USAID
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LOCAL PRIVATE SECTOR PARTNERSHIPS

ASSESSING THE STATE OF PRACTICE IN USAID'S PARTNERSHIPS WITH LOCAL PRIVATE SECTOR ACTORS

U.S. GLOBAL DEVELOPMENT LAB

November 2015

Submitted by:
Partnership Services Program
Implemented by SSG Advisors

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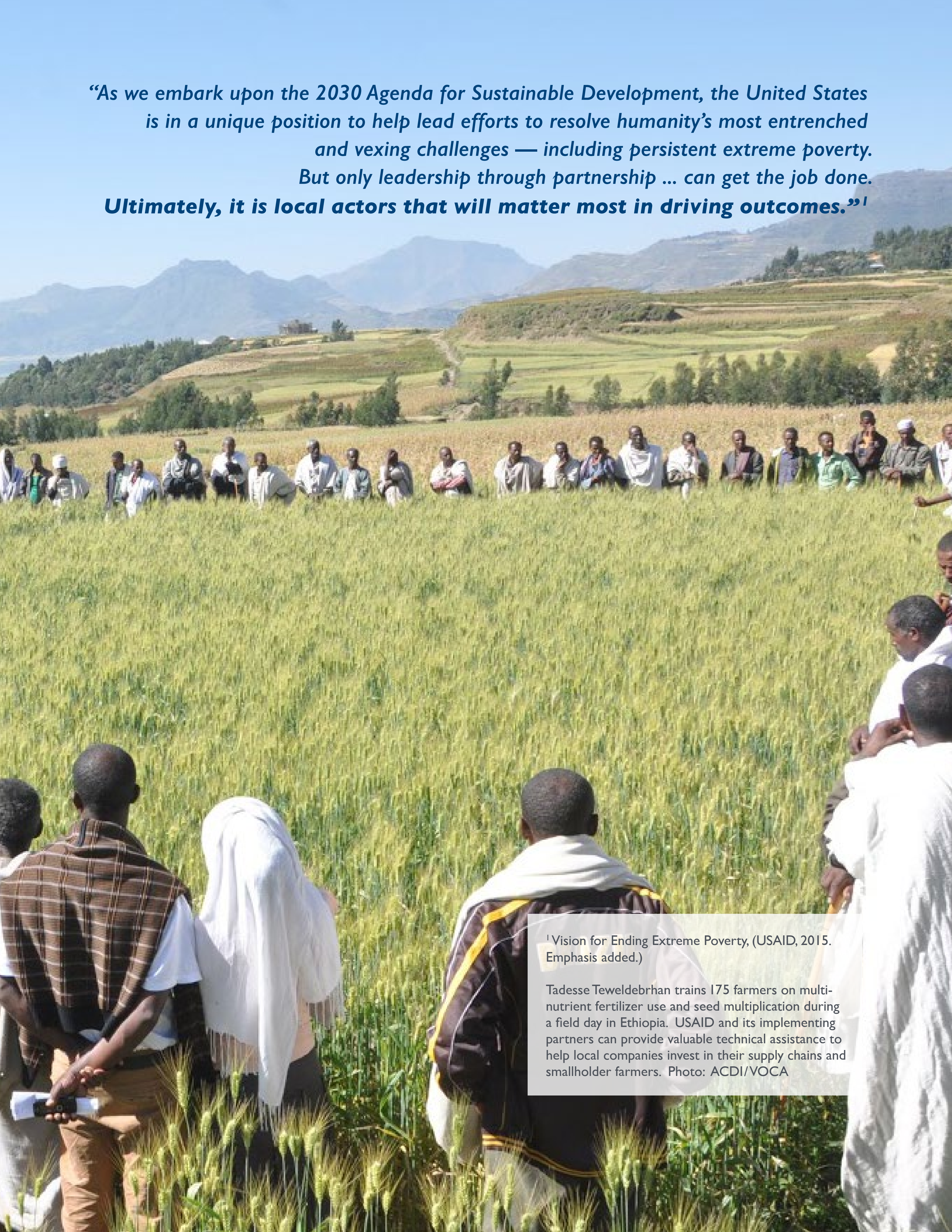
Cover Photo: The District Government of Arghandab in Kandahar, Afghanistan, is providing vocational training to help out-of-school youth and the unemployed find work in their villages.
Photo: SIKA South Afghanistan

"As we embark upon the 2030 Agenda for Sustainable Development, the United States is in a unique position to help lead efforts to resolve humanity's most entrenched and vexing challenges — including persistent extreme poverty. But only leadership through partnership ... can get the job done. ***Ultimately, it is local actors that will matter most in driving outcomes."[1]***



[1] Vision for Ending Extreme Poverty, (USAID, 2015. Emphasis added.)

Tadesse Teweldebrhan trains 175 farmers on multi-nutrient fertilizer use and seed multiplication during a field day in Ethiopia. USAID and its implementing partners can provide valuable technical assistance to help local companies invest in their supply chains and smallholder farmers. Photo: ACDI/VOCA

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LIST OF ACRONYMS

APS	Annual Program Statement
BOP	Base of the Pyramid
CCBA	Cold Chain Bangladesh Alliance
CDCS	Country Development Cooperation Strategy
COMETS	Community Empowerment through Self-Reliance (Zambia)
CSR	Corporate Social Responsibility
CTP/GP	Center for Transformational Partnerships /Global Partnerships Team
DIV	Development Innovation Ventures
GDA	Global Development Alliance
FICCI	Federation of Indian Chambers of Commerce and Industry
FSN	Foreign Service National (USAID employee who is a national of the host country)
FSO	Foreign Service Officer (U.S. citizen USAID employee who is part of the Agency's Foreign Service)
FTF	Feed the Future
ICT	Information and Communications Technology
LPSPs	Local Private Sector Partnerships
MNCs	Multinational Corporations
PEPFAR	President's Emergency Plan for AIDS Relief
PPP	Public-Private Partnership
PR	Public Relations
PSE	Private Sector Engagement
SSG	SSG Advisors
USAID	United States Agency for International Development
USAID/LAC	USAID/Latin America and the Caribbean

EXECUTIVE SUMMARY

USAID partners with the private sector to increase the impact of its development activities. Many of the Agency's most high-profile partnerships are with multinational companies, but USAID also has a long history of collaborating with local firms. However, because local partnerships are shaped by local systems and the priorities of individual USAID Missions, the successes and challenges of partnering locally are not yet well known nor effectively shared across the Agency and beyond.

This paper is the first broad assessment of the state of practice in USAID's local private sector partnerships (LPSPs), focusing on collaborations where local firms co-invest with the Agency around areas of mutual interest. Drawing on the insights of more than thirty USAID colleagues around the world and in Washington, the paper explores **the dynamics of USAID's partnerships with local private sector actors and how they differ from USAID's partnerships with multinational companies.**

In addition, several short profiles were developed to accompany this paper; these explore individual local partnerships in greater detail. The paper is divided into five sections that cover the most critical issues emerging from these conversations and from USAID's experience to date:

SECTION 1: CONTEXT

The case for USAID to engage with local companies has never been as compelling as it is today, with global trends "crowding in" local companies into the development space. In Section 1, the paper details the forces that are raising the profile of local partnerships: the Sustainable Development Goals, adopted in September 2015, envision a clear role for the private sector in the ambitious framework for addressing extreme poverty, inequality and injustice, and climate change. USAID's own strategies, initiatives, and its Local Systems Framework also see local actors, including the private sector, as key. In many economies where USAID works, the idea of partnering with local companies is not new nor surprising – local firms are sometimes sophisticated economic actors and are multinationals in their own right. In other USAID-presence countries, smaller local firms are partnering around a variety of challenging issues.

SECTION 2: UNIQUE AND SIGNIFICANT VALUE

Partnerships with local companies can deliver unique and significant value to USAID's development objectives. Interviews for this paper revealed five sources of value that local partners can bring to USAID. First, local partners are able to draw upon local networks, connecting the Agency to other key players in the local system, including, potentially, local investors. Nearly everyone interviewed for the paper cited these context-specific linkages as a unique value of partnering with local firms. Next, local companies often have a deep familiarity with local systems, which at times can lead to a higher tolerance for risk. In certain situations, this has meant that local firms were willing to co-invest with USAID in contexts where multinationals were not active. A third factor cited was local companies' long-term commitment to the local market. One colleague paraphrased a local company's perspective by saying, "We can't just get up and move to another country – we live here." Next, some colleagues found that certain local partners were more flexible or responsive, and that direct access to high-level decision-makers could mean quicker action on partnership matters.

Finally, colleagues discussed the positive demonstration effect that can occur when a local firm engages around social issues. Often other companies are inspired to follow suit. "Our partnership woke up the [local] corporate world to the benefits of doing good," said a colleague in Africa.

For local companies, a partnership with USAID can also be beneficial in ways that may be distinct from benefits perceived by a multinational firm — specifically, USAID's convening power and ability to bring its international network to the table; to provide top-quality technical assistance and development expertise; and to act as a neutral party in charged contexts. Local partners also benefit from USAID's credibility and "brand" — in some contexts, a partnership with USAID can help local partners gain both local and international legitimacy.

SECTION 3: WHY AND HOW LOCAL COMPANIES ENGAGE

For local private sector partnerships, context matters – a lot. In Section 3, the paper summarizes colleagues' views on how local economic and political issues can shape USAID's ability to partner locally; these issues can also make local engagement much more complicated for Agency colleagues. For example, a local company's ties to certain politicians or political parties may have implications for partnerships with USAID. The local context can also shape how local firms see themselves as social actors. Some firms limit their engagement on social issues to philanthropic activities. Others engage in ways more closely aligned to their own business interests, along the spectrum from Corporate Social Responsibility to shared value (the latter implying a simultaneous economic and social benefit). Colleagues in all regions report a wide variation in how companies see themselves in the social arena, and thus in how they engage with USAID.

SECTION 4: AGENCY APPROACHES

Not surprisingly, USAID colleagues are taking a variety of approaches in engaging the complex set of actors that comprise the Agency's local private sector partners. In Section 4, the paper takes a practical look at how Missions are currently working to identify, build, and implement LPSPs. USAID colleagues provide a range of approaches, ideas, and advice for mapping and engaging local partners, for effective relationship-building, for conducting due diligence and assessing risk, for structuring partnerships that can adapt to smaller local investments, and for connecting local partners to the technical assistance and support they need to maximize partnership impact. Colleagues also report on specific models where implementing partners can play a key role in working with local firms.

SECTION 5: CONTINUING THE CONVERSATION

As the first broad assessment of USAID's local partnerships, this paper is the beginning of a larger conversation. In Section 5, the paper summarizes the emerging insights on local partnerships that should be useful across the Agency. Although local engagement varies and some best practices (and challenges) are context-specific, colleagues should find in the paper examples and ideas that can inform their own collaborations. External stakeholders, hopefully, will also gain an initial understanding of not only the breadth and depth of USAID's partnerships with local firms, but also the wide variety of staff experiences. The Center for Transformational Partnership's Global Partnerships Team is committed to moving this conversation forward, and welcomes collaboration on this important topic.

ACKNOWLEDGMENTS

The US Global Development Lab's Partnership Services Program (PSP), implemented by SSG Advisors, worked with the Global Partnerships (GP) team to investigate the current status of USAID's partnerships with the local private sector. As part of this project, PSP and GP conducted approximately 30 interviews over several months in nearly all regions where USAID is active; these were primarily with USAID colleagues, with a small number of conversations with implementing partners and the private sector. The team also received written input from five USAID Missions.

The authors would like to express our gratitude to and acknowledge the contribution of a number of individuals from across the USAID Global Partnerships team, USAID Missions and Bureaus, and USAID's private sector and implementing partners: Ricardo Michel, Elizabeth Warfield, Christopher Jurgens, Winnette Richards, Aleksandar Djureinovic, David Alejandro Huertas, Sandra Pabon, Christina Davis, Jennifer Schneider, Susan Kutor, Gil Dy-Liacco, Gerardo Tablas, Martin Schulz, Ken Lee, Margarita Lobo, Paloma Adams-Allen, Regina Jun, Avery Ouellette, Flora Arifi, Dobrila Vukmanovic, Jay Cody, Brian Dusza, Andrea Harris, Jane Mwangi, Trang Ngô Minh, Risal Khan, Mohammad Shibly, Lucy Kithome, James Lykos, Eric Naranjo, Edgar Muñoz, Nathalie Renaud, David Rogers, Jackie Wakhweya, Nehal Sanghavi, Moni Sagar, Jeff Paretchan, Dennis Wesner, Bandula Nissanka, Nabil Handal, Helen Gichohi, Robert Loyelei, Kim Green, and Rosanna Price-Nyendwa.

The authors apologize for any omissions from this list, which are inadvertent.

INTRODUCTION

USAID has a long, successful history of collaborating with the private sector in partnerships to increase development impact. Many of the Agency's most successful and high-profile partnerships are with multinational companies (MNCs),* such as Microsoft and Walmart. These firms collaborate and co-invest with USAID in activities that are designed to simultaneously achieve development objectives and address key business interests. Information about these partnerships is widely available both within USAID and externally. Some of these approaches for collaborating with corporate partners have existed for a decade or more, and can be relatively easy to replicate across different geographies.

At the same time, USAID's partnerships with **local private sector actors** are numerous and significant. In fact, Agency and global trends are "crowding in" these stakeholders into the development arena. Local private sector partnerships are especially relevant to USAID Forward, Local Solutions and the Agency's focus on local systems and local ownership, all of which aim to leverage and support local priorities, networks and resources. In addition, in some of the economies where USAID operates, local companies are emerging as critical actors in social and economic development. Yet, since local private sector partnerships involve local actors and are dependent on local contexts and the priorities of individual USAID Missions, successful approaches and lessons learned from USAID's experience working with these companies are not often well known or effectively shared.

This paper is the first broad assessment of the state of practice in local private sector partnerships (LPSPs) across the Agency. In discussions with more than thirty USAID Mission and Bureau staff, the paper's authors explored current partnerships and focused conversations around one key theme: **the dynamics of USAID's partnerships with local private sector actors and how they differ from USAID's partnerships with multinational companies.**

The interviews brought to light an initial set of concepts emerging from USAID's engagement with local private sector actors:

- Partnerships with local companies can deliver **unique and significant value to collaborations with USAID;**
- Local companies are motivated to invest in social and environmental issues for a variety of reasons; **these motivations are best understood within the context of the local system;**
- Approaches for building and sustaining local private sector partnerships vary, although **there are many examples of productive approaches that colleagues should find useful**; and
- Based on the issues and examples highlighted by our colleagues, the authors posit that **opportunities for USAID to actively partner with local private sector actors are becoming more compelling.**

In addition to this paper, the authors developed several short profiles of local partnerships; these are meant to accompany the paper, as they explore individual local partnerships in greater detail.

* In this paper, "MNC" primarily refers to multinational firms that are domiciled in the United States, or, to a lesser extent, Western Europe.

Defining Local Private Sector Partnerships

Throughout this paper, local private sector partnerships are defined as USAID's collaborations with local companies or business associations that **involve co-creation or co-investment on the part of local private sector partners.** The paper reviews the experience of a variety of partnerships, including:

- Partnerships involving local private sector partners domiciled in a host country, including businesses, high-net-worth individuals, foundations, investors, financial partners, and business associations.
- Partnerships involving regional companies that may be domiciled in one country but also have operations or presence across multiple countries in a certain region.
- Partnerships involving both multinational partners and local partners in which the local partner is considered to be an anchor partner or plays a substantial role (e.g., co-investor).

Local private sector partners represent a highly complex set of actors, and there is wide variation in the tone, focus, and scope of their interaction with the Agency. Given the range of economic and political contexts in which USAID operates, it is difficult to make generalizations about these partners. USAID's local partners include major Indian companies like Mahindra and ICICI Bank, as well as large local firms that are exporting or operating regionally like Casa Luker, a Colombian confectionery company. Meanwhile, some Missions have structured partnerships with medium-sized and smaller firms that co-invest relatively small sums of money but may also invest non-financial resources.

An Afro-Colombian farmer prepares cocoa beans for sale to Chocolate Tumaco, a community-owned cocoa marketing cooperative created through a partnership between USAID/Colombia and the Colombian firm Casa Luker. Photo: USAID|Colombia

Since this paper is an initial assessment of USAID's local private sector partnerships, the authors use "LPSP" to encompass all of these various collaborations, with the acknowledgement that it is an imperfect term and that further refinement and precision will emerge in future studies.

In addition, USAID's decentralized nature and vast relationship network means that this paper cannot rely on precise data on the Agency's current number of active local partners. However, current data suggests that 44% of USAID's 266 active partnerships in 2014 involved a local partner of the type described here.

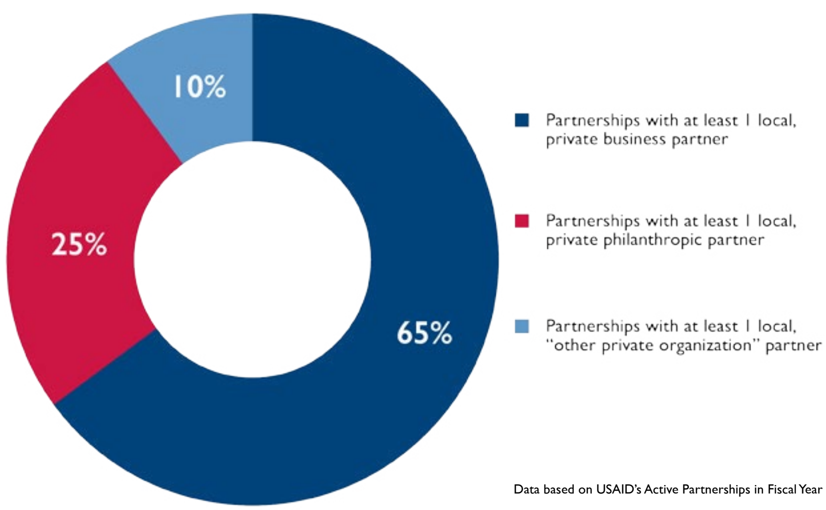
1. THE TIME IS RIGHT: LOCAL PRIVATE SECTOR PARTNERSHIPS IN CONTEXT

The case for USAID to engage with local companies has never been as compelling as it is today. The Sustainable Development Goals, adopted in September 2015, place particular emphasis on the role of the private sector. Globalization and growth within emerging and frontier markets are giving rise to larger, more influential, and more socially-conscious local companies. In smaller economies, local companies may be the most viable, active, and valuable partners — or they may be the only option for private sector engagement. At the same time, USAID and the larger development community are increasingly looking to draw on local systems and local solutions to enhance development impact and sustainability.

Large companies in emerging markets are becoming more important and influential. According to the McKinsey Global Institute, "The emerging economies' share of Fortune Global 500 companies will probably jump to more than 45 percent by 2025, up from just 5 percent in 2000. That's because while three-quarters of the world's 8,000 companies with annual revenue of $1 billion or more are today based in developed economies, we forecast that an additional 7,000 could reach that size in little more than a decade — and 70 percent of them will most likely come from emerging markets."[2]

USAID is already partnering with many local firms, although engagement across the Agency is uneven and can vary over time, even within a specific country. Of the reported private sector partnerships that were reported as active in fiscal year 2014, 117 — or 44% — involved a local actor as a resource partner. Of those, the majority (65%) were private businesses; the other 35% is made up of local private philanthropies and other local organizations (see graphic below). In the same year, in both Asia and the Europe and Eurasia regions, five of USAID's ten largest private sector partners (measured by resources invested in partnerships) in each region were local actors.

USAID's Local Private Sector Resource Partners by Type



Data based on USAID's Active Partnerships in Fiscal Year 2014

[2] http://www.mckinsey.com/insights/urbanization/urban_world_the_shifting_global_business_landscape (2013). The Fortune Global 500 is an annual ranking – done by Fortune Magazine – of the top 500 corporations worldwide as measured by revenue.

As mentioned, the Sustainable Development Goals also acknowledge the importance of these local collaborations. Goal 17, "Revitalize the Global Partnership for Sustainable Development," includes the following call to action:

> A successful sustainable development agenda requires partnerships between governments, the private sector and civil society. These inclusive partnerships built upon principles and values, a shared vision, and shared goals that place people and the planet at the centre, are needed at the global, regional, national and local level.[3]

Local Private Sector Companies as Indispensable Development Actors

Today's international development landscape is very different than it was just a few decades ago, and in many contexts, local firms are now vitally important. As many emerging markets across the developing world become increasingly sophisticated, dynamic, and globally-oriented, so too have an expanding cadre of local private sector actors. This presents a critical opportunity for USAID. By partnering with these companies, USAID can foster and support local economies, while also leveraging the resources, valuable local knowledge, networks, and creativity of a new class of development partners – companies with intimate understanding of local context, as well as a strong commitment to place.

In many larger countries where USAID works, local companies can be more relevant development actors than multinational companies or international donors. In countries like India, Colombia, South Africa, Brazil, and the Philippines, local firms are primary economic actors that drive economic growth. For this reason alone, they must be considered critical stakeholders in local development. As one Mission colleague noted, "USAID needs to be involved with these [local] actors to be relevant."

Local companies are increasingly exploring corporate social responsibility (CSR) activities, and many are looking for ways to engage on social and environmental issues. Many firms recognize the relationship between social problems and their own economic returns, and are open to conversations around issues like local development, stability, and security. Even though local engagement is happening to varying degrees throughout the Agency, there may be greater appetite than is currently recognized. Another colleague recounted the reaction of a local firm when USAID initiated discussions about partnering. "We've watched [USAID] work here in our country for years. Finally, you're coming to talk to us!"

LPSPs Can Support Agency Strategies

Partnerships with local firms align directly with USAID's emphasis on increased engagement with local actors, as articulated in USAID Forward, Local Solutions and the Agency's Local Systems Framework.

USAID's emphasis on local systems is rooted in the premise that effective development depends on the contributions of many interconnected actors. The local private sector is a critical part of any local system. In a similar manner, LPSPs are an integral part of USAID Forward's efforts to "promote sustainable development through high-impact partnerships and local solutions by engaging private sector partners … that serve as engines of growth and progress in their own nations."[4]

In this sense, engaging the local private sector can be part of the effort to build "the next generation of development agents." Some colleagues interviewed for this paper indeed saw LPSPs as contributing to the way that some local companies view their own role in tackling social and environmental problems. More specifically, colleagues have witnessed the effect of participating in USAID partnerships on local companies' CSR programs or on the shift toward true shared value partnerships.

Colleagues also noted the wisdom of deploying local private sector partnership strategies in countries that may graduate from USAID assistance in the near- to medium-term. Local firms that are engaged on social issues could contribute to a valuable USAID legacy.

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[3] http://www.un.org/sustainabledevelopment/globalpartnerships/
[4] https://www.usaid.gov/usaidforward

LPSPs and USAID Presidential and Priority Initiatives

Local businesses are indispensable partners in priority initiatives such as Feed the Future (FTF), the New Alliance for Food Security and Nutrition, the Global Health Initiative, PEPFAR, the Global Climate Change Initiative, and Power Africa. For example, under Power Africa, USAID relies heavily on local/regional private capital partners to mobilize significant investment in critical infrastructure and services to facilitate growth in energy. Under the New Alliance for Food Security and Nutrition, Missions have engaged an array of local companies interested in working with USAID to make investments that will enhance food security for millions. Under PEPFAR, local clinics, hospitals, medical supply and distribution companies, service providers, and even employers have been critical partners in combatting HIV and AIDS.

A worker at Olkaria Geothermal Plant in Kenya. Through Power Africa, USAID is working with the private sector, including local companies, to expand energy access across sub-Saharan Africa.
Photo: Carole Douglis/USAID West Africa

II. LOCAL PRIVATE SECTOR PARTNERSHIPS CAN DELIVER UNIQUE AND SIGNIFICANT VALUE

USAID partners with the private sector – local companies and MNCs alike – in order to increase impact by leveraging expertise, networks, and resources. Private sector partners, both local and multinational, collaborate with USAID for a variety of reasons, including mitigating risk; exploring or expanding markets; strengthening their brand; and addressing social or environmental issues that affect business operations. However, in comparison to multinational companies, local partners can bring distinct strengths and value to development partnerships. For their part, these companies can also derive unique value from their work with USAID.

A shop owner in Kasekula town on Bugala Island, Uganda. Photo: USAID

"The local private sector is a network, and local partners can open doors for USAID"

Gerardo Tablas, USAID/El Salvador

A. LOCAL COMPANY PARTNERS CAN BRING UNIQUE VALUE TO USAID

The Mission staff interviewed for this initial assessment identified several key ways in which local companies can add unique value to USAID's private sector engagement approaches. This value can extend well beyond the scope of the formal partnership and often reflects much more than the financial investment by the local company. The conversations that led to this paper uncovered five distinct benefits:

- The **ability to draw upon local networks,** including the **ability to access or catalyze local investments**;
- **Deep familiarity with local systems** or the local context; this local knowledge can expand a partnership's reach or impact and sometimes leads to a **more nuanced assessment of investment risk**;
- Local companies are by definition rooted in place; often this **commitment to the local market** has unique and direct benefits to a partnership;
- Local firms can sometimes be more **flexible or responsive** than multinational companies; and
- Partnerships as well as local communities can benefit from the **demonstration effect** of committed and active local private sector partners.

Local Networks and Local Investments

By partnering with local companies, USAID is often able to leverage a unique set of local connections and local networks that may not be known by or accessible to multinational firms. In some cases, USAID's cooperation with local partners has served to catalyze local investment. This ability to activate and involve local networks was the most frequently-cited benefit of partnering with local firms.

One USAID colleague explained the phenomenon by saying, "MNCs here sometimes give a big chunk of money for a project. But the local private sector can contact their peers and open doors."

For example, in El Salvador, the SolucionES Alliance's founding local partners — Salvadoran business leaders and local foundations with close connections to the country's private sector — drew on their networks to mobilize unprecedented local private sector investment and support for local anti-crime initiatives. Prior to the partnership, Salvadoran companies felt the effects of crime and violence but had not formed a collective response. The lead role played by the local private sector and local foundations was instrumental in convincing other private sector organizations to join the partnership. SolucionES stands as USAID's largest Global Development Alliance with exclusively local private sector partners.

In India, USAID partnered with the Federation of Indian Chambers of Commerce and Industry (FICCI) to leverage its connections with 250,000 local companies and attract new partners and potential investors to the Millennium Alliance, a localized version of USAID's Development Innovation Ventures (DIV) program, designed to support early-stage solutions to complex development challenges. FICCI also had a strong and long-standing relationship with the Government of India, and that relationship was key in the decision by India's Technology Development Board to invest $5 million into the Millennium Alliance — the first time that an Indian government agency has co-invested directly in a USAID partnership.

In Serbia, USAID co-designed a local ICT Hub, which supports the country's IT sector through a unique program to incubate technology entrepreneurs. The two local companies who serve as resource partners were able to bring the Serbian Private Equity Association into the partnership, as well as other local investors, through their own connections. The local investors provide advice to Hub participants on issues like pitching to investors and creating business plans, and at times make their own investments in the companies emerging from the Hub.

Sometimes the local network means a real, physical network. USAID/Kenya has partnered with Equity Bank, one of the country's largest private banks, on the Wings to Fly scholarship program, providing full secondary school scholarships to some of the country's brightest, yet most disadvantaged, children. Equity Bank utilizes its own network of nearly 170 bank branches across the country to "adopt" the Wings to Fly students in their communities, reviewing their report cards, connecting them with counseling and other services as needed, and regularly checking in on their progress. This creative use of the Bank's physical infrastructure and reach in Kenya has been critical to the partnership's success. A multinational bank may not have been able to achieve the same results, as most would be unlikely to have the same number of bank branches across the entire country, including in smaller cities and towns. Wings to Fly is now one of the largest scholarship programs in Africa, serving more than 10,000 young people across Kenya.

Sometimes the local network includes beneficiaries that USAID may struggle to reach on its own. In Zambia, USAID and the Government of Zambia partnered with 13 mining companies and large agribusinesses to expand HIV and AIDS testing, counseling, and treatment services to their employees and to remote communities. These companies had operations in, or hired workers from, some of Zambia's highest risk and hardest-to-reach communities. Together, these companies had the influence, connections, infrastructure, and staff to provide services and treatment to hundreds of thousands of people across the country.

> ***"Local partners are more aware of the local context and the different socio-economic and political issues in the country than multinationals. This helps address risks as they arise with a more adaptive approach."***
>
> *Nabil Handal, USAID/West Bank/Gaza*

Deep Local Knowledge; More Nuanced Approach to Risk

Local businesses are by definition rooted in local systems. As such, they can sometimes have a more nuanced understanding of the local context, culture, and socio-economic climate than multinational firms. This creates a unique opportunity to create what one colleague called "practical, homegrown solutions that are designed for the local market."

Local knowledge can sometimes lead to a more nuanced approach to risk. In several conversations with colleagues, examples were cited where local firms were willing to co-invest with USAID in contexts where multinationals were absent, because the local companies seemed to evaluate the local risk factors from a different perspective.

On general local knowledge being an important factor, nearly all colleagues interviewed for the paper agreed. One interviewee from the Latin America region put it this way: "[Local companies] understand the culture. They know the challenges. This makes an alliance more applicable to the local context...MNCs have global initiatives and they might assume that what works in Pakistan will work here [in Latin America], but that's not always true." A health officer in Asia said, "Local companies already work with our clients. MNCs can be great, but it can be hard for them to adjust to the needs of the local marketplace." A colleague who had co-designed a value chain project together with local private sector actors said, "Local partners may have more insights in working at the subnational level, and may be more connected with local stakeholders and audiences." And another opined, "[Local firms] are local people, they've seen their business grow from scratch, and they know how business here is done."

Based on their deep local knowledge and networks, local private sector partners can sometimes introduce new ideas into the mix, and they have helped Missions find new, more effective approaches to local development. The innovative use of Equity Bank's network of branches (discussed above) was an idea suggested by the Bank. Another colleague said, "[Our local partner] shared with us creative approaches and ideas for programs that we weren't even thinking of — their ideas were refreshing and really valuable." Sometimes this understanding of and familiarity with local contexts means that partners may have a higher tolerance for risk. Especially in post-conflict areas, local partners have been willing to co-invest with USAID, where multinational firms in the same circumstances have been more reticent.

For example, in the troubled Tumaco region of Colombia, USAID forged a successful local private sector partnership where earlier efforts to engage MNCs had failed. The Colombian company Casa Luker — a leader in the Colombian chocolate market — had long roots in Tumaco, and it understood both the risks and the opportunities implicit in working in the region. According to an interviewee at USAID/Colombia, the foreign companies USAID tried to engage in the past did not fully understand the local context nor the security challenges of working in Tumaco, and "they came with promises, but they couldn't deliver on those promises." Casa Luker, by contrast, was "more realistic." Now, USAID and Casa Luker are promoting cacao production and raising incomes for local farmers.

In Sri Lanka, USAID encouraged local apparel manufacturers to invest in communities that were slow to recover from the country's long civil conflict, creating formal jobs in a region where few existed and building ties between communities that had clashed in the past. One colleague recalled, "It was like the private sector was just sitting on the sidelines, waiting for someone else to invest first. Nobody wanted to be the first one back in. It took local companies to take that first step." Once economic activity grew at the manufacturing sites, other local service providers, like food sellers and transport, followed.

Of course, not all local companies can bring such a high level of insight and creativity to a partnership. As one interviewee remarked, the management of some local businesses "are completely out of touch" on social issues. USAID colleagues should use their own knowledge of the local landscape to identify and vet companies that would make good partners. The same interviewee also noted that some MNCs employ very strong, locally-grounded teams that have close connections with local communities. "It is not always so much about local versus MNC," she said, "You can't always say they 'get it' just because they're local. You have to ask — are they grounded in the community? Are they committed to that community?"

Maize harvest in Uganya, Kenya. Feed the Future works with smallholder maize farmers to increase incomes and improve food insecurity. USAID/Kenya works with the Kenya Agriculture Research Institute and private sector seed companies to promote better, drought resistant varieties of maize. Photo: USAID/Siegfried Modola

Commitment to Local Market

If designed well and based on shared interests, a partnership with the local private sector can enhance the likelihood of truly sustainable impact. **Local companies, to the extent that they are rooted in the local economy and communities, have a significant stake in local social and economic progress.**

The founder of one local company, a current partner of USAID, started as a solo entrepreneur and grew his company into a large and successful business. He saw the partnership "as an opportunity to give back to the country's young people to grow their ideas to become entrepreneurs themselves."

This commitment to place can have important implications for the sustainability of partnership activities. One colleague argues that the most effective partnerships with local companies can have greater staying power than collaborations with MNCs. She described visiting with local supermarkets that were co-investing in agriculture value chain partnerships. For these companies, simply choosing to source from another country is not an option — as it may be for an MNC. Instead, these companies are committed to building a sustainable supply chain and business model in their home country. Another colleague described local partners by saying, "These local companies are in it for the long run."

This has been true in Bangladesh, where USAID is working with the Bangladeshi food processing and transportation company Golden Harvest to create a 'cold chain' — a network of collection centers, cold storage units, and refrigerated trucks — to help thousands of smallholder farmers get their crops to market before they spoil. For Golden Harvest, this cold chain is critical to its growth strategy in Bangladesh — its home country, source of supply, and primary market. Because this infrastructure is critical for Golden Harvest over the long-term, the company will not only be motivated to invest, but also to ensure that the cold chain remains viable and continues to expand over time. The local company is on track to exceed its initial $10 million commitment to invest in cold chain infrastructure.

Sustainability and Local Partners' 'Skin in the Game'

In a similar manner, local partners can also have more 'skin in the game,' and more to lose if a partnership fails. For companies whose past and future are tied to one country or to particular communities, it is often vital that they preserve their local credibility. In a market where everyone knows everyone, not following through on a promise to the community can result in a loss of face or could create rumors that the company is having financial problems. In this way, the reputational risk — and the associated incentives to ensure that the partnership is a success — may be greater for a local company based in the communities in which the partnership operates than for an MNC operating out of a global office.

That said, one interviewee was quick to point out that many MNCs are also closely tied to local contexts and are thus subject to similar dynamics and incentives. **And not all local partners are willing to invest in local issues.** One interviewee said, "Some local companies are easy to work with, and some are not. It depends on the country. In some cases you really have to make a case to the business elite that they should care about the poor people in their own country."

Discussions of cash investments by local partners in a local partnership revealed a variety of experiences. One colleague said, "When [a local company] puts their money in, then they have an incentive to keep the activity going." Another agreed, "If a local company invests $10,000 in a partnership, that's their $10,000 – and they're very interested to see how it's used. They will follow up and stay active for sure."

Others disagreed, saying that local partners may have a broader perspective on investments. "Sometimes smaller companies can be … more willing to fill the slot where their resources will best fit into the overall alliance," another interviewee said. "With a large multinational, they know exactly what they want to do, but smaller companies just want to help the areas where they work, so they are more flexible about how their resources are used."

Flexibility and Responsiveness

While partnerships with the local private sector present their own challenges for USAID, some colleagues have found that local partners can at times be more flexible than MNCs. Some even argued that in a few key ways, local partners can be easier to work with than large multinationals. Many MNCs have global CSR programs with established priorities, approaches, and resources. While this sometimes enables Missions to implement plug-and-play partnerships, it can also be difficult to adjust these global or international initiatives to the needs of the local context or to local USAID priorities.

Further, local companies can sometimes have more straightforward decision-making structures than MNCs. In local partnerships, the USAID Mission typically has direct access to key decision makers within the company. This can makeit relatively easy for USAID to work with company leadership to make adjustments to the partnership over time, changing course or adapting objectives and approaches as needed. Conversely, for MNCs, the vision and direction of CSR or partnership programs often originate in distant company headquarters, resulting in a more complicated decision-making process, as well as potential lags when adjustments or troubleshooting are required. One colleague commented, "Sometimes multinationals don't actually show you the money – they talk about all the things they will contribute, but it can be very vague. Sometimes you're not really sure what you're going to get."

In some contexts, local interactions are different. "Even though some large companies here are publicly listed, many are still controlled by several generations of one family," reported a colleague. "There is still a lot of traditional thinking and decision-making. It's harder for local businesses to think strategically about investment in development outcomes."

Finally, several interviewees mentioned that local partners can bring "momentum." Where MNCs sometimes have complex structures or approval processes that can delay startup, local companies are available and ready to work. As one interviewee put it, local companies are "not as complicated" as MNCs, and they "keep things moving." For example, in El Salvador, when the Mission was looking to quickly launch an activity, it looked to local companies, not MNCs. USAID/El Salvador chose to partner with a prominent Salvadoran company, Grupo Agrisal, on Sustainable Communities — an initiative to improve social cohesion and reduce crime in an urban neighborhood. In Grupo Agrisal, USAID/El Salvador

USAID and the Government of Peru are helping small farmers transition from growing illicit crops, like coca, to alternatives such as cocoa for chocolate or coffee beans. To support these efforts, USAID uses Development Credit Authority loan guarantees to get local capital into the hands of creditworthy but underserved farmers. Photo: Bobby Neptune/USAID had a partner that was available to meet regularly with USAID during the partnership's design phase and that could relatively quickly translate talk into action.

Local Demonstration Effect

Local private sector perspectives on the appropriate role of business in society vary, and are shaped by each country's history, local business culture, and local systems. Colleagues reported that **sometimes, through partnership with USAID, companies have changed their views on what they can accomplish in the social realm.** This can sometimes have a spill-over effect: when other firms see the positive benefits gained by one company, they may be inspired to act. In this way, USAID is not only constructively engaging around finite partnership activities; it is also playing a part in laying the foundation for the next generation of development agents. A colleague in Africa put it in clear terms: "Our partnership woke up the [local] corporate world to the benefits of doing good. Our partner got major press and other [companies] followed suit."

Opportunity to Shape Local Perspectives on the Role of Business in Society

One colleague explained how his Mission views this potential: "We are very intentional in creating a more sustainable approach [to our development objectives] in which the private sector is much more involved. We want our funding to be catalytic. We want thought leaders among the local private sector." And thought can lead to action: "Our effort to engage [local companies] is a very significant opportunity to encourage them to be globally responsible."

Another colleague described conversations with local companies: "They were basically saying to us, 'Crime? Health? Those are the government's responsibilities, not ours.' When we showed them how these issues were affecting their bottom line – actually showed them hard numbers on what these issues were costing them, as well as some potential solutions – then they became interested in a possible collaboration."

In Kenya, Equity Bank's participation in the Wings to Fly scholarship partnership has given some local employees a new perspective. As part of the scholarship selection process, Bank representatives travel out to "some of the most difficult environments in Kenya" and talk to the young applicants and their families. Through these visits, "[We] develop a better understanding of the lives of these children," said a Bank representative, "We are really beginning to understand the real challenges facing the country."

And sometimes the demonstration effect can be negative. In another country, local firms are widely perceived to be too close to the local government, raising issues about transparency. "The government is basically condoning bad behavior on the part of the private sector," said a colleague, "so we don't know who we can trust." The Mission was encouraged to find a trustworthy local firm to partner with that could serve as a positive example of corporate behavior.

B. USAID CAN BRING DISTINCTIVE BENEFITS TO LOCAL PARTNERS

USAID is not the only side that benefits from collaborating with local private sector actors. Mission colleagues identified several ways that USAID can provide distinct value to local private sector partners – helping local companies better meet their business or shared value development objectives. Colleagues opined that USAID, by acting as a convener, risk mitigator, and thought partner in LPSPs, brings distinct benefits for local companies that multinational companies may not need or value in the same manner.

These assets include the following four concepts, as reported by colleagues:

- **Convening power** that has a distinct value for local partners;
- **Connections to international networks** and expertise;
- In certain contexts, **ability to act as a neutral party**; and
- Local companies can benefit from the **public relations** aspect of collaborating with USAID, including opportunities for co-branding.

USAID Brings Unique Convening Power

USAID's credibility and reputation as a serious development organization grant it substantial convening power. This convening power often carries a unique value for local private sector partners.

In many places, USAID is seen as an actor that can bring diverse stakeholders to the table, creating opportunities for conversations and collaboration that may be difficult or impossible otherwise. Sometimes, USAID is able to help bring direct local competitors together to work toward common objectives. Colleagues also reported that certain LPSPs have provided a platform that allows the local public and private sectors to collaborate in spite of a long history of mutual skepticism or distrust.

In India, for the Millennium Alliance, USAID brought the Federation of Indian Chambers of Commerce and Industry (FICCI) together with powerful international donors. Through the partnership, including collaboration to extend support to entrepreneurs and social businesses in India, FICCI has built relationships with these donors that have sparked new development partnerships that extend beyond the Millennium Alliance itself.

In Colombia, USAID facilitated a complex business agreement between Casa Luker and a marketing cooperative made up of seven Afro-Colombian collectives and two cocoa producer groups to rebuild a supply chain broken by years of violence. USAID not only linked business partners, but the Agency's credibility also convinced Casa Luker to provide substantial advance payments to the cooperative without requiring a contract.

Connecting Local Partners to International Networks and Expertise

USAID can also connect local private sector partners to networks or organizations that have specific expertise, or to other international donors or companies. Multinational corporations may not need or value these connections to the same degree, as they are likely better able to find or contact the same actors without intermediaries. For local partners, however, the connections made through partnership with USAID can prove to be extremely valuable.

In the case of Wings to Fly in Kenya, the Equity Group Foundation cited access to USAID's extended in-country network of implementing partners as a key benefit of the partnership. "USAID connected us to a wider network of services and support [for Wings to Fly students]," said one representative from the Equity Group Foundation, "We are joining a bigger family." The introductions to USAID's network allowed the Foundation to learn from, and share experiences with, other implementing organizations in Kenya; the expanded network helped the Foundation to strengthen and expand Wings to Fly activities.

In the cold chain partnership with Golden Harvest in Bangladesh, USAID connected the local firm to the Global Cold Chain Alliance, one of the world's leading industry associations for temperature-controlled supply chains. USAID had previously collaborated with the Global Cold Chain Alliance, and knew its expertise would be key for Golden Harvest. As described above, the company was willing to make a significant financial investment in cold chain infrastructure, but knew that it lacked the specific technical expertise that would be required to design a national network.

And for the COMETS workplace HIV and AIDS partnership in Zambia, large employers looked to USAID to help them tailor best practices in the health field to their workplaces. By leveraging USAID's technical expertise, these companies are optimizing the return on their own development investments.

USAID Can Be a Neutral Party in Politically-Charged Local Contexts

Sometimes, local partners see partnership with USAID as especially valuable for navigating politically complex contexts. USAID strives to maintain positive relationships with the highest levels of host country governments; at times this can be of benefit to local private sector actors.

For example, for the SolucionES alliance in El Salvador, the partnership has allowed productive collaboration between the local private sector and the Salvadoran government, in spite of a certain level of historical tension.

Employees assemble tablets at the Surtab factory in Port-au-Prince, Haiti. Surtab, which was established in 2013 with funding from USAID, has been a huge boost to the technology sector in Haiti.
Photo: David Rochkind, USAID

In other countries, colleagues reported a similar dynamic. "We have a lot of credibility here, lots of our programs have worked and the government knows this. We are respected," said a colleague in another region. This helps partnership efforts: "Some of our most significant partners have told us that the only reason they are at the table is because of USAID – there is definitely a 'trust deficit' between the government and private sector."

Yet another colleague recalled, "The local private sector and the government were looking to us to make connections. If we hadn't been there [talking about the partnership] and convening meetings, it probably wouldn't have happened."

In Sri Lanka, USAID has helped its local partner companies reduce their risk in investing in areas where tensions from past political and ethnic conflict were not far under the surface. According to an interviewee at USAID/Sri Lanka, one Sri Lankan company said that it prominently displayed the USAID logo on the front of its building to signal its neutral position in the midst of charged local politics.

Acting in this role can require attention to detail. When leaders from both the local private sector and the local government were invited to a dinner at the U.S. Ambassador's home, USAID staff advised down to the details of the seating arrangements, hoping to spark informal conversations over dinner that might translate into more productive partnership talks.

Sometimes, however, these roles can be reversed. In one local partnership, there was tension between USAID, as a U.S. government agency, and the national government of the host country. In this case, it was a major local bank that had a strong relationship with the government, and was able to act as the bridge. "It's almost like the private sector took us both by the hand," recalls a USAID colleague, "And said, please, you two have to work together on this."

Local Companies Can Reap Particular Benefit from USAID's Brand Value

The opportunity to co-brand with USAID can hold distinct value for local private sector partners, helping them to distinguish themselves within local markets.

In Serbia, the U.S. Ambassador has visited the ICT Hub (a partnership between USAID and local firms) on several occasions. "Having the U.S. Ambassador visit definitely gets noticed," said a colleague, "It makes people pay attention to what's going on at the Hub."

In Kenya, Equity Bank has found that its co-leadership with USAID under the Wings to Fly partnership has resulted in a "softening" of its brand and a positive image in Kenya that the bank believes is attracting new customers.
In Bangladesh, food safety issues have caused many consumers to be suspicious of food quality in local supermarkets. By co-branding with USAID under the Cold Chain Bangladesh Alliance, Golden Harvest was able to build local consumer confidence in the company and its products.

III. WHY AND HOW LOCAL COMPANIES ENGAGE

The local companies that partner with USAID represent a huge variety of organizations — from small local companies that may co-invest in a specific supply chain or a community school, to large and sophisticated firms that employ thousands of professionals and work across regions or around the world**. Motivations vary widely also,** and USAID colleagues interviewed for this paper identified a wide range of reasons why local companies may choose to partner.

Company motivations to collaborate on social or environmental issues are tied to the local system. USAID operates in an incredibly wide range of contexts, including post-conflict and post-disaster economies; small countries; politically complex environments; and high-growth, large economies.

Silicon Valley Entrepreneurship expert Ahmet Alpdemir provides direct mentoring to engineering students and start-ups at IDEA's Global Entrepreneurship Workshop in July 2015. IDEA is a USAID/Philippines partnership with the Philippine Development Foundation (PhilDev) to encourage and support entrepreneurship in the Philippines. Photo: PhilDev

A. COMPANY ENGAGEMENT IN CONTEXT

Mission staff interviewed for this paper identified several ways in which the **country context can shape the environment for LPSPs** and the readiness and willingness of local businesses to play a co-creator and co-investor role.

Country Context

How and to what extent USAID Missions partner with the local private sector can vary greatly. Some Missions have no partnerships with the local private sector, while others collaborate exclusively with local companies. The country context often determines what is possible.

Economic Context **– Opportunities for LPSPs are strongly shaped by local economics.** As noted above, in some countries where USAID operates, sophisticated local firms have become true multinational actors, with the resources and capabilities to match USAID's long-term MNC partners. In these dynamic and sophisticated economies, it can be difficult to make a real distinction between traditional MNC partners and indigenous firms that have a global presence and footprint (e.g., Tata Group in India or SAB Miller Breweries in South Africa), especially in how such firms engage in CSR or shared value partnerships. USAID Missions in such countries may find it easy to engage a wide range of large local companies.

In different contexts, local economic issues can make it more challenging to find local partners for co-investment partnerships. In countries with less robust economic activity and fewer large domestic companies (e.g., Kosovo, Haiti), some Missions have found that local companies are not yet ready to take on the role of co-creator or co-investor. "There are few companies here that are at scale, and of the larger ones, there are even fewer with a modern business outlook," one interviewee mentioned, referencing a large country with a tumultuous past. He explained that businesses in his country were interested in philanthropy and public relations but they have not, for the most part, embraced the concept of shared value. "Once they have this," he added, "you'll see more partnerships between USAID and those firms. This, to some extent, mirrors a country's development."

Local Contexts and the Five Rs

Adapted from Local Systems: A Framework for Supporting Sustained Development (USAID, 2014)

One way to understand how local contexts and systems may influence the development and implementation of LPSPs is through the Five Rs — resources, roles, relationships, rules and results:

- **Resources:** Local contexts and systems will shape what types and what level of resources (financial or otherwise) local partners may be able or willing to contribute, as well as the deployment of these resources.
- **Roles:** Local systems involve a number of actors who take on various defined roles: producer, consumer, funder, and advocate. The local system will shape how a local private sector partner may view their roles and responsibilities regarding social issues.
- **Relationships:** Local contexts and systems shape interactions and relationships between prospective partners — be they commercial, hierarchical, or political — and may influence trust and inter-partner dynamics.
- **Rules:** Local contexts and systems give rise to a set of rules and norms that influence partners' motivations, perspectives on collaboration, relationships between actors, and ideas about how resources should be deployed.
- **Results:** Local contexts can shape how different partners view success (or failure) and the value of expected and realized outcomes, and thus can influence how partners may approach and invest in a given initiative.

One colleague commented, "The economic context here is not right for working with the private sector right now; we're just starting to move in this direction." Others noted that while local companies might be open to partnering with USAID, the concepts of shared value and development collaboration are new to them, and the local private sector does not always have the resources or staff to play a co-creator or co-investor role.

Many countries where USAID has a significant presence fall somewhere in between these high potential and more challenging LPSP environments. Alliance builders in countries like the Philippines, El Salvador, Bangladesh, Armenia, Serbia, and Uganda have been very successful at identifying and engaging local private sector champions with the interest and capacity to co-create and co-invest (at times substantially) in initiatives where business interests align with USAID priorities.

***Political Context* – Political issues can also affect the manner and extent to which Mission staff engage local private sector partners.** Some USAID staff cited concerns about partnering with local companies in countries with opaque corporate governance structures, corruption, or close ties between the private sector and politicians or government officials. Further, in highly polarized contexts with tense relationships between the private sector and the local government, or between different ethnic groups or political factions, partnerships with certain actors can imply political or diplomatic ramifications for USAID. While some of these challenges can be mitigated through effective due diligence and "knowing the local private sector," our interviewees noted that some Missions in challenging environments view multinational companies as having a more manageable risk profile.

See "Due Diligence" section for further information.

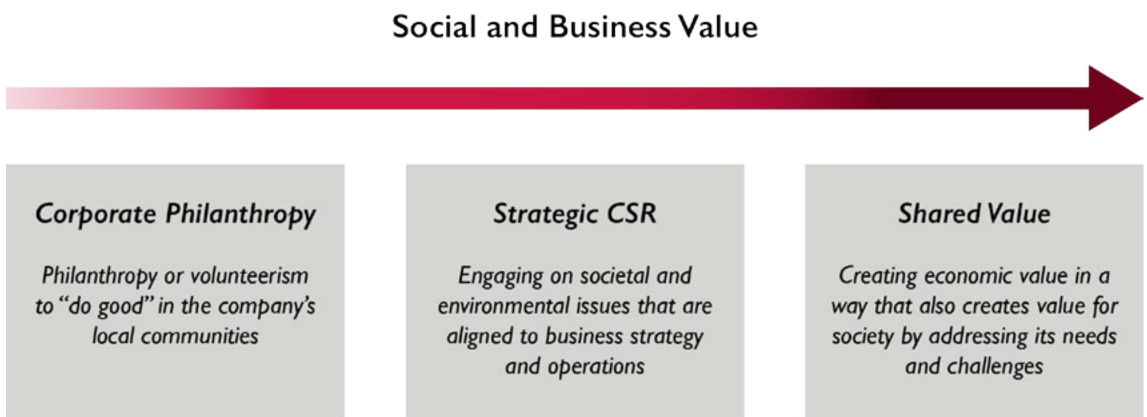
***Policy Environment* –** In countries where the policy environment is challenging for the private sector, **there may be opportunities for USAID to consider acting as an advocate for reform and positive change.** Depending on the context, companies may be willing to join a coalition of firms that may partner with USAID on efforts toward policy reform. In the past, USAID has partnered with local firms around pre-competitive issues like streamlining or harmonizing cross-border customs procedures, strengthening the commercial court system, and adoption of international accounting standards. A colleague from a small economy explained, "The current political environment is very unstable, and regulations encouraging investment are unstable. This is why [local companies] want to work with USAID — because they do not have much confidence in local government and local organizations."

***Sociocultural Context* – Cultural context and social norms can also shape how local companies view collaboration around** development objectives, as well as their perspectives on corporate philanthropy, CSR, and shared value. For example, in some USAID countries there are strong social norms that encourage generosity and giving within extended social networks. However, these norms may or may not prompt charitable giving beyond these immediate personal connections. Elsewhere, local companies are embracing corporate philanthropy, yet may be reluctant to pursue true shared-value collaboration, because the company does not want to be viewed as financially benefiting from its good work in the community. However, local perspectives toward shared value and partnerships are not static, and USAID can play a role in helping local companies recognize their vital place in local development through creative and constructive engagement.

B. HOW LOCAL COMPANIES ENGAGE WITH SOCIAL ISSUES

No matter the domestic context, local companies — like firms of any size, anywhere — make decisions about engaging on social issues based on their perception of what role they can and should play.

The ways that companies engage with society or social issues can be viewed along the spectrum below, from corporate philanthropy to shared value partnerships. In this diagram, activities further to the right indicate a closer alignment with a company's core business interests.



[adapted from FSG.org]

The consulting firm that developed this diagram has observed that large multinational companies often employ a 'portfolio approach' to social issues, meaning that they engage in activities across the spectrum.

While this appears to be true for large local companies that are active internationally, colleagues report that many local firms operate within a smaller perceived space, or may still be new to the concept of linking social issues to bottom-line business matters.

Philanthropy is a prime motivation for many local firms, who may want to raise the company's profile as a good corporate citizen by responding to natural disasters or financing activities that have clear and immediate local benefit. For a variety of reasons, these activities are often quite separate from the company's business activities. Sometimes that separation is deliberate and based on local customs. In other places, the lines between these spheres of activity may be blurred. One colleague noted, "I used to work in another region where businesses did not get [corporate social responsibility]. They didn't und erstand CSR or working with a donor — they just wanted philanthropy and good PR." Another agreed, "Companies here see CSR as philanthropy."

In other places, local companies may still be exploring their role. "In [this country], companies are all along the curve from philanthropy to shared value, but most are still in the philanthropy/CSR mode. Firms are still learning why these investments are important – the argument is not as well articulated here as in the U.S." If companies are not clear on what role they want to play on social issues, more conversations may be required before a partnership gets off the ground. Another colleague explained, "Multinationals are easy to partner with. They come to the market with their global CSR initiatives; it's low-hanging fruit for us. Matching them to a project is easier. With local companies, we have to sell them on what we're trying to do."

“Many — but not all — local companies are used to doing philanthropic work without a real development approach. USAID can make their work more strategic.”

Gerardo Tablas, USAID/El Salvador

A colleague explained this perspective succinctly: “I don’t think the difference in our partners is a matter of being a local company vs. a multinational. Rather, it’s a reflection of how the company understands and distinguishes (or not) between philanthropy, CSR, and shared value. In some cases one could say that local companies may have a less developed view, which leads them to stop at CSR, in which case the company motivation to partner with USAID can be strongly tied to positive image.”

Some colleagues are positive about the implication of local firms’ engagement. “[The ICT Hub] is a great example of two successful Serbian companies giving back — CSR is very unusual in Serbia and it’s typically seen with multinationals, so it’s very exciting to have this partnership come from two successful local firms.” Another said, “I think the fact that [local] companies want to invest with us in a common problem – that’s an automatic signal of shared value.”

Another colleague weighed in: “In our partnerships with local firms, CSR is a part of it, but in the long term our partners want to improve the business environment.” Finally, another colleague added, “Because of longer history and bigger CSR portfolios, we’ve found that MNCs are usually more strategic and have high-quality planning [around CSR initiatives]. Local firms tend to have small CSR budgets, and efforts can be fragmented and small-scale. Although we do see a trend toward being more strategic now.”

USAID may be able to play a valuable role by advising local companies on how to make their philanthropic or CSR initiatives more strategic. Many local companies want to engage on social issues, but lack a sound development approach. According to one Mission colleague, local companies come to USAID because they are motivated to give back and they have the resources to make an impact, but they do not necessarily have the experience or development expertise to design and implement an effective development program on their own. Another interviewee described engaging a large local firm that had supported a significant number of one-off projects, without a clear strategy for combining its efforts to achieve greater impact from its philanthropic investments. In these scenarios, USAID Missions can work with local companies to help them better understand how to achieve their desired business and social objectives.

Should USAID play a role in promoting the concept of shared value? Some colleagues think so. “Yes, it’s difficult, but there is space for that. Talk to local companies in the language of profit, not CSR. Show them that the people along their supply chain need health, clean water, etc. This will improve the supply chain and make their business more competitive.” An increased focus on true shared value may also mean that activities are more likely to continue with a committed local partner. “Those [partnerships] with a direct benefit [to the local private sector],” said one colleague, “are the most sustainable.”

IV. AGENCY APPROACHES TO LOCAL PARTNERSHIPS

Not surprisingly, given the complex issues involved, USAID Missions utilize a variety of strategies to develop and manage local private sector partnerships. The interviews and research for this paper identified several important considerations and productive approaches currently in use across the Agency:

- Mission Support for Local Engagement
- Mapping Local Partners
- Building Strong Local Relationships
- Using Annual Program Statements
- Enhanced Due Diligence
- Embedding Local Partners into Existing Activities
- Instruments that Facilitate Local Co-investing
- Linking Technical Assistance to Local Partnerships

In Uganda, a USAID guarantee enabled an entrepreneur to receive a loan from a local bank to expand his business. As a result, his profits more than tripled, and he was able to hire 40 additional workers.
Photo: USAID's Development Credit Authority

Mission Support for Local Engagement

A Mission's leadership and overall orientation toward LPSP development impacts the extent to which technical staff and alliance builders have the motivation, if not the mandate, to dedicate the time and resources needed to explore and nurture partnership opportunities. Mission leadership varies in terms of the emphasis placed on engagement of local partners as well as perception of risk.

A number of Missions interviewed for this assessment have taken definitive steps to dedicate the resources and staffing needed to effectively engage and partner with the local private sector. Some of these Missions have hired local staff to focus on local partnerships. In Colombia, the combination of a Mission Order focused on PPPs and a Country Development Cooperation Strategy (CDCS) that emphasizes engagement with both international and local companies has resulted in multiple partnerships with local firms. Similarly, the India and Indonesia Missions have emphasized private sector engagement in their CDCS as well as internal Mission processes and procedures; both are partnering with multiple local companies.

Mapping Local Partners

As a starting point, several Missions interviewed for this paper indicated that they conducted a mapping exercise or some form of private sector landscape analysis in order to identify local companies that could be interested in collaboration.

In Peru, the Mission met with local business leaders in Lima to understand their CSR priorities. The Mission then created a database of companies, CSR interests, and possible ways in which the company's interests align with those of USAID. Now, as the Mission looks to engage the private sector in activity design, it utilizes the database to identify companies that might be interested in collaboration around specific issues.

In 2013, USAID/Mexico hired a Mexican think tank to prepare a systematic analysis of the 100 largest CSR and corporate philanthropy programs active in the country. The report defined "largest" using four criteria: 1) how many times the company had been awarded the annual "Corporate Social Responsibility" distinction from the Mexican Center for Philanthropy; 2) the company's ranking on the Mexican Stock Exchange Sustainability Index; 3) the company's standing on the Anahuac University Center for Corporate Social Responsibility Ranking; and 4) the company's information as listed in the domestic Business Monitor for Corporate Reputation.

The Mexico analysis then cross-matched each of the rankings and listed the top 100 companies with the strongest and most significant CSR programs in the country. After that, the companies and their programs were matched and ranked against USAID/Mexico's development objectives as detailed in the Country Development Cooperation Strategy. The report is frequently used by the Mission when considering how and where to engage local partners, and is especially useful for more challenging development sectors when overlapping interests may be more difficult to identify. "With this report," said the Deputy Mission Director, "We can get a good idea of where to start local conversations."

Building Strong Relationships

USAID colleagues understand that successful private sector partnerships require an investment of time in building relationships with company counterparts. This is true whether the partners are multinational companies or local firms, and can be a new experience for USAID staff who may be accustomed to external relationships that are governed by the Agency's procurement rules. When a private sector firm co-invests with USAID, the relationship can be quite different. The Agency's internal training on private sector engagement emphasizes the importance of developing and maintaining good partner relationships, and of the mutual benefits that can be realized through having frequent touch points with private sector colleagues.

Some USAID colleagues interviewed for the paper believe that a focus on building strong relationships is particularly important when the partners are local companies. The local context and customs may be more important. One colleague offered, "[With local firms] you need to be able to speak intelligently about what they care about and what is happening in the country. You're not going to get anywhere otherwise. This includes business topics like what is happening in the country and with their company specifically, pop culture, and even on a personal level like where their kids go to school. If you have FSNs or

Diaspora hires with a private sector background, you'll have an immediate connection."

Sometimes, good relationships can help local firms understand how USAID functions. "With local partners we're finding that [USAID] absolutely has to have a face-to-face relationship. We need to show up and have those meetings. Sometimes that includes explaining the role of our implementing partner, and why they're contacting the local company for information. We can help the local partner better understand the whole process."

Other colleagues do not vary their approach for local firms. "When I go to meet local companies, I use the same materials [prepared by USAID's Global Partnerships team]. I print it out before the meetings and use the same principles as I would for a multinational company. The tasks for finding shared interests are the same."

Using an Annual Program Statement to Engage Local Partners

A number of Missions interviewed for the paper have used an annual program statement (APS), or an addendum to the Global Development Alliance APS (GDA APS), as a means to engage the local private sector. This process enables Missions to cast a wide net for ideas and prospective partners. Even when such a solicitation is open to all private sector partners (i.e., local an international), they have resulted in partnerships with local firms (for example, in Serbia, Bosnia and Herzegovina, Rwanda, Uganda, and East Africa).

"Relationship management is important – each Mission will need to consider how often this should take place and try to have regular, planned, consistent contact with local companies."

Jeff Paretchan, USAID/Armenia

Mission use of an APS has resulted in varied experiences. In Bosnia and Herzegovina, the Mission had canvassed the local private sector for interest in collaboration, but had found few prospects. After issuing an addendum to the GDA APS, focused on economic growth, the Mission received a number of promising local private sector partnership ideas in a short period of time.

USAID/Serbia also had a positive experience with an addendum to the GDA APS and is now working with a consortium of local partners on an ICT Hub to incubate and support local ICT entrepreneurs. The Mission conducted extensive outreach around the addendum, including with business associations and chambers of commerce. "I doubt that [the two local businesses who eventually became resource partners] would have paid attention to the global call on USAID's website without additional outreach on our part," said a colleague.

USAID/Uganda issued multiple rounds of a Mission-generated and managed annual program statement to solicit partnership concepts from the local private sector for the Mission's Feed the Future programming. During the initial rounds, the Mission set a relatively low co-investment minimum of $500,000 and promoted the opportunity primarily through government channels. As a result, the Mission received a large number of responses, but most of them closely approximated grant applications, with limited "real" co-investment.
The Mission then changed its approach in later rounds of the APS by raising the minimum resource contribution to a minimum of $1,000,000, advertising these later rounds of the APS in national and regional business newspapers, and using existing FTF implementing partner networks to conduct a robust outreach campaign. This more targeted and restrictive approach resulted in more compelling partnership concept applications that were more in line with the Mission's desire to enter into LPSPs with greater co-investment and local partner leadership. It also reduced the amount of "grant" applications, thus reducing the burden of managing the APS on the Mission and producing more viable, relevant, and ultimately impactful submissions. In the end, four quality GDAs that addressed Mission FTF objectives were realized out of the later rounds of the APS, whereas none were awarded from the earlier rounds.

Embedding Local Partners into Existing Activities

Increasingly, USAID Missions design activities with the expectation, or even the mandate, that the organizations that implement them engage the local private sector to further program objectives. In these cases, implementing partners are not only responsible for the LPSP co-creation process (with USAID involvement), but also for ensuring effective implementation, compliance with USAID regulations, and monitoring of impact.

For example, as part of the Developing Agricultural Communities (DAC) program in Timor-Leste, the implementing partner DAI forged four partnerships with local supermarkets and a local input supply company to raise incomes for smallholder farmers. DAI and DAC facilitated a contract-farming model that created incentives for farmers to adopt the improved farming methods advocated by DAC. The local supermarkets helped participating farmers purchase seed and other farming inputs as well as transport their crops to market. Farmers, in return, supplied fresh vegetables to the supermarkets and agreed to meet their quality standards (with technical assistance and support from DAI and DAC). As a result of these partnerships, participating farmers have increased their incomes by at least 100%, with some seeing increases as high as 400%.

For the Missions in Colombia and Southern Africa, a similar approach has been used to catalyze an expanding portfolio of successful partnerships that — given limited staff time and resources — may not have been possible through direct Mission engagement alone.

Due Diligence – Assessing Risk in Local Partnerships

USAID has established internal procedures for assessing the risk of partnering with private companies. The due diligence process focuses primarily on reputational risk, and is described in an Agency policy directive:

It is important that "Missions consider whether the local company is offering sufficient resources to merit the Mission's investment (time, people, etc.) in developing and managing the partnership" relative to the partnership's overall impacts and benefits.

Jeff Paretchan, USAID/Armenia

"A due diligence investigation is a well thought-out inquiry of a prospective partner that must be carried out prior to engaging in alliance nego-tiations. Its essence is to investigate what is often called the "triple bottom line," (i.e., Is the prospective partner socially responsible, environmentally accountable and financially sound?). This investigation includes an organization's past performance, reputation, commitment to relevant ethical and better business standards and protocols, and future plans."[5]

LPSPs are not without risk and some sources of risk may be distinct from partnerships with MNCs. In addition to the issues outlined in Agency guidance, local partners may raise concerns tied to political connections and affiliations, business activities, or corrupt practices (perceived or real). Concerns may also emerge regarding whether prospective local partners have the financial resources, capacity, or stability to follow through on their partnership commitments. In fact, multiple interviewees indicated that concerns about potential risks in LPSPs have influenced the extent to which some Missions have pursued partnerships with local companies.

[5] https://www.usaid.gov/work-usaid/aapds-cibs/aapd04-16

For MNCs or large local companies that are publicly-traded, significant information is often publically available, including financial data. **However, for local partners, due diligence can be more challenging.** One colleague commented, "With local companies, due diligence is harder. Sometimes we wonder – do they have a past we don't know about? There is definitely more caution with local companies." Another agreed, saying, " The risk assessment on local partners was a big headache for us. You can find data online for MNCs — not true for locals. It's hard to find information. A local company could go bankrupt — it feels like you're going out on a limb." Sometimes the country context compounded the difficulty. "There are high levels of corruption in our country, so we need to take that into consideration in due diligence."

Some colleagues responded to this challenge by creatively using local networks. As one interviewee remarked, "In this region, everyone knows everyone. There are plenty of [local] companies that are well known. Their CEOs are in the papers. If you work with reputable local companies, they have a public trajectory — they're known to everyone. If there is a problem with the company, you'd get warning through your networks."

Others started the due diligence process with local firms sooner than they might with a multinational company. "My suggestions? Start due diligence [on local partners] earlier than usual. Be broader — in terms of how far back you look. You may also have to cast a wider net to truly cover all related businesses or business interests. Individuals (CEOs, shareholders) may be more important. Ownership structure can be important. In addition to using USAID's Knowledge Service Center, ask FSNs, Embassy colleagues, local media searches (including in the local language) and possibly consulting with [USAID's] Regional Security Officer. Make sure you're talking to your Regional Legal Officer too."

Starting due diligence earlier can also limit the likelihood that USAID will need to extricate itself from partnership discussions down the line. "We often start the due diligence before approaching the local private sector company because we don't want to open up a conversation or create expectations only to find later that due diligence has revealed a significant issue that could prevent USAID from entering into a partnership."

Real and Perceived Risks of LPSPs

In our interviews, Mission staff referenced a range of risks they consider when exploring LPSP opportunities:

- **Operational/Programmatic Risk:** Risk that a partner may not be able or willing to follow through on their roles and commitments, resulting in incomplete implementation, diminished outcomes or failure;
- **Fiduciary Risk:** Risk that a partner may not be able to follow through on their resource sharing commitments, due to cash flow challenges or otherwise inadequate availability of funds;
- **Reputational Risk:** Risk that the past, present or future actions, views or affiliations of a partner may damage USAID's own image by association.

Another colleague reported using a more individualized analysis and negotiation process than they might for an MNC. "For local partners, we hope they will be open with us, even about their finances. Will they go bankrupt? What about a natural disaster — can they financially survive? There will be challenges … for each partner I try to understand what the potential risks will be and reach a joint understanding of responsibilities."

Instruments and Approaches that Facilitate Local Co-investing

Local companies vary in their ability to act as co-investors with USAID, or to commit to the requirements of USAID approaches that require mobilization and leverage of private sector resources, assets, and expertise on at least a 1:1 basis. When smaller investments from multiple companies are combined in one activity, USAID's implementing partners can play a key role in managing all of the stakeholders involved.

Some local partners are capable of making significant financial investments, comparable to, or even exceeding, those made by MNCs. For example, Equity Bank is contributing over $37 million for Wings to Fly, and, as noted above, Golden Harvest is expected to exceed its initial $10 million investment in the Cold Chain Bangladesh Alliance. Meanwhile, in Colombia, Casa Luker advanced over $3 million in payments to the Chocolate Tumaco partnership.

At the same time, many local companies do not have the resources to act as primary co-investors contributing large financial sums to an alliance. That does not mean these partners do not have a role to play. USAID Missions have successfully fostered powerful coalitions of local companies, aggregating their clout, voice, and resources. This can have a powerful effect. For example, in El Salvador, the anti-crime partnership SolucionES is mobilizing tens of millions of dollars from the private sector, largely from the contributions of a number of local Salvadoran companies.

These coalitions of multiple local partners are often made possible through USAID's implementing partners. The implementing partners, who receive Agency funding through a competitive process that results in a grant or contract, then use those funds to co-invest with local private sector actors. Critically, the implementers can also manage the multiple relationships involved.

For example, in Lebanon, USAID is working with local companies on value chain projects in food products and tourism, facilitating connections along the value chain and increasing access to markets. The activity is implemented through a contract to an implementer, who engages local companies to co-invest their own resources in improving the value chain. The implementer manages grants under contract in order to match the funds that the local companies provide. Investment size ranges from $5,000 to nearly $500,000.

In El Salvador, the Adopt-a-School program is funded through a grant to a local NGO, who in turn works with local companies to improve the quality of education at individual schools. Companies can "adopt" a school and USAID will co-invest at an equal level. The Mission has found this approach very useful when local companies want to partner with USAID but at a level that may not warrant a separate instrument. "The local companies who join Adopt-a-School are wonderful," said a Mission colleague. "Their employees get involved too. Many of the companies go on to invest in other social initiatives, based on their positive experience with Adopt-a-School."

Mission staff appreciate the role played by implementing partners in managing partnerships with multiple local companies. However, it is not ideal for all situations since the immediacy of the partner relationship may be lost. One colleague reasoned, "If I have an implementing partner between me and the local partner, there is less handholding work, but then [the local partner] doesn't know who I am. So there are tradeoffs."

Linking Technical Assistance to Local Partners

Even the most sophisticated local companies may require technical assistance or specialized expertise to take full advantage of their participation in an alliance with USAID. Implementing partners can provide local companies with direct technical assistance. For example, Winrock International, the implementing partner on the Cold Chain Bangladesh Alliance is providing direct, on-farm assistance to farmers in Golden Harvest's supplier network and has connected Golden Harvest to the technical expertise and support it needs to successfully create an integrated cold chain in Bangladesh. Under the Uganda Value-Added Maize Alliance, the implementing partner is working with the local grain processer AgroWays to identify and implement solutions (e.g., value chain financing) that will help it engage a broader network of smallholder farmers. In these cases, implementing partners help local companies access the expertise they need to achieve their own business objectives and meet USAID's development goals.

In Kenya, the Huruma Women's Group is receiving support from a Feed the Future project to turn their maize and other staple crops into value-added baked goods for sale in local markets, generating additional income and increasing food security for the women and their families. Photo: Fintrac Inc.

In a similar manner, Golden Harvest, the local food processor in Bangladesh, linked thousands of its smallholder farmer suppliers to USAID-funded technical assistance to enhance their productivity, implement on-farm best practices to reduce input requirements, and increase farmer incomes.

In the later phase of the Sri Lanka partnership mentioned earlier in this paper, the Mission set up a parallel technical assistance facility that provided business support services to the local private sector partners, as the local companies who co-invested with USAID were also acting as USAID's implementing partners.

V. CONTINUING THE CONVERSATION ON LOCAL PARTNERSHIPS

Local private sector partnerships are not new to USAID nor to the broader development community. While these collaborations may not always have the same high profile as USAID's partnerships with multinational corporations, the Agency has rich experience to share. USAID Missions around the world are not only mobilizing local knowledge, resources, and networks for development, but in some cases LPSPs are also shaping the way local companies define their roles as social actors in local systems.

By assessing USAID's experience in LPSP development to date, this paper aims to not only present an initial assessment of the current state of affairs, but also to catalyze further discussion about how the Agency can continue to deepen and expand its engagement with the local private sector.

Through the Development Credit Authority, USAID shares risk with the private sector to increase investment in smallholder farmers and agricultural value chains. Photo: USAID

This assessment revealed several key messages from the current state of practice:

- **Partnerships with local companies can deliver unique and significant value to collaborations with USAID.** Depending on the context, USAID can derive distinct benefits from LPSPs that may be different from partnerships with multinational companies. Local partners offer access to local networks and, potentially, local investments. The value of their deep local knowledge was highlighted by nearly everyone interviewed for this paper, citing the particular benefits of "homegrown solutions" for local development challenges. Sometimes this local knowledge translated into a higher tolerance for risk, as exemplified in the Chocolate Tumaco partnership in Colombia. USAID colleagues also felt that local firms are often inextricably committed to the local market and that this connection can benefit Agency partnerships. "They are in it for the long run," said a colleague. Flexibility and responsiveness were also mentioned — local partners are sometimes perceived as more accessible and more willing to change course mid-stream. Finally, and most critically, when local partners change their perspective on engagement around social issues, this can have a powerful and significant effect. "Our partnership woke up the [local] corporate world to the benefits of doing good," said a colleague in Africa.

- **Local companies also find distinct benefits to partnering with USAID.** Colleagues reported that local partners appreciate USAID's convening power — including its connections to international organizations and its government-to-government relationships — in ways that multinational companies may not. This fact prompted one colleague to assert, "USAID has far more relevance [in this country] through convening power than through budget." Local partners also value the Agency's ability to connect them to international networks and expertise, and to act as a neutral party in complex situations.

- **Local companies are motivated to invest in social and environmental issues for a variety of reasons; these reasons are best understood within the context of the local system.** Local systems are likely to shape LPSPs to a greater extent than partnerships with international firms. Specifically, national politics and domestic economic issues can play a role in ways that may not be relevant for multinational partners. For example, a local company's ties to certain politicians or political parties may have implications for partnerships with USAID.

- **Local firms engage around social issues from a variety of perspectives.** Local company partnerships can be analyzed along the spectrum from philanthropy to "shared value" approaches, but these terms may be nuanced in the local context. Most colleagues interviewed for this paper thought that these concepts were often less developed in the countries where USAID works. "Firms [here] are still learning why [social] investments are important," said one colleague. Some colleagues saw a role for USAID in advising local firms on how to make Corporate Social Responsibility approaches more strategic. Others saw value in encouraging local firms to consider more shared value approaches. "We want thought leaders in the local private sector," said one colleague. Another added, "Our effort to engage [local companies] is a very significant opportunity to encourage them to be globally responsible."

- **USAID practitioners can draw upon a wealth of LPSP knowledge and experience that exists across the Agency.** Although this paper is a first assessment and identifies emerging trends, Agency colleagues can explore multiple models and approaches that have been successful in a variety of contexts. Interviews identified how Missions are engaging local partners, through focusing on strong relationships, mapping the local private sector, and using annual program statements. Although the due diligence process for local partners can be challenging, many colleagues are drawing on local networks to assess partnering risk. Finally, Mission colleagues have found success in technical approaches such as embedding local partners into existing USAID activities, utilizing procurement instruments that would allow relatively small co-investments, asking implementing partners to manage local company relationships, and linking technical assistance to local partnerships.

This paper represents a first attempt to assess and identify emerging themes in USAID's partnerships with local companies. The Center for Transformational Partnerships' Global Partnerships Team is committed to further exploration of the ways in which these partnerships are designed, how they work, and how and where they increase the impact of USAID's development objectives, and beyond. Topics for possible deeper research may include concepts such as the spectrum of shared value collaborations, the value of local partner coalitions, and approaches for mapping local partner systems.

The Global Partnerships Team invites and welcomes collaboration on these important topics.

In Uganda, USAID is partnering with the local firm AgroWays to integrate thousands of small-scale maize famers into value-added markets. Photo: USAID Uganda Value Added Maize Alliance project

APPENDIX I:
LPSP PROFILES REFERENCED IN THIS REPORT

Partnership: SolucionES
Launched: 2012
Country: El Salvador
Sector: Citizen Security
Local PS Partner: Large-scale local private sector investment coordinated by 5 Salvadoran foundations
LPSP Summary: As USAID's largest public-private partnership with local partners, the SolucionES alliance is mobilizing significant local private sector support for curbing crime and violence in El Salvador.

Partnership: Sustainable Communities
Launched: 2010
Country: El Salvador
Sector: Citizen Security
Local PS Partner: Grupo Agrisal and over 100 additional local companies
LPSP Summary: In El Salvador, USAID is collaborating in the fight against urban violence by creating economic opportunity. With the support of the local private sector, USAID is helping at-risk youth find jobs and is fostering entrepreneurship in urban neighborhoods.

Partnership: Chocolate Tumaco
Launched: 2013
Country: Colombia
Sector: Inclusive Economic Growth
Local PS Partner: Casa Luker
LPSP Summary: In Colombia, USAID is working with local firm Casa Luker to support cacao production in the troubled Tumaco region, raising incomes for thousands of cacao farmers.

Partnership: ICT Hub
Launched: 2014
Country: Serbia
Sector: Economic Growth
Local PS Partner: DNA Communications and Orion Telekom with four other local partners
LPSP Summary: In partnership with Serbian companies, USAID established a start-up ICT hub to help the country's IT entrepreneurs launch new businesses, create jobs, and jump-start Serbia's IT sector.

Partnership: Cold Chain Bangladesh Alliance (CCBA)
Launched: 2013
Country: Bangladesh
Sector: Food Security
Local PS Partner: Golden Harvest
LPSP Summary: USAID, together with the Bangladeshi company Golden Harvest, is building Bangladesh's first integrated "cold chain" – a network of refrigerated trucks and holding centers that will help rural farmers get their crops to market before they spoil.

Partnership: Millennium Alliance
Launched: 2012
Country: India
Sector: Innovation
Local PS Partner: FICCI, ICICI Bank and other local partners
LPSP Summary: USAID, the Government of India, and the Federation of Indian Chambers of Commerce and Industry (FICCI) launched the Millennium Alliance as a joint government-private sector platform for supporting early-stage Indian innovation.

Partnership: Wings to Fly
Launched: 2011
Country: Kenya
Sector: Education / Youth
Local PS Partner: Equity Bank
LPSP Summary: In Kenya, USAID is partnering with Equity Bank, MasterCard Foundation, and other partners to provide full scholarships and mentorship to disadvantaged, yet academically-gifted children. The program is designed and led by Kenya's private sector.

Partnership: 700DALOY
Launched: 2014
Country: Philippines
Sector: Environment
Local PS Partner: Smart Communications
LPSP Summary: USAID/Philippines partnered with local company Smart Communications and the Philippine National Police-Maritime Group to create "700DALOY," an SMS hotline to crowdsource the detection and reporting of illegal fishing.

Partnership: Eastern Garment Alliance (EGA)
Launched: 2010
Country: Sri Lanka
Sector: Workforce Development / Post-Conflict
Local PS Partner: Daya Apparel Export (Pvt) Ltd (DAEL)
LPSP Summary: USAID/Sri Lanka, the local apparel company Daya Apparel Export (Pvt), and other local companies Ltd. collaborated to improve social and economic development in a rural district recovering from conflict.

APPENDIX 2: INFORMATION ON USAID AND PARTNERSHIPS

Internal Resources:

Private Sector Engagement Toolbox
https://pages.usaid.gov/theLab/CTP/PSEToolbox

Public Resources:

Partnering for Impact: Examples of USAID partnerships from different regions and sectors
https://www.usaid.gov/sites/default/files/documents/15396/usaid_partnership%20report_FINAL3.pdf

Online Tutorial: Introduction to partnerships and USAID's GDA model (for external audiences and new USAID staff)
https://www.usaid.gov/gda/gda-tools-resources

The Global Development Alliance Annual Program Statement
https://www.usaid.gov/work-usaid/get-grant-or-contract/opportunities-funding/global-development-alliance-annual-program

Partnership Sector Guides: Insights on partnerships in key development sectors (e.g., energy, agriculture, health)
https://www.usaid.gov/gda/building-alliances-sector-guide-series

Partnering with USAID: A Guide for Companies
https://www.usaid.gov/sites/default/files/documents/1880/Partnering_Guide_Updated2012.pdf

Partnerships Database: Searchable information on USAID's partnerships
https://partnerships.usaid.gov/

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