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

Coconut processing at Kentaste facility in Kenya, a private sector partner in the Food Loss and Waste Partnership Facility.

Photo Credit: Kentaste

MARKET SYSTEMS AND PARTNERSHIPS (MSP) ACTIVITY SEMIANNUAL REPORT

Reporting Period April 1, 2023 – September 30, 2023

USAID
FROM THE AMERICAN PEOPLE

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Executive Summary

The 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 implementing partners, and market actors. This period (April 1–September 30, 2023), MSP:

- **Delivered 16 products that advance learning and good practice across MSP's Learning Agenda.** This includes the seminal PSE for Climate Adaptation and Resilience: A Guide to Effective Partnerships, developed in close partnership with USAID/RFS PSE Secretariat and the Center for Resilience; a series of MEL in MSD papers capturing insights from MEL managers, including the Practitioners' Guidance to Assessing Systems Change—one of USAID's most significant contributions to this important topic in years; Market Systems Analyses of Poultry, Rice, and Soy in the DRC, which is now being used to inform programming in this complex, conflict-sensitive region; and systems change evaluations building the evidence base for MSD in Cambodia and, as the first in our long-awaited ex-post series, in Senegal.

- **Increased opportunities for in-person engagement and peer exchange-driven learning:** this included two, week-long trainings on MSD fundamentals for USAID health specialists in Accra and Kampala, representing **14** Missions; continuing the global, virtual market systems resilience (MSR) community of practice which meets quarterly; a full-day workshop on assessing systems change with home office monitoring, evaluation, and learning (MEL) leads, representing **18** USAID implementing partners and several teams within USAID/Washington; an interactive global webinar series drawing out insights from USAID, firms, and implementers on the Shifting the Locus of Learning paper; stakeholder validation workshops with implementing partners and USAID to unpack findings from evaluations in Cambodia and USAID's multi-country cooperative development portfolio; and the first consultation session for the market systems analysis toolkit Advisory Network, exchanging experiences and shared challenges between **12** implementer staff from around the world.

- **Expanded MSP resource users** over the past six months, with the number of individuals accessing MSP resources growing by 30% **to 45,953**. To better understand what is driving (or diminishing) the 'access-into-application' process for

KEY RESULTS TO DATE

45,953 Individuals Accessing Resources on MSD and PSE Good Practice and Learning

54 Learning Products Developed

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

17 Partnerships Across 11 Countries, Leveraging **$7.5 million** in Partner Co-Investment to Date

19 Countries with "On the Ground" Implementation

$26 million Combined Funding Committed by USAID for Private Sector Partnerships

23 Buy-ins (10 from USAID/Washington, 13 from Missions)

our stakeholders, in September MSP kicked off an internal stocktaking initiative, which will include **stakeholder feedback interviews** and be used to inform more impactful program strategies in the second half of the Activity. Stakeholder engagement is also core to our implementation approach. To date, MSP has **engaged with 361 unique collaborators** through peer reviews, technical advisory committees, and more.

- **Within the private sector Partnership Facility**, MSP **signed agreements with six new private sector partners** (See Annex on Page 40), expanded into **three new countries**, and branched out into **new technical areas** (e.g., care economy, mitigating food loss and waste). This **brings MSP's total portfolio of active awards to 17, valued at $9.5 million in grants to date and spanning 11 countries.** MSP also launched three additional solicitations and began or continued co-development on **17 potential partnerships**. Page 9 provides a snapshot of the global portfolio, and Page 15 includes notable highlights from partnerships underway, such as the opening of a game-changing cold storage and logistics cross-docking facility in Cambodia, and the **conclusion of MSP's first private sector partnership**. AfriFruta, a processor and regional exporter, co-invested with USAID to pilot fresh fruit exports into South Africa as well as pilot the introduction of several new mango tree varieties, laying the foundation for strengthened **competitiveness and resilience of Mozambique's mango industry** and solidifying diverse income generation streams for **over 2,400 smallholder suppliers**, many of whom are women.

- **And the pace of results is accelerating.** Partners have invested over **$7.5 million** to date towards partnership goals (a **51%** increase from last period). This amount includes over $600,000 that was invested beyond original commitments—indication that these awards are indeed 'buying down risk.' 260 Brands purchased about $216,000 in soybeans from smallholder farmers in Zambia, and EASI Seeds purchased about $108,000 of groundnut in Malawi and $108,000 of sugarbean seeds from smallholders in South Africa for a total of **$432,888 i**n sales by smallholder suppliers to our partner firms.This is supported by our learning-focused, adaptive management approach. For example, this period MSP conducted a round of reflective technical touchpoint discussions, and partners conducted a total of **eight supplier and employee insight surveys.** The insight survey reports uncovered findings that have already impacted partner implementation strategies and MSP's approach to partner management, as explored on Page 18.

- In light of this continued scale up and high volume and diversity of engagements globally, MSP's semiannual client satisfaction survey showed the Activity has **consistently maintained quality delivery**. Performance and influence will continue to be hallmarks of our focus in the coming period.

Groundnut and bean farmers in Malawi, who supply seed to MSP's partner, EASI.

Photo Credit: Dennis Sheehan, MSP

A busy marketplace in Haiti illustrates the complexity of market systems.
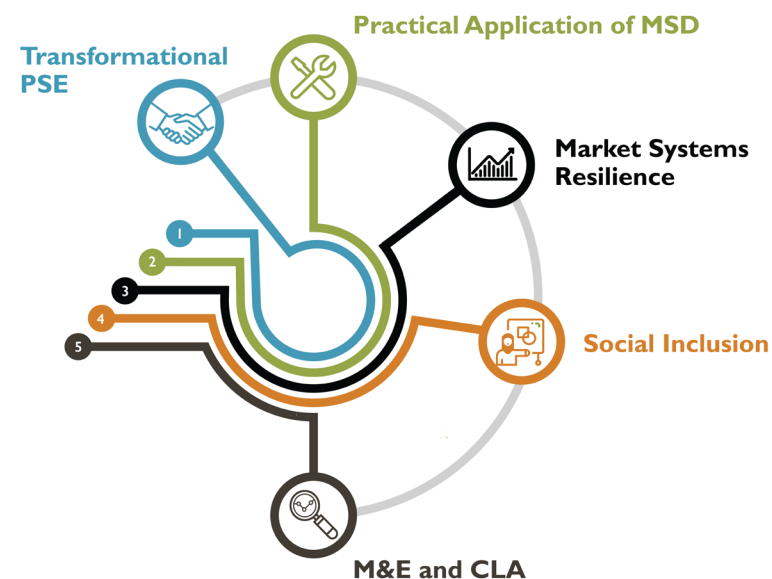Photo Credit: DAI Global

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 deepening MSD and facilitative approaches across the program cycle. The prime implementer of MSP is **DAI,** with core consortium partners **ISF Advisors, MarketShare Associates (MSA), TechnoServe**, and **Vikāra Institute** (formerly EcoVentures International). MSP also benefits from valuable collaborations with local partners, strategic technical advisors, industry peers, private sector partners, and other donors supporting MSP in achieving our objectives. This includes MSP's subcontractors: Abt Associates, ACDI/VOCA, Ambit Strategy, Assyst, Business for Social Responsibility (BSR), Canopy Lab, Dalberg, Dexis, Just Results LLC, LINC, Open Capital Group, Sofala Partners, The Springfield Centre, Wellspring, and William Davidson Institute at the University of Michigan (WDI).

MSP is guided by a Learning Agenda (see adjoining image) with five key Learning Streams (priority areas). 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

Transformational PSE

Practical Application of MSD

Market Systems Resilience

Social Inclusion

M&E and CLA

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

Strengthen 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**

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 overall approach to partnering throughout a partnership life cycle focuses on:

- **Prioritizing upfront strategic outreach** so that MSP can attract 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 prompt ongoing, partner-led learning that informs decision-making.

- **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.
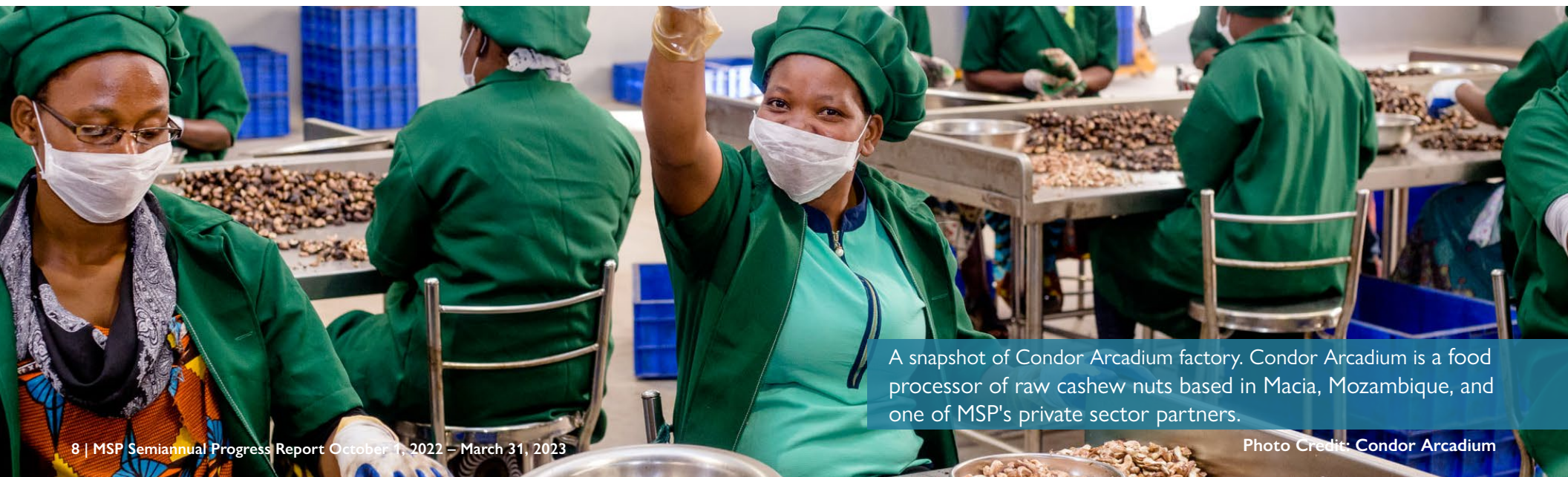
A snapshot of Condor Arcadium factory. Condor Arcadium is a food processor of raw cashew nuts based in Macia, Mozambique, and one of MSP's private sector partners.

Photo Credit: Condor Arcadium

MSP'S PARTNERSHIP FACILITY: BUY-IN SNAPSHOT

Southern Africa Partnerships
USAID/Southern Africa Regional

Technical Focus
Increase agricultural trade, investment, and exports

Details
Current Fund: $5.1 million; Awarded to Date: $4.1 million

Status
6 partnerships in implementation across Rounds 1 and 2; Round 3 RFA issued September 2023

Cambodia Partnerships
USAID/Cambodia

Technical Focus
Cold chain, logistics, transport, and expanding agribusiness trade

Details
Current Fund: $3.5 million; Awarded to Date: $3.5 million

Status
5 partnerships in implementation

Solomon Islands Partnerships
USAID/Philippines

Technical Focus
Increase product quality, improved value addition of agricultural products

Details
Current Fund: Up to $2 million; Awarded to Date: $1.2 million

Status
3 partnership in implementation; 1 firm in co-development

Food Loss and Waste Partnerships
USAID/RFS/Center for Nutrition

Technical Focus
Increase uptake and scale of food loss and waste solutions; build food and nutrition security

Details
Current Fund: $8 million; Awarded to Date: $584,000

Status
2 partnerships in implementation, 3 firms in co-development; Round 2 applications under TEC review

Asia Care Economy Partnerships
USAID/Bureau for Asia

Technical Focus
Support the care economy through technologies or services that reduce the burden of care

Details
Current Fund: $425,000; Awarded to Date: $198,000

Status
1 partnership in implementation; 1 firm in co-development

Mozambique Partnerships
USAID/Mozambique

Technical Focus
Increase the uptake and scale of innovations to improve the resiliency of the Mozambican agriculture sector

Details
Current Fund: $1.17 million

Status
4 firms in co-development

DRC Access Partnerships
USAID/DRC

Technical Focus
Support agricultural-led economic growth within the agricultural, financial, or renewable energy sectors

Details
Current Fund: Up to $3.8 million

Status
8 firms in co-development

DRC Social Safety Net Transfers Partnerships
USAID/DRC

Technical Focus
Support agriculture-led economic growth, specifically in the poultry, rice, and soy sectors, with emphasis on enhancing food security

Details
Current Fund: $750,000

Status
Co-development expected from October 2023 to March 2024

PRIVATE SECTOR PARTNERSHIPS—PROGRESS THIS PERIOD

MSP facilitates private sector partnerships that create shared value from the alignment of core business objectives and development goals. Over the past six months, MSP observed a few key themes across its partnerships:

1. The private sector partnership portfolio continued to grow at a rapid pace. This period saw significant continued progress at all stages of the partnership process—from solicitation, to evaluation, co-development, signature and approval, and implementation. During the period, MSP expanded into **three new countries** and **signed six new partnership agreements** with a total value of approximately $2.4 million (see Annex on Page 40 for more on these partnerships). This brings **brings MSP's total portfolio of active awards to 17, valued at $9.5 million in grants to date and spanning 11 countries.** Page 9 provides a snapshot of all current MSP partnerships, and Page 15 includes notable highlights from partnerships underway.

MSP also launched three additional solicitations with a combined potential grants pool of approximately $7 million: a second-round call for applications under the Food Loss and Waste (FLW) partnership facility that was released and closed during the period, a third-round solicitation under the Southern Africa Regional (SAR) partnership facility, and a limited request for applications (RFA) under the Democratic Republic of Congo (DRC) Social Safety Net Transfers (SSNT) buy-in. MSP also began or continued co-development on **17 potential partnerships that remain in stages of co-development and final award negotiation across five partnership facilities and spanning seven countries**—DRC, Kenya, Mozambique, Nigeria, Pakistan, Solomon Islands, and Tanzania. Combined, these pending awards have an anticipated value of approximately $6.7 million and double the number of awards in MSP's portfolio once signed. See Page 9 for more on the eight windows of MSP's global Partnership Facility and Page 16 for more on MSP's continued learning from co-development.

2. MSP and its partners engaged in adaptive management strategies to meet partnership objectives. MSP's pay-for-results grants require that partners achieve mutually agreed upon targets to receive payment. While this does not appear to allow for a large amount of flexibility in implementation, MSP and its partners have been successful in leveraging insights gained from milestones, regular check ins, and multiple reflection calls at key points over the partnership's lifespan (termed 'technical touchpoints'), and then employing adaptive management strategies to mitigate challenges and achieve or even exceed expected results.

In some cases, the adaptation is a shift in strategy on the part of the partner in response to new challenges or additional information. Cambodia partner BRM Agro planned on facilitating but not requiring that new farmers in its supply chain utilize drone spraying services for the safe application of agrochemicals. Once it came to better understand the stringent chemical residue requirements for importing rice to buyers in Europe, however, BRM realized that its planned approach would jeopardize its ability to meet sales targets and potentially the business. Consequently, BRM decided to require that all its rice suppliers agree to use drone spraying, made the

Photo Credit: Mutumbi Lungu for MSP

Photo Credit: Kentaste

additional investment to provide that service to 350 new farmers, and worked with MSP to incorporate that into its Safe Use Action Plan, off-take agreements, and Integrated Pest Management protocol.

Other times, the adaptation requires that MSP adjust elements of the partnership agreement while still working within the same targets and overall budget. MSP has worked with Cambodia partner Khmer Cold Chain (KCC) to adjust its smallholder farmer and small- and medium-enterprise (SME) engagement strategies and targets to better reflect the reality that indirect engagement of those populations is more impactful and more profitable.

Sometimes, adaptive management requires both approaches. SAR partner European African Seed Initiative (EASI) was struggling to meet its purchase targets for groundnut and sugar bean seed due to side selling. MSP agreed to split the purchase milestones in two while leaving the total purchase targets as planned on the condition that EASI take measures to address side selling. EASI has since engaged with local leaders and farmers, begun to issue advanced payments, and purchased a de-shelling machine to better support farmers to comply with contract terms.
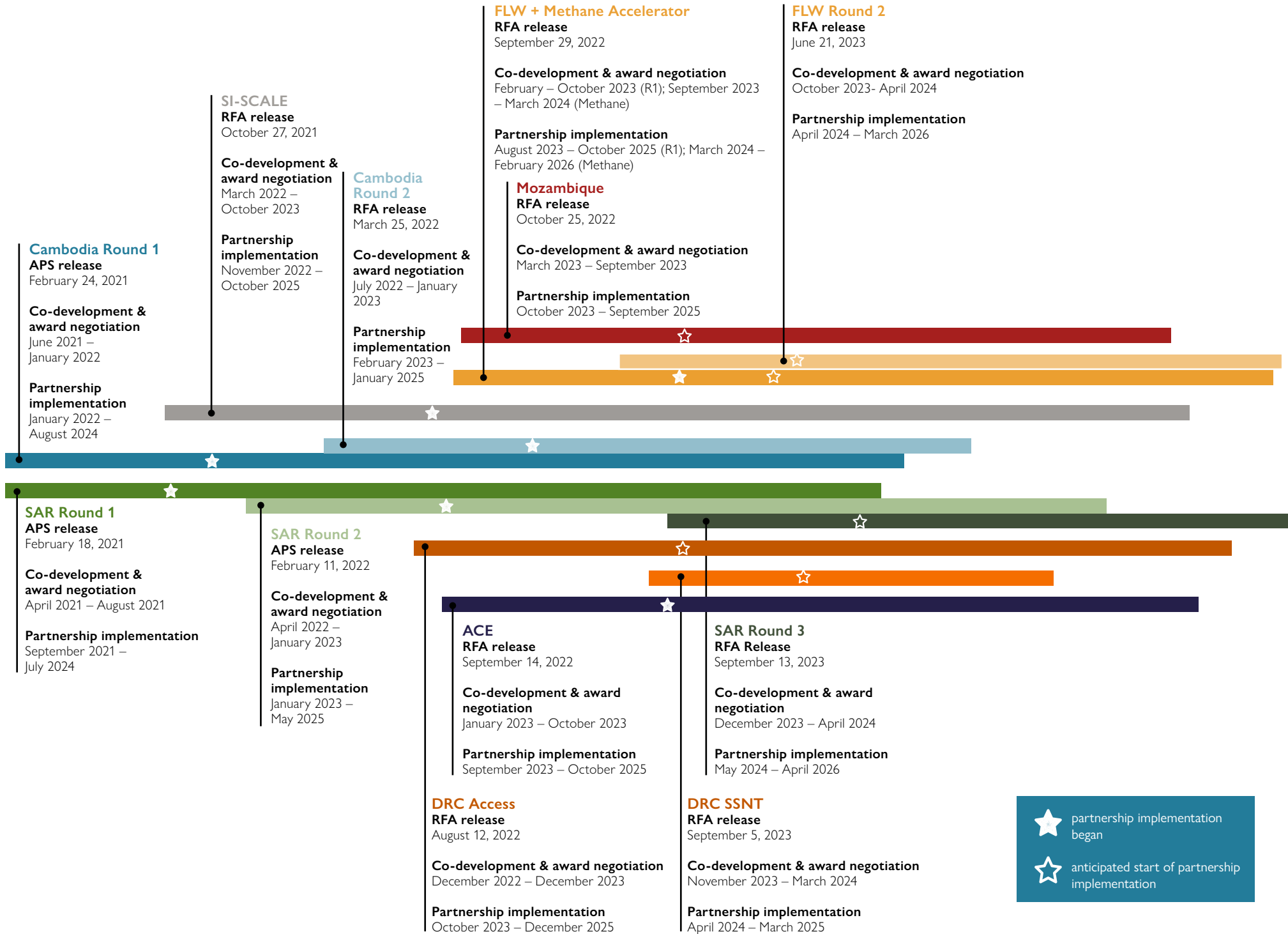
3. With MSP support, partners met or exceeded their gender lens investing and women's empowerment targets. A key feature of MSP's partnership approach is the requirement that partners identify and implement gender lens investing/women's empowerment (GLI/WE) strategies and targets that correspond to the four Women's Inclusion-Return on Investment (WI-ROI) framework domains: talent and leadership, workplace culture, supply chains, and consumers. During the period, MSP mapped these commitments from partners across the WI-ROI domains and found that the partnerships cover all of them with an emphasis on talent and leadership and supply chains. MSP's partners also delivered results across those domains.

Most MSP partners established targets for hiring and recruiting women into their supply chains. In Cambodia, Amru Rice (60% actual vs. 53% target), Leang Leng (70% actual vs. 60% target), and BRM Agro (70% actual vs 50% target) all engaged more women suppliers than initially anticipated. Similarly, many partners exceeded targets for hiring women, including in challenging industries. For example, Cambodian partners Khmer Organic Cooperative (KOC) and BRM Agro were reluctant to set targets for hiring women agricultural extension officers during co-development but did so during implementation.

Regarding workplace culture, **several MSP partners, including Condor Anacardium, BRM Agro, and KCC, developed and implemented gender and sexual harassment prevention policies.** KCC was even asked to present its policy and accompanying grievance redress mechanism to other private and public sector actors in Cambodia.

MSP's partners have focused less explicitly on engaging women consumers for their products and services. That said, KCC developed a strategy for engaging women business owners as customers and noted that this demographic is especially important when engaging with exporters.

MSP'S PARTNERSHIP FACILITY: A TIMELINE

FLW + Methane Accelerator
RFA release
September 29, 2022

Co-development & award negotiation
February – October 2023 (R1); September 2023 – March 2024 (Methane)

Partnership implementation
August 2023 – October 2025 (R1); March 2024 – February 2026 (Methane)

FLW Round 2
RFA release
June 21, 2023

Co-development & award negotiation
October 2023- April 2024

Partnership implementation
April 2024 – March 2026

SI-SCALE
RFA release
October 27, 2021

Co-development & award negotiation
March 2022 – October 2023

Partnership implementation
November 2022 – October 2025

Cambodia Round 2
RFA release
March 25, 2022

Co-development & award negotiation
July 2022 – January 2023

Partnership implementation
February 2023 – January 2025

Mozambique
RFA release
October 25, 2022

Co-development & award negotiation
March 2023 – September 2023

Partnership implementation
October 2023 – September 2025

Cambodia Round 1
APS release
February 24, 2021

Co-development & award negotiation
June 2021 – January 2022

Partnership implementation
January 2022 – August 2024

SAR Round 1
APS release
February 18, 2021

Co-development & award negotiation
April 2021 – August 2021

Partnership implementation
September 2021 – July 2024

SAR Round 2
APS release
February 11, 2022

Co-development & award negotiation
April 2022 – January 2023

Partnership implementation
January 2023 – May 2025

ACE
RFA release
September 14, 2022

Co-development & award negotiation
January 2023 – October 2023

Partnership implementation
September 2023 – October 2025

SAR Round 3
RFA Release
September 13, 2023

Co-development & award negotiation
December 2023 – April 2024

Partnership implementation
May 2024 – April 2026

DRC Access
RFA release
August 12, 2022

Co-development & award negotiation
December 2022 – December 2023

Partnership implementation
October 2023 – December 2025

DRC SSNT
RFA release
September 5, 2023

Co-development & award negotiation
November 2023 – March 2024

Partnership implementation
April 2024 – March 2025

★ partnership implementation began

☆ anticipated start of partnership implementation

PARTNERS GLOBAL MAP

Zambia
260 Brands: *Smallholder-sourced, organic soy milk for the South Africa market*

Nature's Nectar: *Processing and export of smallholder-sourced, sustainably produced honey*

Northern Coffee Corporation Ltd (NCCL): *Introducing regenerative agricultural practices in coffee and generating employment*

South Africa
European African Seed Initiative (EASI): *Last mile extension, smallholder seed production, and distribution of micro-packaged seeds*

Eswatini
EASI: *(Multi-country partnership, see South Africa)*

Lesotho
EASI: *(Multi-country partnership, see South Africa)*

Kenya
Kentaste: *Upcycling waste water from coconuts and product development*

Tanzania
Chanzi: *Scaling waste separation and collection to support black soldier fly production*

Malawi
EASI: *(Multi-country partnership, see South Africa)*

Mozambique
AfriFruta: *Smallholder-sourced fresh fruit exports, introducing improved varieties*

Condor Anacardium: *Environmentally friendly cashew processing and inclusive supply*

Bangladesh
HelloTask: *Increasing access to care services and care jobs through innovations in technology*

Cambodia
Amru Rice: *Decentralized cold storage and logistics for vegetable cooperative networks*

BRM Agro Co. Ltd: *Industrial rice drying and smallholder access to premium markets*

Khmer Cold Chain: *Major temperature-controlled logistics hub at port, with SME client segments*

Khmer Organic Cooperative: *Cool-storage-capable organic packing and inclusive sourcing*

Leang Leng: *Chili and tomato sauce production with inclusive sourcing*

Solomon Islands
Commodity Corporation: *Expanded production, processing, and trade of cocoa*

Kaprikonia Trading Company (KTC): *Supporting higher-quality, smallholder cocoa production and manufacturing locally-sourced cocoa*

Kokonut Pacific Solomon Islands (KPSI): *Sourcing organic cocoa from on-farm processing units to produce SI cocoa products*

Partnership Facilities

- USAID/Southern Africa Regional: SAR Partnerships
- USAID/Cambodia: Cambodia Partnerships
- USAID/Philippines: SI-SCALE Partnerships
- USAID/REFS: FLW Partnerships
- USAID/Bureau for Asia: ACE Partnerships
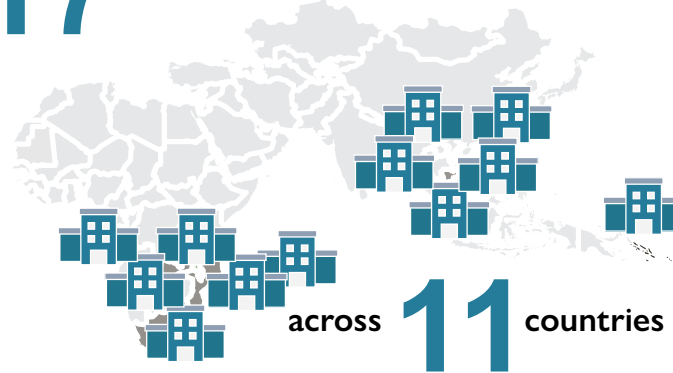
MSP'S PARTNERSHIP FACILITY: ANTICIPATED RESULTS

44 technologies, practices, and business models co-invested in to drive innovation

17 private sector partners across **11** countries

$12.3 million USD leveraged from the private sector towards partnership goals

137,780 smallholder farmers benefitting directly and indirectly from increased access to:

markets

information

goods

and services

1.4:1 average ratio of private sector: USAID funding

$19.2 million USD in sales by firms and smallholders, advancing trade and inclusive growth

Many partners set sales value targets based on market research and business model refinement early in partnership implementation. Thus, the numbers above reflect anticipated sales results only for those that have set targets thus far. Similarly, the number of technologies, practices, and approaches reflects a portion of the total anticipated number.

HIGHLIGHTS FROM THE LAST SIX MONTHS OF MSP PARTNERSHIPS

RFA Release and Partner Selection

- Released solicitations under the FLW, SAR, and DRC SSNT windows.

- Closed applications under FLW.

Co-development

- Continued co-development with 16 firms across ACE, DRC Access, FLW, Mozambique, and SI-SCALE.

- Signed 6 awards.

- Advanced 5 partnerships (Mozambique, ACE) to final USAID approval.

- Conducted in-person co-development in DRC, Kenya, Mozambique, and Tanzania.

- Took stock of GLI and WE strategies in the Partnership Facility to synergize with MSP's WI-ROI Framework.

Implementation

- In Zambia, Nature's Nectar installed 6,000 additional beehives (12,000 total) for 600 new beekeepers (1,200 total), expanding supply of honey produced using non-destructive practices for regional markets.

- Launched 6 partnerships: NCCL (SAR), Chanzi and Kentaste (FLW), KTC and KPSI (SI-SCALE), and HelloTask (ACE), and concluded AfriFruta (SAR). (*See Annex for more information about the new partnerships.*)

- In Solomon Islands, C-Corp distributed 9,620 cacao seedlings to 65 smallholder farmers and households to develop the company's cacao outgrower network.

- In Cambodia, KCC opened its cross-docking facility in Phnom Penh expected to provide 6,046 cubic meters of cold storage—a game-changer for the agricultural sector. The facility was certified by the World Food Logistics Organization and is seeking export and import customers.

- In Mozambique, the partnership with AfriFruta concluded. Through the engagement, AfriFruta piloted the introduction of several new mango tree varieties with a longer harvest window, designed to strengthen the long-term competitiveness and resilience of Mozambique's mango industry and solidify diverse income generation streams for over 2,400 smallholder farmers. AfriFruta also successfully piloted fresh fruit exporting to South Africa, seeking to capture more of the market through these longer-season varieties. Over the next 3 years, they intend to export over 200 MT of mangoes.

☼ Learning from Co-Development

ⓘ

With 17 partnerships in implementation and another 17 in co-development or negotiation at the close of the period, MSP had the opportunity to glean important learning from ongoing and new co-development processes. MSP is leveraging those lessons learned to develop more impactful partnerships and to drive transformation across the partnership portfolio.

In the last semiannual report, MSP reflected on co-development learning. Yet with intensive co-development processes continuing under the DRC, FLW, Mozambique, and Solomon Islands Partnership Facilities, we bolstered our understanding of co-development best practices. Some key learning themes that emerged from co-development during the period include:

1) Highlighting Shared Value through Engaging Participant Populations: MSP targets key populations, including smallholder farmers, SMEs, and bottom of the pyramid consumers, with a cross-cutting focus on empowering women. Partners are required to demonstrate how their proposed activities will benefit some or all these populations and develop corresponding targets. It is also important that partners link their social impact activities to their business objectives to better ensure that practices will continue beyond the life of the MSP partnership. During co-development, MSP works with partners to increase development impact while highlighting the business benefits that result from inclusive practices and then captures shared goals as targets or commitments in the partnership agreement.

Co-development is the five to six month process from short listing applicants after the technical evaluation committee (TEC) to final award approval through which MSP collaborates with prospective partners and USAID to align on goals and define realistic yet ambitious targets and milestones to drive transformative partnerships.

Through co-development, MSP 1) determines concept feasibility and alignment with USAID and MSP priorities, 2) ensures that partners prioritize development and business impact, 3) collaborates with partners to clearly define the partnership goals, activities, targets, milestones, and timeline, and 4) ensures legal, operational, and reputational good standing.

For example, MSP's Kenya-based FLW partner **Kentaste** initially proposed a concept that focused only on the operationalization of a coconut water processing line and marketing activities to foster demand for the new mature coconut water activity. Through co-development, MSP worked with Kentaste to strategize how it could improve its service offerings to new and existing suppliers in a way that would also benefit Kentaste as a business, chiefly through the reliable provision of increasing volumes of high-quality coconut. Kentaste was able to prioritize the development and delivery of climate resilience training for farmers facing drought as well as pilot an upfront payment financing facility to give farmers more financial resilience and decrease the likelihood that they might side sell to traders.

On the other end of the spectrum, MSP's Bangladesh-based ACE partner **HelloTask** came into the co-development process having identified a need to expand its workforce to grow its customer base. Through market research, it identified vulnerable populations living in slum areas in and around Dhaka as an underutilized resource and a cost-effective way for HelloTask to grow its workforce. In co-development, MSP helped highlight the social and development benefits of that approach and define related targets. Similarly, in DRC, MSP collaborated with a regional logistics company that proposed that it would buy maize directly from locally owned aggregation centers because of the direct business benefits. As part of co-development, MSP highlighted the additional benefits of this approach for smallholder farmers in terms of time and costs saved, increased safety, and that 70% of these farmers are women, helping it reach inclusion goals.

2) FLW Mitigation as a Business Solution: MSP found that FLW mitigation solutions should also be business solutions at their core to ensure sustainability. MSP partner **Chanzi,** which is a Tanzania-based company that focuses on black soldier fly production, is a social business, but its decision to partner with waste management companies to scale waste separation and collection at source was not driven by a desire to provide a service or reduce greenhouse emissions. To grow its core business, Chanzi needed a reliable source of organic waste, and it identified a gap in the market system that it could fill while also providing a crucial service.

Similarly, **Kentaste** looked at the wasted coconut water biproduct from its processing operations as lost revenue first and an opportunity to mitigate waste second. Both companies are committed to positively impacting the environment and communities around them through circular economy approaches, but they also fundamentally see those approaches as opportunities to secure additional revenue.

Photo Credit: Mark Pigott, DAI

Chanzi waste processing facilities

3) Nudging Partners Towards Impact While Adapting to Market Realities: MSP uses co-development to encourage partners to engage with participant populations more meaningfully while adapting to market realities. For example, the ACE Partnerships Facility prioritized direct care services over indirect care. **HelloTask** initially proposed offering direct care services, specifically childcare, through the partnership. Through co-development, however, it became clear that HelloTask could only commit to a pilot to see if demand for childcare services could be created within the market. MSP determined not to push HelloTask further into offering a service with an unproven market and adjusted the partnership to include an assessment and pilot that could be scaled beyond the life of the partnership.

In Mozambique, MSP engaged in co-development with a small business that is a packager and retailer of primary and secondary agricultural products. The company is a key market outlet for Mozambican agribusinesses, but it does not have the resources to provide training or monitoring for its suppliers. Initially, MSP encouraged the company to consider how it could more deeply engage with its suppliers, however it became clear that the company would not be able to do this sustainably within two years. Instead, MSP aligned with the company to focus on its production and sales recognizing that would have more impact as the business would be able to serve as a market outlet for even more suppliers.

🔆 Insights from Implementation

In a previous semiannual report, MSP highlighted its insight survey reports as an important tool to generate learning from and with its partners. During the period, MSP collected interesting takeaways through *eight insight surveys from partners in Cambodia, Mozambique, the Solomon Islands, and Zambia.*

In the period, MSP supported Cambodia partners **BRM Agro, Leang Leng, and KOC; SAR partners 260 Brands, AfriFruta, Condor Anacardium, and Northern Coffee Corporation Limited (NCCL);** and Solomon Islands partner **Commodity Corporation (C-Corp)** to complete supplier and employee insight surveys. The insight surveys uncovered findings that have already impacted partner implementation strategies and MSP's approach to partner management, such as:

> ℹ️ Customer, employee, or supplier insight surveys are brief surveys co-designed and implemented by the private sector partner through which the firm gathers information about its customers, employees, and/or suppliers that it believes will be useful to its success as a business and minimize risks to achieve the partnership's goals.

Support to Disaggregation and Analysis of Data by Sex: An overarching theme that MSP drew from the insight survey with its Cambodia round two partners (BRM Agro, KOC, and Leang Leng) was the need to support partners to disaggregate and analyze data by sex. Each of the partners were interested in learning more about women in their supply chains, but they lacked knowledge of how to look at that data once collected. Through an iterative process, the MSP MEL Manager and Engagement Manager developed guidance on how to analyze insight survey data by sex, unlocking interesting findings for the partners. For example**, BRM Agro** uncovered that its supply network is over 70% female and that female farmers, on average, have more farming experience and higher yields than their male counterparts. **KOC** found that female farmers are more likely to implement organic practices and sell to fewer buyers overall, which may have implications for side selling, a challenge that KOC hopes to address.

Gender Dynamics in the Workplace and in the Supply Chain: MSP partner **NCCL** conducted an employee insight survey focused on staff in its coffee facility in Zambia and found they had limited understanding of gender discrimination, the importance of equal employment opportunities for men and women, and existing gender policies. NCCL is developing additional staff training to address these gaps and create a more inclusive workplace. Looking at its supply chain, Cambodia partner **KOC** discovered that male and female farmers reported that they were responsible for on-farm and household decision-making at equal rates, counter to KOC's expectations. Female farmers are now being integrated into KOC's agricultural extension support.

Supplier Organization and Engagement with Cooperatives: Many of MSP's partners source from cooperatives or other types of producer groups, and insight surveys offer a window into those relationships. In Mozambique, **Condor Anacardium's** insight survey shed light on the reasons why some cashew producers do not belong to a cooperative, with the most important being not knowing what a cooperative is or not knowing one that they can be a part of. Condor is now using these findings to inform its farmer and cooperative outreach to foster linkages. In Cambodia, **KOC**, itself a cooperative that sources from other cooperatives, surveyed farmers and cooperative leadership to better understand cooperative dynamics. It found that the relationships were generally positive, but that farmers and cooperative leadership noted a lack of business skills and supply chain management knowledge in terms of quality standards and contract management. In response, KOC is integrating additional support to cooperative leadership into its training program.

Common Themes Across the Partnership Portfolio: MSP also found that insight surveys are helpful in uncovering shared themes and challenges across multiple partners that may be leveraged by MSP to drive transformation across partnership facilities. In Cambodia, partners **Amru Rice, KOC, and Leang Leng**, who conducted insight surveys in a previous period, all source from smallholder vegetable farmers and found that their farmers face similar challenges and knowledge gaps, including the need for climate-smart adaptations like net houses and greenhouses, and lack of understanding of best practices in farming. Similarly, **Amru Rice, BRM Agro, and Leang Leng**, found that farmers lack basic understanding of safe use practices with agrochemicals. Each organization devised its own response to problems, with Amru Rice and Leang Leng adding additional training and monitoring, and BRM requiring that all farmers adopt drone spraying. MSP can use these shared challenges to connect partners with each other and identify external resources that would be useful to multiple partners and their suppliers.

Amru Rice extension team members hold a training with a women's vegetable producer group in Kampong Thom

Photo Credit: Amru Rice

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, in addition to its private sector partnership portfolio, MSP implemented engagements with clients at multiple offices within USAID/Washington and Missions across sub-Saharan Africa and southeast Asia. Engagements with significant implementation this period are spotlighted across the following pages.

Spotlight 1: PSE to Advance Climate Adaptation and Resilience

This period, MSP published Private Sector Engagement to Advance Climate Adaptation and Resilience: A Guide to Building Effective Private Sector Partnerships, commissioned by the PSE Secretariat in USAID's Bureau for Resilience and Food Security (RFS). This guide was developed in conjunction with the sustainable business network BSR and supports more effective engagement with the private sector to advance climate adaptation and resilience objectives. It includes:

- A summary of **private sector climate adaptation practices** already underway, as well as **gaps** in widespread action.
- A tailored, **strategic opportunity identification tool** to inform partner selection and cocreation.
- Six **partnership model "blueprints"** to drive forward adaptation for companies and communities alike.
- **Vignettes** from around the world that illustrate the partnership blueprints in practice.

Despite the long-term economic and societal costs of failing to adapt to climate change, global adaptation efforts have not yet generated the widespread action required to secure a resilient future. This resource identifies financial, knowledge, and communication barriers that are holding back private sector action and investment in climate adaptation. It offers guidance to support USAID Missions, implementing partners, and other development organizations in strategically partnering with a wide variety of private sector actors to pilot and scale innovative, market-based solutions in service of making communities, businesses, and governments more resilient to the disastrous effects of climate change. *MSP prime DAI and subcontractor BSR co-led this activity.*

Key Components of the Guide to Successfully Engage the Private Sector to Advance Climate Adaptation and Resilience
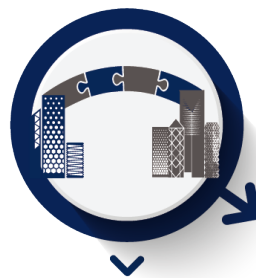
Private Sector Practices in Climate Adaptation for Resilience
Findings report that measures actions that private sector actors are already taking

Strategic Opportunity Identification Tool for Engaging the Private Sector
Steps to establish a new climate adaptation-focused collaboration
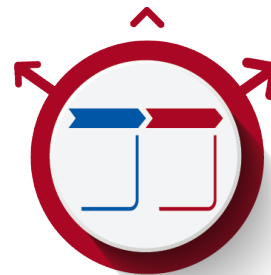
Partnership Blueprints
Design models to co-create partnerships

Vignettes
Real-life examples of each of the six partnership blueprints

# Spotlight 2: MSP's Portfolio of Program Evaluations

This period, MSP finalized and published three evaluations: **two evaluations assessing systems change in Cambodia and Senegal** and a performance evaluation on the **success of cooperative development programming around the world.** Last period, MSP conducted research for these evaluations in **eight countries**; this period, MSP wrapped up these evaluations by publishing the findings. MSP is looking forward to building synergies across its growing portfolio of evaluations to collectively advance larger themes in MSP's Learning Agenda, such as insights from these findings on good practice in MSD design and implementation and methods for assessing systems change.

Lasting Roots: An Ex-Post Study in Senegal of Naatal Mbay and the Integrated Finance Model: In August, MSP published the first set of findings in its global series of ex-post evaluations designed to expand the evidence base for MSD as an approach that creates lasting impact. Using USAID's Disrupting System Dynamics (DSD) framework as an analytical tool for understanding systems change, the research examined the scale and sustainability of changes resulting from Naatal Mbay's introduction of an integrated finance model in the domestic rice sector in Senegal. The findings (see excerpts below) show a relatively positive evolution since project closure: **three of the four intended systemic changes endured** over time. The four changes evaluated were:

- Market actors accept signed contracts and secured crop as collateral on which to provide increased amounts of credit at reduced risk.
- Contracting between producers and processors continues to be a widespread practice in the rice sector.
- Senegalese rice effectively competes in higher-value local markets.
- The enhancement and digitalization of information management systems among unions of farmer cooperatives was not sustained.
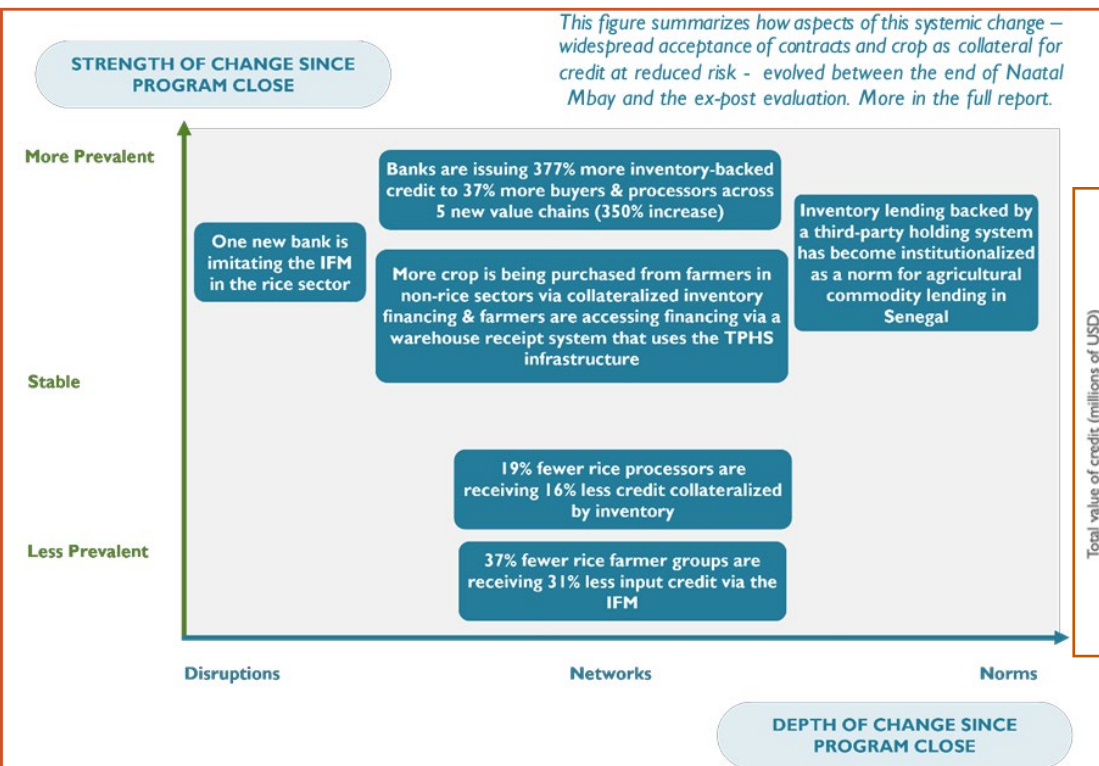

The study also offers observations on implications for programming in both Senegal and for global practitioners. Next period, MSP will finalize and share findings from the second study in the series (in Ghana) and analyze cross-study insights. *MSP partner MSA leads this activity.*
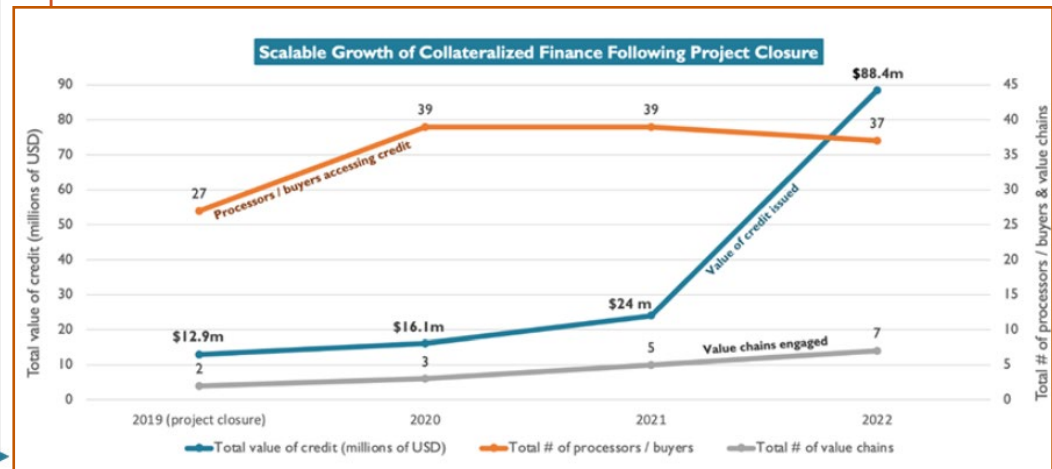
Final Evaluation of USAID/Cambodia Harvest II: This period, MSP published findings from its final evaluation of the Feed the Future Cambodia Harvest II Activity, which included themes of **assessing systems change, how firms and farms benefited from these changes, and climate change mitigation**. To validate the findings and reflect on practical implications for the next wave of programming, in May, MSP hosted a series of participatory stakeholder consultation workshops with USAID/Cambodia and the follow-on team (Harvest III, which includes the majority of Harvest II legacy staff). Harvest II, which closed in 2022, made a mid-program shift towards a demand-driven, market development approach, working through the COVID-19 pandemic in **three tree crop subsectors** (cashew, mango, and longan) as well as **vegetable crops.** Findings differed across the two main types of crops, due partly to large variations in the market context. The evaluation found that Harvest II did promote system change, though unevenly across the subsectors and with more focus on growth than inclusion. Within the private sector, in terms of market linkages and competitiveness, important relationships were established and positive examples supported, with improved practices, increased yields, expanded sales, and new product development among results reported. The degree to which these had an impact on actors beyond direct beneficiaries and whether they will be sustained remains to be seen, but a foundation has been laid which the next phase of Harvest (III) can build on, in part leveraging findings and recommendations from this study.

As a complimentary learning product, in September, MSP finalized a three-part blog series **The puzzle of assessing system change: three lessons learned as evaluators,** which will be published early next period. *MSP subcontractor Just Results LLC led this activity.*
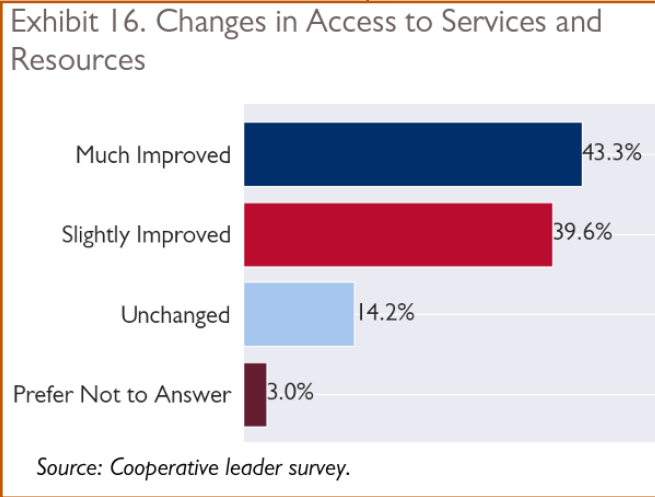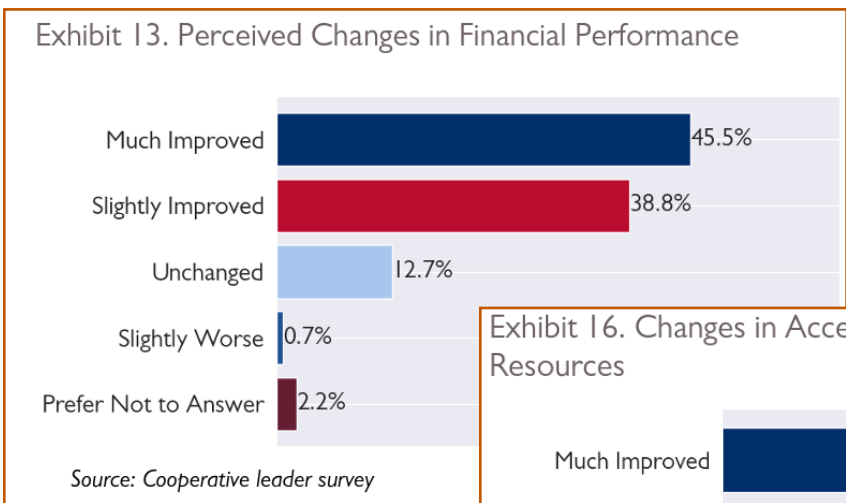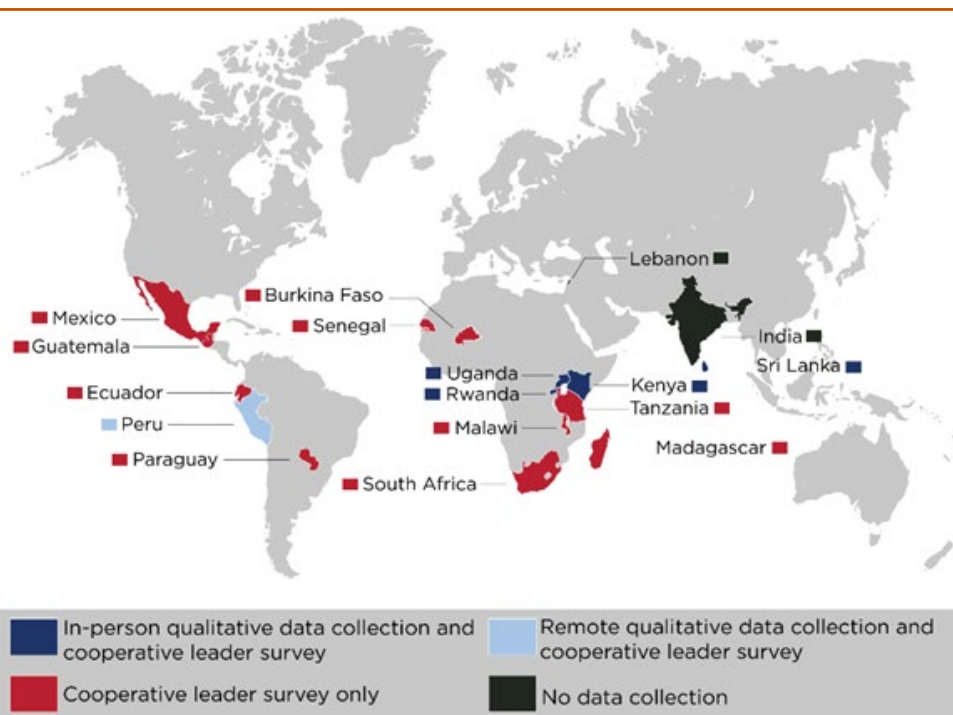

Figure 5: System changes in tree crops and vegetables
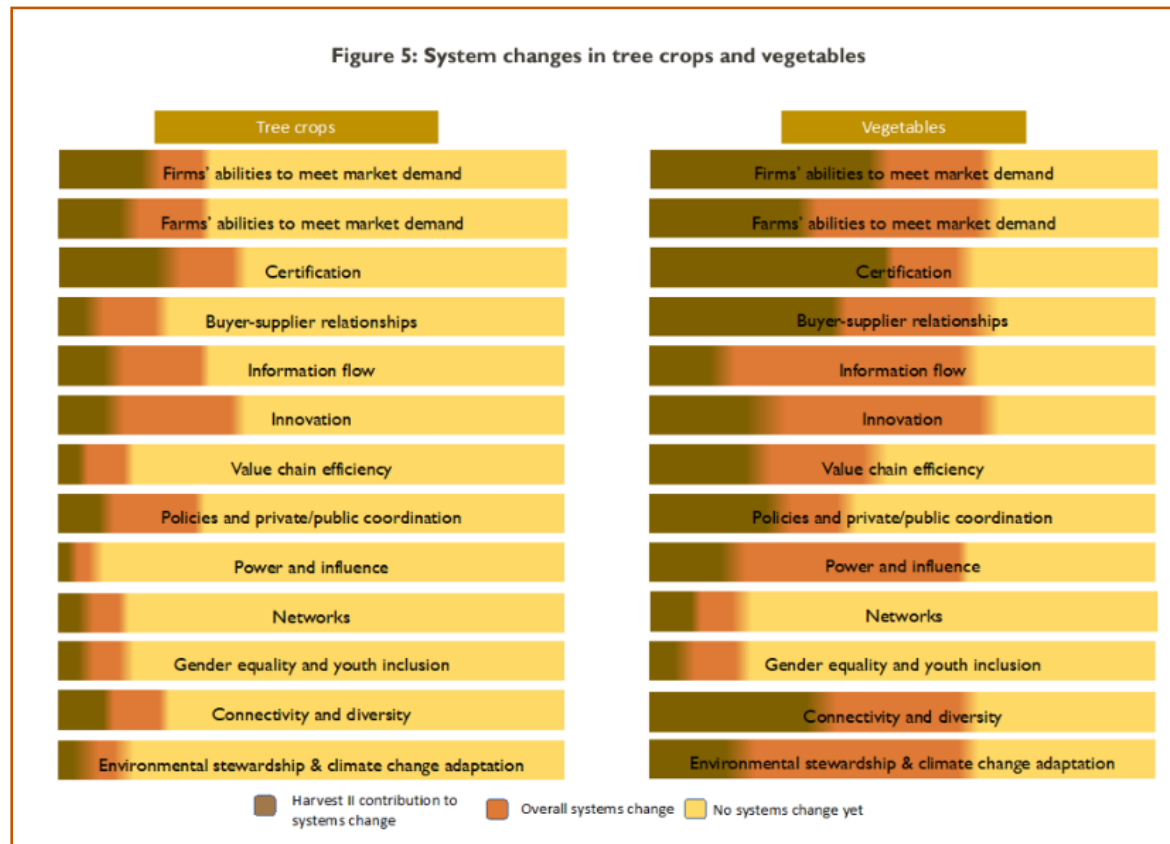
Final Evaluation of USAID's Global Cooperative Development Program (CDP):
In September, MSP finalized a nearly year-long collaboration with USAID's Bureau for Development, Democracy, and Innovation/Local, Faith, and Transformative Partnerships Hub to conduct a whole-of-project evaluation of how the 2018 – 2023 iteration of USAID's Global CDP had advanced three objectives: **enhancing cooperative business performance, creating a supportive enabling environment for cooperatives, and fostering community support for cooperative development.** Through CDP, nine cooperative development organizations supported hundreds of cooperatives in 17 countries and across multiple sectors. This period, MSP finalized analysis and report writing, facilitated an interactive, virtual feedback workshop with USAID and CDP implementing partners to provide feedback and additional insights on initial findings, and finalized the report. **The evaluation found that CDP programming is largely supportive of sustainable, locally-led development.** Key achievements concerned cooperative performance, particularly governance; collaborative and mutually supportive engagement among USAID and implementing partners, and linking cooperatives to services and resources. The project achieved less in some areas, including building member equity and fostering behavior change in the development community, which appeared to be driven by implementing partners' focus on some areas of the results framework more than others. **Two learning products** designed to support USAID with sharing findings with a range of its key stakeholders were also finalized:

- A blog featuring the **perspectives from four Missions** around the world, reacting to key findings from the evaluation and sharing how cooperative development is reflected in their Mission strategies and programming.

- A snapshot spotlighting four **key takeaways that are particularly relevant for local cooperatives** and USAID and its implementing partners.

MSP subcontractor Abt Associates leads this activity.

Exhibit 13. Perceived Changes in Financial Performance

Source: Cooperative leader survey

Exhibit 16. Changes in Access to Services and Resources

Source: Cooperative leader survey.

Spotlight 3: Market Analyses in the DRC

Through a buy-in with USAID/DRC, MSP conducted an upfront strategic opportunity analysis to identify priority areas for investment in the agricultural sector. MSP utilized a competitive appraisal matrix developed last period to analyze 10 priority value chains, focusing on three main criteria: competitiveness, systemic impact, and feasibility for impact. This period, MSP, in coordination with USAID/DRC, **selected three priority value chains for deeper analysis: poultry, rice, and soy.** In June, these analyses were [published on Agrilinks](). Building off this work, MSP **identified 15 of the most impactful private sector firms** that USAID/DRC (and its portfolio) can engage with in DRC's poultry, rice, and soy sectors. The analyses and the partnerships identification findings were presented to the DRC Mission and global USAID colleagues through two events in September. The market systems analyses will also be highlighted in the upcoming Agricultural Forum in Kinshasa in October to showcase USAID's work in a variety of value chains. The DRC SSNT RFA (see Page 9) was also shared with the firms identified in the partnerships report. *MSP subcontractor Wellspring led this activity with support from DAI.*

RICE IN THE DEMOCRATIC REPUBLIC OF CONGO – A MARKET SYSTEMS ANALYSIS	POULTRY IN THE DEMOCRATIC REPUBLIC OF CONGO – A MARKET SYSTEMS ANALYSIS	SOYBEAN IN THE DEMOCRATIC REPUBLIC OF CONGO – A MARKET SYSTEMS ANALYSIS
FEED THE FUTURE MARKET SYSTEMS AND PARTNERSHIPS ACTIVITY	FEED THE FUTURE MARKET SYSTEMS AND PARTNERSHIPS ACTIVITY	FEED THE FUTURE MARKET SYSTEMS AND PARTNERSHIPS ACTIVITY
MARCH 2023	MARCH 2023	MARCH 2023

Spotlight 4: Investment Landscape Assessment & Opportunity Identification in Mali

Through a buy-in with USAID/Mali, this period MSP conducted a landscape analysis of the Malian finance and investment sector and undertook field research to identify strategic opportunities for investment and PSE in the agriculture sector supporting cross functional areas of the market system, including energy and water, sanitation, and hygiene (WASH). Next period, MSP will finalize the **banking and investment assessment** and a **strategic opportunity identification analysis of the agriculture sector and adjacent supporting sectors,** including energy and WASH, that can play a key role in advancing enterprise-driven economic growth. Throughout this analysis, MSP incorporated a light-touch, but **strategic lens around MSR,** that integrated elements of risk assessment, coping strategies, and vulnerability into the supply and demand side of the finance assessment. MSP expects to publish these reports in the coming months. Moving forward, both reports are expected to align with USAID/Mali's Country Development Cooperation Strategy (CDCS) and inform areas of collaboration pertaining to PSE, financial market access, and investment opportunities across the USAID/Mali portfolio. *MSP subcontractor Dalberg Advisors leads this activity.*

Figure 9: Malian Financial Sector Ecosystem
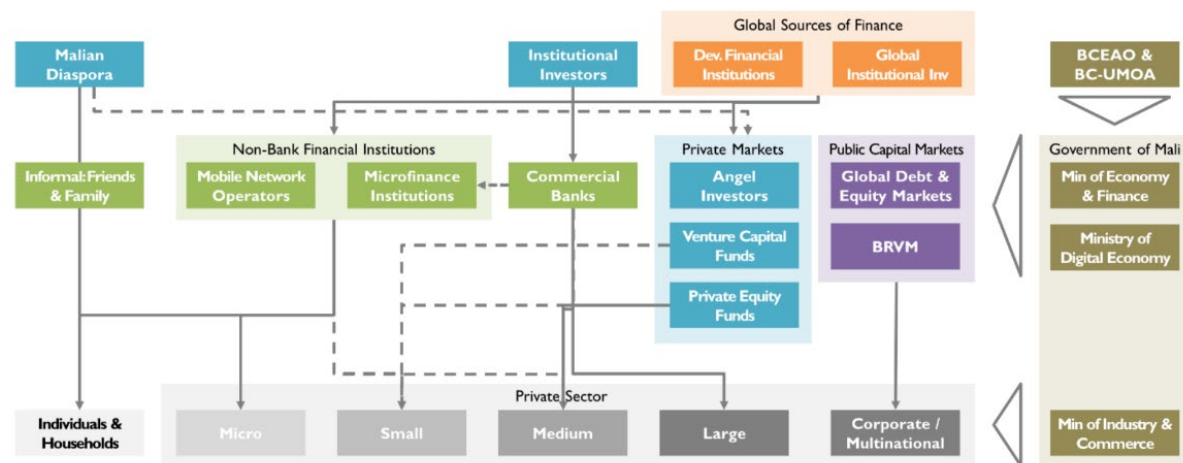
Spotlight 5: Policy Implementation Assessment of USAID's PSE Policy

Through a buy-in with USAID's PSE Hub, MSP is conducting a Policy Implementation Assessment (PIA) of USAID's Private Sector Engagement Policy. Launched in 2018, the PSE Policy represents an Agency-wide call to action and a mandate to work hand-in-hand with the private sector to design and deliver USAID development and humanitarian programs across all sectors. The PIA will **evaluate the progress made towards achieving the policy's goals, examine whether requirements are being followed and seek to understand successes and roadblocks encountered in policy implementation.** MSP has developed a rigorous mixed-methods research methodology that will utilize data collection, interviews, surveys, document review, and focus group discussions to assess the depth and breadth of the PSE Policy's implementation.

The PIA has four phases (see text box). This period, MSP completed phase I and is in the process of completing phase II. The PIA will conclude in the first half of 2024. *MSP prime DAI and subcontractor Dexis co-lead this activity.*

Four Phases of PIA:
1. **Concept Note Development:** identifying assessment research questions, data sources, methodology, and data collection instruments.
2. **Data Collection:** using a mixed-methods approach to data collection, utilizing interviews, surveys, document review, and focus group discussions.
3. **Data Analysis, Validation, and Report Writing:** analyzing the coded data, reviewing the analysis to identify patterns and themes, drafting findings and conclusions for each research question, hosting a validation workshop with USAID, and drafting the assessment report.
4. **Dissemination and Uptake:** supporting USAID in conducting a presentation of findings, conclusions, and recommendations to key internal and external stakeholders.

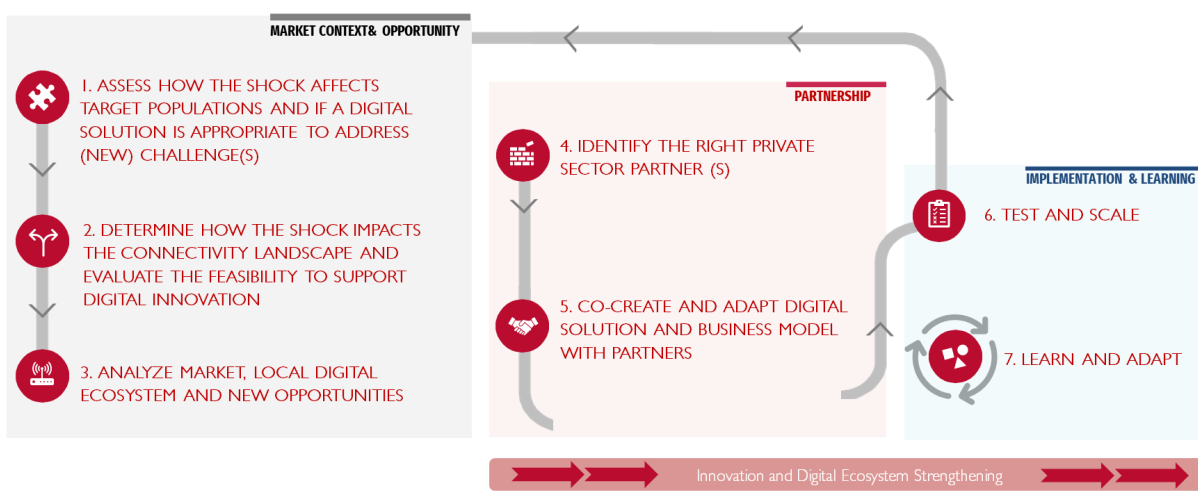# Spotlight 6: PSE Landscape in COVID-19 Reports

This period MSP continued multi-phase research supporting USAID's PSE Hub to advance an element of its Agency-wide COVID-19 learning agenda, strengthening evidence and insights around how USAID engaged with the private sector to improve firm resilience during COVID-19 and to what extent the Agency was successful in doing so. The research involved a landscape assessment (completed last period) and a deeper dive into the digitilization aspects of USAID's PSE efforts (conducted and nearly finalized this period). MSP looks forward to collaborating with USAID to publish and widely share these findings over the next period.

- **A landscape assessment** covering 30 USAID-funded Activities active between January 2020 and March 2022, representing 16 implementation partners and a range of agricultural and other economic growth programming across a variety of contexts. This study will be used to inform future USAID programming and prepare the Agency to respond effectively to future shocks.

- **A digitalization roadmap** (See image) dove more deeply into insights from four case studies (in Georgia, Honduras, Pakistan, and Tunisia), synthesizing practical guidance on how to facilitate the design and implementation of digital innovations through PSE during a shock.

MSP prime DAI leads this activity, with support from partner MSA.

Roadmap Diagram

A step-by-step guide practitioners on digitalizing key services during a shock to enhance firm and market systems resilience. This guide provides detail on each step and offers questions to guide USAID and practitioners through the digital innovation process.

MARKET CONTEXT& OPPORTUNITY

1. ASSESS HOW THE SHOCK AFFECTS TARGET POPULATIONS AND IF A DIGITAL SOLUTION IS APPROPRIATE TO ADDRESS (NEW) CHALLENGE(S)

2. DETERMINE HOW THE SHOCK IMPACTS THE CONNECTIVITY LANDSCAPE AND EVALUATE THE FEASIBILITY TO SUPPORT DIGITAL INNOVATION

3. ANALYZE MARKET, LOCAL DIGITAL ECOSYSTEM AND NEW OPPORTUNITIES

PARTNERSHIP

4. IDENTIFY THE RIGHT PRIVATE SECTOR PARTNER (S)

5. CO-CREATE AND ADAPT DIGITAL SOLUTION AND BUSINESS MODEL WITH PARTNERS

IMPLEMENTATION & LEARNING

6. TEST AND SCALE

7. LEARN AND ADAPT

Innovation and Digital Ecosystem Strengthening

To deepen knowledge on PSE and MSD and further stakeholder uptake of good practice, MSP increased implementation of learning initiatives this period across each of the five Learning Streams highlighted below. MSP published **16 new products** and is finalizing several others. Across MSP's objectives, a total of **45,953 individuals around the globe have accessed MSP learning products to date—a 30% increase from last period**. Collaboration remains core to our process of designing, developing, and championing learning products. MSP has engaged with **361 unique collaborators to date—**more than double this time last year. MSP's buy-in Activity Managers continue to appreciate the value of this approach. In this period's client feedback survey, **84%** said they agree or strongly agree that MSP collaborated with the right people or projects to enhance the relevance of this engagement to key stakeholders, reduce duplication, and amplify impactful outcomes. In September, MSP also initiated a midpoint reflective exercise to take stock of the drivers of and progress towards our goal of advancing learning and good practice. A series of listening sessions with key USAID and implementing partner stakeholders will begin in October.

The table below presents significant learning activities organized by Learning Stream. Learning activities spotlighted in this section are funded with core funding from USAID's Center for Agriculture-Led Growth and contributions to learning from MSP's buy-in clients. MSP also leverages direct buy-ins from other Mission, Bureau, or Independent Offices to advance learning objectives; these are reflected under Objective 2.

Current Learning Activities to Date
For a complete summary, see the Resources tab at www.agrilinks.org/msp

LEARNING AGENDA STREAMS	APPROVED ACTIVITIES
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.	**A series of PSE Guides** with vignettes on special concerns: Climate Adaptation (BSR, DAI); Large-scale Food Fortification (TechnoServe), Nutrition (DAI, TechnoServe), Fragile and Conflict-Affected States (DAI, Global Knowledge Initiative), as well as Nutrition Investment Screening Criteria. (Forthcoming, Wellspring) **PSE Mission Capacity Index:** an initiative under USAID's PSE Modernize. (DAI, TechnoServe) **PSE Policy Implementation Assessment:** see Objective 2. (DAI, Dexis) **Commercializing Agriculture Technologies from USAID Innovation Labs:** identifying promising innovations for scale. (DAI)

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 Library: a centralized, industry-sourced repository of MSD tools on the BEAM Exchange. (DAI)

Market Systems Analysis Toolkit: updating user-focused, systems-based guidance. (DAI)

Towards Transformational Impact: Synergies in PSE and MSD: a consultative brief (DAI, MSA), with forthcoming vignettes.

Foundations of MSD Training: mixed-media course for USAID (complete), tailored for public use (forthcoming). (DAI, Vikāra, MSA). Concepts adapted for health sector (DAI). See Objective 4.

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, including an MSR State of the Field Map, an introductory brief on Demystifying MSR, and cartoon learning tools. (Vikāra)

MSR Community of Practice: facilitating ongoing peer-to-peer learning and capturing innovation. (Vikāra)

Nepal MSR Assessment: qualitative study of MSR across a zone of influence and a portfolio of USAID Activities. (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-Inclusive ROI Framework: addresses an evidence gap identified from MSP's earlier research to support firms to calculate the financial ROI in integrating and empowering women across 4 business strategies. (MSA, WDI)

Shaping our New Normal—Reimagining the Workplace for International Development: explored COVID-19-driven revelations through research (including input from 1,200 professionals) and actionable implications for MSD and beyond. A blog shared insights from a follow-up survey on uptake. (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 peer learning series between senior MSD program MEL Managers, resulting in guidance on Assessing Systems Change, Team Culture, Private Sector Learning, and follow-up industry workshops. (MSA, DAI, ACDI/VOCA, LINC)

Shifting the Locus of Learning: making the case for a stronger focus on learning as a critical capacity in systems and firms, with 10 intervention strategies. (MSA)

Assessing Systems Change: an ex-post series (Senegal, Ghana) to evaluate the sustainability and scale of outcomes from system change (MSA) and a final evaluation in Cambodia. (Just Results)

Spotlight 7: The MSD in MEL Clinics: Publications and Workshop

MEL Perspectives on Assessing Systems Change, Team Culture and Private Sector Learning: In June, MSP published three participant-authored papers resulting from the MSD in MEL Clinics (See below). The clinics, hosted in 2021, brought together 13 senior MEL specialists from 12 countries—working on MSD programs funded by USAID, DFAT, Sida, and SDC—for a series of interactive discussions. In September, MSP released versions en Français and en Español. *This activity was led by MSP partner MSA, prime DAI, and subcontractor ACDI/VOCA.*

Practitioners' Guidance to Assessing Systems Change	Building a Team Culture for Adaptive Management in MSD: 5 Strategies MEL Managers Say Work	Enhancing Partner and Systems-Level Learning: 8 Tips from MEL Managers
Rather than viewing systems change assessments as a backward-looking exercise to be conducted at the end of a program to justify impact, this guide challenges MEL Managers to assess systems change as an ongoing aspect of implementation. It includes practical tips, rubrics, templates, and more, organized into four parts: 1) bounding the system, 2) defining outcomes, 3) assessing degrees of changes, and 4) establishing contribution.	Adding to resources that highlight the role team leaders play in actively contributing to a culture that supports implementation of an MSD approach, this brief focuses specifically on the distinct and valuable role of MEL Managers. Strategies include tips on cultivating capacity in the MEL team to have a journalistic style, investing in monitoring and communicating early signs of change, and involving non-traditional sources.	Complimenting the Shifting the Locus of Learning paper (see Page 31) with the unique perspective of a MEL Manager, tips include identifying the right decision-makers, using a co-creation process to identify learning opportunities, using a phased capacity strengthening process tied to behavior change, working with sector-level institutions, and using the right terminology to talk about learning.

Workshop on Assessing Systems Change: An (Un)Blocked Party for MEL Intrapreneurs: As part of a layered approach to expanding the circle of learning and peer exchange arising from the MEL clinics, in September MSP brought together approximately **25 home office MEL leads, representing roughly 18 USAID implementing partners and several teams within USAID,** for a full-day workshop to dig deeper into the Practitioner's Guidance to Assessing Systems Change. Exercises included a card 'game' to debate "Is it systemic?" and what additional information might be needed to make a judgment, as well as using the systems iceberg framework to think of MEL within programs as a system and reflect on what conditions are holding challenges around assessing systems change in place. In feedback surveys, **85% said they were likely to apply insights from the workshop to their work.**

> *I'm going to frame the advice, put it on my wall, and use it wholesale in a design workshop this month.*

> *Seeing concrete examples from others makes the challenge of defining and measuring systems change manageable.*

> *[My organization] has not defined a systems change evaluation approach for current/ new MSD projects. I will be developing one based on this.*

User Feedback

Photo Credit: Anna Garloch, DAI

Early next period, MSP will host a **virtual version of this workshop** for a more global audience, followed by **office hours** where program MEL leads can get free, highly tailored, customized technical assistance. *MSP subcontractors ACDI/VOCA and LINC facilitated this workshop alongside MSP partner MSA.*

Spotlight 8: WI-ROI Case Studies

Building off the [Women Inclusive Return on Investment (WI-ROI) Framework](#) published in late 2022, MSP is currently developing **three case studies from firms in Ethiopia, Kenya, and Uganda** to dig deeper into the business strategies and tactics employed by SMEs that were identified in the framework. To be published next period, the case studies will collect integral cost and revenue data currently lacking in the market as well as provide evidence for financial returns on gender-inclusive investments. *MSP partner MSA leads this activity with support from DAI.*

Photo Credit: Sileshi Alemayahu/Grean World

Spotlight 9: Expanding the Orbit of MSD and PSE Good Practice Doers

One of MSP's goals is to expand the orbit of those implementing good practice in MSD and PSE. This includes supporting the availability and uptake of tools that help to facilitate this work in practice, as well as developing simplified introductions to the core, basics of MSD to minimize 'barriers to entry' for those new to the approach.

Market Systems Analysis Toolkit: Market analysis is a key tool practitioners need, especially early in a project or a new intervention area. MSP will build upon and update past foundational research on and experience doing market analyses to develop a **toolkit** that is practical, easy-to-use, and reflective of current good practice. The process will be participatory, drawing on both thought leaders and practitioners with experience integrating a systems lens into market analyses. Following a **field pilot** next period, the toolkit will be published in late 2024. *MSP prime DAI leads this activity.*

Demystifying MSD Snapshot: This period MSP also began developing a short brief focused on 'demystifying MSD' with a target audience of newcomers to MSD, including development practitioners in economic growth, health, humanitarian assistance, and PSE. In July, MSP undertook a **deep dive with its consortium partners** to build consensus on what the brief should include. This was followed by **key informant interviews** with eight leading MSD thinkers and a short virtual survey with close to 30 responses from practitioners around the world, covering thoughts on:

- **What MSD is:**
  - *"An approach that focuses on how different things, components, or parts work together effectively and efficiently to solve humanity's most pressing socio-economic needs. The approach focuses on identifying which things, components or parts are not working well and finding solutions to make them perform better without necessarily replacing it (them) with a third party to perform its functions."*

  - *"A localized approach to help business grow, reach new markets, and add jobs."*

- **As well as terms they struggle with:**
  - *"The word 'market' conjures very different things for different people. For some it means the demand-supply component only (not infrastructure or policy, etc.). For others it means capitalist systems. Generally, I drop that word when possible. Instead, I talk about systems thinking."*

  - *"I like referring to complexity but feel that it doesn't resonate with a lot of people probably because it sounds too vague and not everybody is familiar with the actual definition of complexity. I also have problems conveying what a related market system is."*

Next period, MSP will develop the brief through a consultative review process, incorporating this input.

Jamboard from consortium partner meeting sourcing ideas on what should be included in Demystifying MSD Brief.

Spotlight 10: Shifting the Locus of Learning Webinar Series

Through a two-part webinar series in May and June, **over 280 people** joined MSP to unpack diverse perspectives and practical implementation experience around the paper Shifting the Locus of Learning: Catalyzing Private Sector Learning to Drive Systemic Change.

The series began with a session **co-hosted with USAID's Bureau for Policy, Planning, and Learning, featuring USAID voices.** Alongside the paper co-author and MSP M&E and CLA stream lead, the discussion featured USAID influencers in the Agency's new Local Capacity Strengthening Policy and PSE Modernize, as well as a Mission overseeing innovative programming in this space. It made the case for why USAID is increasingly sharpening its focus on strengthening learning capacities within stakeholder partners and the systems in which USAID engages. Session 2 featured **two-way perspectives from implementers and firms,** including a CEO of an agribusiness in Uganda, a leader in Honduras' business development services and finance ecosystem, and implementers at Gatsby, ACDI/VOCA, and MSA. It dived into several of the **10 intervention strategies** featured in the paper, including customer insight surveys and the roles ecosystem actors can play in information flows and industry learning that informs enhanced competitiveness. *MSP partner MSA leads this activity.*

In Session 1 of the Shifting the Locus of Learning Webinar series, influencers at USAID unpacked the importance of catalyzing private sector learning to drive systemic change. In Session 2, firm leaders and practitioners unpacked where firms, ecosystem actors, and programs have strengthened firm and system-level learning capacities.

To contribute to cultural transformation in integrating MSD and PSE throughout the program cycle, MSP is facilitating the development of dispersed local leaders in these technical areas through a variety of initiatives that strengthen capacity. This includes:

- *Standalone trainings,* such as the Fundamentals of MSD Course and the market development training curriculum for USAID/Global Health described below.

- *Embedded capacity strengthening components* within a multi-faceted engagement, such as MSP's support to USAID's PSE champions through its work with the Mission [PSE] Capacity Index.

- *Peer-to-peer learning initiatives*, such as the MSR Community of Practice, the MSD in MEL Clinics, and broadening participation in external, strategic industry learning and networking platforms such as the Market Systems Symposium or the BEAM MSD Leadership Clinics (See below).

Fundamentals of MSD—New USAID Cohorts: There continues to be high demand for the Fundamentals of MSD course, a mixed-media course which MSP developed in Year 1 to support USAID to build its internal capacity and diversify its cadre of MSD champions. **A total of 73 staff from USAID/Washington and Missions around the globe** have now been trained, and the course counts towards required professional development ('continuous learning points'). The course includes **modules** on behaviors of market systems, working with complexity, facilitation, adapting M&E and CLA, social inclusion, and designing and managing an MSD Activity. The materials include over 300 training slides; four **interview videos with influential USAID staff** in Uganda, Honduras, Ghana and more; 21 **hands-on exercises** and corresponding handouts; **pre- and post-training surveys**; daily **questionnaires**; and a comprehensive **facilitator's guide**. *The course was originally developed by MSP prime DAI alongside Vikāra and MSA. USAID now leads ongoing course updates and facilitates and coordinates trainings independently.*

> Following the inaugural cohort in 2022 (delivered virtually), this period USAID trained two more cohorts, both in-person, in June (Washington, D.C.) and September (Ghana).

Launching Scholarships for MSS: As part of MSP's efforts to diversify and expand the cadre of current and future MSD leaders, in July MSP collaborated with the Vikāra Institute to sponsor 30 full, in-person and virtual scholarships to the Market Systems Symposium in November 2023. This industry event offers rich opportunities to strengthen capacity in a range of technical areas and skills relevant to PSE and MSD and builds networks that can endure long after. Hundreds of applications were received by the time the process closed in August and successful applicants were informed in September. *MSP prime DAI coordinates this sponsorship.*

MARKET SYSTEMS SYMPOSIUM | 2023

MSS2023 SCHOLARSHIP APPLICATIONS OPEN

Supporting the attendance of local consultants, market systems practitioners and students

www.VikaraInstitute.org/mss2023-scholarship

Participation in BEAM MSD Leadership Clinics: This period, MSP's MSD Advisor participated in a [series of clinics](#) facilitated by the BEAM Exchange on MSD team leadership and building a pipeline of future leaders. The goal of the clinics was to bring together implementers, donors, and consultants with experience in managing and setting up MSD projects to discuss what it takes to put together strong teams to implement MSD in practice. Sessions focused on **leadership, culture, hiring and/recruitment, as well as home office support structures.** MSP's MSD Advisor facilitated some of the smaller break-out sessions and reviewed two of the documents that came out of the clinics. MSP looks forward to amplifying and leveraging this learning when it is published next period.

MSD for Global Health Programming: Leveraging USAID's Fundamentals of MSD course (see above), MSP has been collaborating with USAID's Global Health, Office of Population and Reproductive Health (GH/PRH) to adapt and design a specialized market development training focused on the health sector. GH/PRH is working to support Mission staff with tools and guidance to facilitate greater PSE in their health programming and advance utilization of market development approaches.

This period, MSP conducted **two trainings for 23 USAID staff** involved in health programming, representing **14 USAID/Missions.** The trainings were hosted in Kampala (July) and Accra (September).

The majority of participants stated the course was 'highly relevant' to their work and that it 'greatly improved' their understanding of MSD concepts. Next period, MSP will offer ongoing technical assistance to participants to support application. *MSP prime DAI leads this activity.*

Photo credit: MSP

"Applying a Market Systems Approach to Health" training in Kampala, Uganda, (Left) and Accra, Ghana (Right).

Photo credit: MSP

Project Management and Operations: Highlights

MSP Team Hosted Team Retreat: From September 12 – 14, MSP's full-time staff came together in-person for the first time since the program launched at the height of COVID-19 in July 2020. Colleagues enjoyed:

Photo credit: MSP

- A full-day of **team building** focused around a StrengthsFinder exercise, followed by two days of strategic reflection and brainstorming exercises and discussions. These included sessions on aiming for transformation in MSP's global partnership portfolio; the scale, depth, and nature of our influence on learning and good practice in MSD and PSE across our core stakeholder groups; an analysis of our LinkedIn performance and engagement of LinkedIn audience groups vis-à-vis our larger stakeholder engagement aims; some brainstorming on frontline, future-thinking topic areas in MSD and PSE; a rousingly competitive game of MSP Jeopardy; and a get-to-know-you session and lunch with MSP's COR and Alternate COR.

- The team also enjoyed an opportunity to connect up with DAI's Economic Growth team and participate in a learning-focused exchange between DAI's various buy-in mechanisms.

- MSP is looking forward to bringing the stream leads representing engagement from across MSP's full consortium together in 2024.

Launched stocktaking exercise: In September 2023, MSP launched a stocktaking effort, which through surveys, focus group interviews, and a consultative learning event in early 2024, will consider the drivers and progress towards its goal of advancing learning and good practice in MSD and PSE, including advancing the strategic goals across each of the five streams in its Learning Agenda. This will inform ongoing adaptive management and a refreshed learning strategy for each Learning Stream.

Annual MEL Plan update: MSP submitted its updated Monitoring, Evaluation, and Learning Plan in August 2023 to include four additional standard USAID indicators for PSE and Ukraine supplemental funding. The update also served to refine existing Performance Indicator Reference Sheets (PIRS) and better reflect MSP's indicator definitions, current data collection processes, and roles. New indicators included: number of USG engagements jointly undertaken with private sector enterprises to support U.S. foreign assistance objectives (PSE-1), value of private sector resources leveraged by the USG to support U.S. foreign assistance objectives (PSE-4), number of individuals participating in USG food security programs (EG.3-2), and number of people reached by USG-supported social assistance programming (ES.5-a). MSP will begin reporting on these indicators in fiscal year 2024.

Environmental Compliance Streamlining: To assure environmentally sound partnerships and in compliance with MSP's contract, Supplemental Initial Environmental Examination (SIEEs) and/or amendments were prepared for all partnership facilities for new partnerships. To streamline compliance, MSP incorporated requirements from the Environmental Mitigation Measure Plans (EMMPs) into partner milestones, discussed progress in regular check ins, and reported progress annually in Environmental Mitigation Measure Reports (EMMRs). Where required, such as in Cambodia, MSP worked with partners to develop Safe Use Action Plans (SUAPs).

MSP regularly takes time to pause and reflect to identify areas of growth, discuss challenges, and prioritize adaptive actions. Several overarching highlights are synthesized here.

Private Sector Partnerships: As MSP scales up its portfolio of partnerships (See Objective 1) and simultaneously strives to embrace adaptive management, it is a ripe area for both challenges and lessons learned. Much of the co-development process is exciting, exploring opportunities to promote new business models. However, at times unexpected challenges threaten to derail partnership opportunities. MSP has recently applied several approaches to address these situations, including:
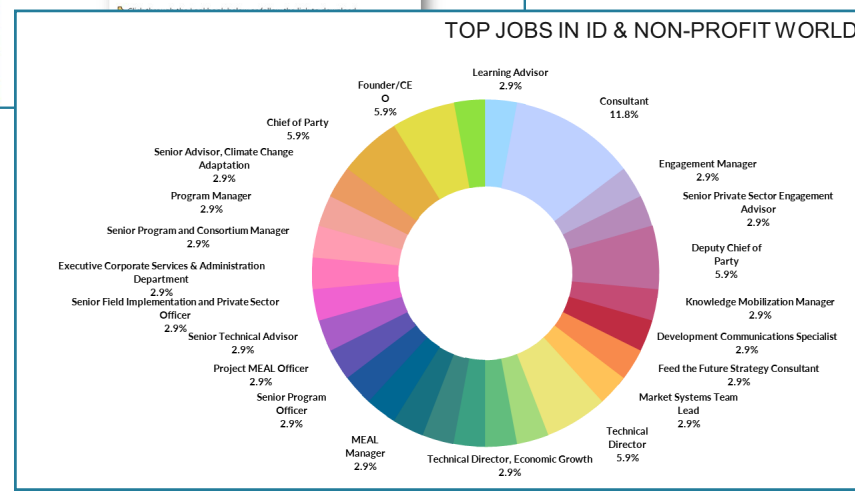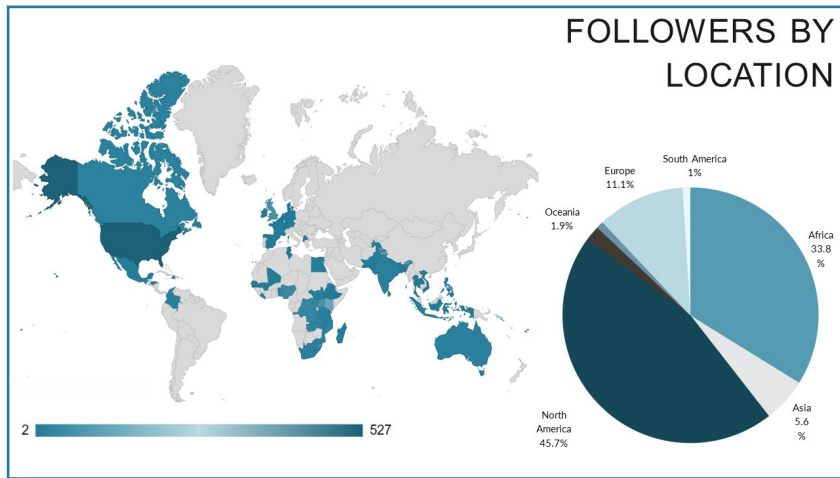
- **Shaping partnership activities and negotiating budgets to ensure additionality, feasibility, and compliance with regulations and good practices.** For example, MSP found that one partner had prioritized multiple technical upgrades to its facilities over investing in the human resources and marketing that could help ensure that new products introduced through the partnership could be successfully processed and sold. MSP challenged its potential partner to focus grant financing on activities that will truly demonstrate a scalable, sustainable business model.

- **Pivoting to technical assistance when a grant turns out to be unfeasible.** In one case, MSP realized in the early stages of co-development that the partner was only in the design phase of the business activity presented in the application and had not yet progressed to the proof-of-concept phase. MSP wanted to support a promising local business partner but could not invest in the project as presented. Faced with needing to cut off the co-development process, MSP was able to pivot and offer a technical assistance package addressing the main weaknesses from the application to improve the future viability of the partner's business proposal at a much lower cost and risk.

In-country Activities for Remote Global Buy-Ins: MSP was designed from the outset as a global buy-in mechanism with a limited presence in participating countries or regions. The remote management nature of MSP was further reinforced by the pandemic, which limited travel for MSP's global team. This context presents opportunities, such as efficiencies and the ability to compare and contrast across countries and regions, as well as challenges. Several emerging lessons include:

- **While training events require significant investment and preparation, in-person trainings offer invaluable opportunities to connect and collaborate with a diverse group of USAID staff.** These events offer MSP the ability to reach USAID employees from regions where MSP does not otherwise have a buy-in and can expand outreach of systems approaches in new sectors, such as health. Trainings offer an opportunity to engage USAID missions where the trainings are hosted, but also require close coordination between the bureau sponsoring the training and the host mission in order to maximize impact.

- **Supporting in-country travel for USAID delegations can help disseminate good practices in PSE and MSD**. Over the last few months, senior USAID visits to field sites gave MSP an opportunity to highlight emerging lessons and good practices through engagement with USAID Missions. In Mozambique, MSP rapidly developed communications materials to support a high-level visit from Washington-based USAID officials. This coordination with Mission staff offered an opportunity to show MSP's progress and promote effective partnership tools and tactics. In Kenya, MSP engaged in co-development with direct Mission participation for the first time, which lent valuable local context to the process and allowed for USAID to become more familiar with the new partnership. For example, a visit by U.S. Ambassador to Kenya Meg Whitman to MSP's new partner Kentaste provided an opportunity to highlight how USAID-funded activities can jointly support a private sector partner to enhance innovative business models. Through the FLW Partnership Facility, MSP will engage Mission representatives from Kenya, Nigeria, and Tanzania over the next six months and will share key takeaways in the next semiannual progress report.

Communications: In our previous semiannual report, we highlighted how deeper engagement on social media, particularly through MSP's LinkedIn page—which now has over 3,000 followers—is enhancing MSP's outreach. Over the last several months, MSP used additional LinkedIn "boost functionality" on our posts to reach a greater audience. These efforts are strategically designed to enhance interest and engagement in specific activities. For example, MSP used boost functionality to expand outreach of the call for scholarships to attend the Market Systems Symposium, which eventually attracted over 400 applications from a diverse group of people and organizations from various countries. MSP also used targeted boosting to enhance country-specific outreach around the FLW Round 2 RFA in June and the PSE for Climate Adaptation Guide in September, which led to over 143,000 impressions and over 3,000 clicks on post content, including clicks to access the full guide.

As part of the ongoing effort to monitor uptake, MSP's Senior Strategic Communications Specialist led a session during MSP's September 2023 team retreat reflecting on LinkedIn outreach of specific MSP learning products. The session highlighted key demographics about professionals engaging with MSP content, including where they are based, pushing the team to consider if our current audience matches our ideal audience with future plans for expanding our audience, for example with language translation of MSP products. One of the limitations that this exercise revealed is the lack of automated audience data from LinkedIn which is relevant to international development categories such as location, job function, and technical expertise, increasing the difficulty of truly unpacking MSP's key audiences and our impact and outreach. MSP was able to get some of this audience data manually. Going forward, MSP will hold regular social media check-in sessions to continue to better understand our current reach and how we can further diversify our audience. This will be bolstered by the Activity-wide stocktaking exercise which kicked off at the end of this period.

FOLLOWERS BY LOCATION

South America 1%
Europe 11.1%
Oceania 1.9%
Africa 33.8%
North America 45.7%
Asia 5.6%

2 — 527

PARTNERSHIPS: LOOKBOOK POST

Impressions	3956
Clicks	1927
Likes	73
Comments	15
Reposts	5

Slides from communications session held at MSP's September 2023 retreat, with 1) highlights of MSP's 3,000 LinkedIn followers by location, 2) a snapshot of MSP's top-performing post thus far—the Partnerships Lookbook—and 3) a snapshot of the job titles of followers who engaged with the Lookbook post.

TOP JOBS IN ID & NON-PROFIT WORLD

Learning Advisor 2.9%
Founder/CEO 5.9%
Consultant 11.8%
Chief of Party 5.9%
Senior Advisor, Climate Change Adaptation 2.9%
Program Manager 2.9%
Senior Program and Consortium Manager 2.9%
Executive Corporate Services & Administration Department 2.9%
Senior Field Implementation and Private Sector Officer 2.9%
Senior Technical Advisor 2.9%
Project MEAL Officer 2.9%
Senior Program Officer 2.9%
MEAL Manager 2.9%
Technical Director, Economic Growth 2.9%
Technical Director 5.9%
Market Systems Team Lead 2.9%
Feed the Future Strategy Consultant 2.9%
Development Communications Specialist 2.9%
Knowledge Mobilization Manager 2.9%
Deputy Chief of Party 5.9%
Senior Private Sector Engagement Advisor 2.9%
Engagement Manager 2.9%

SUMMARY OF RESULTS PROGRESS FOR MSP INDICATORS

INDICATOR	RATIONALE	DISAGGREGATES	CURRENT REPORTING PERIOD (4/1/2023 – 9/30/2023)		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.	Partnership Facility buy-ins	0	**1**	7	**23**
		Other (e.g., services, knowledge generation, capacity strengthening)	1		16	
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)	11	**36**	65	**361**
		Informal (unpaid)	25		296	
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	**16**	N/A	**54**
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	279	**11,012**	988	**45,953**
		Unique website page views	10,733		42,823	
		Downloads *non-unique subset of page views. Only event attendance and page views are counted in Total.	1,592		5,852	
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.	Partnership buy-ins	4.43	**4.21**	4.14	**4.23**
		Other (e.g., services, knowledge generation, capacity strengthening)	4.08		4.18	

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

INDICATOR	RATIONALE	DISAGGREGATES	CURRENT REPORTING PERIOD (4/1/2023 – 9/30/2023)		TOTAL ACCUMULATED TO DATE	
			Disaggregated values	Total Values	Disaggregated values	Total Values
6. Value of new private-sector investment leveraged by the USG to support food security and nutrition[1]	*Applied to the Partnership Facility only.* 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.	N/A	N/A	**$2,456,506**	N/A	**$7,567,938**
7. Number of public-private partnerships formed as a result of MSP funding	*Applied to the Partnership Facility only.* 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	**6**	N/A	**17**
8. Number of technologies, practices, and approaches under various phases of research, development, and uptake as a result of USG assistance	*Applied to the Partnership Facility only.* 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	6	**27**	7	**44**
		Phase 2: Field testing	16		26	
		Phase 3: Available for uptake	5		9	
		Phase 4: Demonstrate uptake	0		2	
9. Value of annual sales of producers and firms receiving USG assistance	*Applied to the Partnership Facility only.* Measuring changes in the value of annual sales[2] 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.	*See next page.*	*See next page.*	**$432,888**	*See next page.*	**$620,946**

[1] This indicator was modified by USAID in September 2022 to remove the amount of USG commitments from dollars leveraged, removing the disaggregation between private investment and USG contributions, and requiring an adjustment to the previously reported total accumulated to date.
[2] These figures include sales from firms onward and purchases by firms from suppliers engaged through the partnership.

INDICATOR	RATIONALE	DISAGGREGATES		CURRENT REPORTING PERIOD (4/1/2023 – 9/30/2023)		TOTAL ACCUMULATED TO DATE	
				Disaggregated values	Total Values	Disaggregated values	Total Values
9. Value of annual sales of producers and firms receiving USG assistance	*Applied to the Partnership Facility only.* Measuring changes in the value of annual sales[3] 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	Agricultural commodities	$432,888	**$432,888**	$577,161	**$620,946**
			Inputs				
			Value added products (post-harvest)			$43,785	
			Post-harvest equipment				
			Business services				
			Information services				
			Product support services				
		2nd level: Type of producer/firm	Smallholder producers (<5 Ha)	$432,888		$562,585	
			Non-smallholder producers (>5 Ha)				
			Micro-enterprises				
			SMEs			$44,720	
			Large enterprises			$13,641	
		3rd level (a): Sex	Male	$251,617		$319,658	
			Female	$174,869		$228,730	
			Mixed[4]			$58,361	
			Disaggregate N/A	$6,402		$14,196	
		3rd level (b): Age	Youth (15-29)	$46,044		$61,631	
			Non-youth (30+)	$162,794		$276,903	
			Mixed age[5]			$58,361	
			Disaggregate N/A	$224,050		$224,050	

[3] These figures include sales from firms onward and purchases by firms from suppliers engaged through the partnership.
[4] Neither 100% male ownership, nor 100% female ownership. These figures include sales from firms onward and purchases by firms from suppliers engaged through the partnership.
[5] Neither 100% youth, nor 100% non-youth.

ANNEX

Spotlights on New Private Sector Partnerships Signed This Period

For further information on MSP's other partners, please see our Private Sector Partnerships Lookbook.

FLW Partnerships: Chanzi Limited

Overview:

Chanzi is an eco-agricultural company that uses black soldier flies (BSF) to convert organic waste into high-protein animal feed and organic fertilizer in Tanzania and Kenya. Chanzi's growth is currently limited by its ability to access a reliable source of large volumes of organic food waste. Yet in Arusha, Tanzania, most household waste goes to landfill, and of that waste, only 7% is recycled and only 2% used as animal feed.

Through this partnership, Chanzi will collaborate with its sister company (Okota Waste Management) to scale its at-source waste separation and collection, growing from three to 15 wards in Arusha. Through this expansion, Chanzi will facilitate cost-free waste collection directly from approximately 97,500 households. The partnership will also build Okota's capacity to manage up to 36 metric tons (MT) of organic waste per day, and divert up to 60% of Arusha's household organic waste from the Muriet landfill. Separation of organic and inorganic waste combined with regular collection, upcycling, and recycling of most waste has the potential to reduce the amount of waste that goes to the landfill by as much as 80% in the long-term. Chanzi will also develop a replicable playbook to scale its model of partnering with a responsible waste collection company to its other locations in southern and eastern Africa. The total value of the partnership is $670,071 with a 1:1 partner to MSP commitment ratio.

Updates:

After signing its agreement on August 23, 2023, Chanzi began implementation. At the end of September, Chanzi submitted its work plan, the first of 15 milestones, which includes a women's empowerment plan, a materials recovery facility (MRF) improvement plan, and a description of the supplier insight survey approach. The work plan is currently under review and will be approved in the next period.

Chanzi is already working on upcoming milestones, including its fourth milestone—the operationalization of two waste separation lines and an inorganic waste processing platform at the MRF by placing an order for additional machinery.

Sidebar (left column)

Projected partner leverage:
$335,848

Daily projected organic waste processing, installed capacity:
36 MT

Projected sales:
$2 million (Okota)

Projected number of Households benefiting:
97,500

Projected organic waste upcycled daily:
36 MT

Photo Credit: Chanzi

Objectives:

Scale the waste separation at source pilot to 12 additional wards, 20 schools, 20 businesses, and three fresh markets, covering a total of 97,500 households and increasing organic waste collection and upcycling to 36 MT/day.

Upgrade the MRF to increase organic waste processing capacity from 3–4 MT/day to 36 MT/day, and hire at least 25 new employees, 80% of whom will be women.

Strengthen Okota's revenue stream for recyclable inorganic waste revenue streams by increasing the amount of inorganic waste that it can process from 4 MT per day to 36 MT, and through networking and direct sale to large-scale recyclable off-takers, achieving average daily sales revenue of approximately $7,000 by the end of the partnership.

FLW Partnerships: Kentaste

Overview:

Kentaste is a coconut processor operating on Kenya's coast that sources and processes about four million coconuts per year, selling various products. Kentaste currently utilizes all parts of the coconut except for the water. The Kenyan coconut industry only realizes about 53% of potential earnings because of limited processing infrastructure and knowledge in country that prevents use of the whole coconut, leading to FLW.

The partnership with Kentaste will establish a mature coconut water product and market in Kenya, upcycle up to 2,500 liters of coconut water per day (avoiding food loss), and build the economic and climate resilience of up to 1,500 smallholder coconut farmers in its supply chain through improved training, access to working finance, and market linkages. Kentaste will build the resilience and revenue of the Kenyan coconut sector while also encouraging other companies to invest in FLW mitigation innovations as business solutions, demonstrating the business case. The total value of the partnership is $609,665 with a 1.4:1 partner to MSP commitment ratio.

Updates:

After signing its agreement on August 21, 2023, Kentaste began implementation. Shortly thereafter, U.S. Ambassador to Kenya Meg Whitman visited Kentaste to celebrate the launch. At the end of September, Kentaste submitted its work plan, the first of 14 milestones, which includes a women's empowerment plan, a coconut water processing and packaging line operationlization plan, and a description of the supplier insight survey approach. The work plan is currently under review and will be approved in the next period.

Kentaste is already working on upcoming milestones, including its fifth milestone and the first supplier insight survey.

Projected partner leverage:
$359,570

Projected annual coconut water installed production capacity:
864,000 liters

Projected sales:
32,500 liters and $70,000

Projected number of smallholder farmers benefiting:
1,500

Projected coconut water upcycled:
32,500 liters

Photo Credit: Kentaste

Objectives:

Operationalize a coconut water processing and packaging line capable of producing up to 2,500 liters of coconut water per day (864,000 annually), mitigate at least 32,500 liters of coconut water that would otherwise go to waste, and create 18 full-time jobs.

Market coconut water product to introduce it to at least 300 retail stores within Kentaste's existing retail network, achieve 32,500 liters of coconut water sales by volume, and $70,000 in revenue.

Improve the capacity and resilience of 1,500 (1,000 existing and 500 new) smallholder coconut farmers through tailored training and additional support including climate resiliency training and an upfront payment facility to lessen pressure on farmers to sell to traders at low prices.

ACE Partnerships: HelloTask

Overview:

HelloTask Platform Ltd. is a multichannel job platform for blue-collar workers that connects clients to care service providers (e.g., cooking, cleaning, laundry) via a smartphone application. Revenue is generated via pay-per-use and monthly subscriptions. This partnership aims to increase the availability of care services for urban households, working women, and working couples, and increase the accessibility of formal care work opportunities for female domestic workers, by expanding HelloTask's network of service providers and piloting new service offerings such as childcare. The partnership will scale HelloTask's existing business model and support conditions for increased women's participation in the formal economy. By the end of the partnership, it is anticipated that about 20,000 care service providers will be registered and integrated into the formal economy, delivering services to about 200,000 care service clients. The value of the partnership is $407,498 with a 1:1 partner to MSP commitment ratio.

Updates:

HelloTask began implementation after the agreement was fully executed on September 19, 2023 and are now beginning work on its first few deliverables, including the work plan and the first round of insight surveys. Additionally, HelloTask has already begun work toward the first phase of software development and recruited specialized engineers to undertake this work.

Software development is critical to this partnership as most blue-collar labor and domestic service workers are featurephone users and thus, cannot register into HelloTask's system. With upgraded software technology, these workers will be able to integrate into HelloTask's system and have increased access to job opportunities and higher earning potential.

Projected partner leverage:
$209,389

Geography:
Bangladesh

Projected sales:
$360,000

Projected # of care service providers registered:
20,000

Projected # of new care service clients:
200,000

Photo Credit: HelloTask

Objectives:

Develop and implement an automated processing technology that decreases new care service request processing times by 75%, and an AI-driven, interactive voice response (IIVR) system to connect all featurephone users, increasing the number of registered, formal sector care service providers, and increasing average income by an estimated 272%.

Expand service offerings to include childcare; to do this, register 800 new providers and pilot offering childcare services for registered care service providers.

Strengthen financial inclusion of lower income populations by facilitating bank accounts and other financial products for 100% of registered care workers.

Solomon Islands Partnerships: KTC

Overview:

Kaprikonia Trading Company (KTC) is an Auki-based cocoa buyer in Solomon Islands. Through this partnership, it will pilot organic cocoa butter and powder processing in Malaita province and start exporting high-quality organic cocoa beans and powder to international markets. KTC collected samples from farmers in Malaita and established a partnership with a Fiji-based chocolate company and MSP is supporting KTC in starting up its cocoa processing (which has not been tried before in Malaita) and exporting business. KTC plans to identify and recruit interested cocoa aggregators and cocoa farmers in Malaita with access to fermentation and drying equipment to establish a purchasing relationship. As part of KTC's offer to its suppliers, KTC will provide training in production, organic certification standards, and post-harvest handling to producers. KTC will also provide training in fermenting and drying cocoa beans to aggregators and upgrade its processing operations to install innovative, smokeless wood-fired dryer adaptations to improve the quality of beans supplied by the farmers. The total value of this partnership is $363,768, with a 1:3 partner to MSP commitment ratio.

Updates:

Upon signing the award with MSP on August 14, 2023, KTC submitted its first milestone, the work plan. Planning has begun for its first supplier insight survey, where the KTC team will survey participating farmers on its current challenges and goals.

Key milestones under the KTC award include:

- Cocoa Nursery Operationalization
- Cocoa Post-Harvest Processing and Handling Trainings to Farmers
- Cocoa Butter and Powder Manufacturing Facility Operationalized in Auki
- 12 MT of Dried Cocoa Bean Purchased from 10 Aggregators

Projected partner leverage:
$132,442

Geography:
Solomon Islands

Projected number of "rocket-stove" dryers to be operationalized:
5

Projected number of smallholder farmers benefiting:
100

Photo Credit: KTC

Objectives:

Export high-quality, organic cocoa beans and powder to international markets in the Pacific region, starting with its partner organization based in Fiji.

Increase the competitiveness and inclusivity of the cocoa sector in Malaita by engaging with both male and female farmers and providing trainings and resources for yielding high-quality cocoa beans. Through the use of new technology and cocoa stock, KTC will improve the growing and processing of cocoa on Malaita.

Solomon Islands Partnerships: KPSI

Sidebar statistics

Projected partner leverage: **$113,151**

Geography: **Solomon Islands**

Projected sales: **$400,000**

Projected number of smallholder farmers benefiting: **100**

Projected number of jobs created: **100**

Overview:

Kokonut Pacific Solomon Islands (KPSI) is a coconut oil and cocoa production company based in Honiara, Solomon Islands. Through this partnership, it will expand its sourcing of organic certified cocoa beans through a decentralized smallholder farmers and village processing network. Members of the village-level processing units for cocoa will receive training and material support to achieve quality standards and increased volumes of production. KPSI will collect all products for quality testing, packaging, or further processing at its facility in Lungga, Honiara, for distribution in the domestic market or export to Australia, New Zealand, United Arab Emirates, and Europe.

Through the MSP co-development process, KPSI identified a need to address 1) the limited income generating potential for rural Malaitan farming households without further opportunity to add value through improved on-farm processing and specialty designations, such as certified organic; 2) high transportation costs of moving whole agricultural products from disparate islands to main processing hubs; 3) the inability to compete financially by supplying non-specialized products to domestic and international markets; and 4) the need to ensure that international markets are aware of the uniqueness and quality of the products coming from Solomon Islands. The total value of this partnership is $336,890, with a 1:3 partner to MSP commitment ratio.

Updates:

Upon signing their award on August 23, 2023, KPSI submitted its first milestone, the work plan. It has begun reviewing its coconut farmer networks on Malaita and identifying farmers interested in participating in the cocoa activity.

Key milestones under the KPSI award include:

- Registration of 100 Cocoa Farmers
- On-farm Cocoa Processing Units Operationalized
- Cocoa Processing Facility Operationalized in Honiara
- 100 Farmers Trained in Cocoa Best Practices
- 90 MT of Dried Cocoa Beans Purchased from Processing Units

Objectives:

Pilot an organic certification model (previously proven by KPSI for virgin coconut oil) for cocoa in Malaita.

Establish an expanded, decentralized processing network in Malaita and upgraded value-added processing facility for cocoa in Honiara.

Expand the Malaitan cocoa market to include organic cocoa nibs, butter, and powder—all made from organic Malaitan sourced cocoa beans.

Southern Africa Partnerships: NCCL

Overview:

Northern Coffee Corporation Limited (NCCL), a subsidiary of olam food ingredients (ofi) is Zambia's largest coffee farmer and exporter of green coffee to the United States. NCCL is an established Zambian business with 10 years of experience and 2,400 hectares of coffee production on the Kateshi estate in Northern Province.

The purpose of this partnership is to co-invest with NCCL to expand production and improve the environmental sustainability of the company's coffee production while increasing exports to the United States and generating employment opportunities in Zambia. Regarding the expanded production, the Kateshi estate has a demarcated conservation area of 900 hectares which will not be touched. The newly planted area will be located within the boundary of the Kateshi estate but there will not be loss of primary vegetation or mature trees. Bio-waste gained from the clearing of the land will be turned into biochar and reincorporated before planting of the coffee seedlings. The value of the partnership is $2,092,431 with a 1.3:1 partner to MSP commitment ratio.

Updates:

This period, the partnership with NCCL was executed on June 1, 2023. NCCL submitted its first milestone, the activity work plan, which was reviewed and approved by MSP. NCCL has also completed its first supplier insight survey during which it uncovered crucial data on gender views within its workforce. For example, NCCL found that 34% of males reported that they have experienced gender discrimination at work. However after looking into the responses, NCCL found that there are common misunderstandings of what constitutes discrimination in the workplace. This is something NCCL will continue to educate their staff on.

Key milestones under the award over the next two years include:

- Land Preparation (170 hectares)
- Operationalization of Irrigation
- Completion of Planting Coffee
- Implementation of Regenerative Agricultural Farming Practices (Biochar and Wastewater)
- Revision and Implementation of Gender Policy

Projected partner leverage:
$1,176,001

Geography:
Zambia

Projected job creation:
154

Projected increase in land under cultivation for coffee production:
170 hectares

Photo Credit: DAI

Objectives:

Increase coffee production area and increase employment by approximately 1,362 (fixed, casual, and seasonal jobs). NCCL will plant a novel Arabica hybrid variety called Miracle that is resistant to coffee berry disease and leaf rust. As a result of this expansion, NCCL projects to increase employment in the region by 1,362—154 casual roles (approximately 90 days per year), 6–8 fixed management roles, and 1,200 seasonal roles (during the harvest season approximately 80 days per year).

Implement innovative and environmentally sustainable coffee farming techniques. NCCL will test new farming practices to reduce its carbon footprint and water consumption.

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