



## *The Administrator*

November 14, 2023

BIFAD Chairman Laurence Alexander  
Chancellor, University of Arkansas, Pine Bluff  
1200 North University Drive  
Pine Bluff, AR 71601

Dear Chairman Alexander:

Thank you for your letter and the recommendations from the Board for International Food and Agricultural Development (BIFAD)-commissioned report, *Agricultural Productivity Growth, Resilience, and Economic Transformation in Sub-Saharan Africa: Implications for USAID*.

The crises of COVID-19, climate change, and global conflict, combined with sharp increases in global poverty, malnutrition, and food insecurity, clearly demonstrate the fragility of our food systems and the importance of inclusive economic and agricultural productivity growth for reducing risk and supporting resilience. The report's recommendation to accelerate agricultural productivity growth could not be more timely, and your guidance will help USAID as we continue to evolve and adapt our responses to meet this new risk environment. The report's key takeaway—the need to invest in agricultural research and development, extension, and an enabling environment for innovation to serve as a pathway to the economic transformation outcomes we care about—align closely with USAID's agriculture, nutrition, and food-security investments.

At last year's UN General Assembly, the United States reaffirmed its commitment to strengthening global food security, pledging additional funding to vital initiatives like accelerating last-mile delivery of research-derived agricultural innovations, improving soil health management and fertilizer-use-efficiency practices, and providing inclusive agricultural growth opportunities for millions of smallholder farm families in Sub-Saharan Africa.

The recommendations from the report also validate USAID's strong commitment to, and robust partnership with, African nations and their people, emphasizing the critical role of investments in the region to meet local and global challenges. This was reinforced by our recent expansion of Feed the Future to include an additional eight countries in Sub-Saharan Africa; and by President Biden's reaffirmation at the African Leader's Summit of our commitment to working with the African Union and all of our African partners to strengthen food security and support resilient food systems on the continent. Our approaches involve strong commitments to productivity-led growth; partnerships with youth and women to advance their economic inclusion, localization, and ability to contribute to climate resilience; and access to finance and

digital technology. Our approaches also include finance for U.S. commercial investments in Sub-Saharan Africa and trade relationships that will create jobs and opportunities in a variety of sectors, including renewable energy, agriculture, water security, and sanitation and hygiene.

Lastly, the report's recommendations speak about the important role of gender and youth in building resilient food systems, both of which are very important to me and to all of us at USAID. We have committed to more than doubling our investments in gender equity and women's empowerment this year. We know that the global food crisis has only widened the gap between women and men when it comes to food security, and we know that there is more work to do to address the different ways that men and women experience development and development assistance.

Thank you again for advising USAID, and I look forward to working more with you in the coming months.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Power', written in a cursive style.

Samantha Power

Enclosure: Agency Response to BIFAD Recommendations

## **USAID Response to BIFAD Recommendations**

### *Agricultural Productivity Growth, Resilience, and Economic Transformation in Sub-Saharan Africa: Implications for USAID*

With one of the world's fastest growing populations, largest free trade areas, most diverse ecosystems, and one of the largest regional voting groups in the United Nations, Africa's contributions, partnerships, and leadership are essential. The continent's dynamic populations and vibrant economies provide the foundation for a bright future for African countries and their partnership with the United States.

USAID remains committed to expanding and modernizing U.S. partnerships in Africa, working together to find innovative solutions to new and long-standing challenges, harnessing new research and technologies, and investing in long-term sources of strength while meeting immediate needs. A robust partnership between the United States and African nations is vital to achieve our shared priorities, including strengthening health systems as they recover from the COVID-19 pandemic, creating broad-based economic opportunity, addressing the climate crisis, expanding energy access, and revitalizing democracies.

Taken together, the U.S. Strategy Toward Sub-Saharan Africa and the African Union's (AU) Agenda 2063 emphasize the critical importance of the region to meet this era's defining challenges, including working toward "A Prosperous Africa, based on Inclusive Growth and Sustainable Development."<sup>2</sup> USAID aims to amplify African voices collaboratively, as well as leverage our government, private sector, and civil society partnerships and resources, to uplift and empower African institutions, citizens, and nations.

According to the Food and Agriculture Organization (FAO), an estimated 262 million people in Sub-Saharan Africa were undernourished in 2022, an increase of 9 million from the year prior.<sup>3</sup>

African countries and regional organizations have stepped up their commitments to advancing food and nutrition security, demonstrating leadership and resilience despite tremendous challenges. The work our African partners are already doing has positioned the continent to become a rising economic power. For example, the AU's Comprehensive Africa Agriculture Development Program (CAADP) offers a solid, African-led vision for food systems transformation.

The United States is committed to collaborating and driving that progress well into the future. For the AU's Year of Soil Health and Fertilizer in 2023, USAID is promoting more efficient use of fertilizer by working with farmers to adopt low-cost digital tools. These tools help farmers match fertilizer type and quantity to crop and soil nutrient demands, ultimately improving fertilizer application efficiency and increasing food production—boosting farmer incomes in turn. Recent analysis by the International Food Policy Research Institute showed that high prices for fertilizer and fuel—not food—were identified as the largest drivers of poverty and hunger in

---

<sup>2</sup> African Union. September 2015. Agenda 2063: The Africa We Want. African Union Commission: Addis Ababa. [https://au.int/sites/default/files/documents/33126-doc-framework\\_document\\_book.pdf](https://au.int/sites/default/files/documents/33126-doc-framework_document_book.pdf)

<sup>3</sup> Food and Agriculture Organisation of the United Nations (FAO). 2023. The State of Food Security and Nutrition in the World, 2023. <https://www.fao.org/3/cc3017en/online/cc3017en.html>

rural areas in Sub-Saharan Africa. Fertilizer-focused response actions were found to be some of the most effective interventions policymakers can take in the short and medium terms to help smallholder farmers remain productive during the current food-security crisis. In the long term, restoring soil fertility is a necessity, and we expect that this objective will likely be addressed at next year's AU Summit in Senegal.

Seventeen of the twenty most vulnerable countries to climate change are African, and USAID recognizes that Africa—its citizens, institutions, and governments—will help lead the world in responding to the challenges and opportunities of the coming decades, especially combating the global crises of climate change and the loss of biodiversity. Some of the world's most critical carbon sinks and biodiverse resources are in Africa, including the Congo Basin rainforest. The African continent's renewable energy potential and minerals are critical to the clean-energy transition. Meanwhile, at least 600 million people in Sub-Saharan Africa lack access to electricity, and a just energy transition will expand energy access while also reducing greenhouse gas emissions.

USAID is grateful to BIFAD and the report authors for the report and the timely recommendations. Responses to each recommendation are elaborated below.

**BIFAD Recommendation:**

<p><b>1. Support COVID-19 recovery:</b> Support African countries in recovering from the economic and social setbacks of the COVID-19 pandemic. Post-stabilization, support African countries in addressing other crucial challenges to maintain progress.</p>
--

***Agency Response:***

USAID is supporting African countries' COVID-19 recovery through programming across the areas of food security, private-sector engagement, social safety nets, and education. Women and girls have been disproportionately affected by the pandemic, and USAID has emphasized women's economic empowerment in its response. BIFAD's real-time advice and recommendations on food security and nutrition implications of COVID-19 during the pandemic's acute phase were helpful in informing USAID's medium- to long-term response.

*Social safety nets:* USAID has provided support to populations in vulnerable situations in humanitarian and other fragile settings, funding interventions to mitigate COVID-19-related impacts. Humanitarian assistance investments to respond to acute COVID-19 include leveraging the American Rescue Plan, the COVID-19 Supplemental, and the CARES Act to prevent famine and mitigate food insecurity. Interventions include emergency food and nutrition assistance; dignity and hygiene kits; cash assistance; services to support child protection, mental health, and mitigation of gender-based violence; continuity of basic services, such as primary and reproductive health, water and hygiene supplies, and shelter; and continuity of critical information management, coordination, and logistics support to assist first-responder access to hard-to-reach populations.

*Education:* COVID-19 has devastated the education sector and exacerbated a pre-existing global learning crisis, in particular worsening outcomes for adolescent girls, who became more likely than adolescent boys to not return to school, often due to pregnancy. Gaps in education for adolescent girls, together with early marriage and pregnancy, hurt agricultural productivity

in the near and long terms. At the same time, the number of children involved in child labor rose for the first time in 20 years, reaching 160 million in 2020. Seventy percent of that child labor is in the agriculture sector, further interfering with young people's education.

To build resilience and a safe return to learning, especially for the most marginalized, USAID has a robust spectrum of pre-primary through higher education programs and partnerships and has developed a broad set of resources<sup>4</sup> to inform education recovery available to all education stakeholders. As education systems rebuild and learners seek to get back on track, USAID is working with partners to mitigate learning losses, prepare for heightened uncertainty in global education, and equip education actors and institutions to be increasingly resilient. USAID is learning from the pandemic and supporting policy and program reforms that transform education systems to be more inclusive and responsive to the needs of all learners and educators. Special attention is needed to protect young women from early and forced marriage, pregnancy, and permanent education losses.

USAID supported the Zambian Ministry of General Education to sustain a model for remedial instruction and is widely deploying accelerated learning programs in response to learning loss and COVID-19-related school closures. In Egypt, as universities shifted to online learning during the pandemic, USAID supported maintaining access to advancement opportunities by establishing career centers, offering inclusive online cultural exchange opportunities, hosting an online career fair, and providing courses in employability skills, entrepreneurship, and language. USAID is working with the South African government and private sector to kick-start viable early childhood development (ECD) microenterprises. When the COVID-19 pandemic hit, USAID designed a sanitation and hygiene solution to allow ECD centers to comply with government reopening requirements.

*Governance:* The pandemic and its ripple effects have put our partner countries' economies in financial peril, with many countries lacking both the capacity and financial resources to weather a shock of this magnitude on their own. Improvements in economic governance, and in the mobilization and use of government resources, can help these countries weather and recover from the present crisis and make them more resilient and better prepared for the next shock.

In Somalia, USAID supported the expansion of Parliament's use of television, radio, and social media to provide the public opportunities to engage in policy discussions in ways that did not previously exist. In Zambia, USAID supported a coalition of civil-society organizations to develop media briefings, which received widespread coverage, on civil-society perspectives on public debt in the context of the COVID-19 economic crisis. USAID worked to help the Uganda Revenue Authority produce a strategy paper to support revenue maintenance during lockdown and advised on how best to protect businesses that were struggling. In Tunisia, USAID helped the Ministry of Finance conduct a comprehensive analysis of the potential budget and economic impacts of the COVID-19 crisis. USAID also supported the tax administration to develop two emergency IT applications to allow remote electronic tax payment and withdrawals, enabling the continued collection of revenues despite the closure of the tax offices. USAID supported the Ministry of Planning and Economic Development (MPED) and the Ministry of Finance to assess

---

<sup>4</sup> See Education Resources in Response to Coronavirus (COVID-19) at <https://www.edu-links.org/COVID-19>

the medium-term economic impact of the pandemic on the Egyptian economy, including helping to brief the Egyptian Cabinet on the effectiveness of stimulus packages and forecasting economic performance indicators to facilitate economic policy decision making.

*Private-sector engagement:* USAID supports private-sector entities, including small and medium enterprises (SMEs) essential to Africa's economy. These SMEs are key to the supply of agricultural inputs and account for the bulk of food aggregation, transport, processing, marketing, and retailing. Many COVID-19 response efforts involved the adaptation of existing mechanisms. For example, the Partnering for Innovation program pivoted to support its former African agribusiness partners through small grants to ensure that the advancements made in providing innovative products and services to smallholder farmers were not lost. The Alliance for Inclusive and Nutritious Food Processing (AINFP) developed response packages tailored to each African country's situation and individual processor needs. These response packages helped maintain services and overcome barriers to sourcing and distributing food while continuing safe operations that protect their workforce from COVID-19.

**BIFAD Recommendation:**

**2. Support African countries in accelerating productivity-led agricultural growth:** Support African-led adaptive agricultural scientific research and extension systems and improve the policy environment to support agricultural productivity growth. Sustained progress toward economic transformation and resilience increasingly depend on raising the productivity of existing farmland. The goals of feeding Africa's growing population and conserving the planet's natural resources, diverse ecosystems, and the services they provide will be more effectively achieved through productivity improvements on existing farmland instead of area expansion.

**Agency Response:**

USAID welcomes this recommendation, which has been incorporated as a prominent cornerstone of the U.S. Government (USG) Global Food Security Strategy (GFSS).<sup>5</sup> USAID supports solutions that simultaneously enable the world to increase agricultural productivity and incomes sustainably and equitably, meet food and nutritional needs, improve livelihoods, conserve biodiversity, and build resilience to climate change in line with the best scientific evidence available. USAID recognizes that all of these must be implemented through engaging private-sector partners.

USAID believes that increased productivity must go hand in hand with increased profitability for producers and is concerned very specifically about who profits. USAID seeks improved productivity growth in ways that have beneficial outcomes for workers as economies transition, through higher incomes, higher profits, and higher quality jobs, particularly for those who are less productive due to a range of constraints (women, youth, others). USAID is also committed to eliminating child labor in agriculture to protect human rights, including those of young people, and to promote better employment outcomes for those of working age. Overall, USAID is working to improve the quality of on-farm work, increase both the productivity and earnings of youth and women, and create more demand for labor, increasingly off the farm as

---

<sup>5</sup> U.S. Government Global Food Security Strategy, 2022–2026.  
[https://www.usaid.gov/sites/default/files/2022-05/Global-Food-Security-Strategy-FY22-26\\_508C.pdf](https://www.usaid.gov/sites/default/files/2022-05/Global-Food-Security-Strategy-FY22-26_508C.pdf)

agricultural transformation occurs. Our approaches aim to facilitate *inclusive, youth- and women-focused, jobs-rich* agricultural transformation for poverty reduction, improved nutrition, strengthened resilience, and sustainable development, including for climate-resilient, greener outcomes.

Science and innovation are critical components of USAID's approach to addressing inclusive agriculture-led growth, resilience, and improved nutrition and food safety, and USAID supports research and extension efforts in the sub-Saharan African region.

USAID supports research investments that identify, evaluate, and adapt innovations providing the highest on-farm impacts within relevant farming systems while conserving natural resources and ecosystems. In addition, USAID provides support to Comprehensive African Agricultural Development Programme (CAADP) processes at national, regional, and continental levels that set targets for national-level investments in agriculture and emphasize the catalytic impact of investment in research. USAID also uses gender, youth, and social inclusion analysis to inform interventions that address critical intersections with social, legal, and other norms that affect development outcomes.

Research examples include:

- **Increasing resource-use efficiency.** The Feed the Future Small-Scale Irrigation Innovation Lab is working to expand the use of irrigation in ways that are equitable, economically viable, and environmentally sustainable. The Fish Innovation Lab is eliminating waste from the manufacturing process, improving operational efficiency, reducing postharvest losses, improving waste management, and decreasing the cost of production of catfish and tilapia in Nigeria. This effort has succeeded in increasing feed quantity production, improving resource use, and reducing fuel use.
- **Expanding mechanization to decrease drudgery.** In Ghana, USAID is supporting a local, skilled workforce for the fabrication of low-cost, locally produced, multi-crop threshers to address the challenges of availability and affordability that prevent many smallholder farmers, especially women, from scaling up their agricultural production. The program has trained fabricators across nine countries to build, service, and maintain these machines.
- **Reducing post-harvest losses.** In developing countries, as much as one-third of a season's harvest is lost along the value chain from harvest to consumption. USAID is investing in research to address this challenge. The Partnerships for Enhanced Engagement in Research (PEER) program has also funded local researchers directly to address post-harvest loss, and USAID funds many activities focused on the reduction of food loss and waste (FLW), including post-harvest. The Feed the Future Innovation Lab for Post-harvest Loss Reduction is working with collaborators in Ghana to produce technologies locally that will thoroughly dry and safely store grain for future use. Technologies like these are critical, as more than 750,000 metric tons of maize are lost each year across the country to rot and disease, contributing to more than half a million metric tons of greenhouse gasses. As a first step in developing cost-effective FLW reduction, the USAID Feed the Future Business Drivers for Food Safety project helps emerging food SMEs measure the amount and value of the lost food. In 2021 during the UN Food Systems Summit, USAID announced it intends to invest \$60 million over five

years in new research awards that will contribute critical solutions to reduce FLW. Additionally, the United States joined the global coalition on FLW “Food Is Never Waste” and affirmed and strengthened its ongoing commitments to reducing FLW domestically.

- **Preventing and managing evolving threats from pests and pathogens.** In 2019, USAID awarded the Current and Emerging Threats to Crops Innovation Lab, which focuses on forecasting, surveilling, and mitigating pests, diseases, and weeds of crops in a climate-changed world. The Innovation Lab developed a platform that monitors transboundary pests and diseases and critical threat information in 29 languages to train staff to monitor pests such as desert locust and fall armyworm.
- **Providing a pipeline of improved plant and animal varieties and breeds.** USAID invests in the generation of high-yielding, climate-resilient, disease-resistant crop varieties and animal breeds that enable farmers to produce more on existing farmland, such as high-yielding, disease-resistant sorghum and drought- and pest-tolerant maize. In Nigeria, USAID’s partnership with Bayer has helped achieve a major milestone: the release of a cowpea variety that is resistant to pod borers. This engagement helped build the technical and business capacity of local African breeding programs and small- and medium-sized seed enterprises.
- **Creating an enabling environment for agricultural research investments.** Public investment in basic research underlies most productivity growth. USAID works through regional and country-level activities to support countries to meet the CAADP objectives of increasing investments in agriculture and improving the quality of that investment toward research and extension. USAID further implements market system development activities that strengthen the enabling environment for business and trade and incentivize private-sector research and development. USAID also supports development and adoption of policies and regulations that enable the private sector to invest in agriculture technology innovations.

The successful development, transfer, and adoption of agricultural technology is a proven contributor to inclusive economic growth. Consultations and partnerships with stakeholders, including innovation and technology end users as well as private-sector partners, ensure a demand-driven strategy with higher likelihood of technology uptake. USAID supports building on community and market innovations and facilitating probes to determine demand.

To help ensure that research investments generate products that are ultimately scaled, USAID has adopted a Product Life Cycle (PLC) management approach to food-security research programming. The PLC is an end-to-end research management tool that advances products based on the needs and preferences of potential users and identifies downstream actors who must be engaged at each stage as a product advances. PLC management is an industry standard and helps ensure new technologies align with farmer, processor, and customer needs and have a pathway to market. USAID complements research investments with focused scaling activities that also prime markets for disruptive new technologies. USAID believes the scaling of research requires strong collaboration with the private sector to commercialize technologies and make them accessible to smallholder farmers and entrepreneurs. The Agency’s Seeds2B activity developed a digital platform for PLC management for use in varietal trials and commercialization. The platform has helped boost production with local SME private-sector



seed companies in Mali, Senegal, and Kenya and move varieties through the promotion stage with clear routes to market. SeedEqual is a new initiative to evaluate current and existing product advancement processes for Consultative Group on International Agricultural Research (CGIAR) centers and National Agricultural Research Systems (NARS). This “external audit” promotes PLC methodology. The key outcome will be the development of an evaluation criteria that can be used to assess product advancement processes within the CGIAR, NARS, or elsewhere.

**BIFAD Recommendation:**

**3. Support African countries in improving the policy environment:** Support African countries in the development of constituencies for policy reform from the bottom up, particularly among citizens and businesses. Support African countries to encourage their citizens to consider the benefits of low-visibility policy areas like agricultural research and development; to improve budget transparency and citizen access and oversight of agricultural budgets; and to support capacity development of smallholder and business organizations to ensure equal standing at the negotiating table with governments. Support African countries in assuring policy coherence across policy goals in agriculture, health, education, and decentralization. Recognize the variation that exists in country economic circumstances, political incentives, and state capacities when designing interventions. Commission analysis of case studies to understand the specific political economic dimensions that lead to policy improvements in some countries with the view toward informing USAID’s partnerships with host governments.

***Agency Response:***

USAID recognizes the fundamental importance of bottom-up participation by citizens and businesses in formulating, enacting, implementing, and reviewing country agriculture transformation and food-security policy. USAID actively seeks stakeholder participation and feedback in developing USAID country policy programs and supports stakeholder participation in strategic, country-level development and review of national agriculture and food-security plans and the domestication of international commitments into these efforts through CAADP and other initiatives. USAID also supports bottom-up participation in country-level review of progress toward achieving national agriculture and food-security goals, including the CAADP Biennial Review, which includes targets related to agriculture budgets and the participation of women and youth, and through regular Joint Sector Reviews. Through the Agency’s research and implementing partners, USAID has developed political economy analysis and policy-system-strengthening and capacity-assessment tools for stakeholders and partners to use to improve the uptake, prioritization, and implementation of good policies.

**Support development of African constituencies for policy reform and promoting policy coherence across multiple sectors.** USAID engages with and supports African partners to promote inclusivity in the policymaking process toward positive food-systems change via continent-wide, regional, and country-specific approaches to policy dialogue and development. USAID Missions work with both regional organizations and country-level stakeholders across a broad spectrum to increase information and dialogue, improve the evidence base for policy decision making, and create accountability systems such as those established through the

CAADP.

**Ensuring research reaches a broad set of policy stakeholders and better understanding the political economy of policymaking.** The Policy Research Capacity and Influence Innovation Lab works in depth with nationally based policy research institutes to improve research quality and outreach to policymakers and other constituencies. The Innovation Lab is also conducting surveys across countries to identify the breadth of policy research and better understand the sourcing of evidence for policy making.

**Recognizing the importance of policy and governance and country context when designing interventions.** USAID developed a course for staff on the fundamentals of food-systems policy with a large portion of the curriculum directed toward understanding the institutional architecture of policy processes. Understanding how to engage policymakers on such important policy issues as investment in research and development and extension are also components of the course.

**Promoting more transparent policy making.** The Policy LINK activity promotes more transparent and inclusive agriculture policy making by engaging a broad set of stakeholders. The activity builds the capacity of civil-society organizations, private-sector representatives, journalists and media outlets, and others to participate more fully in the policymaking process. Policy LINK also works directly with host-country governments, particularly through Ministries of Agriculture, to strengthen institutions and processes that improve the predictability and transparency of policymaking.

**BIFAD Recommendation:**

**4. Support African countries in expanding employment opportunities for young Africans:** While sometimes framed as a youth employment challenge, the challenge is fundamentally a broader “missing jobs” crisis that reflects structural constraints on private investment and associated growth in new job opportunities, such as agricultural value-addition. Priorities for addressing this challenge include (1) policies that encourage economic growth and better jobs throughout the economy; (2) public investments that leverage new private investment and job opportunities; and (3) investments in human and organizational capacity development in Africa. Improving the productivity of the labor force is one of the most important avenues to making households, communities, and nations more resilient to pandemics, weather disturbances, and other shocks.

***Agency Response:***

Increasing employment and entrepreneurship is a key pathway toward inclusive and sustainable agriculture-led growth, as noted in the GFSS. Generating increased incomes and higher profits through on-farm and off-farm<sup>6</sup> work helps households and their diverse individual members, including women, youth, persons with disabilities, and LGBTQI+ persons, rise out of poverty, become more resilient, and become well-nourished, among other development outcomes. The GFSS makes clear that we are pursuing economic growth that contributes to poverty reduction and creates employment that will benefit and empower women, youth of

---

<sup>6</sup> Usage of “on-farm” and “off-farm” intends to refer to producers in agriculture, aquatic/fishery, and forest contexts.

working age, other marginalized and underrepresented groups, the landless, and others with few or no assets. Increased productivity of labor is of central importance to the achievement of GFSS objectives.

The USAID Employment Framework<sup>7</sup> and its accompanying Playbook<sup>8</sup> are the Agency's definitive overarching guide to help USAID staff and development partners understand employment challenges in USAID host countries and design interventions that support more and better jobs for all. The Framework describes the relationships among employment, economic development, and greater self-reliance in developing countries; provides a guide for diagnosing employment challenges; and recommends interventions to support employment and skills to navigate employment opportunities. USAID's Employment Framework specifies an Agency-wide approach to employment creation, with evidence-based guidance for Operating Units to diagnose a country's employment and economic growth challenges, decide what employment-related objectives and approaches to focus on, and design activities. It prioritizes market-based approaches and growing SMEs, which are the leading source of job growth in development contexts. Coming out of a historic focus on employment through workforce development and entrepreneurship programming that is heavily supply-side and direct service, USAID aims to improve its use of the Employment Framework to focus more on employment outcomes and build in necessary indicators to capture critical information and learning about employment transformation, including amid substantial informality, and improve our understanding of just transitions and greener outcomes. Push-pull approaches that address issues facing young, heterogeneous members of the workforce will be required to address issues on both sides of the supply and demand for labor, including to respond to the evidence supporting Positive Youth Development.

USAID aims to improve the quality of on-farm work, increase both the productivity and earnings of youth and women, and create more demand for labor, increasingly off the farm as agricultural transformation occurs. GFSS recognizes that we are aiming to facilitate *inclusive, youth- and women-focused, jobs-rich* agricultural transformation for poverty reduction, improved nutrition, strengthened resilience, and sustainable development, including for climate-resilient, greener outcomes.

USAID has articulated an explicit focus on youth-oriented job growth and quality improvement across its policies and programs. For example, the GFSS has a strong focus on creating more and better jobs for youth across the food and agriculture system. The updated GFSS Feed the Future indicators include an employment indicator to capture progress in this area, and numerous Feed the Future indicators include age disaggregates for youth. USAID/Washington evaluates and reports on youth-related outcomes using data from USAID's Development Information Solution (DIS) system<sup>9</sup> and other sources, also responding to the Youth in Development Policy,<sup>10</sup> which was updated in 2022, although our systems do not yet

---

<sup>7</sup> Getting Employment to Work for Self-Reliance. A USAID Framework for Programming. November, 2019. <https://2017-2020.usaid.gov/sites/default/files/documents/1865/EF-FINAL-2019-11-12.pdf>

<sup>8</sup> <https://www.usaid.gov/document/employment-framework-playbook-final>

<sup>9</sup> USAID Development Information Solution, <https://www.usaid.gov/partner-with-us/resources-for-partners/development-information-solution>

<sup>10</sup> USAID Youth in Development Policy, 2022 Update. <https://www.usaid.gov/policy/youth>

enable us to report how many women are also youth. Similarly, USAID’s Climate Strategy<sup>11</sup> has a focus on women’s and youth engagement and “green jobs” in the context of just transitions, and the USAID Local Capacity Strengthening Policy<sup>12</sup> integrates youth. USAID also influences relevant external policies, such as contributing to the formation and formal endorsement of the Committee on World Food Security Policy Recommendations on Youth Engagement and Employment in Agriculture and Food Systems.

USAID/Washington and Mission activities foster policy change that promote economic growth, productive employment, and an enabling environment that drives private-sector investment. For example, Feed the Future country Missions work with country stakeholders to establish priority policy agendas. Missions then design activities that drive policy change and public investment and stimulate economic growth and employment. Especially important are policy changes that improve the business environment for agricultural input production and distribution, processing, marketing, and trade—attracting private-sector investment to sustain growth. Linked public investments—such as agricultural research and development that improve productivity and regulatory systems that align national standards with export markets—similarly support such growth. In Ethiopia, USAID’s policy work included supporting the development of more-enabling rules and regulations for biotechnology and improved coordination and networking across institutions involved in biotechnology. These efforts enabled seed and biotech industry expansion that has generated employment.

The Partnerships for Enhanced Engagement in Research (PEER) program has supported projects that research the best ways to engage and involve youth in training activities intended to increase their employability in the agriculture sector. One example is the Morogoro Youth Empowerment through Establishment of Social Innovation (YEESI) lab for problem-centered training in machine vision at Sokoine University of Agriculture in Tanzania. The Feed the Future Innovation Lab for Food Processing and Post Harvest Handling (FPIL) trained youth in Kenya in FLW reduction approaches, including selling hermetic bags and moisture meters, to reduce FLW and increase incomes.

USAID has several activities supporting job creation and employment for youth, some of which are youth-focused (principally targeting youth) and most of which are youth-relevant (include youth, among others targeted), and may integrate employment or make it a primary focus. These activities address multiple factors affecting youth employment such as **policies** related to workforce inclusion, **public investment** in education and technical training for youth, and other **systems-level constraints and opportunities** to youth engagement and employment in agriculture, food, and water systems. To foster uptake and sustainability, activities have a strong focus on market-oriented **capacity strengthening** for workers (e.g., youth career days, internships), entrepreneurs, employers (e.g., on youth recruitment and workforce training), education/training institutions (e.g., to develop demand-driven, market-based training programs), and lenders (e.g., to develop financial products tailored to youth agri-SME needs). USAID seeks to partner with public- and private-sector actors to deliver sustainable, locally relevant programming. For example, Aceli Africa, a finance mechanism supporting loans to agribusiness SMEs, is launching a youth impact bonus to encourage lenders to lend to SMEs that

---

<sup>11</sup> USAID Climate Strategy, 2022–2030, <https://www.usaid.gov/policy/climate-strategy>

<sup>12</sup> USAID Local Capacity Strengthening Policy, <https://www.usaid.gov/policy/local-capacity-strengthening>

are youth-relevant. USAID also supports Generation Africa, the thematic platform on youth of the Africa's Food Systems Forum (AGRF) to strengthen the ecosystem for youth agripreneurship across the African continent. It has piloted an Ecosystems Development Framework in Senegal and Rwanda and hosts prize competitions to increase visibility of youth undertaking agriculture as a business and facilitates access to investors, also through engagement in the AGRF Deal Room. USAID also implements the Youth in Agri-food Systems Learning Activity through the Youth Power 2 Learning and Evaluation (YP2LE) mechanism to strengthen the evidence base for programming with youth in RFS areas of work.

An initial review of Feed the Future priority countries in the 2015–2020 period showed about \$424 million spent or planned in youth-focused programs and over \$4 billion in programming in areas of work that list youth as among program participants, but most without including specific theories of change or highlighting related strategies or youth-specific outcomes. A youth-led review of Country Development Cooperation Strategies (CDCS) further shows that Missions are increasingly prioritizing youth as a target population in employment-related programming. As examples, USAID/Uganda's Youth Leadership in Agriculture Activity (2015–2020) engaged public and private market actors to leverage market opportunities for youth, host youth career days, offer internships, and promote agriculture-related careers. USAID/Senegal-Burkina Faso's Yidgiri Activity (2020–2025) includes a youth entrepreneurship component to build youth capacity to develop successful businesses with growth potential. Finally, USAID/Rwanda's new Employment and Entrepreneurship activity, which seeks to increase jobs and build workforce capacity in the food and agriculture sector, has a focus on youth, women, and persons with disabilities.

To expand these efforts, USAID provides technical support to Operating Units for design, implementation, and evaluation of youth programming and leads a learning activity to strengthen the evidence base for youth programming. The USAID Youth in Agrifood Systems Learning Activity hosted a series of learning events on Effective Actions to Raise Productive Youth Engagement in Farming, contributing to the *African Agriculture Status Report 2021* on youth contributions to resilient food systems. USAID further advances learning through communications campaigns such as Youth Employment Month on Agrilinks and Marketlinks, with the development and implementation of a Youth Knowledge Management Plan and a White Paper on Green Jobs for Youth and Women in Agriculture, Food, and Water Systems, supporting action on youth employment for green outcomes.

USAID also provides strong international leadership through global engagement activities to accelerate progress in expanding youth engagement and employment in agriculture, food, and water systems, including at the UN Food Systems Summit and with the Global Donor Platform for Rural Development. The U.S. Department of Agriculture (USDA) and USAID further led the U.S. delegation in negotiating the United Nations Committee on World Food Security Policy Recommendations on Youth Engagement and Employment in Agriculture and Food Systems. Most recently, USAID has provided thought leadership in the response to youth impacts of Russia's war in Ukraine.

## Recommendation:

**5. Support African countries in achieving economic empowerment for women:** (1) Improve support to voluntary family planning and reproductive health services to give women greater control over their lives; (2) eliminate the gender education gap; (3) reform legal systems that deny women control of income, assets, and inheritance; (4) invest to decrease “women’s time poverty”; and (5) foster agency (ability to choose how to use one’s own time and economic resources) to reduce the negative impact of gender norms on women’s lives.

USAID recognizes the critical importance of multi-sectoral, integrated, and layered programming to address the multiple and intersecting challenges women face in the economic sphere. Within the broader framing of the forthcoming USG Women’s Economic Security Strategy, USAID will work to address some of the recommendations outlined above, specifically around women’s access to reproductive health services and closing the gender gaps in education as they relate to women’s economic empowerment, particularly in food systems and in geographies where Feed the Future is present.

Feed the Future Innovation Labs integrate gender into their research to support women’s economic empowerment by influencing agricultural technology development and delivery. They have accomplished this by conducting household phone surveys to better understand how men and women use their time to better target interventions that reduce drudgery for women and conducting a gender technology assessment in Burkina Faso for a planter, which led to design improvements and better dissemination. After these activities concluded, women reported improved time efficiency and having more time for their cashew and shea nut enterprises.

The Feed the Future Advancing Women’s Empowerment Activity has been developing resources that will help agriculture and market systems development programs to better address challenges to women’s more equitable participation in decision-making within households and across food-system institutions. With growing attention to gender-based violence (GBV) as a key challenge to women’s participation and benefit from economic opportunities in food systems, the activity recently published a toolkit to address GBV in agriculture and market system development programs.

USAID is testing and learning from innovative and cost-effective methods to improve and secure women’s land tenure and property rights, analyzing and disseminating resulting evidence; engaging with the private sector, civil society, and other donors; and applying lessons learned. USAID partners with governments, businesses, and communities to support efforts to make property rights and land governance systems—both formal and informal—more effective, transparent, stable, and fair. Examples of Feed the Future efforts are highlighted here: Feed the Future Ethiopia land governance program has a strong focus on i) enhancing women’s land rights in urban areas to align with the existing protections women in rural areas now have, ii) supporting the Women’s Land Rights Task Force to continue to improve legal and regulatory frameworks to promote gender-equitable land relations, and iii) working in partnership with male leaders to address social norms that restrict women’s participation in resource governance

bodies in pastoralist areas. Through the Feed the Future Tanzania Land Tenure Assistance (LTA) activity, USAID introduced an innovative, participatory approach to clarify and document land ownership, increase local understanding of land use and land rights, and support land use planning. The activity has resulted in gender-equitable certification of land rights, with women holding land jointly with partners and as sole owners at significantly higher rates than before the project. Land registration processes have increased the perceived tenure security of female certificate holders, particularly for primary spouses. As a result of the land certification process, women's concerns about having their land taken against their will and concerns around future boundary disputes with neighbors decreased.

USAID collaborates with private-sector partners to form mutually beneficial relationships that increase economic returns on company performance and promote women's empowerment across its partners' suppliers, vendors, and workforce in the agriculture sector. USAID works with Pepsico to advance women's access to land, skills, and employment and entrepreneurial opportunities and increase adoption of sustainable farming practices (SFPs). The USAID-funded SERVIR activity works with banking, data, and insurance companies to co-create risk-financing, index-based, agricultural insurance products informed by NASA geospatial satellite data. This includes training insurance agents on how to explain the value of agricultural insurance products to women farmers. The overarching goal of the activity is to build women's economic resilience to climate-related shocks.

USAID West Africa Trade and Investment Hub's Co-Investment Fund is a flagship USAID activity focused on partnering with the private sector to increase economic growth in West Africa, to increase competitiveness, spark innovation, and create new private-sector jobs, of which at least half are for women. Activities include trade and equal access to trade, value chain development, and other support and networking on women-owned and -led agribusiness, women's access to finance, and women-owned and -led cooperatives, associations, and businesses operating in the food and agriculture sectors.

The PEER program supports a number of research initiatives that are incorporating efforts to build entrepreneurial opportunities for women along the agriculture value chain. In addition, the PEER program sponsors the Women's Science Mentorship Program. Many women leave scientific careers due to gender discrimination, hostile work environments, work-life balance conflicts, and a lack of role models and mentors. One way to combat this attrition is through mentorship. Female junior faculty who are part of the PEER Women in Science Mentoring Program benefit from dedicated mentorship, training, professional development, and networking opportunities designed to hone their skills in negotiation, communication, and research publishing.

**BIFAD Recommendation:**

**6. Support African countries in capturing opportunities for intra-African agricultural trade:** (1) Support the African Continental Free Trade Area (AfCFTA); (2) develop transport and communications infrastructure between African countries to reduce costs and risks of trade; and (3) promote competitiveness by reducing costs of production through agricultural R&D&E.

**Agency Response:**

Open trade plays a vital part in ensuring and supporting global food security. Every country relies on international trade for access to productive inputs like seeds, fertilizer, machinery, and capital. Trade has the potential to boost dietary diversity by increasing the availability of safe and nutritious food. Between 2016 and 2018, Africa imported 85 percent of its food from outside of the continent, making trade crucial for Africa's food security according to UNCTAD. Trade plays a vital role in adaptation of food systems to exogenous shocks such as conflict, climate change, pandemics, and other food-system disruptions.

USAID will respond to the recommendations by working to continue to support the AfCFTA Secretariat as well as the Regional Economic Communities and national government policy systems to improve trade data and strengthen evidence-based policy development and implementation of a trade integration agenda. But policy change, while critical, must be accompanied by investments to facilitate agricultural trade. USAID will also continue to support the introduction of appropriate digital technologies and facilitate trade process improvements that reduce inefficiencies in time, cost, and uncertainty, which can help bring lower-cost agricultural products into more markets faster and more inexpensively for consumers.

USAID support for the AfCFTA includes a range of activities that support the integration of African value-chains and streamlining customs and borders procedures. The support also provides assistance to African SMEs to enable greater understanding and more rapid implementation of the AfCFTA. An example of this support is through a recently issued AfCFTA-focused program under the Africa Trade and Investment Program (ATI) to help advance implementation of the AfCFTA and provide assistance to African SMEs.

USAID will also continue to support a variety of activities that generate data, analytics, and evidence supporting intra-African agricultural trade. USAID supports publication of the *Africa Agricultural Trade Monitor*, an annual report that analyzes continental and regional trends in African agricultural trade flows and policies. Further, USAID conducts research and reporting on the determinants of intra-African trade, including analyses on informal trade, barriers to trade liberalization, and the impacts of trade on food security and nutrition outcomes. USAID also engages with African trade stakeholders and the international community to align trade activities and share best practices for the promotion of African food trade, as well as supporting improved data on country-level food stocks.

Through USAID support to AGRA, the Common Market for Eastern and Southern Africa (COMESA) recently adopted a Digital Seed Inspection System that provides an online platform for conducting seed inspections using a tablet instead of pen and paper. The system enables a seed inspector to record and report inspection data accurately while inspecting a seed field and will contribute significantly to improving the quality, quantity, traceability, and authenticity of seeds.



**BIFAD Recommendation:**

**7. Support African countries in reducing the infrastructural deficit:** (1) Improve management to achieve increased quantity and quality from existing infrastructure; (2) improve planning and project selection to achieve higher rates of return on investment; and (3) improve the enabling environment for private financing.

**Agency Response:**

The Administration's and G7's flagship infrastructure initiative, the Partnership for Global Infrastructure and Investment (PGII), sought to improve responses to the global demand for high-quality infrastructure financing in low- and middle-income countries. The United States announced a series of new PGII initiatives to develop transformative economic corridors through PGII and drive infrastructure investments that can boost and connect economic development across multiple countries and sectors. Other PGII projects reflect how the USG is working with partners to better mobilize capital for infrastructure in emerging markets. Investments include: creating and strengthening economic corridors that connect economies through key transportation infrastructure; making clean electricity more affordable, reliable, and available to all; bringing information and communications technology (ICT) network solutions to rural communities; integrating agricultural hubs to increase regional food security; improving access to health care; and aggregating demand for clean-energy solutions to fuel these corridors and service local communities.<sup>13</sup>

*1) Improve management to achieve increased quantity and quality from existing infrastructure*

USAID's interagency partner the Millennium Challenge Corporation (MCC) invests in improving existing infrastructure, depending on what will deliver the most significant development outcomes at a reasonable cost. This determination is part of MCC's processes and is discussed below.

*2) Improve planning and project selection to achieve higher rates of return on investment*

In addition to the USG's flagship infrastructure initiative PGII mentioned above, USAID and other USG agencies offer many tools to improve planning and project selection to increase rates of return on investment. For example, at USAID over the last three years, USAID has managed the Transaction Advisory Fund (TAF), a whole-of-government mechanism that provides infrastructure transaction advisory services on a flexible, rapid-response basis to host governments. Host governments can access highly qualified lawyers, engineers, accountants, and consultants through TAF to assist with strategic projects and ensure sustainable, transparent, and reliable infrastructure development. Building on the success of the initial tranche of funding, USAID and the Department of State have recently received additional funding for more TAF activities, which will include the expansion of the program to strategic opportunities in Africa and Latin America.

---

<sup>13</sup> White House. May 20, 2023. Partnership for Global Infrastructure and Investment Fact Sheet. <https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/20/fact-sheet-partnership-for-global-infrastructure-and-investment-at-the-g7-summit/>

Beyond USAID, the U.S. Trade and Development Agency funds feasibility studies, technical assistance, and pilot projects that integrate U.S. private-sector innovation into infrastructure projects at the critical early stages when design choices and technology options are determined.

In addition, MCC seeks to incentivize a higher rate of return on its investments by requiring calculation of an Economic Rate of Return on all projects and using a 10 percent hurdle rate. However, MCC's processes are not only designed to have high returns but to accomplish other development objectives connected to climate, gender, and social inclusion, along with other goals such as strengthening the private sector.

To accomplish these goals, MCC investments are selected based on an assessment of the greatest constraints to inclusive economic growth and address policy, institutional, and social constraints to this improved performance. MCC's approach to agriculture and economic growth is to work with our partner country in the lead to understand the impediments to growth and create interventions to address these underlying problems.

These constraints often include infrastructure bottlenecks such as power and roads and poor access to finance. The effects of MCC grants for infrastructure and other projects can provide powerful incentives for countries to adopt stable and effective policies both to become compact-eligible and to support implementation of MCC's country programs. These policies focus on encouraging private investment and increasing trade, creating a sustainable environment for economic development and poverty reduction.

The MCC investments that support African countries in reducing the infrastructure deficit include:

A \$300 million compact with Lesotho seeks to expand access to high-quality health care, create equitable business development opportunities, and invest in high-value crop production by providing better legal protections in land tenure, skills training, and addressing some of the unique challenges faced by women and youth in Lesotho. The compact includes four projects: 1) Health Systems Strengthening; 2) Market-Driven Irrigated Horticulture; 3) Business Environment and Technical Assistance; and 4) American Catalyst Facility for Development (ACFD). The Compact focuses on women's empowerment and the potential for MCC's investment in horticulture to reduce Lesotho's reliance on food imports and will build up to 2,000 hectares of irrigation systems in four regions of the country. The Lesotho compact is expected to have a direct impact on food security by boosting farm incomes and increasing the production of nutrient-dense foods.

The \$172 million Morocco Land Productivity Project includes a Rural Land Activity that is developing a faster and more inclusive process for granting titles on irrigated collective lands to individual men and women smallholder farmers and their families who currently farm the land. An improved process for converting collective land to private ownership has been developed and is being tested over 56,000 hectares, with the first land titles under this process issued in June 2022. These investments will support women and increase their abilities to invest in their land. This is expected to boost their productivity and income and have a positive impact on food security.

The \$437 million Niger compact, which started in 2018, includes two projects: the Irrigation and Market Access Project, including roads and large-scale irrigation, and the Climate Resilient Communities (CRC), empowering entrepreneurs and small business groups to unlock the potential of true market growth and poverty reduction. The CRC project is financing the rehabilitation of approximately 1,000 kilometers of livestock “highways” with permanent markers, water points, and pasture rest areas and is modernizing 17 key livestock markets through infrastructure and management improvements. At the municipal level, the project is investing in public infrastructure to provide access to water sources for community gardens and re-establishing 100,000 hectares of debilitated land to common grazing areas to assist communities to adjust to seasonal rainfall changes. To complement and sustain the hard infrastructure investment and impacts, the compact is supporting the Government of Niger to engage in a suite of critical national policy reforms, including fertilizer importation and distribution, road network maintenance, statistical capacity, and ground water resource management. This compact has a direct and significant impact on food security.

MCC recently signed a \$350 million compact with Malawi—announced as a deliverable during the UN General Assembly—that includes three projects: 1) The Accelerated Growth Corridors Project, which combines policy and institutional reforms with road funding, the bulk of which will be used to resurface almost 300 kilometers of corridor roads that connect prime agricultural areas to markets; 2) The Increased Land Productivity Project, which seeks to strengthen the capacity of national and city governments to better manage the nation’s land resources; and 3) The American Catalyst Facility for Development (ACFD), through which MCC plans to mobilize additional resources in the agribusiness and other sectors in partnership with the Development Finance Corporation (DFC)—specific projects and potential private-sector leverage will come later. The rural road will support food security by boosting farmer access to markets and consumer access to food.

The proposed \$504 million Benin-Niger concurrent compact aims to rehabilitate 210 km of roads within the existing transport corridor between Cotonou, Benin, and Niamey, Niger, while addressing some of the institutional and market constraints that add to the financial and time costs of transporting goods along this road. While this project is focused on facilitating regional integration, it may have a positive indirect effect on food security by boosting connectivity to imports and linkages between farmers and consumers.

The \$60 million Kenya Threshold Program is designed to address challenges in urban connectivity in Nairobi, which is both the largest city and economic engine of the country. The program includes multiple projects that will enhance long-term planning for the transportation system of the Nairobi metropolitan area; support the transition to low-emission buses on the metropolitan area's new bus rapid-transit system; improve access to nonmotorized transport, including pedestrian walkways and bicycle corridors, in poor areas of the city; and strengthen zoning and land-use planning. This program does not have a direct impact on food security

MCC is supporting a 50 megawatt (MW) solar power transaction in Senegal that, if successful, will supply one-quarter of the country's daytime power needs. The compact is also funding off-grid solar power systems for individuals, business, and communities that to date have given 90,000 people power for the first time. Major power distribution investments by MCC will also reduce system losses, thereby abating CO<sub>2</sub> emissions. The compact investment is

designed to strengthen the power sector by increasing reliability and access to electricity and aims to help the Government of Senegal establish a modern and efficient foundation on which the nation's power system can grow. This compact will have an indirect impact on food security by promoting investment and economic growth.

The \$35 million MCC Togo Threshold Program will also seek to expand access to formalized land through the recognition and protection of legitimate land rights in five pilot areas across the country and develop a regulatory framework to implement the proposed new land code. The threshold program incorporates stringent accountability mechanisms to ensure that MCC funds are tied to results and are used only for programmatic purposes. This program will likely have an indirect impact on food security by promoting agricultural investment by securing land rights.

MCC and the Development Finance Corporation (DFC) have worked on an MCC-funded blended-finance mechanism, the American Catalyst Facility for Development (ACFD). The ACFD has been designed to leverage the strengths of both agencies and enable coordinated catalytic investments in MCC's portfolio by providing strategic grants aimed at attracting the private sector and maximizing the overall impact of the USG's development efforts. MCC and DFC are already initiating the ACFD in two of the compacts mentioned above: Malawi and Lesotho. As MCC and DFC gain experience in the initial countries, the agencies will assess the results and continue to refine the approach and mechanisms to maximize the impact of the ACFD as new countries are added.

DFC has made many investments in infrastructure across Africa including these recent projects:

- **Africa Data Centres (Sub-Saharan Africa).** DFC committed up to \$300 million in financing to support the development and expansion of data centers in South Africa, Kenya, and other DFC-eligible countries in Africa. (Fiscal Year 2021)
- **Golomoti Solar (Malawi).** DFC committed a \$25 million direct loan to Golomoti Solar to finance a 20 MW solar power plant and 5MW/10MWh battery energy storage system in Malawi's Dedza district. The plant is one of the first in Sub-Saharan Africa to include a grid-connected battery energy storage system that will help ensure a reliable supply and reduce frequent blackouts. (Fiscal Year 2022)
- **Mirova SunFunder (Africa Regional).** DFC made a \$100 million debt investment in the Mirova SunFunder Fund, which will finance distributed clean-energy transition companies and projects to build climate-friendly solutions in response to increasing demand for energy in developing countries. The fund is expected to increase access to reliable and cost-effective off-grid solar energy for tens of millions of low-income people, predominantly in Sub-Saharan Africa. (Fiscal Year 2022)
- **Urban Resilience Fund (Africa Regional).** DFC provided up to \$80 million in financing to support investments in infrastructure projects such as rapid bus transit, light rail, and smart-city solutions to help countries in Africa address the resource strains of growing urban populations. Financing covers investments in Côte d'Ivoire, Egypt, Jordan, Kenya, Mauretania, Morocco, Senegal, and South Africa. (Fiscal Year 2022)

### *3) Improve the enabling environment for private financing*

Through PGII, the USG advances the enabling environment for private financing by supporting the development of the Lobito Corridor. This initial investment in a rail expansion may become the primary open-access transportation infrastructure that connects the Democratic Republic of the Congo (DRC) and Zambia with global markets throughout Angola. With the primary objective to improve the enabling environment for private financing, PGII continues to seek additional opportunities to connect the initial Lobito Corridor investments across the continent, to Tanzania and, ultimately, the Indian Ocean.

Initial investments include:

- **Rail Consortium:** The DFC is currently performing due diligence for a potential financing package of \$250 million to finance the Lobito Atlantic Railway Corridor—an open-access rail line from Lobito Port in Angola to the DRC border. This deal would be the DFC's first investment in rail on the continent. This project is the first step to connect and develop trade and economic activity from Angola to the DRC, which can help promote greater investments in agriculture, digital infrastructure, and expanded access to electricity.
- **Solar Deployment:** The Export-Import Bank of the United States (U.S. EXIM) approved for Congressional Notification an initial \$900 million in financing for two solar projects that were announced at the 2022 G7 Summit by the Government of Angola, U.S. firm AfricaGlobal Schaffer, and U.S. project developer Sun Africa. The projects will generate more than 500 megawatts of renewable power, provide access to clean-energy resources across Angola, help Angola meet its climate commitments, and support exports of U.S. solar panels, connectors, switches, sensors, and other equipment.

One of USAID's relative strengths and roles within the USG is to tackle the types of constraints raised by private-sector partners, such as improving the enabling environment for private-sector investments and providing financial additionality through co-financing, loss-/risk-sharing, guarantees, and forms of blending. Some examples of USAID's work in this area include:

- **Digital Invest.** USAID's blended finance program, Digital Invest, is a flagship project of the PGII. Digital Invest seeks to attract new investment capital for digital finance and internet service providers, driving inclusion in developing markets. As of June 2023, Digital Invest partners have mobilized more than \$245 million for new or expanded financial facilities and have invested in 38 portfolio companies that are advancing secure digital infrastructure and services across 28 countries, including 14 in Sub-Saharan Africa. Digital Invest also directly supports connectivity infrastructure projects through partners like CSquared, which is building an open-access fiber backbone network across Liberia.
- **Prosper Africa.** Prosper Africa—the White House initiative with 17 participating departments and agencies to increase two-way trade and investment between the U.S. and Africa—is the USG's lead for all PGII deals on the African continent. The Prosper Africa secretariat, housed at USAID, works across U.S. agencies and with U.S. Embassies in Africa to promote investment deals in priority sectors such

as infrastructure, agribusiness, and critical minerals that align with PGII objectives. Since 2021, Prosper Africa participating agencies have helped close more than 900 deals across 47 African countries for a total estimated value of \$22 billion in two-way trade and investment. The initiative leverages tools and resources from across the U.S. government to access finance, identify potential trade partners, and de-risk financing instruments to support priority private-sector deals, including through partnerships with institutional investors.

- **Power Africa:** Power Africa delivers PGII transactions in the electricity generation, access, and transmission sectors and implements programs such as the Health Electrification and Telecommunication Alliance and the Clean Energy Technology Network.
- **Aceli Africa:** The USAID-supported activity, Aceli Africa, has researched Central Bank regulations that impede lending to agri-SMEs in East Africa. Highlights of the findings include unintended consequences of international finance reporting standards, higher minimum financial requirements in the region, potential confusion around how agriculture loans are classified, high collateral requirements, and credit guarantees not being valued fully.

In addition, the MCC Finance, Investment, and Trade (FIT) team has identified four blended-finance tools that are best suited to MCC’s unique model and provide the greatest potential to maximize private-sector involvement. While MCC has significant experience employing leveraged grant facilities and public-private partnerships across its portfolio, guarantees, hedging, and impact incentives are newer areas MCC aims to develop and deploy. Working through MCC’s standard business processes and country teams, these tools are tailored to the specific operating environment in MCC countries, allowing MCC flexibility in determining which approach will best catalyze private-sector investment to support MCC programs and, ultimately, contribute to alleviating identified constraints to economic growth. FIT provides expertise in structuring finance vehicles, deploying blended-finance tools, developing projects that contain private investment, and leveraging additional capital. At the outset of compact development, the FIT team also leads MCC’s analysis of private-sector opportunities in conjunction with the constraints analysis process led by MCC’s Economic Analysis team.

**BIFAD Recommendation:**

**8. Leverage U.S. strengths in institutional capacity development:** USAID is particularly well suited for institutional capacity development, especially for African agricultural research, development, and extension, policy analysis, and policy implementation. Several recent USAID-supported programs offer lessons on how to improve capacity in agricultural policy development.

**Agency Response:**

USAID recognizes the central importance of partnerships that result in strengthened local communities—a longstanding practice across every sector, country, and context in which the Agency works. USAID is committed to putting local actors in the lead, strengthening local

systems, and responding to local communities.

Through the new Local Capacity Strengthening (LCS) Policy, launched in October 2022, USAID is committing to a unified and cohesive approach through which the Agency collaborates with local partners to: define their own vision for success; strengthen their abilities to be effective and relevant actors within their local communities and contexts; and elevate local ownership in sustaining development results.

The GFSS also emphasizes an inclusive development approach supporting local capacity development through mutually beneficial partnerships with local actors and ensuring those whose lives are affected by decisions have a meaningful role to play in making those decisions. The GFSS emphasizes partnering and developing capacity in the public, private, and civil-society sectors in ways that promote local engagement and commitment to achieving goals elevated under the GFSA: ending hunger, child stunting and wasting, and the extreme poverty that accompanies them.<sup>14</sup>

### ***Extension***

USAID has made significant investments in building and strengthening locally led, pluralistic extension and advisory services during the Feed the Future era. These centrally funded mechanisms include Modernizing Extension and Advisory Services (MEAS); Integrating Gender and Nutrition within Extension and Advisory Services (INGENAES); Developing Local Extension Capacity (DLEC); and Enabling Farmers for Agricultural Transformation (EFAT). All of these activities have and will continue to leverage the strengths of U.S. institutions in capacity development. The activities have worked with both public- and private-sector partners to provide extension and advisory services to traditionally underserved clients, especially women and youth, with the goal of building the capacity of these local organizations to develop best-fit, sustainable extension services. This has resulted in improved extension services to millions of farmers over the past decade.

### ***Research***

The USG's Global Food Security Research Strategy, 2022–2026,<sup>15</sup> commits to engaging in local partnerships and with leaders to foster the development of research capacity. The Strategy also emphasizes the importance of the capacity of the network of actors across the agricultural innovation system in bringing innovations into use.

USAID mobilizes the discoveries from basic research and leverages support from public- and private-sector partners, investing in applied and developmental research to address current and future challenges of a changing climate and to increase agricultural productivity, incomes, and access to and use of safe, nutritious food. USAID accomplishes this through focused research on the development and dissemination of improved nutrition-sensitive agricultural technologies, knowledge, and best practices; the implementation of enhanced agricultural and nutrition-sensitive policies; and targeted human and institutional capacity to strengthen the research capabilities of partner countries.

---

<sup>14</sup> U.S. Government Global Food Security Strategy, 2022–2026.

[https://www.usaid.gov/sites/default/files/2022-05/Global-Food-Security-Strategy-FY22-26\\_508C.pdf](https://www.usaid.gov/sites/default/files/2022-05/Global-Food-Security-Strategy-FY22-26_508C.pdf)

<sup>15</sup> U.S. Government Global Food Security Research Strategy, 2022–2026.

<https://www.usaid.gov/what-we-do/agriculture-and-food-security/us-government-global-food-security-strategy>

USAID established a Graduate Degree Program in Genetics and Plant Breeding at six universities for African students interested in working in the seed industry in Sub-Saharan Africa. The program includes collaboration and professional networking with private- and public-sector laboratories as well as instruction and research based in Ghana with ongoing linkages to leading university labs in the United States. The program is providing graduating plant breeders with market-relevant skills to drive crop productivity in Africa and foster economic growth.

The Markets, Risk, and Resilience Innovation Lab supports African researchers in development economics and related fields who have the skills, talent, and ideas to take the lead in defining research priorities while drawing on U.S. university-based mentors to enhance their capacities in implementing and managing large-scale research projects. Projects must address one of the three themes: (1) resilient escapes from poverty, (2) financial and agronomic innovations for inclusive growth and resilience, and (3) resilient systems for broadly based agricultural growth.

The PEER program is designed to partner local researchers with USG-funded scientists as a means of leveraging USG investments in advanced science including agricultural sciences. U.S. partners bring expertise and resources to the partnerships and, through close collaboration, help to build the capacity and networks of local researchers and institutions.

### ***Policy Capacity***

To support capacity for improved decision making and implementation of policy, USAID implements several programs. USAID initiated an activity to support local policy research institutes to enhance technical capacity and quality and move toward sustainable financial paths. USAID has developed a regional capacity building–mentoring model to support regional research institutes to serve as hubs for local institutes. This model connects researchers on common topics and provides opportunities for technical training on topics such as data analysis, avoiding plagiarism, and connecting research to policy.

USAID supports inclusion in policy decision making through building capacity of local non-state actors to engage in policy dialogue and create platforms for multi-stakeholder conversation. The Policy Leadership, Interactions, Network and Knowledge (Policy LINK) activity works in several African countries and has built a continent-wide set of Food Security Policy Champions and an independent organization of convening facilitators.

Two local African partners strengthened by USAID have also become instrumental in improving the evidence base for policy decision making. Akademiya2063, a Rwanda-based policy institute, conducts analysis and supports countries' abilities to monitor and report on progress toward the targets of the CAADP, among other activities. The Regional Network of Agricultural Policy Research Institutes (ReNAPRI) developed a five-year strategy and conducted a capacity assessment through support by the PRCI Innovation Lab described above.



**BIFAD Recommendation:****9. Leverage USAID convening power and U.S. global leadership in agricultural innovation:**

USAID can convene and leverage the capacity of U.S. global leadership in agricultural science and innovation through the U.S. Department of Agriculture (USDA), the land-grant university system, and its robust agri-food business sector for trade and development. Supporting agricultural productivity-led growth will contribute to USG-wide objectives for foreign assistance, including promoting country self-reliance and development, increasing private sector engagement to modernize and transform food systems, and supporting increased trade along agricultural value chains. Leverage USAID's strengths in investing in the agricultural sector and encouraging private investment in agri-food systems.

***Agency Response:***

USAID's convening power and global leadership in agricultural innovation are grounded in the recently launched USG Global Food Security Research Strategy, 2022–2026. The strategy outlines a science-based, convergent, demand-led, and inclusive approach to addressing food-security challenges, which will continue to span biophysical, socioeconomic, and behavioral sciences. In addition to collaboration among USG agencies, the strategy emphasizes key partnerships with U.S. universities, including minority-serving institutions (MSIs) and those engaged with Feed the Future Innovation Labs; U.S. and international private business and nonprofit sectors; international agricultural research centers; and national research and extension systems in target countries—including government, universities, civil society, and private-sector partners.

USAID partners with federal, state, and private-sector actors across the U.S. agriculture and food system to lead research for development efforts that share advances in science, generate innovations, and increase the ability of countries to make informed decisions on the utility and role of new technologies.

More than 80 U.S. colleges and universities, including 21 MSIs, are engaged in partnerships with Feed the Future Innovation Labs, generating innovations that deliver mutual benefits for food-insecure developing countries, while strengthening U.S. food systems and agriculture.

A robust private sector is critical for advancing and sustaining inclusive, agriculture-led economic growth and nourishing populations. Feed the Future has a strong track record of engaging the private sector to modernize and transform food systems in the places where we work. Since inception in 2010, Feed the Future investments have unlocked \$4.8 billion in agricultural financing, leveraged \$2.6 billion in private-sector investment in food security, and generated more than \$17.9 billion in agricultural sales for smallholder farmers.

However, we recognize the need to emphasize inclusive and pro-poor growth, elevate women's economic empowerment, work more closely with the local private sector, and expand our partnership base globally.

Feed the Future progress in strengthening private-sector partnerships is seen through a number of innovative examples. In November 2020, USAID co-initiated a commitment to Aceli

Africa, an innovative program that incentivizes banks to lend to agribusinesses. Through this partnership, Aceli Africa aims to mobilize funds for 750 agribusinesses in Africa, including businesses in two Feed the Future target countries, Kenya and Uganda. USAID also launched the Feed the Future Partnership for Sustainable Supply Chains to help small agricultural businesses around the world stay afloat during the COVID-19 pandemic and rebuild in its wake. The Feed the Future Agricultural Finance Unit (the “Food Security Unit [FSU]”), established by USAID and DFC, continued to provide finance for privately owned enterprises investing in food security and water and sanitation projects.<sup>16</sup>

USAID emphasizes the importance of maintaining long-standing partnership with a number of companies. USAID plans to launch a new investment fund called the Nutritious Foods Financing Facility (N3F). The N3F differs from other investment funds as its singular aim is to demonstrate how direct loans to women-owned and -led businesses across the food system can contribute to safe and positive nutritional outcomes for local populations. USAID’s decade-long work with Partners in Food Solutions through the Alliance for Inclusive and Nutritious Food Processing is leveraging the technical know-how of seven companies—Ardent Mills, Cargill, Buhler, General Mills, Hershey’s, Royal DSM, and JM Smuckers—to improve food safety, security, and nutrition along with economic development in Africa by empowering their employee volunteers to share food industry best practices with small- and medium-sized African food companies.

In Nigeria, USAID’s partnership with Bayer achieved a major milestone: the release of Sub-Saharan Africa’s first genetically engineered (GE) food crop, the Pod Borer Resistant Cowpea—a variety that provides protection against this devastating pest. This engagement also expanded on the technical and business capacity of local African breeding programs and small- and medium-sized seed enterprises. Also in partnership with Bayer, African scientists under the TELA Maize project developed locally adapted GE maize varieties that yield 17 percent more under drought conditions and have robust resistance to the Fall Armyworm and African Stem Borer insect pests, yielding 43 percent over non-GE varieties in field trials across five African countries over five years. In a major policy breakthrough, Kenya approved the release of TELA maize earlier this year when it dropped its longstanding ban on GMOs; the crop is now undergoing multi-location testing in Kenya, Nigeria, and Ethiopia in anticipation of commercial release within the coming years and is under review in other countries.

---

<sup>16</sup> U.S. Government Global Food Security Strategy Implementation Report, FY 2021. <https://www.usaid.gov/reports/food-security-strategy/fy-2021>