)



Projected number of
 smallholder farmers
 benefiting:
2,700

Southern Africa Partnership: Nature's Nectar

Overview:

Nature's Nectar is a honey processor and exporter that sources raw honey from smallholder farmers in rural Zambia using non-destructive beekeeping practices. This partnership will enhance inclusive, regional trade opportunities between Zambia and South Africa by introducing new processing technology to the country that improves quality and expands the integration of smallholder beekeepers into a sustainably-sourced supply chain. Within five years, the partnership is anticipated to generate \$3.8 million in export sales from 81 MT of honey and benefit thousands of smallholders.

Updates:

During the reporting period, Nature's Nectar completed two milestones—the work plan and the supplier insight survey report—and initiated preparations for farmer recruitment and the honey processing equipment operations report. Nature's Nectar had its first honey harvest, under the partnership, between November 2021 and January 2022. During this harvest, Nature's Nectar implemented its supplier insights survey, taking advantage of the gathering of existing farmers that the company currently works with to draw out key information from them to help management of the activity going forward. Insights centered around aspects of the buyer-supplier relationship that farmers value most and incentivize performance, as well as areas where additional support would advance win-win outcomes for the firm and its suppliers regarding where to invest in beekeeper training and the ideal number of beehives per beekeeper to optimize output and return on investment.



Photo Credit: Boba Jaglicic on Unsplash

Objectives:

Hive Construction and Distribution. Distribute 12,000 beehives in multiple production areas to increase honey supply.

Beekeeper Engagement. Offer annual workshops and trainings to increase the adoption of best practices in sustainable beekeeping methods with top bar beehives.

Honey Processing. Establish improved honey processing line in-house to increase the quality and quantity of end-product required to meet increased sales targets.

Export of Honey. Package the final product for export to South Africa including preparation of all required export documentation and certifications.



Partnership value:

\$1,885,276

1:1 Partner/MSP
commitment ratio



Geography:

**Malawi, Eswatini,
Lesotho, South
Africa**



Projected sales:

\$2,361,600



Projected exports:

849 MT



Projected number of
smallholder farmers

benefiting:

121,000

Southern Africa Partnership: European African Seed Initiative

Overview:

EASI is an input supply firm that sources seeds from European and African seed industries for distribution in southern and eastern Africa. They bring extensive market research and experience in the seed sector and identified a key constraint to seed production in Malawi, Lesotho, and Eswatini: the limited access to Early Generation Seed. Under this partnership, EASI will address the Early Generation Seed market shortfall and produce smallholder farmer-generated seed for distribution across southern Africa, spurring a more forward-leaning seed sector and providing the ingredient to a more competitive agro-industry in the region overall. MSP's partnership supports EASI to expand the agropreneur model to three new countries to deliver hands-on training and inputs to smallholder contract farmers. Through this model, EASI will contract with smallholder farmers for production of open-pollinated groundnut and sugar bean.

Updates:

During the reporting period, EASI Seeds submitted two milestones: the workplan and nine agropreneurs were selected, trained, and deployed. In addition, EASI negotiated a process with bank representatives for transferring currency between countries and navigated some operational challenges with the South African Central Bank.

Also during this period, EASI indicated to MSP some of the challenges they were facing in recruitment of farmers in Eswatini and Lesotho due to the devastating effects of severe climate events, abnormal weather patterns, and a deteriorating security situation due to political unrest. Due to these unforeseen challenges, the EASI team has reduced the pilots in both countries to about 60% of original plans in order to accommodate these changes. The remaining balance of farmer and production targets will be shifted to Malawi for this first year, where weather has been more favorable. This will allow EASI to still meet its production targets. The targets for Year 2 of the partnership will maintain the originally proposed levels for farmer recruitment and production for those two countries.



Objectives:

Identification and Training of Agropreneurs. Recruit, train, mentor, and equip a group of nine rural youth (18–35 years) to become rural-based agropreneurs, providing training and inputs to farmers. Three of the nine agropreneurs will be female.

Recruitment of Smallholder Farmers. Contract 520 sugar bean seed growers through local partners Leahakoe Seed Company in Lesotho and Tshala Seed Enterprise Eswatini and 550 groundnut seed growers through the EASI subsidiary in Malawi. Smallholder farmers—50% of which will be women—will receive inputs, training on seed multiplication, and ongoing support from agropreneurs during the production season.

Harvest and Processing. Seed produced by smallholder farmers will be harvested, de-seeded, dried, and aggregated, then exported to South Africa for final processing and sale.

Southern Africa Partnership: AfriFruta

Overview:

AfriFruta is a mango and coconut processing company, which currently exports dried mango and coconut primarily to Europe and the southern Africa region. AfriFruta operates in Mozambique where a major limitation on the variety of mango (Reiner) that smallholder farmers can access, is that the harvest window is only six weeks long. Through this partnership, AfriFruta will extend the harvest window by introducing a new variety (Brooks) to Mozambique as well as three new mango tree varieties (Tommy Atkins, Kent, and Keitt) to the region. AfriFruta will contract with 1,200 smallholder farming households (primarily headed by women) and increase the volume and variety of mango exports to South Africa and beyond. This partnership is a long-term investment by USAID into the mango industry in the region, expanding the population of productive mango trees and strengthening livelihoods and food security of participating communities for years to come.

Updates:

During the reporting period, AfriFruta completed four activity milestones: the initial workplan, a smallholder farmer outreach plan and training curriculum, a land lease for its nucleus gene orchard, and farmer recruitment report and map. AfriFruta identified the communities which they will target during the life of the partnership, the timeline for sensitization and recruitment, and established the detailed curriculum for the good agricultural practices for farmers to apply to grafted mango trees. Additionally, AfriFruta identified and negotiated the land lease for its nucleus orchard, which will be strategically located close its factory and will supply improved genetic material for the grafting of mango trees. Lastly, AfriFruta completed its farmer recruitment report and map which details the 1,200 households recruited for participation in the grafting program and the communities where the trees will be grafted.

During the reporting period, AfriFruta also drafted the supplier insight survey tool and methodology. Key learning topics which are included in the survey (to be administered in April 2022) are: household dynamics of the farmers participating in the program, perceived benefits of farmers for participating in the program (to make decisions on who within the household to train and how to approach communications with the households), and the main challenges farmers face to increasing productivity.



Partnership value:

\$729,329

1:1 Partner/MSP
commitment ratio



Geography:

**Mozambique,
South Africa**



Projected sales:

\$32,000 USD

(5 year est: \$376,000)



Projected exports:

40 MT

(5 year est: 470 MT)



Projected number of
smallholder farmers

benefiting:

3,000



Photo Credit: AfriFruta

Objectives:

Community Engagement and Recruitment. Lead community sensitization meetings to introduce smallholders to grafting non-productive trees through a series of community meetings, eventually selecting participants to opt into the program. *Grafting is a technique commonly used in agriculture to bind new and younger plant growth, as well as new varieties, onto older, unproductive trees to allow the new plant to thrive and grow.*

AfriFruta Orchard Established.

Establish a nucleus gene orchard which will serve as the “home base” of the operation. Cultivate and maintain a stock of new varieties that will be used to graft the newly cut trees throughout the communities.

New Mango Variety Grafting.

Older trees will be prepared and the new varieties will be grafted to each of the selected trees. AfriFruta Technicians oversee the process and provide ongoing support to farmers.



Partnership value:
\$4,591,387
3.6:1 Partner/MSP
 commitment ratio



Geography:
**Zambia, South
 Africa**



Projected Sales:
\$96,800



Projected export
 volume:
121,000 Liters



Projected number
 of smallholder
 farmers:
2,000

Southern Africa Partnership: 260 Brands

Overview:

260 Brands is a Zambian food and beverage company that markets and sells products throughout Zambia and the southern Africa region, currently sourcing soy inputs from smallholder farmers. To expand its regional trade opportunities, 260 Brands is partnering with MSP to produce a premium fresh soy milk destined for exports to South Africa and the region. The partnership introduces two innovations: piloting and testing a new organic certified sourcing model with contract smallholder farmers (40% of which will be women), and expanding the firm's processing capability to include aseptic, shelf stable milk, which allows them to compete in the South Africa market. 260 Brands' investment is three-and-a-half times MSP's funding.

Updates:

During the reporting period, 260 Brands completed three milestones: the workplan, an export and marketing plan, and the recruitment of seven new staff. 260 Brands also signed an MOU to govern their partnership with the Kasisi Agricultural Training Center.

260 Brands' export and marketing plan detailed their marketing strategy and the justification for their approach, specifically for targeting small shops and informal markets. 260 Brands defined their target market in South Africa and provided context on how they are going to market to this customer base over the two-year partnership activity and beyond. 260 Brands also recruited seven new staff members to directly support this initiative. The seven staff members, based in Zambia and South Africa, hold the following roles: commercial manager, business development manager, agronomist, and three extension officers.

260 Brands has also faced challenges with uncharacteristic weather patterns that are impacting planting timelines and farmer willingness to participate in a contract farming scheme. 260 Brands has received an extension for the recruitment target due to these challenges but anticipates meeting the 1,000 recruited farmer target.



Photo Credit: 260 Brands

Objectives:

Farmer Recruitment and Training. Recruit and train 2,000 smallholder farmers in its organic certification program and product sourcing scheme to supply 1,250 MT of non-GMO and eventually, certified organic, soybean.

Aseptic Processing Line. Upgrade their processing line to include the capability of shelf-stable, aseptic processing and packaging. This will allow them to target export markets (primarily South Africa and USA) which requires a 12-month shelf life without refrigeration.

Marketing and Export. Working through commercial managers in South Africa and the region, define their target market and marketing strategy for fresh, shelf-stable soy milk.

Cambodia Partnership: Khmer Cold Chain Company

Overview:

KCCC is a cold chain logistics company based in Phnom Penh that offers temperature-controlled logistics (TCL): cold storage, cold chain supply and distribution, cross-docking services, stock management, overnight storage, picking, pre-cooling, co-packing, labelling, and other value-added services. Currently, Cambodia suffers from a lack of centralized TCL facilities and Cambodian agricultural firms cannot efficiently secure other associated services which also require a temperature-controlled environment including pre-cooling, packing, laboratory testing, and sanitary and phytosanitary inspection services (to ensure products have not suffered from spoilage or other damage affecting food safety).

The partnership with KCCC will expedite the operationalization of Cambodia's first cross-docking facility—a system where products are delivered to a cold chain warehouse where they are sorted and prepped for immediate shipment—and the launch of a cold storage facility and distribution center. It will scale Cambodia's cold chain and logistics infrastructure to create secure and temperature-controlled supply chains, enabling farmers to get better prices for their goods and enter export markets while ensuring consumers have access to high quality goods. This partnership will also allow KCCC to pursue SME and agricultural cooperative customers from the beginning of operations rather than focusing exclusively on larger anchor customers. Furthermore, the cold chain facilities will demonstrate the business case for the centralized TCL model to both private investors and potential competitors who are considering entering the market, thus encouraging additional investment outside of KCCC and MSP's scope.

Updates:

The partnership award was signed on January 31, 2022, and KCCC has begun work on its 13 milestones. First, KCCC submitted their workplan in March 2022, which includes their timeline, plans for customer and employee recruitment, equipment to be purchased, a description of the customer mapping assessment, and details on the gender assessment started prior to the partnership with MSP.

KCCC's next milestone, the implementation of its gender assessment plan, is due in August 2022. In this milestone KCCC will demonstrate the final selection of a gender advisor, provide an overview of how it is operationalizing recommendations made in the gender assessment conducted prior to the start of the MSP partnership, and show evidence of the completion of gender-based violence and harassment training for all employees.

Targets are in refinement and will be finalized in the coming quarters.



Objectives:

Improve Cambodia's agricultural storage, logistics and cold chain infrastructure.

Attract regional and international investment by offering accessible, high-quality temperature-controlled logistics.

Accelerate the timeline for the establishment of cross docking and cold storage facilities.

Expedite KCCC service offerings to small and medium enterprises and agricultural cooperatives.

Cambodia Partnership: Amru Rice

Overview:

Amru Rice Cambodia Co., Ltd is a food producer and trader that exports rice, cassava, cashews, and pepper. The company seeks to expand their business into horticulture through the establishment of on-site cold storage rooms at company headquarters as well as at its agricultural cooperative vegetable suppliers. Cambodian farmers currently lack consistent access to cold storage and transportation, resulting in product loss and diminished product quality. Consequently, locally grown horticulture products are of unreliable quality, and cannot meet the requirements of export markets, with domestic consumers also relying on imported vegetables for everyday needs.

The partnership with Amru Rice will establish on-site cold storage rooms for vegetables near its headquarters and at its agricultural cooperatives' sites, creating a decentralized cold storage and logistics network for its smallholder suppliers. Improved cold chain facilities will have major implications for the country and will address market system barriers to import-export opportunities, improving food security, increasing smallholder farmer incomes, and reducing Cambodia's reliance on imported vegetables.

Updates:

The partnership award was signed on February 14, 2022, and Amru Rice has begun work on its twelve milestones. First, Amru Rice submitted their workplan in late March 2022 which includes their timeline, plans for recruitment and training, how they will use a gender lens in regard to customer expansion and farmer training, and details on smallholder crop budgets and planned environmental mitigation measures.

Amru Rice's next milestone, completion of a supplier insight survey, is due in May 2022. Amru Rice will conduct a survey to assess farmer demographics and production practices. The survey results will be used to set targets for the types of crops and volumes Amru Rice will procure in future milestones.

Targets are in refinement and will be finalized in the coming quarters.



Objectives:

Strengthen Cambodia's vegetable supply chain and grow the untapped potential to export high quality produce.

Support 1,200 smallholder farmers to expand to year-round horticulture production.

Increase farmer incomes by \$1 USD per square meter of production area per cycle.

Reduce product spoilage by 10-15% for participating smallholders and agricultural cooperatives by optimizing cold storage and logistics investments.

Share and disseminate learning that encourage additional Cambodian businesses and investors to enter the vegetable value chain and invest in cooperative-level cold chains.



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