



FEED THE FUTURE

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

Market Systems and Partnerships (MSP) Meet and Greet AGRF Deal Room

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U.S. GOVERNMENT PARTNERS





INTRODUCTION TO MSP

- MSP is a \$65 million, five-year, flexible buy-in mechanism (including two option years) that will bolster the ability of USAID Missions and Operating Units to address critical development challenges more sustainably and at greater scale.
- The project reflects the commitment of Feed the Future and USAID to strengthening engagement with market actors—including many of the multinational and local firms and national governments represented at AGRF—to sustainably strengthen agriculture and food systems development in Africa.
- Another key focus of the project will be to strengthen learning and capacity in private sector engagement and in market systems development within USAID and beyond.





DEVELOPING A NETWORK OF PARTNERS

- The program is just getting started and we're looking to engage a wide range of potentially interested partners to participate in the program.
- These will include companies that want to participate in a partnership with USAID, co-investing and co-creating interventions that align their core businesses objectives with those of USAID for social impact.
- Other partners will include companies that provide services to help design and implement such facilitated partnerships and blended finance mechanisms including in financial services, business management services, and transaction advisory services.





EXAMPLES OF SERVICES UNDER MSP

- **Facilitate private sector partnerships and blended finance initiatives.**
- Support USAID in the design, implementation, monitoring, and evaluation of MSD and PSE activities.
- Build the evidence base for both PSE and MSD approaches and their ability to efficiently and effectively drive economic growth and increase incomes and food security.
- Develop and implement a learning agenda that will test the underlying assumptions of the MSD and PSE approaches, while driving development of tactical tools and guidance.
- Build capacity of USAID and its implementers in MSD and PSE through training, applied learning, and using a strategic approach to disseminate learning and evidence.





PRIVATE SECTOR ENGAGEMENT

Top-line Goals



Enduring results



Systemic change



Shared value



Expand impact and scale





PARTNERSHIPS AND BLENDED FINANCE ACTIVITIES

Examples of partnership objectives

- Deepen smallholder farmer market penetration for financial services, agricultural inputs, and technologies.
- Improve ability of supply chain companies to source quality product directly from smallholder farmers, in sufficient quantity.
- Introduce or scale value-added processing for a particular product in a country.
- Build alignment and commitment across industry to address pervasive problems such as child labor.
- Consider packaged investment opportunities and receive support to conduct due diligence and to structure transactions.
- Develop multi-stakeholder alliances to remove barriers to agricultural investment within the policy and enabling environment of a particular country.





PATHWAYS TO PARTNERSHIP (1/2)

Practical steps

- A USAID Mission or office needs to buy into MSP to design and implement partnerships in a particular country.
- MSP will work out to build out network of firms in country and understand opportunities and constraints.
- MSP will release a solicitation in country for partnership proposals.





PATHWAYS TO PARTNERSHIP (2/2)

Practical steps

- Partners will be selected based on a set of criteria, which could include:
 - Potential for employment generation
 - Potential to increase incomes
 - Economic opportunities for women and other marginalized groups
 - Number of smallholder farmers engaged in the crop production
 - Whether the activity contributes to industry-influencing public learning
 - Whether the concept demonstrates that a company has “skin in the game” by making a significant financial and human capital investment in the proposed partnership
- MSP will negotiate selected partnerships and successful implementation will be evaluated against a milestone and deliverable plan included in the partnership agreement.





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QUESTIONS?



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