



PROSPER AFRICA

A U.S. TRADE AND INVESTMENT INITIATIVE



USAID AFRICA TRADE AND INVESTMENT PROGRAM

QUARTERLY PROGRESS REPORT

Year 2 Quarter 2

Submitted: April 30, 2023

This publication was produced for review by the United States Agency for International Development. It was prepared by DAI Global, LLC.



**PRIVATE-SECTOR PARTNERSHIPS:
CREATING OPPORTUNITIES FOR
MEN AND WOMEN TO PROSPER**

PROGRAM TITLE:	USAID AFRICA TRADE AND INVESTMENT PROGRAM
CONTRACT NUMBER:	7200AA21C00056
CONTRACTOR	DAI GLOBAL, LLC
REPORTING PERIOD	JANUARY 1, 2023 – MARCH 31, 2023
DATE OF SUBMISSION	APRIL 30, 2023
CONTRACTING OFFICER'S REPRESENTATIVE	PATTERSON BROWN
CHIEF OF PARTY	JUAN ESTRADA-VALLE

ACRONYMS AND ABBREVIATIONS

AFAP	African Fertilizer and Agribusiness Partnership
AfCFTA	African Continental Free Trade Area
AGOA	African Growth and Opportunity Act
AIF	African Investment Forum
ATI	Africa Trade and Investment program
ATP	African Trade Platform
AVCA	Africa Private Equity and Venture Capital Association
AWF	Africa Water Facility
BMO	Business Membership Organization
CCA	Corporate Council on Africa
DFP	Deal Facilitation Platform
DIS	Development Information System
DQA	Data Quality Assessment
EAC	East African Community
EOI	Expression of Interest
ESG	Environmental, social, governance
FAQs	Frequently Asked Questions
GEPF	Government Employees Pension Fund
GSP	Generalized System of Preferences
IGAD	Intergovernmental Authority on Development
KEA	Kenya – East Africa
MEL	Monitoring, Evaluation, and Learning
MNO	Mobile Network Operator
OU	Operating Unit
PMEP	Performance Monitoring and Evaluation Plan
REC	Regional Economic Community

RFA	Request for Applications
RFP	Request for Proposals
SADC	Southern Africa Development Community
SQL	Standard Query Language
TCG	Tutwa Consulting Group
TEC	Technical Evaluation Committee
TSP	Technical Service Provider
UEID	Unique Entity Identification
UKS	Ukraine Supplemental
UNHCR	United Nations High Commissioner for Refugees
USTDA	United States Trade and Development Agency
USTR	United States Trade Representative

EXECUTIVE SUMMARY

The period covered by this report (January 1-March 31, 2023) coincides with the 90-day realignment plan of the Africa Trade and Investment (ATI) project. This realignment, falling at the beginning of the project's second year, was designed to build on achievements of the first year, address strategic issues affecting delivery, and boost the performance of what constitutes the largest mechanism for the deployment of U.S. foreign assistance to the African continent.

The 90-day plan included decisive actions in three fundamental areas: a) organizational change, b) introduction of management systems, and c) improvements in internal knowledge management and external communications.

To improve ATI's organizational structure, the contractor adopted a mixed organizational matrix, with clear definitions of functional areas and regional portfolios, resulting in a structure that allows for efficient allocation of responsibilities, performance monitoring, and accountability. As a result, ATI now has four regional directors who oversee all client-facing activities in North Africa, Southern Africa, East Africa, and West Africa, with corresponding support teams. The addition of a Deputy Chief of Party also contributed to the technical robustness of the project, as did the addition of a Senior Communications Director.

To improve operations, the contractor installed standard management software systems, namely TAMIS and TAMIS Pro to manage procurements (including subcontracting), as well as more specialized software, such as JEDOX for managing complex budgets, and Grants Manager Plus for automating grant processing.

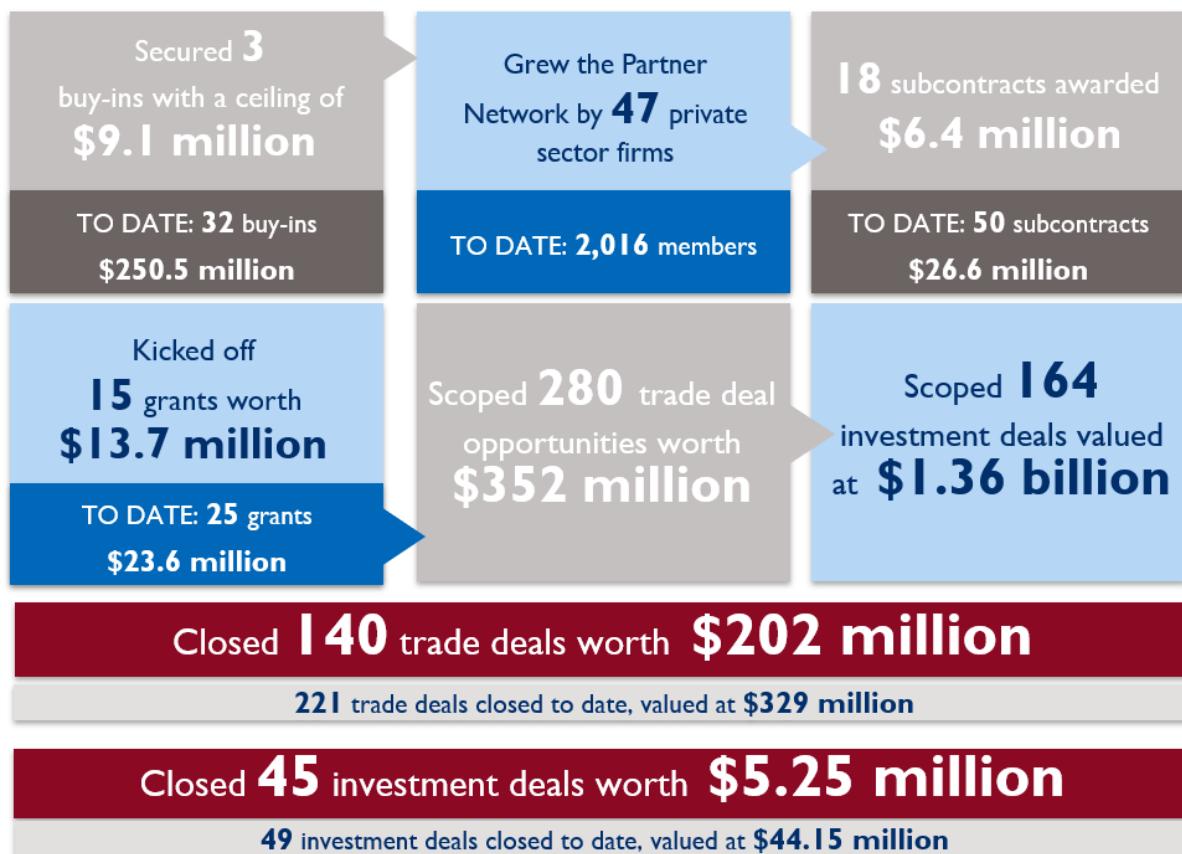
On the communications front, ATI reinforced its communications team with additional staff on the continent, enhanced collaboration with its Buy-in clients, and is in the process of producing tailor-made communication plans to address specific needs of USAID Missions. USAID is also processing approvals for ATI to have digital presence and feed development content.

As a result of this realignment, ATI had its most productive quarter since inception. Apart from having secured three new Buy-ins valued at \$9.1 million, ATI executed 18 contracts valued at \$6.4 million, awarded 15 grants valued at \$13.7 million, closed 140 trade deals valued at \$202 million, and closed four investment deals valued at \$5.25 million. This brings the inception-to-date performance to \$250 million in Buy-ins, \$26.6 million in fully executed subcontracts, \$23.6 million in grants awarded, \$329 million in trade deals closed, and \$44.15 million in investment transactions closed.

Beyond its financial impact, ATI is evolving from a procurement mechanism to a source of technical expertise available to Prosper Africa and USAID Missions, capitalizing on the technical acumen of the core ATI team, as well as the extensive experience of contractors and subcontractors spearheading U.S.-funded transformation in Africa.

In brief, in Y2Q2, ATI has overcome challenges during the startup phase and gained momentum in technical and operational efficiency, with tangible results in the deployment of U.S. government resources to support trade, investment, and food security across the continent, and a strengthened network of Buy-in clients and partners.

Figure I: ATI Executive Summary, Y2Q2



MAJOR ACHIEVEMENTS OF THE QUARTER

ACTIVITY AREA I: DRIVING TRADE AND INVESTMENT ACROSS THE CONTINENT

OBJECTIVE I: INCREASING TRADE

To enhance the availability and use of trade services across the continent, ATI formed partnerships under three trade workstreams: 1) trade preference, 2) buyer-supplier services, and 3) digital trade. During the quarter:

- ATI contracted five private-sector partners to support businesses and investors to make greater use of trade opportunities through the African Growth and Opportunity Act (AGOA) and the Generalized System of Preferences (GSP), two U.S. initiatives providing favorable trade terms to African countries. Through these partnerships, Prosper Africa is enabling businesses, investors, and regional organizations to capitalize on AGOA and GSP through on-demand advisory support and training.
- ATI contracted four continental firms to provide trade-promotion services to African buyers and suppliers. In Q2, the firms delivered a total of \$52 million in sales deals.
- Two service providers began work in digital trade, with an additional three providers selected in March expected to be onboarded in Y2Q3.

OBJECTIVE 2: INCREASING INVESTMENT

To foster investment deals between U.S. and African businesses and investors, ATI established ten partnerships under three investment workstreams: 1) Prosper Africa Deal Facilitation Platform support, 2) capital mobilization, and 3) catalytic capital fund development.

- ATI, in partnership with CrossBoundary, an investment advisory firm, reviewed 52 new deals valued at \$1.3 billion, supported 15 deals, and “handed back” five deals (that is, declined them). Five of the 52 deals were referred to the Prosper Africa Deal Facilitation Platform by interagency partners U.S. Trade and Development Agency, Development Finance Corporation, Department of Commerce, and the Export-Import Bank of the United States. The ATI team provided limited advisory support to five new transactions over this period, bringing the total to 14 transactions receiving active support and 10 completed transactions.
- ATI continued its review of proposals to support deal closure of large-scale transactions (greater than \$100 million). ATI held a Technical Evaluation Committee (TEC) review and shortlisted six proposals presenting nine potential transactions ranging from \$100 million to \$1 billion. The TEC expects to select one or two transactions for support in Q3.
- ATI officially launched four funds that were awarded and announced at the U.S. Africa Leader’s Summit. These funds will invest in USG priority sectors of climate, health, agriculture, and digital transformation, with a strong gender mandate. The funds have a combined capital-raise target of \$170 million.

OBJECTIVE 3: IMPROVED BUSINESS ENVIRONMENT

To support a business environment enabling deal closure, ATI contracted partners under two thematic workstreams: 1) African Continental Free Trade Area (AfCFTA), and 2) bespoke business-environment support based on demand-driven needs identified at the continental, regional, and bilateral levels.

- ATI works with four partners to deliver comprehensive research, analysis, and support to strengthen private sector understanding of, and utilization of, the AfCFTA. These ATI partners cover different sectors or thematic areas to promote robust trade and investment solutions. The project has noted high demand in this workstream, with many industry bodies and trade associations wanting more information on how to take advantage of the continental agreement.
- ATI responded to several partnership opportunities referred by USAID Missions aimed at reducing trade obstacles and promoting commerce in Africa. These include opportunities to expand digital health services, scale Internet access in rural communities through 3A OpenRAN (mobile network architecture) and bolster the critical minerals sector for U.S. investment.

ACTIVITY AREA 2: BOLSTERING AFRICA’S FOOD SECURITY AND RESILIENCE

- This quarter marks the one-year anniversary of Russia’s invasion of Ukraine. A year on, the impact of the invasion continues to affect African countries disproportionately. ATI is a key mechanism for USAID to address the most critical issues exacerbating food insecurity in the continent, particularly those related to supply-chain disruptions.

- In Q2, ATI awarded \$8.9 million of Ukraine Supplemental Funding (USF) to new partners, and programmed \$19.4 million to be disbursed in the next quarter, out of \$42.5 million in funds received.
- Over the last year, ATI used continent-wide calls to promote funding and procurement mechanisms (such the USAID Annual Program Statement, expressions of interest, and requests for funding), although in some cases this resulted in bottlenecks. While these efforts have been successful in some countries and will continue, ATI has recognized the need for a more proactive partnering approach to identify larger scale partnerships that can co-invest in continental solutions.

ACTIVITY AREA 3: ACTIVATING AND CREATING SCALABLE PARTNERSHIPS

- In Q2, ATI expanded the Partner Network to 2,016 partners, with 47 new partners. The Partner Network includes firms working in various sectors and represents 85 countries globally and all regions of Africa.
- The Partnerships and Grants team made significant progress in reducing procurement-order cycles times, strengthening procurement systems to promote timely execution of subcontracts. On average, ATI is now submitting two to three grant and procurement actions per week, and we expect to scale this to four to six such actions by the end of next quarter.

ACTIVITY AREA 4: BUY-IN DEVELOPMENT, IMPLEMENTATION, AND MANAGEMENT ACTIVITY

- ATI developed programming for 32 Buy-ins across the continent, with 24 Buy-ins at the implementation stage, eight in design, and an additional ten in initial stages of discussion.
- This quarter, ten of ATI's 32 active Buy-ins launched new activities, which are being implemented by 30 partners, 23 of which are grantees and subcontractors that had not worked previously with ATI.
- Additionally, five USAID Operating Units (OUs) confirmed their intention of buying into ATI and have begun to define objectives for the funding to be committed. These OUs (Rwanda, Egypt, Tunisia, Sahel Regional, and Global Health/ID) are interested in a range of work, such as promoting climate finance, mobilizing investment, and accelerating linkages to investment-ready companies.

ACTIVITY AREA 5: AWARENESS CREATION AND OUTREACH

- ATI continues to build out the team and resources needed to deliver a full-range of strategic communications for USAID and the Prosper Africa Secretariat. The communications priorities for the quarter focused on upgrading staffing and structure to meet the growing needs of Prosper Africa and USAID Mission Buy-ins.
- ATI hired a Senior Communications Director in February as a member of the Senior Management Team to oversee all communications staff in the United States and on the continent.
- In Q2, ATI coordinated USAID and Prosper Africa participation at high-level regional events and through several trade and investment delegations. These events and site visits created media attention for both USAID and Prosper Africa. Over the next quarter, ATI plans to

significantly expand our visibility, including through an online presence that will allow us to amplify our results and attract new and non-traditional partners.

ACTIVITY AREA 6: UTILIZING LEARNING

- ATI conducted learning and adaptive management sessions, a quarterly pause-and-reflect session, and demand-driven deep dives with technical teams to better understand program performance indicators. These learning activities inform decisions aimed at improving ATI's effectiveness.
- ATI is in the advanced stages of developing a Structured Query Language (SQL) database to enhance data integrity, analysis, and reporting at Buy-in, partner, and broader ATI program levels. The ATI team has been collaborating with Prosper Africa to integrate our trade and investment data on the Salesforce platform.

ATI WAY OF DOING BUSINESS

The USAID Africa Trade and Investment (ATI) program is designed to bolster USAID's ability to boost trade and investment to, from, and within the African continent. As USAID's flagship effort under the Prosper Africa initiative, the continent-wide program will expand and accelerate two-way trade and investment between African nations and the United States. The program aims to work together with the African private sector to achieve Africa's vision for inclusive economic growth. Over the five-year program lifecycle, ATI will generate thousands of jobs across the African continent and within the United States, deliver billions in exports and investments, mobilize private sector-driven solutions, and create healthy business environments.

The ATI Platform is an interconnected set of fundamental services that enable Buy-ins to be designed and implemented effectively anywhere on the continent. This includes initial Buy-in co-design and advisory support, overall operations and systems, grants and sub-contract management, portfolio reporting, proactive engagement of partner and stakeholder networks, monitoring, evaluation, and learning (MEL), and strategic communications.

The platform is collectively funded by all users (Prosper Africa and participating Buy-in Missions and Offices) and aims for cost-effective, rapid, and flexible deployment of the most critical shared services. The more ATI can scale, the more the costs are shared.

Unlike traditional development programming, ATI activities are co-created and implemented with and through the private sector. To date, ATI has developed a robust partnership network of more than 2,000 private-sector actors to address opportunities at a sector level (with an emphasis on corporate partners); to expand outreach to local partners (including through strategic communications supported by new subcontractors); and to find ways to leverage combinations of partners for scale. Toward these ends, ATI is engaging major U.S. business organizations and industry associations to connect their members with opportunities in Africa and to work with ATI partners to identify scaling opportunities. ATI is also engaging Mission networks for targeted outreach to address regional and country-level needs (for example, involving cashew production in Tanzania, and mining in the Democratic Republic of the Congo). ATI is also engaging private-sector partners around food security challenges exacerbated by Russia's invasion of Ukraine (for example, through a Southern Africa trade finance fund, and financing for agricultural inputs).

DRIVING TRADE AND INVESTMENT ACROSS THE CONTINENT

ACTIVITY AREA I

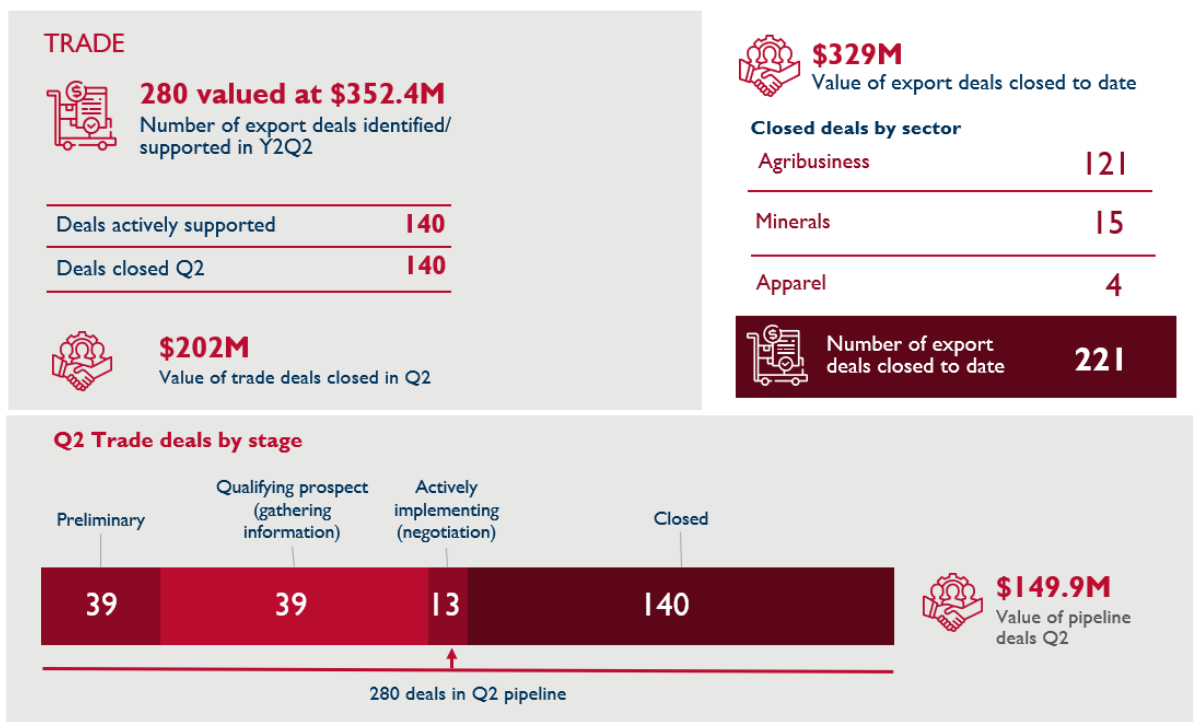
The purpose of Activity Area I is to leverage coordination between the Prosper Africa Secretariat, the USAID’s Africa Bureau Office for Sustainable Development (AFR/SD), USAID Washington, bilateral and regional Missions, and ATI to identify and prioritize opportunities across ATI’s three core objectives under this activity area: 1) drive and scale trade and investment flows in Africa, 2) leverage the geographic and sectoral flexibility of Prosper Africa funding, and 3) complement Mission-led efforts with continental or centralized activities to generate impact at a continental scale.

OBJECTIVE I: INCREASING TRADE

SUMMARY

Over the last quarter, ATI identified and provided export and deal-readiness support to a pipeline of 280 export opportunities valued at \$352,415,964. Of these, ATI closed 140 trade deals valued at \$202,539,431 in Q2 in the sectors of agribusiness (121), textile and apparels (4), and critical minerals (15). Since the project’s inception, the cumulative total of trade deals is 221, valued at \$329 million.

Figure 2: Overview of ATI Trade Deals, Q2



The deal closure rate (percent of deals closed over deals facilitated) was 67% in dollar-value terms and 54% in the absolute number of deals. ATI closed deals in three geographies: Southern Africa (49%), East Africa (6%), and Continental (45%). When analyzed from a value perspective, deals

closed in Southern Africa accounted for 34% of total value, Kenya and East Africa (KEA) contributed 37%, and Continental contributed 29%. Average deal size in KEA was larger than elsewhere on the continent. The cumulative number of trade deals facilitated to date is 495, valued at \$1.6 billion.

Table 1: Closed Trade Deals by Country and Sector

Country	Sector		
	Agriculture	Mining	Textile
Uganda	1		2
Kenya	2		5
Tanzania	1		
Zambia	24	5	
South Africa	49	8	
Angola	1		
Botswana	8		
Eswatini	21		
Lesotho	3		
Mozambique	1		
Namibia	4		
Malawi	3		
DRC		1	
Ghana	1		
Total	119	14	7

To achieve these results, and thereby to enhance the availability and use of trade services across the continent, ATI formed partnerships under three trade workstreams: 1) trade preferences, 2) buyer-supplier services, and 3) digital trade. The table below gives information on these three areas.

Table 2: ATI Trade Workstreams




#	Workstream	Geography	Purpose
1	Trade Preferences	Continental	Raise African and U.S. firms' awareness of U.S. trade preference programs to maximize their export and sourcing opportunities
2	Buyer-Supplier Services	Continental and Regional	Actively support trade promotion service providers, buyers, and suppliers to identify, develop, and close trade deals
3	Digital Trade Services	Continental	Actively connect buyers and suppliers through digital trade and e-commerce platforms



THEME I: TRADE PREFERENCES

Objective: To provide demand driven AGOA and GSP support that will enhance the private sector's use of these trade initiatives.

Over the last quarter, ATI contracted and managed five private-sector partners to help businesses and investors make use of AGOA and GSP. Through these partnerships, Prosper Africa is helping

businesses, investors, and regional organizations capitalize on these trade preferences through on-demand advisory support and training. The table below presents a summary of the partnerships, activities, and accomplishments in Q2.

Partner	Quarter 2 Progress
 <p><i>Bhavana provides AGOA and GSP export advisory services by mobilizing African and international AGOA and GSP specialists and U.S.-Africa trade experts in the textile and apparel sector. To raise awareness about AGOA and GSP opportunities, Bhavana also conducts training on AGOA and GSP trade preferences for industry stakeholders with a focus on U.S. regulatory requirements for African textile and apparel export firms.</i></p>	<p>Over the last quarter, Bhavana:</p> <ul style="list-style-type: none"> • Conducted six training sessions, three held in-person in Accra, Ghana; Abidjan, Côte d'Ivoire; and Lagos, Nigeria, and three hosted virtually. The trainings reached 476 enterprises and covered topics on how to utilize AGOA and GSP to enhance exports, with a particular focus on the textile, apparel, and home décor sectors. • Provided 76 firms with direct advisory services.
 <p><i>Catalyze provides a team of multilingual coordinators, AGOA and GSP experts, and logistics specialists to advise businesses and regional organizations on utilizing available trade preferences. Catalyze also provides businesses with additional informational resources on these programs.</i></p>	<p>Over the last quarter, Catalyze:</p> <ul style="list-style-type: none"> • Launched a multi-lingual customer support team that will provide advisory services to export firms, business membership organizations and, USG Missions on AGOA, GSP eligibility, logistics, and trade.
 <p><i>FoxFin Financial Services is an integrated financial services group that advances growth for businesses focused on three core processes: investment, transactions, and sustainability. FoxFin is upgrading its African Trade Platform (ATP) to offer a comprehensive library of AGOA and GSP information, including frequently asked questions, and video materials. The platform brings together buyers, suppliers, logistics providers, and trade financiers through one convenient digital tool.</i></p>	<p>Over the last quarter, FoxFin:</p> <ul style="list-style-type: none"> • Closed more than \$7.5 million of trade finance deals through their African Trade Platform (ATP), while bolstering the AGOA- and GSP-relevant information on their website and designing short informational videos for exporters to take advantage of these trade initiatives.
<p><i>The Trade Law Centre (Tralac) is a think tank and information center that assists countries to improve trade governance and inclusive policy processes contributing to sustainable development ensure trade contributes to sustainable development outcomes. TRALAC is updating its</i></p>	<p>Over the last quarter, Tralac:</p> <ul style="list-style-type: none"> • Enhanced users' ability to access AGOA and GSP information on its AGOA.info platform by introducing a new tool for checking the AGOA eligibility of products, creating a new FAQ knowledge base, and improving its search interface.


Partner	Quarter 2 Progress
 <p>AGOA.info platform to provide stakeholders with relevant and accessible information on AGOA and GSP. TRALAC is adding virtual training, a suite of digital services, and an expanded library of AGOA Toolkit Guides to the site.</p>	<ul style="list-style-type: none"> Improved functionality of the AGOA.info platform by shortening load times, reducing bandwidth costs to users, and enhancing security. In Q2, the website served 20,911 users with 58,070 page views. Created and published three exporter toolkits on classification codes for trade, Incoterms, and barcodes for exports to the United States.
 <p>Venture Lift Africa mobilizes 70 AGOA and GSP experts to provide support services across the continent. Venture Lift Africa conducts in-person and virtual training sessions in Africa and the United States to inform business associations with young professionals about emerging opportunities.</p>	<p>Over the last quarter, Venture Lift Africa:</p> <ul style="list-style-type: none"> Hosted two technical service provider (TSP) trainings in conjunction with the Lagos Business School, one on non-oil exports from Nigeria and another on the East Africa Business Network. Developed a training curriculum to help TSPs provide AGOA toolkits, deliver presentations, and conduct training sessions. Recruited 35 potential TSPs (10 in the United States and 25 in Africa) for training during the quarter.




THEME 2: BUYER-SUPPLIER SERVICES

Objective: To create high-level awareness of export market opportunities that will lower the buyer-supplier discovery costs and promote significant exports (intra-Africa and to the United States).

Activities and Progress in Q2:

Over the last quarter, ATI contracted four African trade-promotion firms to deliver continental buyer-supplier services. In Q2, the firms delivered a total of \$52 million in deals.

Partner	Quarter 2 Progress
 <p>FoxFin onboards new companies to its African Trade Platform (ATP), generating trade leads, and offering matchmaking services for buyers and suppliers. This partnership is expected to result in at least \$50 million of trade finance or investment facilitated by FoxFin to small and medium-sized businesses across Africa and an additional \$10 million of aggregated products sourced from these firms across Africa.</p>	<p>Over the last quarter, FoxFin:</p> <ul style="list-style-type: none"> Strengthened the African Trade Platform, collaborating with the Nutcracker Processors to identify commodities for aggregation, processing, and export to the United States.

Partner	Quarter 2 Progress
 <p><i>Africa Events Limited directs attention to market opportunities through its Africa Business Opportunities Dashboard. The company also employs digital marketing tools to target U.S. companies looking for trade opportunities in Africa and to increase the virtual presence of U.S. companies. In partnership with Prosper Africa, Africa Events Limited develops a list of key U.S. trade intermediaries that will increase trade opportunities and facilitate deals for 30 high-value U.S. companies. This partnership is expected to generate \$50 million worth of closed trade deals.</i></p>	<p>Over the last quarter, Africa Events Limited:</p> <ul style="list-style-type: none"> • Introduced systematic changes to its Africa Business Opportunities Dashboard to enhance market and matchmaking processes that boost the profile of U.S. companies. • Boosted 620 U.S. registered companies' profiles with algorithmic preferential matching. • Developed a deal pipeline of \$21.3 million from 14 firms.
 <p><i>Echotex is a private firm with a major focus in the textiles and apparel sector, along with home décor and fashion accessories. In partnership with ATI, Echotex seeks to address challenges that buyers and suppliers face during trade transactions in their sectors of operation, with the goal of increasing U.S.-Africa and intra-Africa trade through its results-oriented and pragmatic approach.</i></p>	<p>Over the last quarter, Echotex:</p> <ul style="list-style-type: none"> • Held an official kick-off with the ATI project team (agreement signed at the end of March). • Joined ATI's pool of buyer-supplier trade promotion service providers.
 <p><i>Ethical Apparel Africa (EAA) is a women-founded and women-led apparel sourcing and manufacturing company with operations in Ghana. In partnership with ATI, EAA seeks to elevate African-owned small and medium enterprises (SMEs) to transition toward exporting and build the capacity that U.S. buyers are looking for to enable rapid growth.</i></p>	<p>Over the last quarter, Ethical Apparel Africa:</p> <ul style="list-style-type: none"> • Held an official kick-off with the ATI project team (agreement signed at the end of March). • Joined ATI's pool of buyer-supplier trade promotion service providers.



Other Activities:

- ATI engaged a Trade Data Analyst to conduct a U.S.-Africa market study, focusing on opportunities in the U.S. market for imports from Africa, including identification of promising product lines and buyers. This analysis will help inform buyer-supplier activities in coming quarters.

- The Southern Africa and Kenya East Africa Mission Buy-ins also provided support to 32 export firms in Q2 that achieved sales valued at \$59.8 million and \$4 million, respectively. (See USAID Buy-Ins: Progress Snapshots for additional details).

THEME 3: DIGITAL TRADE

Objective: To use e-commerce and digital trade platforms to leverage buyer-seller linkages and lower the cost threshold while enhancing export opportunities for firms and lowering the sourcing costs for U.S. and African buyers and exporters.

Partner	Quarter 2 Progress
	<p>Over the last quarter, Africa Events Limited:</p> <ul style="list-style-type: none"> • Kicked off digital trader work on March 7, 2023. • Will launch a U.S.-Africa Trade Helpdesk, develop an app for verifying credible trade partners, and introduce standardized products and services codes.
	<p>Over the last quarter, FoxFin, through its African Trade Platform:</p> <ul style="list-style-type: none"> • Kicked off digital trader work on March 16, 2023. • Will add a payment gateway to the African Trade Platform, create a virtual deal room to identify and present projects of interest to investors through deal notes, and develop a list extension of existing ATP products to lower discovery costs for sellers.

Other Activities:

- **New service providers.** ATI held a second Technical Evaluation Committee to review 15 applications submitted in response to a request for proposal (RFP) in January 2023. The committee selected three new partners to further build out the digital trade offering. The respective contract documents are under review, with full execution expected in Q3.

LOOKING AHEAD TO Y2Q3

Y2Q3 TRADE PLANNED ACTIVITIES

LED BY

WHEN

Y2Q3 TRADE PLANNED ACTIVITIES

LED BY

WHEN

Y2Q3 TRADE PLANNED ACTIVITIES	LED BY	WHEN

OBJECTIVE 2: INCREASING INVESTMENT

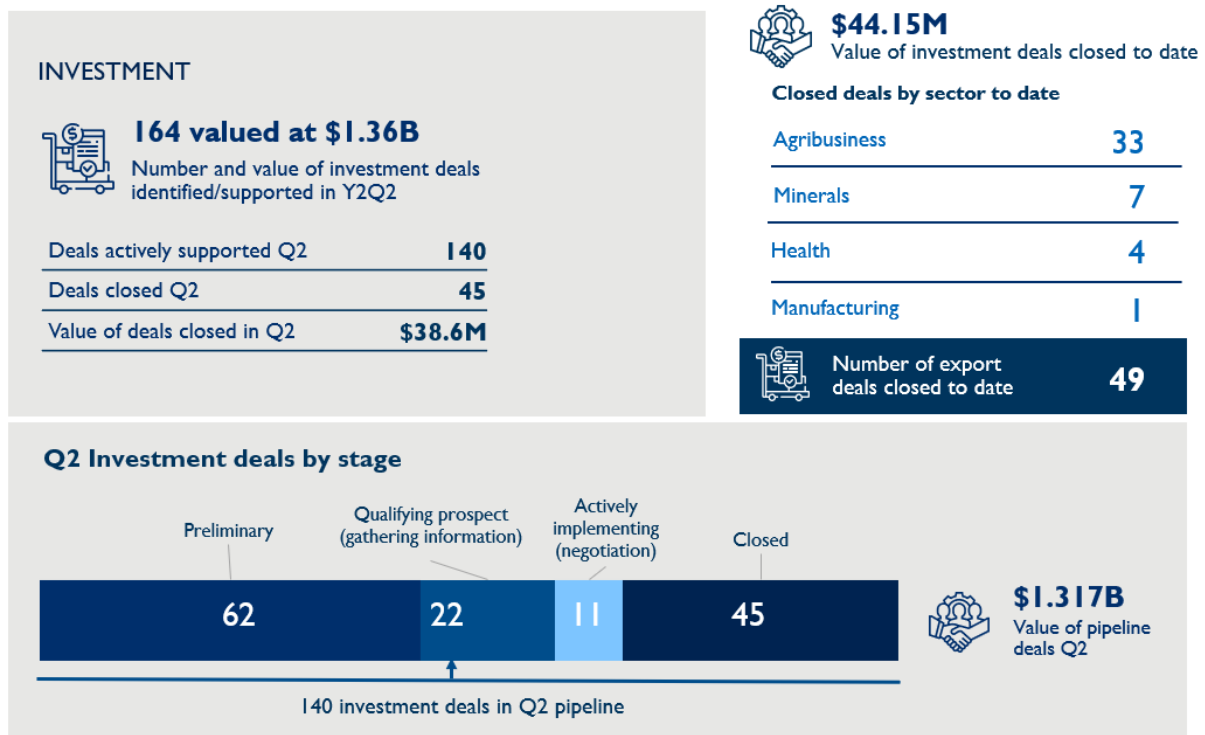
SUMMARY

ATI delivers on its investment work through the Prosper Africa Deal Facilitation Platform (DFP), transaction advisory services, and catalytic capital. These activities mobilize capital in USAID priority sectors and identify and support deals that enhance investment between the United States and Africa. In addition to transaction-driven work, ATI also bolsters the enabling environment through U.S. institutional investor delegations to Africa, data and tools that support investment analysis in emerging markets, and sector studies and event support to raise the visibility of investment opportunities and ATI continental services.

Over the last quarter, ATI supported through the Prosper Africa DFP 52 investment deals, valued at \$1.3 billion. Of these, ATI has closed to date four deals valued at \$19.8 million, with one deal closed during Q2 valued at \$10 million. Over the course of the project, 252 investment deals have been or are under review through the Prosper Africa DFP, valued at \$29.55 billion, with \$24.17 billion worth of deals handed back, and \$5.37 billion worth of deals still under review. Twenty-one deals received limited advisory support (up to 100 hours), with a capital raise target of approximately \$445 million.

Under the catalytic funding facility, ATI launched four investment funds this quarter, bringing the total number of funds supported to five, with a combined capital-raise target of \$245.6 million. The grants supporting these Funds include funding from Prosper Africa (\$2.9 million) and co-investment from five Missions, Regional Offices and Bureaus (\$2.7 million) representing a target leverage ratio of \$44 for each \$1 of catalytic capital.

Figure 3: Overview of ATI Investment Deals, Q2



To drive these results, ATI contracted ten partners under three workstreams: 1) Prosper Africa Deal Facilitation Platform support, 2) capital mobilization, and 3) catalytic capital fund development. The tables show information on these workstreams.

Table 3: Closed Investment Deals by Country and Sector

Country	Sector			
	Agriculture	Minerals	Health	Manufacturing
Kenya			4	
Malawi	3			
South Africa	25	4		
Zambia	5	3		
Morocco				1
Total	33	7	4	1

Table 4: ATI Investment Workstreams

#	Workstream	Geography	Purpose
1.	Prosper Africa Deal Facilitation Platform Support	Continental	Provide U.S. and African businesses and investors with a service hub for rapid transaction review and interagency referrals, limited advisory support services, Embassy Deal Team support and training, and outreach and promotion through a Virtual Deal Room, sector studies/webinars, and strategic engagements.
2.	Capital Mobilization	Continental and country-specific	Support deal close on large-scale transactions, facilitate U.S. institutional investor linkages and investment in Africa, and improve the availability and credibility of investor data to accurately assess risks and promote investment in the continent.
3.	Catalytic Capital Fund Development	Continental and regional	Provide catalytic grants for working capital and first-loss to fund managers that are raising and deploying capital in USG priority sectors in Africa.

PROSPER AFRICA DEAL FACILITATION PLATFORM SUPPORT

Objective: To provide U.S. and African businesses and investors with three core offerings: 1) transaction review and interagency referrals; 2) limited advisory services, including Deal Team support and training; and 3) outreach and promotion through a virtual deal room, sector studies, and strategic engagements.

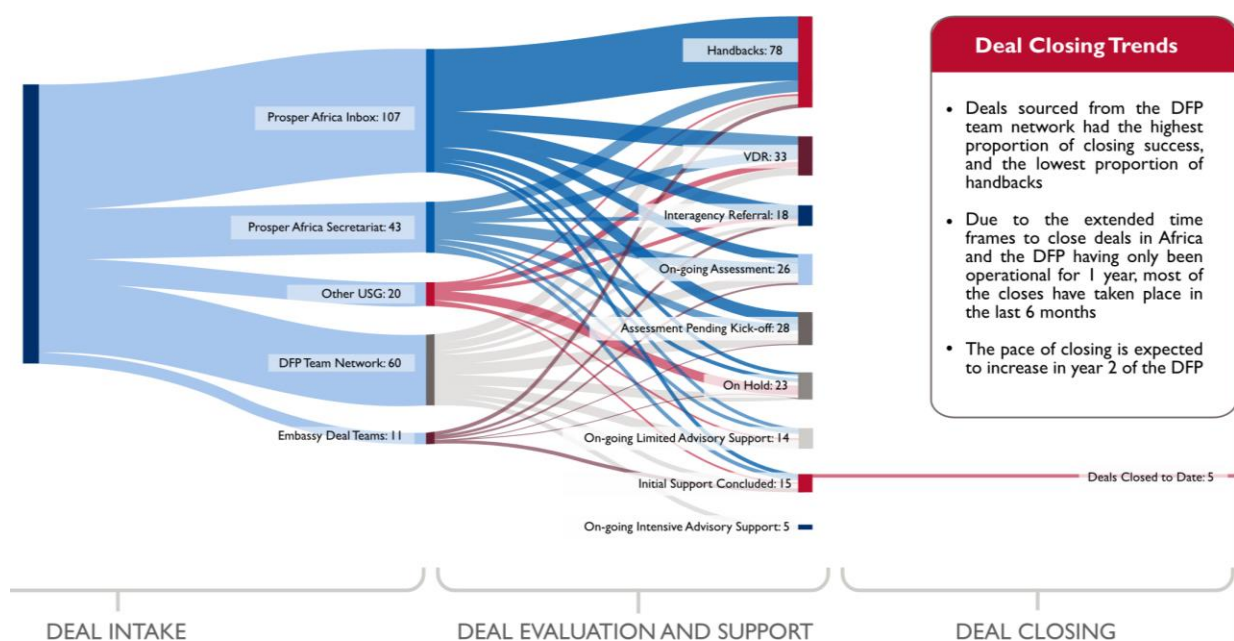
Activities and Progress in Q2:

Over the last quarter, ATI, in partnership with CrossBoundary, reviewed 52 new deals valued at \$1.3 billion, supported 15 deals, and handed back five deals that did not meet the DFP criteria for support. Five of the 52 deals were referred to the platform by interagency partners U.S. Trade and Development Agency, Development Finance Corporation, Department of Commerce, and the Export-Import Bank of the United States. The team provided limited advisory support to five new opportunities over this period, bringing the total to 14 transactions receiving active support and 10 completed transactions. ATI reviewed investment deals from across the continent: 34% in Southern Africa, 41% in West Africa, 23% in East Africa, and 2% in North Africa.

Figure 4 below outlines the deal facilitation process from deal intake to financial close. Deals are sourced from the Prosper Africa virtual deal room (VDR), ATI's DFP team network, and through referrals from the Prosper Africa Secretariat, Embassy deal teams, and other USG entities. From there, deals are evaluated through a referral system on the VDR itself, then handed off to other interagency partners (e.g., the U.S. Development Finance Corporation or the U.S. Trade and Development Agency), or directly given advisory support through ATI, or handed back (i.e., not given further assistance). ATI conducts the evaluation process in coordination with the Prosper Africa Secretariat team based on criteria to assess a proposed transaction's viability, U.S. nexus, USG additionality, relation to priority sectors, impact potential, and transaction timeline.

ATI received most deals through the Prosper Africa inbox or Secretariat. Based on experience to date, deals sourced from the DFP team network are seeing the highest rate of closure. In Q3, ATI will implement an automated intake process on the Virtual Deal Room to reduce the costs and increase the number of transaction advisors that can view these transactions and thus increase the potential success rate of the VDR. ATI is also launching a DFP with Kenya East Africa that combines ad-hoc advisory support and intensive deal support with a target to close \$40 million in deals in Kenya.

Figure 4: Prosper Africa Deal Facilitation Platform - Lifecycle of a Deal





CAPITAL MOBILIZATION

Objective: To support deal close on large-scale transactions, facilitate U.S. institutional investor linkages and investment in Africa, and improve the availability and credibility of investor data to accurately assess risks and promote investment in Africa.

Activities and Progress in Q2:

In Q2, ATI continued its review of proposals to support deal close on large-scale transactions (greater than \$100 million). ATI held a TEC review and shortlisted six proposals with offerors (parties making offers) presenting nine potential transactions ranging from \$100 million to \$1 billion. The TEC held discussions with the offerors that were shortlisted and communicated with the country Missions to confirm their support and potential interest to co-invest. The TEC expects to select one or two transactions for support in Q3.

Over the last quarter, Prosper Africa, through ATI subcontractors MiDA and IIN, identified four events in Africa that will be leveraged for U.S. institutional investor delegations: 1) Africa Private Equity and Venture Capital Association (AVCA) Annual Conference in Cairo in May; 2) Corporate Council on Africa (CCA) US-Africa Business Summit in Botswana in July; 3) Government Employees Pension Fund (GEPPF) Thought Leadership Annual Conference in South Africa in October; and 4) African Investment Forum Conference (AIF) in Côte d'Ivoire in November.

Partner	Quarter 2 Progress
 <p><i>MiDA Advisors (MiDA) is a global advisory firm specializing in facilitating institutional investments and trade in Africa and other emerging markets. By working with development agencies, financial institutions, governments, and institutional investors, MiDA structures blended financing solutions that generate sustainable impact in developing countries.</i></p>	<p>Over the last quarter, MiDA:</p> <ul style="list-style-type: none"> • Finalized a calendar and engagement plan for two delegations, the first to Egypt in May and the second to South Africa in October. • Identified U.S. delegates with Africa investment strategies, including Howard University, Alameda County Employees Retirement Association, the New York State Insurance Fund, and the Wayne County Employees Retirement System.
 <p><i>Institutional Investor Network (IIN) is a nonprofit dedicated to increasing institutional investments into African markets. IIN's mission is to facilitate the exchange of information and education between U.S. institutional investors and African stakeholders to encourage investments in the continent.</i></p>	<p>Over the last quarter, IIN:</p> <ul style="list-style-type: none"> • Finalized a calendar and engagement plan for delegations to Botswana in July and Morocco in November. • Drafted a pre-trip report for the delegation to the CCA conference in Gaborone, Botswana. • Proposed U.S. institutional investor delegates, including representatives from the California State Teachers' Retirement System, NYC Board of Education Retirement System, San Francisco Employees' Retirement System, and the University of Chicago.

Finally, ATI released the RFP for Investor Data, which aims to address information asymmetries by developing tools, products, and interventions that can improve the quality and flow of investor data, both financial and environmental, social, governance (ESG)-related, and enable a shift in their risk/return calculation for African and emerging and frontier markets. The project expects to make up to three awards in Q3/Q4.



CATALYTIC CAPITAL FUND DEVELOPMENT



Objective: To extend catalytic grants for working capital and first-loss to fund managers that are raising and deploying capital in USAID priority sectors in Africa.

Activities and Progress in Q2:

ATI, in support of Prosper Africa, launched four funds at the U.S.-Africa Leaders' Summit. The funds will invest in USG priority sectors of climate, health, agriculture, and digital transformation, with a strong gender mandate. These funds have a combined capital-raise target of \$170 million.

The table below presents a summary of the partnerships and activities for Catalytic Funding in Q2.

 <p><i>Altree Capital is an asset management company supporting female economic empowerment. Its Altree Kadzi Africa Fund will provide growth capital, technical assistance, and leadership development that will help women-owned businesses expand. With nearly \$1 million in catalytic capital from Prosper Africa, the fund expects to mobilize \$30 million to \$50 million in private investment. This investment will empower women entrepreneurs and enhance environmentally sustainable businesses.</i></p>	<p>Over the last quarter, Altree Capital:</p> <ul style="list-style-type: none"> • Kicked off its fund in February and submitted its milestone I: Marketing plans and set-up for capital raising initiatives. • Completed the initial Gender Lens Investor mapping, as well as an initial screening of 30 companies for investment consideration.
 <p><i>Endeavor South Africa specializes in high-growth entrepreneurs in Africa through its capital market services. Its Harvest III fund aims to fill the liquidity gap in the market for early-stage African start-ups. With \$900,000 in catalytic capital from Prosper Africa, the fund expects to achieve financial sustainability and mobilize \$30 million in private investment to support tech startups across the continent. Endeavor also plans to generate a catalytic capital multiplier, crowding-in another \$360 million in private capital.</i></p>	<p>Over the last quarter, Endeavor South Africa:</p> <ul style="list-style-type: none"> • Finalized and launched the Harvest III Fund, which includes an initial pipeline of potential investments.

Partner	Quarter 2 Progress
 <p>Okavango Capital</p> <p><i>Okavango Capital Partners is an investment firm that focuses on climate, nature, and rural livelihoods in Africa. Its Okavango Fund is investing in conservation businesses that promote sustainable livelihoods and increase eco-tourism, nature stewardship, and conservation. With \$700,000 in catalytic capital from Prosper Africa, the fund expects to mobilize \$75 million in private investment. This investment will reduce environmental degradation and generate meaningful and sustainable rural jobs.</i></p>	<p>Over the last quarter, Okavango Fund:</p> <ul style="list-style-type: none"> • Legally established and launched its fund.
<p>ThirdWay Partners</p> <p><i>ThirdWay Partners is an impact investment and advisory firm focused on inclusive and sustainable development. Its Africa Conservation and Communities Tourism Fund is supporting safari tourism operators and conservation efforts across Africa’s natural landscapes. With \$2.5 million in catalytic investment from Prosper Africa and USAID, the fund expects to mobilize about \$75 million in private capital to benefit 44,000 community members and generate \$40 million in annual revenue for conservation landscape businesses.</i></p>	<p>Over the last quarter, ThirdWay Partners:</p> <ul style="list-style-type: none"> • Increased fundraising for the Africa Conservation and Communities Tourism Fund assessed and addressed environmental and social issues linked to investments with its Environmental Social Management Framework.
 <p>Future Africa The Fund for Africa's Future</p> <p><i>Future Africa is an accelerator and venture capital investor that provides support to early-stage start-ups. The \$750,000 catalytic investment from Prosper Africa supports its Accelerate Africa program, which acts as a boot camp for African start-up founders. Accelerate Africa equips founders with the know-how, skills, and expertise to participate in U.S.-based investment readiness programs like Y-Combinator and Techstars. Participants may also be eligible for seed funding of \$50,000-\$100,000.</i></p>	<p>Over the last quarter, Future Africa:</p> <ul style="list-style-type: none"> • Held a kick-off meeting with ATI in March • ATI has sought a deviation for this U.S. registered fund to receive grant funding above the \$249,999 cap. The approval is pending.

Other Activities:

- In early February, the TEC reviewed 17 fund concepts and requested full applications from six funds seeking to raise \$482.5 million. A decision on these concepts will be made in Q3. The team reached out to Missions and regional offices for potential co-investment and continues these discussions to maximize the leverage and impact of the Funds.
- In Q3, the TEC will review a third group of fund concepts submitted by the February 28 APS addendum deadline. Given the quality and quantity of concepts presented and the limitations in grant funding to support them, ATI is maintaining communication with the funds that submitted viable concepts and did not receive an award, with the intention of considering them under the next incremental funding.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED INVESTMENT ACTIVITIES	LED BY	WHEN
<p><i>Catalytic Capital</i></p> <ul style="list-style-type: none"> • Second round of Catalytic Funds awarded (3-4 grants) (Q3) • Third round of Catalytic Funds reviewed by TEC, to be moved forward when funding is available (Q3) • Decision on deviation for U.S. registered funds to receive above the \$249,999 cap (Q3) • Strategic planning to frame direction if/when additional funding is received (Q3-Q4) 	Senior Technical Director – U.S.	March 2023 – September 2023
<p><i>Capital Mobilization</i></p> <ul style="list-style-type: none"> • Facilitate U.S. institutional investor delegation to AVCA, capture lessons learned, and communications products (Q3) • Complete plan and support U.S. institutional investor delegation to CCA in Botswana in July (Q3) • Final TEC decisions on large-scale transactions (1-2 deals to be supported) (Q3) • Strategic planning for additional large-scale transactions (Q3) • TEC review and selection of partner(s) to deliver Investor Data research and analysis activity (Q3) 	Senior Technical Director – U.S.	March 2023 – July 2023
<p><i>Deal Facilitation Platform</i></p> <ul style="list-style-type: none"> • Launch deal advisory work in Kenya with co-investment from USAID/KEA. (Q3) • Close investment of at least two deals (Q3) • Release critical minerals study with DFC support (Q3) • Automate transaction advisory module of the VDR (Q3) • Support AVCA event with updated deal booklet, matchmaking, and support to U.S. institutional investors (Q3) 	Senior Technical Director – U.S.	March 2023 – July 2023

OBJECTIVE 3: IMPROVED BUSINESS ENVIRONMENT

SUMMARY

Over the last quarter, ATI partnered with 35 African business membership organizations (BMOs) and trade associations to equip them with tools to advocate for improved trade and investment activities. As a result, 101 export firms received technical support from BMOs on how to trade with international buyers. In addition, ATI partnered with four specialist firms to provide bespoke technical assistance on accessing Africa Continental Free Trade Area (AfCFTA) services. Working with subcontractors DNA Economics and the African Women in Business, ATI supported a survey of women-owned and women-managed firms to understand their constraints to utilize the AfCFTA and advocate for women in trade across 10 Southern African countries. In partnership with McKinsey, the Southern Africa Development Community (SADC) Secretariat, and the SADC Business Council, three private-sector organizations received support to develop their industrialization strategies to utilize the continental agreement. The activity focused on technical support to develop implementation strategies and conduct alignment workshops with the automotive, pharmaceutical, agro-processing, transport, and logistics sectors, covering 56 private firms in 15 SADC countries in partnership with SADC and the AfCFTA Secretariat.

Table 5: Improved Business Environment Metrics

Number of business membership organizations supported	35
Number of firms reached with trade and investment advocacy	101
Number of milestones achieved	6
Number of policy products generated	7

To achieve these results, ATI has entered into partnerships under two thematic workstreams: 1) African Continental Free Trade Area, and 2) targeted business environment support to firms at the continental, regional, and bilateral levels.

Table 6: ATI Business Environment Workstreams

#	Workstream	Geography	Purpose
1	African Continental Free Trade Area (AfCFTA)	Continental and Regional	Support implementation of the Memorandum of Understanding between the United States and AfCFTA to promote sustainable trade and economic integration in Africa to benefit U.S. and African workers and boost competitiveness and attract investment to the African continent
2	Demand-driven business environment support	Continental	Offer tailored assistance to unlock policy and technical barriers that impede private-sector investment and trade at the bilateral, regional, and continental levels

THEMATIC AREA I: SUPPORT AFRICA CONTINENTAL FREE TRADE AGREEMENT



Objective: Support African trade priorities, including a continental vision for intra-African trade and Africa’s trading position with the United States, while also increasing market access, lowering barriers to trade and investment for the U.S. private sector, and strengthening commercial partnerships.




The AfCFTA is a free trade area that encompasses the 55 countries of the African Union and eight Regional Economic Communities (RECs). Once fully implemented, AfCFTA will create a combined continent-wide market of 1.3 billion people and a combined gross domestic product of \$3.4 trillion, making it the fifth-largest economy in the world. AfCFTA presents new opportunities for U.S. and African businesses and investors to deepen their commercial partnerships.

Through Prosper Africa, ATI launched new private-sector partnerships with the aim of building and sustaining ties with AfCFTA stakeholders, encouraging mutually beneficial trade and investment opportunities. Through business membership organizations and RECs, ATI raised awareness about AfCFTA provisions and advocated for the utilization of the agreement. In Q2, ATI had three active subcontracts supporting this activity, with one completed subcontract and one under procurement.

Activities and Progress in Q2:

ATI works with four partners to deliver comprehensive research, analysis, and support to strengthen engagement with the AfCFTA. These ATI implementing partners cover different sectors or thematic areas to ensure robust trade and investment solutions.

	<p><i>McKinsey Global advises the Southern African Development Community (SADC) on the implementation of its private-sector engagement strategy under AfCFTA, with an emphasis on measures that streamline and digitize customs procedures and processes. In collaboration with the private sector, McKinsey identifies gaps in SADC’s trade strategy and helps to develop an implementation plan to address these.</i></p>	<p>Over the last quarter, McKinsey & Company:</p> <ul style="list-style-type: none"> • Concluded work with the SADC REC with an AfCFTA implementation roadmap, which focused on three specific initiatives within the automotive, agro-processing, and transport and logistics value chains.
	<p><i>DNA Economics identifies and assesses the impact of women-owned businesses in Southern Africa. They develop new metrics for implementing the AfCFTA, with a focus on expected outcomes of the agreement’s implementation on women-owned businesses in the African and U.S. sectors.</i></p>	<p>Over the last quarter, DNA Economics:</p> <ul style="list-style-type: none"> • Completed a soft launch of survey and focus group instruments through pilot interviews, in collaboration with 11 chapters of the African Women in Business Network. • Based on the initial findings, refined their survey and focus-group instruments in collaboration with SheTrades to make these tools more accessible and reflective of the issues faced by businesses in transport and logistics.

Partner	Quarter 2 Progress
 <p><i>Corporate Council in Africa (CCA) is a leading U.S. business association focused on connecting business interests in Africa. CCA connects member firms with government and business leaders they need to do business and succeed in Africa. Through Prosper Africa, CCA promotes private-sector engagement in selected events across Africa, such as the CCA-US-Africa Business Summit, the African Union Private Sector Forum.</i></p>	<p>Over the last quarter, CCA:</p> <ul style="list-style-type: none"> • Joined ATI as a partner under the AfCFTA workstream in March, with the aim of developing an institutional framework for U.S.-Africa business-government dialogue and create content for a central information platform for AfCFTA.
 <p><i>Cultiva Global Solutions is a private firm that provides a range of services aimed at fostering economic growth, creating jobs, and improving international trade. Through Prosper Africa, Cultiva organizes and facilitates a series of listening sessions with the African diaspora community to discuss the opportunities and challenges of the AfCFTA.</i></p>	<p>Over the last quarter, Cultiva:</p> <ul style="list-style-type: none"> • Hosted three AfCFTA listening sessions (two virtual, one in person) with African diaspora businesses and community members to discuss the opportunities and challenges of benefitting from the AfCFTA. • Leveraged diaspora businesses' feedback from the sessions to provide strategic guidance to Prosper Africa on how to better engage the diaspora through the AfCFTA.
 <p><i>Tutwa Consulting Group is a niche African consulting firm with experience in running development projects across Africa. Through Prosper Africa, Tutwa provides technical assistance on how to operationalize the AfCFTA ecommerce protocol for RECs, BMOs, and governments.</i></p>	<p>Over the last quarter, Tutwa:</p> <ul style="list-style-type: none"> • Produced research and advocacy materials for the African private sector on the Pan-African Payment and Settlement System (PAPSS), including an e-commerce readiness index and training modules for advocacy initiatives (e.g., presentations, webinars, and guideline materials). • Supported the United Nations High Commissioner for Refugees (UNHCR) Mission in Tanzania to assess the capacity of the East African Community (EAC) to integrate refugees into its investment climate reform. • Partnered with the UNHCR Mission in Djibouti and the Intergovernmental Authority on Development (IGAD) to enhance economic inclusion of refugees in the AfCFTA negotiations, given refugees' economic role on the continent.

DEMAND-DRIVEN BUSINESS ENVIRONMENT SUPPORT

Objective: Offer tailored assistance to unlock policy and technical barriers that impede private-sector investment and trade at the bilateral, regional, and continental levels.

Over the last quarter, ATI has collaborated with USAID Missions on several partnership opportunities, each of which supports the removal of a systemic business obstacle to trade and investment on the African continent.

Eswatini digital health services. The Luke Commission, a leading mobile medical company in Eswatini, is awaiting regulatory approval to use Starlink Internet terminals to provide improved health services in the rural areas. Better connectivity will improve health services through digital referrals, telehealth, and increased communication between health clinics. Starlink offered a 40% discount on the subscription fees to Luke Commission to facilitate set-up of the system. Subsequently, Luke Commission submitted an updated concept note to ATI this quarter and will submit a complete application in Q3.

DRC Internet access. A leading regional Mobile Network Operator (MNO) proposes implementing its 3A OpenRAN Initiative, based on U.S. technology, to scale rural connectivity through mobile phones in the Equateur and Bandundu regions of the DRC. The activity will create about 320 private-sector jobs, especially for women, and empower more than 120,000 people with greater access to digital communication and financial services. ATI is finalizing the grant agreement with the regional MNO for execution in Q3.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES	LED BY	WHEN
<p>AfCFTA Support</p> <ul style="list-style-type: none"> Finalize contracting of one sub-award under ATI's AfCFTA workstream (Q3) Support the implementation of the USTR and AfCFTA Secretariat MOU activities 	Senior Technical Director – Africa	April 2023 – Sep 2023
<p>Demand-Driven Business Environment Support</p> <ul style="list-style-type: none"> Buyer-suppliers/trade preferences deal support: Provide business enabling environment support to private-sector deals to remove obstacles to trade and investment (Q3-Q4) Critical minerals: Activate the USAID/DRC Buy-in scope of work in support of critical minerals exports to the United States, and support USG interagency participation at the DRC Mining Week (Q3) West Africa and ARISE partnership: Support the development and finalization of the West Africa Mission and ARISE MOU (Q3) Eswatini digital health: Review application of the grant application for determination on award decision (Q3) DRC Internet access: Finalize and fully execute grant agreement to implement 3A Open RAN in the DRC (Q3) 	<p>Senior Technical Director – Africa</p> <p>Senior Technical Director – U.S.</p>	April 2023 – Sep 2023

ACTIVITY AREA I CONSTRAINTS

- **High Demand for AfCFTA Support Services.** The AfCFTA continental services are in strong demand across the continent, as many of ATI Partners receive requests from RECs, industry bodies, and trade associations requesting more assistance to find ways to take advantage of the continental agreement. However, the ATI resources for AfCFTA support are fully programmed. ATI is focusing on strategic activities (e.g., Private-Sector Strategy Engagement Plan for SADC) that can be replicated for other RECs to support private-sector utilization of the AfCFTA agreement. Further iterations of the workstream will seek to take advantage of the United States Trade Representative (USTR) and AfCFTA Secretariat MOU to maximize impact.
- **Scale Expectations.** The recruitment of firms that can offer buyer-supplier services at a scale beyond a single country is a painstaking process that requires designing the right interventions with the right partners. In addition to utilizing the APS mechanism, ATI is considering a complementary targeted co-creation process. ATI is taking measures through the U.S. market analysis to design a buyer-driven buyer-supplier model across the continent and the United States.
- **Export Firms Readiness vs. Results Horizon.** Most countries have firms with products that have potential in the U.S. market. However, most of these firms require support to achieve certification standards, product enhancements, branding, and other requirements to satisfy end-market expectations. ATI does not offer those foundational services but works with export-ready and deal-ready firms to get to the market. A combination of bilateral, regional, and continental resources is required to overcome this challenge.
- **Adapting Collaboration Modalities for Competitive Funds:** U.S. investors often require that a fund be registered in the United States to allow for legal investor protections. However, ATI cannot grant U.S.-registered companies more than \$249,999, which significantly limits the scope of engagement with these funds. To address this constraint, ATI submitted a deviation request to USAID to allow U.S.-registered funds to receive grants beyond the \$249,999 cap. We expect a response on this request in Q3.
- **Need for More Proactive Deal Facilitation Support to Get to Close.** ATI and Prosper Africa assessed the progress of the Deal Facilitation Platform, noting that most deals were identified through passive outreach, such as through the Prosper Africa inbox or Secretariat. A shift in the model was developed wherein ATI proactively identifies deals and pivots to leverage additional regional or country-specific resources. For example, a model to work with regional missions was developed with KEA and will be piloted in Q3.

SUCCESS STORIES FOR DRIVING TRADE AND INVESTMENT ACROSS THE CONTINENT

- **Specialty Tea Exports.** Carmién Tea, a leading rooibos tea producer, is located on the foothills of the Western Cape's Cederberg Mountain range, the only region in the world where rooibos tea can be grown. Carmién Tea produces rooibos tea in bulk and retails a range of flavors to appeal to diverse consumer tastes and needs. Carmién Tea is one of the biggest vertically integrated rooibos tea brands because the business produces, processes, packs, and exports its own products. Carmién Tea has a third of the total domestic rooibos industry market share, giving the company a competitive advantage in the regional and global food and beverage export market. It exported \$194,647 worth of tea to the United States in Q2. Its products have become household staples across South Africa. USAID has been a key partner in the company's export journey, building its competitiveness, making it export-ready, supporting the company to attend trade shows, and providing targeted technical assistance.



- **Interagency support to \$10 million investment related deal closure.** In collaboration with Prosper Africa, ATI provided transaction advisory support to a U.S. government agency to structure an instrument through which the agency could provide \$10 million to a mechanism for decarbonization projects in the compact-supported industrial zones in Morocco. The agency identified a local implementing partner to support the financing instrument. With a one-month turnaround, ATI worked with the agency to set up the criteria for loan approvals and processing. ATI also developed follow-up monitoring systems and facilitated discussions with the local implementing partner to manage the \$10 million funding mechanism.

BOLSTERING AFRICA'S FOOD SECURITY AND RESILIENCE

ACTIVITY AREA 2

The purpose of Activity Area 2 is to increase the ability of the private sector to boost trade and investment in key agriculture and food value chains, while building capacity and resilience among people at risk of food insecurity and mitigating global macroeconomic shocks.

SUMMARY

February 24, 2023, marked the one-year anniversary of Russia's invasion of Ukraine. A year on, the impacts of the ongoing invasion continue to disproportionately affect African countries. ATI is a key mechanism for USAID to address the most critical issues exacerbating food insecurity in the continent, particularly those related to supply-chain disruptions. Out of a total of \$42.5 million obligated by seven USAID Missions, ATI awarded \$8.9 million to new partners and programmed \$19.4 million to be disbursed in the next quarter.

Table 7: Pipeline of Ukraine Supplemental Funds

USAID Mission	Ukraine Supplemental Sub-obligation (Millions)	Partnerships Awarded in Q2 (Millions)	Programmed Partnerships (Millions)	Remaining to be Programmed (Millions)
SOUTHERN AFRICA	\$11.0	\$4.5	\$5.0	\$1.5
KENYA AND EAST AFRICA (KEA)	\$8.0	\$3.4	\$4.4	\$0.2
UGANDA	\$6.0	\$0.8	\$5.2	\$0
ZAMBIA	\$5.0	\$0.25	\$4.75	\$0
TANZANIA	\$5.5			\$5.0
SAHEL REGIONAL	\$5.0			\$5.5
NIGER	\$2.0			\$2.0
TOTAL	\$42.5	\$8.9	\$19.4	\$14.2

ACCELERATE BUYER-SELLER LINKAGES

Objective: To partner with the private sector to improve access to key value chain crops critical to nutrition and food security.

Activities and Progress in Q2:

- Through a partnership with the African Trade Platform (ATP), a subsidiary of the FoxVest Group firm based in Johannesburg, South Africa, ATI established a one-to-one cash guarantee for ATP to borrow sufficient working capital for a \$9.5 million fund. This fund will allow grain traders to access cash and buy \$570 million worth of grains and pulses from 250,000 farmers.

ATP will mobilize an additional \$36 million in capital to help the fund grow and become sustainable. This model of stock finance facility will increase the efficiency and value of agricultural trade throughout the region. By working with warehouses and aggregators in ten countries in Southern Africa, ATI facilitates traders and aggregators' access to short-term stock finance that will increase liquidity in the market and allow them to purchase from farmers, store products, and deliver to buyers for onward sale or processing.

- Under the Zambia TradeBoost, ATI co-designed a trade finance facility with the African Fertilizer and Agribusiness Partnership (AFAP). When launched in Q3, the facility will increase access to fertilizer throughout Zambia, supporting increases in grain productivity and helping farmers mitigate the impacts of the global food security crisis.
- Negotiations with the AfricaGlobal Schaffer-Bechtel-EFF consortium continued during the quarter. The team conducted a field assessment of various locations for the seasonal open markets (SOMs) in the Eastern and Central Provinces of Zambia. This activity is pending approval from the Zambia Mission.

BRIDGE THE INVESTMENT GAP

Objective: To increase the private sector's ability to invest in key agriculture and food value chains while building capacity and resilience among people and communities.

Activities and Progress in Q2:

- In Kenya, ATI partnered with iProcure to scale up reliable access to agricultural inputs and weather forecasting. Additional partnerships with Victory Farms, Indigo Group, and Cargill are expected to be finalized next quarter.
- In Uganda, ATI awarded two firms, Patasente and Kawacom Uganda, grants to work with more than 20,000 smallholder farmers.
- In partnership with the Southern Africa Regional Mission, the ATI team reviewed seven additional concept notes and tabled two for later consideration. Requests for applications (RFAs) and due diligence continue with the Organic Fertilizer Manufacturer of Botswana, which is expected to be finalized in Q3.
- ATI worked with the Tanzania Mission to finalize and approve their scope of work, which will focus on supporting the fertilizer and edible oil industries. The next step for this engagement includes working with CrossBoundary to conduct a rapid market assessment and release an addendum to the APS for specific value chains in Tanzania.
- CrossBoundary finalized and presented results of their assessments to the Sahel Regional Office (SRO). ATI worked with the SRO to shortlist potential partnerships that will best address the food security and resilience contexts of Burkina Faso, Chad, and Mauritania.
- With the Niger Mission, the team finalized all the details of the scope of work, focusing on supporting the finance sector.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES	LED BY	WHEN
<p>Accelerate Buyer-Seller Linkages</p> <ul style="list-style-type: none"> Review additional concept notes submitted under the Food Security and Resilience APS. Follow up with potential partnerships and finalize agreements in Southern Africa, Tanzania, Uganda, and the Sahel. 	Food Security and Resilience Team Lead	April 2023 – June 2023
<p>Bridge the Investment Gap</p> <ul style="list-style-type: none"> Initiate activities with six new partners in Botswana, Kenya, Uganda, and Zambia 	ATI Activity Managers	April 2023 – June 2023

ACTIVITY AREA 2 CONSTRAINTS

- Continent-wide calls (APS, EOIs, and RFIs) as a mechanism for rapid programing resulted in some bottlenecks. In some countries (e.g., Kenya, Uganda, and Zambia), the continent-wide calls successfully generated innovative ideas and partnerships that met the requirements and spirit of the Ukraine Supplemental funding to strengthen food security and resilience during a crisis. Conversely, in the Sahel Regional countries and Niger, the continental call did not receive viable partnerships. ATI is working in partnership with all Buy-in countries and regions to find alternative strategies to narrow down the scope and types of solicitations that will generate more country-specific technical ideas, approaches, and partnerships.
- Changes in ATI’s leadership structure and the 90-day realignment plan required extra time to execute activities. ATI hired a Food Security and Resilience team lead and a Senior Food Security Advisor. Additionally, more activity managers and regional directors joined the program, providing capacity to accelerate the programming of funds. However, this also required time to onboard new hires and coordinate with existing teams. With more support, ATI expects that time needed to finalize applications could be significantly reduced in the coming months.
- Limited funding in some countries coupled with current conditions, such as those observed in the Sahel Regional countries and Niger, might not result in impacts on any reasonable scale. ATI is working with these Missions to facilitate access to trade and investment networks. Limited staff at some Missions also has implications for the time it will take to implement activities.

SUCCESS STORY FOR BOLSTERING AFRICA'S FOOD SECURITY AND RESILIENCE

ATI partnered with the African Trading Platform (ATP) to launch an innovative stock finance fund to increase the efficiency and value of agricultural trade across ten countries in Southern Africa. This partnership is poised to disrupt the business-as-usual trading system by unlocking private capital for 100 traders and increasing the incomes of 250,000 smallholder farmers who have been negatively affected by recent food price volatility caused by COVID-19, climate change, and Russia's invasion of Ukraine.



ATI is providing a one-to-one cash guarantee for ATP to borrow sufficient working capital to establish a \$9.5 million fund. ATP will mobilize an additional \$36 million in capital to help the fund grow and become sustainable. With this new deal, USAID strengthens the relationship between private enterprises, smallholder farmers, grain traders, and the region's financial and food sectors. Finance providers will see a market opportunity by working with traders and farmers under a more organized and transparent

exchange. Commodity traders will have greater access to finance, which can shift their incentive from competing over prices to investing in better quality and value. Farmers will have direct and immediate access to payment for their products, which means they can invest more money in inputs and equipment to improve the volume and value of their crops.

Increased trust among these stakeholders will promote long-term sustainability in agricultural lending. The influx of capital also helps stabilize the food-trade market system, which includes critical commodities such as soybeans, maize, groundnuts, pigeon peas, rice, and other staple crops.

CREATING AND ACTIVATING SCALABLE PARTNERSHIPS

ACTIVITY AREA 3

The purpose of this activity is to attract private-sector partnerships with USAID, with an emphasis on local businesses and non-traditional partners that do not typically work with USAID. These partnerships are at the heart of ATI's success as we seek to build the expertise and facilitate the relationships needed to accelerate trade and investment between the United States and African businesses.

SUMMARY

In Q2, the Partnerships and Grants team made considerable progress in reducing procurement-order cycle times, strengthening the procurement systems to ensure timely delivery of subcontracts. Close collaboration between the ATI Technical team and the DAI contracts department yielded speedy resolution of complex scopes of work. At the same time, the team continued to focus on maintaining full compliance with DAI Field Operations Manual policies and USAID regulations. Strengthening the efficiency with which we manage our procurements helps to maintain positive working relationships with partners and ensures that ATI will meet its ambitious goals for trade and investment on the continent.

Figure 5: Overview of ATI Grants and Subcontracts, Q2

Number of grants awarded in Q2: 15	Total number of grants awarded to date: 25	Value of grants awarded in Q2: \$13,709,733	Value of grants awarded to date: \$23,612,385
---	---	--	--

Number of subcontracts executed Q2: 18	Total number of subcontracts executed to date: 50	Value of subcontracts executed Q2: \$6,430,919	Value of subcontracts executed since inception: \$26,554,144
---	--	---	---

TARGET NEW CATEGORIES OF PARTNERS

Objective: To maintain and scale the growth of the ATI partner network, attracting trade organizations, export firms, transaction and financial services providers, regulators, investors, fund managers, sovereign credit rating agencies, tax and audit firms, accelerators, research institutions, communications firms, government agencies, and manufacturers, among others.

Activities and Progress in Q2:

- ATI deepened our partner outreach this quarter by working through established incubators to expand outreach to local partners (Liberia), working with U.S. business organizations like the American Chamber of Commerce (Kenya), and increasing distribution of ATI funding opportunities by posting solicitations on new public portals such as the WorkwithUSAID.org Sub-Opportunities portal and Devex.
- This quarter, ten of ATI's 32 active Buy-ins launched new activities (details of which are provided in the Buy-ins Annex), which are being implemented by 30 partners, 23 of which are grantees and subcontractors that had not worked previously with ATI, demonstrating our ability to reach beyond the normal players and build a network with deeper expertise and wider reach.
- Of the 23 new partners, 16 are local (based on-continent), and seven are international. Nine are new partners with no prior USAID experience. The 23 represent the breadth of ATI's objectives, from private companies aiming to increase exports, such as Red Earth Limited and Goshen Farm, to African-focused asset management companies and investment firms like Altree Capital and Okavango Capital, to service providers offering counsel to private and public sector stakeholders like Catalyze and Tralac. Partners work across the agricultural, apparel, health, and tourism sectors.
- ATI expanded its Partner Network to a total of 2,016 partners, adding 47 new partners this quarter. The Partner Network includes firms working in various sectors, representing 85 countries globally and all regions of Africa.

SHAPE PARTNERSHIPS FOR SCALE

Objective: To support partners over time and toward a shared objective instead of one-off interventions, ensuring both the partner and ATI are invested in the long-term outcome, including impact and learning that can be scaled beyond the life of the grant or subcontract.

Activities and Progress in Q2:

Over the last quarter, ATI began shifting from a passive approach to partnership development, that is, from merely relying on APS solicitation and requests for information (RFIs) to a more targeted approach that identifies partnership opportunities and shapes them in collaboration with USAID Missions and Prosper Africa. In the next quarter, ATI will continue to seek out these opportunities and encourage co-investment from multiple USAID Missions and Prosper Africa to achieve ATI's continental vision. Examples of this new approach include:

- **Identifying partnerships that will create impact at scale beyond the timeframe of the Ukraine Supplemental Funding.** With support from the USAID/Southern Africa and USAID/Zambia Buy-ins, ATI piloted a new co-investment model with the African Trade Platform (ATP) this quarter that will provide short-term finance to warehouses and aggregators for the purchase of agricultural commodities. Through a cash collateral facility grant, ATP has operationalized the \$9.75 million stock finance fund on its platform, which is expected to unlock \$36 million in additional private capital to help the fund grow and become sustainable by the end of the project. USAID provided a recoverable cash collateral grant of \$4.75 million through ABSA bank, matched by \$4.75 million funding from ATP. At the end of two years, funds will revert to USAID for reprogramming. ATI is looking at a similar co-investment grant model to

operationalize a fertilizer fund in Zambia and for a Kenya/East Africa partnership in the manufacturing sector.

- Supporting market actor-driven approaches and co-investment through partnership agreements and deal notes.** To ensure that market actors drive program activities, ATI will be expanding and refining the use of partnership agreements and deal notes to forge co-investment arrangements that strengthen market actor relationships, address bottlenecks, and direct ATI resources to de-risk and accelerate market responses. In Q2, ATI supported the USAID/Southern Africa Mission to develop a deal note template that is designed to ensure ATI addresses underlying market constraints and leverages private-sector resources to create sustainable market-based solutions. Going forward, ATI will share this tool with other USAID Missions as a best practice.

EXPAND ATI’S TOOLKIT FOR MARKET-BASED SOLICITATIONS AND SPEED OF BUSINESS PROCESSES

Objective: To identify, categorize, and engage the best-qualified partners in the market who will ensure best value for USAID. This measure will reduce the procurement-to-contracting lead time and result in a robust database of potential partners that ATI will engage in every solicitation.

Activities and Progress in Q2:

- Over the last quarter, ATI significantly upgraded our grants and procurement processes by adopting a portfolio approach for grants and procurement management. Measures include assigning a point of contact (POC) for each regional portfolio, appointing a Grants Director to manage the grants team, and upgrading ATI procurement templates to clarify source selection criteria to speed signing of agreements after approval. On average, ATI is now submitting two-to-three grant and procurement actions per week.
- ATI contracted and obligated a total of \$6,430,919 through 18 fully executed sub-contracts in Q2. In addition, ATI issued 12 solicitations in Q2, some of which are in advanced stages of evaluation or award.
- ATI signed 15 grants totaling \$13,709,733 Q2. Two Annual Program Statements (APS) (one on continental trade issued in December 2021, and the other on food resilience issued in July 2022) continue attracting concept papers that will allow ATI to further strengthen the work being done in these two areas.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES	LED BY	WHEN
Expand ATI Partner Network	Regional Directors, in collaboration with Activity and Technical Teams	April 2023 – June 2023
Increase Volume of Fully Executed Subcontracts and Grants	Grants and Partnership Directors, in collaboration with Technical and Activity Teams	April 2023 – June 2023

ACTIVITY AREA 3 CONSTRAINTS

- Registration Challenges for UEID and SAM registration.** Over the last quarter, ATI grantees continued to encounter challenges in registration on the U.S. government’s Unique Entity Identification (UEID) number and SAM registration systems. The delays, which have been experienced across USAID programs worldwide, posed a significant barrier to fully executing ATI grants to local entities. To address this challenge, ATI’s grants team worked one-on-one with five grantees that had been delayed in registration since Y1Q4 and resolved each registration issue by the end of the quarter. Going forward, ATI will emphasize the need to start registration at the time of application to ensure it is in place before award.

SUCCESS STORIES FOR CREATING AND ACTIVATING SCALABLE PARTNERSHIPS

PRIVATE-SECTOR GRANT PARTNERSHIPS RECEIVE SPOTLIGHT FROM KENYA’S PRESIDENT RUTO

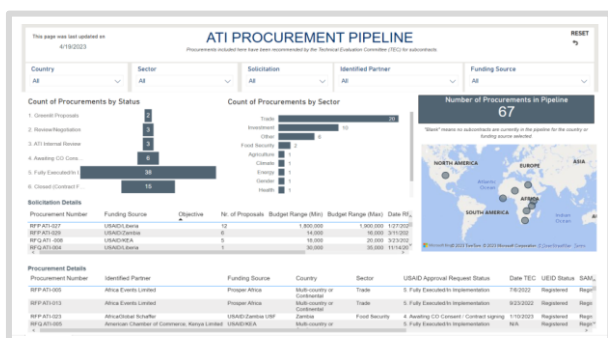
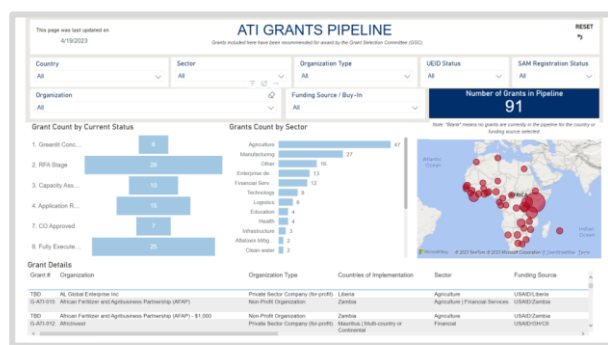
This quarter, ATI’s partnerships received increased external visibility. Kenya’s President William Ruto delivered the keynote address at the closing ceremony of the 3rd AmCham Summit in Nairobi, Kenya titled “Economic Dynamism: Transformation for a Resilient Future.” President Ruto acknowledged 11 private-sector companies that are partnering with USAID through ATI. Combined, these companies will create 9,279 jobs and integrate 1,068,179 smallholder farmers into the market, with sales and exports expected to increase by more than \$85 million.



Photo (from left): Matt Hutcherson, USAID Kenya/Africa’s Head of the Office of Economic Growth and Integration, Benson Kimithi, Contracting Officers Representative at the Kenya Investment Mechanism, and Mary Mbugua, POC at the USAID Africa Trade and Investment program, speak with Kenya President William Ruto at the USAID Africa Trade and Investment booth.

ATI LAUNCHES GRANTS AND PROCUREMENT DASHBOARDS

This quarter, ATI launched grant and procurement online dashboards to provide USAID clients with real-time updates on the status of ATI partnering. Staff in a USAID Mission can now see how partners’ grant applications and subcontract proposals are progressing, from evaluation through due diligence and negotiation to award. More than 80 USAID staff across ATI’s 32 Buy-ins, as well as Prosper Africa staff, can access the dashboards. USAID Missions can access the ATI Dashboard by requesting a sign-in at analytics@atiprogram.com.



BUY-IN DEVELOPMENT, IMPLEMENTATION, AND MANAGEMENT

ACTIVITY AREA 4

The purpose of this activity is to ensure existing and new Buy-ins progress each quarter and remain agile and responsive to USAID Missions' needs. Development of new and existing Buy-ins is essential to ATI's ability to deliver on its regional and continental goals for trade and investment.

SUMMARY

By the end of Q2, ATI developed programming for 32 Buy-ins across the continent, with 24 Buy-ins at the implementation stage, eight in design, and an additional ten in initial stages of discussion.

BUY-IN DEVELOPMENT

Activities and Progress in Q2: ATI received initial obligations for three new Buy-ins, including:

- **USAID/Tanzania** (with Ukraine Supplemental Funding) aims to improve food security and resilience through trade and investments specific to Tanzania's fertilizer production and edible oil refinement industries.
- **USAID/West Africa** seeks to identify the drivers of conflict and violent extremism in the region (Ghana, Benin, Togo, Côte d'Ivoire, and Guinea) and identify economic opportunities that can increase economic resilience in marginalized communities to dissuade violent extremism.
- **USAID/DRC** seeks to support the Government of the Democratic Republic of the Congo and market actors to encourage responsible and sustainable mining practices.

Additionally, five USAID Operating Units confirmed their intention of buying into ATI and have begun to define objectives for the funding to be committed. These OUs (Rwanda, Egypt, Tunisia, Sahel Regional, and Global Health/ID) are interested in a range of work, including promoting climate finance, mobilizing investment, and accelerating linkages to investment-ready companies.

BUY-IN IMPLEMENTATION & MANAGEMENT

Activities and Progress in Q2:

- This quarter, ten of ATI's 32 active Buy-ins launched new activities, which are being implemented by 30 partners, 23 of which are grantees and subcontractors that had not worked previously with ATI. Additional details on the Buy-in activities are provided in the Buy-ins Annex.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES

LED BY

WHEN

Initiate activity implementation for Buy-in activities that have signaled their intent to buy in to ATI, once funding is confirmed (e.g., USAID/Rwanda in coordination with Prosper Africa funding)

Regional Directors, in collaboration with Activity and Technical Teams

June 2023 – Sep 2023

Y2Q3 PLANNED ACTIVITIES

LED BY

WHEN

Follow up with active Buy-in clients whose activities require finalized scoping discussions (e.g., USAID/Libya, USAID/Morocco)

Regional Directors, in collaboration with Activity and Technical Teams

May 2023 – July 2023

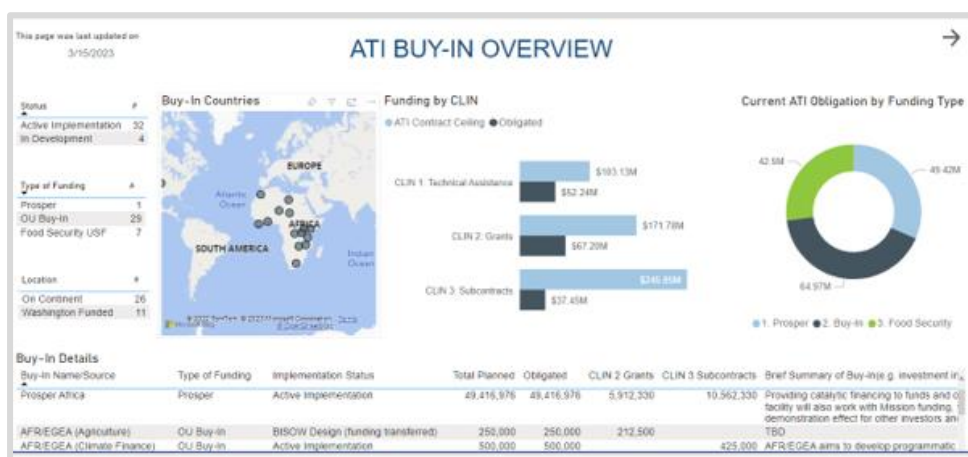
ACTIVITY AREA 4 CONSTRAINTS

Under-utilized Buy-ins. Six active Buy-ins remain “in discussion” as USAID clarifies contingencies. For example, the USAID/WASH Buy-in aims to improve the financing environment for the WASH sector (for water, sanitation, and hygiene) in sub-Saharan Africa through support to regional institutions, like the African Water Facility (AWF). Once USAID finalizes its direct support to AWF, AFR/WASH can set objectives for the ATI Buy-in, which will complement direct support with technical expertise.

Obligation timing. In other cases, implementation progress is stymied because of unforeseen delays in USAID Operating Units obligating funds to ATI or those with obligated funding juggling competing priorities that take precedence over advancing discussions on Buy-In scopes of work. In these cases, ATI will regularly elevate for the USAID COR team where delays are jeopardizing progress to jointly identify solutions.

SUCCESS STORIES FOR BUY-IN DEVELOPMENT, IMPLEMENTATION, AND MANAGEMENT

This quarter, ATI launched Buy-In dashboards to provide USAID with real-time insights into the status of Buy-in development and implementation. To improve communication flow across the project, ATI dashboards provide summary statistics as well as individual Buy-in details (e.g., USAID and ATI points of contact, links to key documents, and timelines of significant dates).



AWARENESS CREATION AND OUTREACH

ACTIVITY AREA 5

The purpose of this activity is to use strategic communications to inform key program stakeholders of ATI's results and impact that increase trade and investment between the United States and Africa and accelerate stakeholder engagement with ATI-sponsored trade and investment activities on the continent.

SUMMARY

ATI continues to build out the team and resources needed to deliver a full-range of strategic communications for USAID and the Prosper Africa Secretariat. The communications priorities for this quarter were hiring and communications support to Mission Buy-ins. ATI hired a Senior Communications Director as a member of the Senior Management Team to oversee all communications staff in the United States and on the continent. ATI also added a Communications Associate to support in the Nairobi office. Looking ahead, ATI launched recruitment for a Communications Manager to lead the Communications Team on the continent and a Communications Specialist to oversee the North and West Africa portfolios. The ATI Communications team provided a range of communications support to USAID and Prosper Africa during this quarter.

ONGOING COMMUNICATIONS INITIATIVES

Objective: Design and implement strategic communications initiatives that build a compelling narrative that advance investment, trade, and partnership on the African continent, showcasing the impact of USAID and Prosper Africa investments to make this possible.

Activities and Progress in Q2:

- ATI provided weekly internal updates to the COR and Prosper Africa that showcased ATI partner and Buy-in milestones and highlighted upcoming events and partnership opportunities. ATI also provided customized weekly, bi-weekly, and monthly briefs to USAID Missions and Prosper Africa on ongoing and pipeline activities.
- ATI continues to build a story bank featuring ATI partners; examples of these stories are highlighted throughout this report.
- ATI worked closely with the Kenya/East Africa Mission to curate the program's participation at the 3rd AmCham Summit in Nairobi, Kenya. Highlights from the event include:
 - Kenya's President William Ruto announced more than \$150 million in Prosper Africa co-investment partnerships that are expected to create more than 10,000 jobs and increase African exports by more than \$130 million.
 - USAID, Prosper Africa, and Feed the Future hosted a signing ceremony to announce seven Prosper Africa and Feed the Future-funded grants and investments to private-sector companies in the agriculture sector that will support more than one million

Kenyan farmers, increasing food production and expanding exports to the United States.



Participants make new connections and learn about trade and investment opportunities in Kenya at the ATI Booth at the AmCham Summit in Nairobi.



Representatives from USAID, Prosper Africa, and Feed the Future announced the launch of grants with seven private-sector companies to boost the agricultural sector in Kenya.



Prosper Africa's Scott Cameron (left) visiting MAS Intimates, an apparel company located outside of Nairobi.

- The ATI Communications team led coordination for several trade and investment delegations on visits to grantees. Following the AmCham Summit in Nairobi, ATI coordinated site visits to ATI grantees Afrimac Nuts and MAS Intimates for Prosper Africa's Acting Coordinator and Chief Operating Officer Scott Cameron. Afrimac Nuts is a nut aggregator and exporter while MAS Intimates manufactures and exports textile and apparel, including athleisure and adaptive wear. Both have the United States as a major market, with outlets such as Costco, Adidas, Spanx, and Nike retailing their products. Discussions with Afrimac centered on nut processing, diversification, and marketing, while MAS Intimates shared their vision to boost employment and income opportunities with more high-quality products originating from their plant in Kenya.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES

LED BY

WHEN

Ongoing communications initiatives

- Develop and implement advocacy campaigns to unlock trade and investment deal opportunities
- Disseminate ATI weekly updates and promote commercial opportunities, both trade and investment
- Develop targeted success stories and learning pieces
- Event planning and communications support
- Engage ATI's partner network, particularly with African and local firms, through quarterly webinars and other technically driven events
- Design and launch a communications campaign for Ukraine supplemental funding activities
- Content creation and curation for USAID internal communications

Senior
Communications
Director

April 2023 –
Sep 2023

ACTIVITY AREA 5 CONSTRAINTS

The branding and marking of ATI activities continues to cause significant confusion across the board. ATI held discussions with USAID and Prosper Africa to deconflict several areas where issues have arisen, and ATI drafted an updated branding and marking plan that reflects a model of branding following funding. ATI shared this new plan with USAID and Prosper Africa for clearance. Once the updated branding and marking plan is finalized, ATI will use the plan to build out a robust strategic communications strategy and messaging platform and develop tools and resources that will support ATI partners in amplifying the work they are doing with support from USAID and Prosper Africa.

UTILIZING LEARNING

ACTIVITY AREA 6

The purpose of this activity is to ensure the dissemination and update of useful, targeted learning and communications products that highlight technical and operational lessons learned. These resources will be used to bring about greater impact and efficiencies for ATI programming, as well as help inform other trade and investment development programming.

SUMMARY

In Q2, ATI's Monitoring, Evaluation, and Learning (MEL) team worked to ensure that the pace of ATI activities was aligned with the program's contractual goals, continuing to institutionalize tools and training to help staff measure the impact of their work. The MEL team built on the interventions it undertook earlier in the project to bolster data consistency, reporting, and adaptive learning and management. Importantly, the MEL team is in the advanced stages of developing a Structured Query Language (SQL) database to enhance data integrity, analysis, and reporting with Buy-ins, partners, and the broader ATI program. ATI promoted capacity-building in the quarter with four learning and adaptation sessions, monthly evidence and learning sessions, a pause-and-reflect session, and demand-driven "deep dives" into various topics.

COLLECTION OF MEL DATA, PERFORMANCE ANALYSIS, AND DISSEMINATION OF LESSONS LEARNED

Objective: Enable ATI to accurately measure, track, and report on its performance and use results to inform program strategies throughout the year.

Activities and Progress in Q2:

- **Buy-in result frameworks:** ATI developed "result frameworks" for six Buy-Ins (Southern Africa, Malawi, Liberia, Niger, DRC Mining, and KEA), which were aligned with Buy-in activities, outcomes, and impact. Targets and indicators were established in consultation with these Buy-in partners, taking into account funding and time constraints, as well as the individual focus of each Buy-in.
- **Grantee and subcontracts kickoffs:** At initial kick-off sessions, MEL provided guidance to nine grant recipients and seven subcontractors. This guidance included information on indicators, verification, and reporting procedures. MEL also conducted seven "deep dive" sessions presenting in-depth information on specific topics requested by Buy-ins of Prosper Africa (two sessions), Southern Africa (one session), and Kenya/East Africa (four sessions).
- **Indicator clarification sessions and result mapping:** Throughout Q2, the MEL team offered refresher sessions for ATI staff on indicators and reporting requirements. Topics covered included indicator definitions, reporting methods, and evidence required to verify results being reported. The MEL team also conducted "result mapping" sessions internally and with outside partners to clarify indicator definitions, reduce misunderstandings, and boost adherence to project objectives.
- **Data collection and verification:** The MEL team conducted comprehensive data collection and verification of Q2 data. The data were verified for validity, reliability, precision, timeliness, and integrity. The MEL team further verified the data against criteria of ATI's Performance Monitoring and Evaluation Plan (PMEP). The verification process included identifying missing

data, incomplete data, and duplicates; amending unwanted data variations such as duplicates; and corroborating data against primary and secondary evidence to meet Data Quality Audit (DQA) parameters.

- **Quarterly performance analysis:** In Q2, ATI reviewed the previous quarter's performance data. This review looked at deals closed versus deals facilitated, among other performance results, and sought to use this information to craft effective procedures for successful future deal-making. The results of this review influenced the setting of indicators, milestones, and deliverables.
- **Reporting:** The MEL team collaborated with other teams to generate six reports on Ukraine Supplemental Funding for various Buy-ins. Although implementation of this funding has not begun for most Buy-ins, the reports provided information on fertilizer shortages and investments intended to bolster agricultural capacity. Separately, the MEL team also worked with Buy-ins to create Development Information Solution (DIS) digital reporting platforms to enable these programs to better monitor and evaluate their activities.

ATI LEARNING PLAN

Objective: Enhance ATI's adaptive management practices through reflective learning on specific program topics to understand, distill, and communicate technical and operational learning.

Activities and Progress in Q2:

Over the last quarter, ATI conducted four learning sessions and developed highlights of lessons learned from implementing and facilitating deals:

- **Session 1 - Activity and Partnership Learning Session:** The purpose of this session was to discuss challenges and bottlenecks ATI has been experiencing in its workflow and to identify areas for improvement.
- **Session 2 - Defining complex indicators:** This session, given to the Activity Management and Technical teams, focused on three questions:
 - What constitutes technical assistance?
 - What constitutes a deal? And what does facilitation mean?
 - How can we attribute sales to ATI support (contribution vs. attribution)?

The MEL team provided information on technical assistance and how to map results and document ATI's role in achieving results. The session also outlined the various stages a deal might go through (discussion, negotiation, marshaling resources, pushing to close, closure), as well as provided guidance on the role of deal notes in clearly laying out desired outcomes and impact.

- **Session 3 - Quarterly performance review:** This activity reflected on the Y2Q1 performance. The discussions focused on indicators performing well (e.g., deals facilitated) and those performing poorly (e.g., finance and investment disbursed), interventions yielding good results (e.g., buyer-supplier linkages), and those yielding sub-optimal results (e.g., virtual deal room). The discussions teased out causes of performance variation and suggested corrective measures.

- **Session 4 - Lessons learned from capacity assessments for the Liberia Agricultural Incubator:** “Lessons from Liberia” pointed to the need to do impact analyses of proposals from potential grantees to obtain realistic estimates of expected results. This session helped participants to understand financial implications of grants, and the need to assure that activities of grant recipients align well with ATI objectives. Above all, the key lesson from the session was that grants should be given to those capable of delivering concrete results, not those who simply meet superficial qualifications.

ATI DATA MANAGEMENT SYSTEM

Objective: Develop an ATI database that will support data collection and report on that data into the different MEL systems with USAID and the Prosper Africa Secretariat.

Activities and Progress in Q2:

- **MEL Information Management System:** In Q2, the MEL team made improvements to the online ATI MEL data management system, a critical component of the ATI program implementation process. Improvements entailed upgrading the online data collection tools and designing reporting templates that will auto-populate performance-indicator results by country, Buy-in, and partner.
- **ATI and Prosper Africa alignment using Salesforce:** To improve performance reporting for Prosper Africa, the MEL team worked with the Prosper Africa team to capture deals at their various stages of development. Verified data were captured in Salesforce software used by Prosper Africa to track deals. There are currently 253 deals in Salesforce, with more data expected in Q3.

LOOKING AHEAD TO Y2Q3

Y2Q3 PLANNED ACTIVITIES	LED BY	WHEN
<i>Consolidate ATI MEL data and import into the ATI electronic MEL Database</i>	<i>MEL Specialists</i>	<i>30 June, 2023</i>
<i>MEL data collection and performance analysis</i>	<i>MEL Specialists</i>	<i>30 June, 2023</i>
<i>Conduct semi-annual performance review session</i>	<i>MEL Director</i>	<i>30 May, 2023</i>
<i>Conduct three monthly learning evidence sessions</i>	<i>MEL Director</i>	<i>30 June, 2023</i>
<i>ATI data management system developed and used by staff in Q3</i>	<i>MEL Director</i>	<i>30 June, 2023</i>

ACTIVITY AREA 6 CONSTRAINTS

MEL needs versus available staffing. Skilled and well-trained MEL staff are required to ensure high-quality data collection and analysis, and this should be factored in when formulating the Buy-in scopes of work and planning personnel hiring in various countries.

Varying Buy-in requirements. Coordinating the different and at times divergent indicators of ATI and its many partners while meeting contractual requirements presents significant challenges. This has resulted in continuous review of ATI's MEL plan. Different indicators under different categories such as biodiversity, fragility, and climate financing present an aggregation challenge. The constraint is more apparent given that some Missions are short staffed on MEL, which delays progress in agreeing on indicators and targets.

Meeting grantees' MEL capacity needs. Though the MEL team undertakes grant kick-offs and capacity-building exercises at the onset of each grant, ATI recognizes the need to provide more ongoing MEL support to grantees, particularly during reporting periods. With numerous Buy-ins requiring support, ATI recognizes this constraint, and in Q3 is looking to bring onboard two additional MEL subcontractors to address this need.

USAID BUY-INS: PROGRESS SNAPSHOTS

ON-CONTINENT BUY-INS

USAID COASTAL WEST AFRICA

Overview: The USAID Coastal West Africa Buy-in seeks to identify the drivers of conflict and violent extremism in the region (Ghana, Benin, Togo, Côte d'Ivoire, and Guinea) and identify economic opportunities that can increase economic resilience in marginalized communities to dissuade violent extremism. The activity seeks to enhance community resilience to violent extremism by improving social cohesion and promoting governance that delivers services to and improves livelihoods for populations in the region.

Funding: Ceiling - \$2,250,000; Sub-obligation - \$2,250,000

Highlights and Key Performance:

- ATI issued a USAID Coastal West Africa Conflict Prevention and Stability Grants Addendum to APS-001, on February 10, 2023, and received seven concepts. Out of these, the Grants Selection Committee reviewed six, with USAID and State Department participation. The committee shortlisted four for potential funding. ATI hosted a virtual question-and-answer session for each of the four shortlisted applicants, to discuss their concepts.
- Country Missions invited the selected potential grantees for in-person co-design sessions, chaired by ATI, with participation from state agencies. In this quarter, ATI completed two co-design sessions for Eureka Global Services (livestock value chain – Togo), and Ariku Company (agriculture inputs of hybrid seeds – Ghana), with the remaining two scheduled for next quarter. Upon completion of the co-design sessions, ATI and USAID will then co-convene a “go or no-go” session to finalize the selection of applicants for grants.

DDI/ITR DRC

Overview: The USAID DDI/ITR Buy-in will advance an open, interoperable, reliable, and secure Internet and vibrant digital economy in the Democratic Republic of the Congo (DRC) by providing technical assistance to pilot and scale innovations addressing energy and telecommunication sector needs, build the telecommunications workforce, and catalyze private-sector investment. This activity aims to scale rural connectivity by leveraging U.S. technologies to accelerate economic growth in rural areas and create private-sector jobs, especially for women and youth.

Funding: Ceiling - \$500,000; Sub-obligation - \$500,000

Highlights and Key Performance:

- Following discussions with the Mission, ATI provided a grant to Vodacom for the ITR activity. Vodacom will expand OpenRAN technology in the Equateur and Bandundu regions – reaching more than 120,000 people and creating 320 jobs. This activity builds on Vodacom’s recent experiences launching 21 OpenRAN installations in Nord-Kivu, Bandundu, Kasai Occidental, Haut-Lualaba, Province Orientale, and Kasai Orientale in 2022. In the first phase, Vodacom will procure, import, install, and operationalize OpenRAN over nine months.

- The grant agreement is being finalized, with an environmental assessment due once Vodacom shares data on installing the OpenRAN infrastructure.

USAID DRC: Central Africa Regional Program for Environment (CARPE)

Overview: CARPE, a program under the Central Africa Regional Operating Unit (CAROU), has been a U.S. government program for more than 20 years. CARPE’s vision is: “A Congo Basin with healthy ecosystems and dynamic local leadership that supports stability and prosperity in communities.” The program is based on multiple themes: law enforcement, civil-society strengthening, and effective land governance, all working together to support a vibrant and resilient environment.

Funding: Ceiling - \$ 2,000,000 Sub-obligation - \$287,500

Highlights and Key Performance:

- ATI developed the Buy-in scope of work (BISOW), which the Mission is finalizing.
- In March 2023, ATI conducted a Gender Assessment; CAROU accepted the recommendations and ATI incorporated them into the APS.

USAID DRC: MINERALS

Overview: This Activity seeks support from the Government of the DRC and market actors to encourage responsible and sustainable mining practices by promoting good governance and supporting resilient supply chains that respect human rights and improve livelihoods and local ownership through environmental and social best practices. The activity will also increase mining communities’ ability to adapt to climate change and reduce conflict, while leveling the playing field for responsible U.S. and other investors and companies with legal investment opportunities that are transparent and accountable.

Funding: Ceiling - \$19,925,000; Sub-obligation - \$1,200,000

Highlights and Key Performance:

- ATI finalized the BISOW and received concurrence from the Mission to conduct the environmental assessment, which is underway with ATI’s Environmental Specialist. ATI also completed a gender assessment, and the Mission accepted the recommendations and will be reflected in the Annual Program Statement.
- ATI finalized the Annual Program Statement. As part of an inclusive industry approach, USAID and ATI agreed to establish an Activity Advisory Council (AAC) to identify and recommend solutions to implementation challenges in the DRC mining sector and to provide an opportunity to learn from activities implemented by other partners. The ACC is crucial from an educational standpoint for creating linkages within the DRC and inviting other stakeholders to exchange information.
- ATI profiled the DRC Minerals Activity at the Mining Indaba in Cape Town in February 2023. The African Mining Indaba is the largest mining investment event in Africa. The event brings together government ministers, senior government officials, mining company representatives, mid-level and junior miners, investors, professional service providers, and

mining equipment providers. It offers four days of interaction, with high-quality technical content, deal-making, and networking opportunities.

- In March 2023, ATI hired an in-country Mining and Private Sector Engagement consultant to coordinate activities in support of the mining sector. The consultant is an interlocutor between the stakeholders in the mining sector, the USAID Mission, and ATI. The consultant is engaging with various private-sector stakeholders and attended a workshop organized by the Ministry of Mines in the DRC, “Strengthening Collaboration between the Ministry of Mines, Technical, and Financial Partners in the Mining Sector of the Democratic Republic of Congo.” Diane Bwebwe, the USAID DRC Point of Contact on the Minerals Activity, attended the workshop.

USAID GHANA

Overview: The USAID Ghana Buy-in supports the development of a diversified agribusiness sector in Ghana through the Ghana Grant Growth Fund and the Deal Team Support platform. The Buy-in aims to facilitate growth and development of the agricultural sector, including boosting higher-value agricultural products and commercial export markets. The Buy-in will also improve the business-enabling environment in Ghana by working with the Government of Ghana, other leading government agencies, and development partners to assist Ghanaian businesses to access climate finance and develop blended finance models to support Ghana’s transition to a more environmentally sustainable economy. Finally, after negotiations conclude between the U.S. Trade Representative and the African Continental Free Trade Area (AfCFTA) Secretariat, ATI will support AfCFTA policy harmonization in Ghana.

Funding: Ceiling - \$15,000,000; Sub-obligation - \$3,663,984

Highlights and Key Performance:

- The Ghana Growth Fund opportunity under the USAID Ghana Buy-in is operational. This grant will support agri-businesses, in particular non-traditional exports such as shea, vegetables, and other horticultural crops. Priority firms will be those that improve product competitiveness to meet international standards for export, leveraging AGOA. The deadline for concept submission is May 31, 2023.

USAID KENYA AND EAST AFRICA REGIONAL

Overview: The USAID/KEA Buy-in engages the private sector to co-create and co-invest in activities that increase trade and investment within East Africa, across the continent, and with the United States. Priorities include value addition through processing and manufacturing, and the provision of access to markets and capital for job creation, particularly for women and youth.

Funding: Ceiling - \$35,000,000; Sub-obligation - \$15,774,860 (East Africa Regional)

Ceiling - \$8,000,000; Sub-obligation - \$8,000,000 (Kenya bilateral, Food Security)

Highlights and Key Performance:

- USAID KEA participated in the 3rd AmCham Summit held in Nairobi on March 29-30 titled “Economic Dynamism: Transformation for a Resilient Future,” which was designed to enhance business-to-business and business-to-government engagement. During the keynote address by Kenya’s President William Ruto, he highlighted the work of 11 private-sector

companies that were recipients of USAID support through ATI. Three of the companies operate in the agriculture sector, eight in the textile and apparel sector.

- ATI awarded nine grants in the quarter – seven in the agriculture sector and two in textile and apparel. Five are based in Kenya, two in Uganda, one in Tanzania, and one spans East and Southern Africa. From these investments of close to \$8 million, the projected exports/sales will be about \$60 million, with 15,697 full-time jobs created and slightly more than a million farmers engaged.
- USAID/KEA staff joined ATI for four Grants Selection meetings in Y2Q2, one of which was for Food Security funding: 1) Kenya Menstrual Hygiene and Health (MHH) APS Addendum, 2) Food Security and Resilience round two, 3) Aflatoxin mitigation APS Addendum, and 4) KEA APS 001 Addendum round ten. The selection committee reviewed 104 concepts, out of which 17 were greenlighted for further processing and are at various stages of co-creation.
- Under Ukraine Supplemental Funding, ATI awarded three grants in Y2Q2 and greenlighted four to proceed to the next phase. The three grants awarded cover the two key USAID/Kenya Mission focus areas. In the first, mitigating the impact of the global fertilizer shortage, ATI partnered with Sanergy Limited to increase the supply of their organic fertilizer to more than 10,000 smallholder farmers across 37 counties in Kenya. In the second, increasing investments in agriculture capacity and resilience, ATI partnered with iProcure and SunCulture Kenya. iProcure will scale access to agricultural inputs and weather forecasting to 800,000 additional new farmers, and SunCulture will provide new solar irrigation systems to at least 8,179 low-income smallholder farmers, which will help them mitigate impacts of irregular rain patterns and drought. The funding allocated for programming under the Ukraine Supplemental is \$6.8 million, out of which \$3.4 million has been awarded to grantees, with the balance planned to cover the four approved grants.
- In Y2Q2, ATI subcontracted McKinsey to complete a carbon market assessment to help the Government of Kenya and other stakeholders identify gaps and support required for Kenya to scale its carbon market to support community and investor interests. The resulting draft of the Kenya Carbon Markets Activation Plan highlights the regulatory and financial landscape in the carbon space and details different infrastructures needed to bolster private-sector investment and overcome governance barriers.

USAID LIBERIA

Overview: USAID Liberia partnered with ATI to advance the development of the commercial agribusiness sector in Liberia and boost climate finance for a climate change mitigation and adaptation project pipeline in the Gola rainforest. The agribusiness support interventions are two pronged: 1) providing grants to agribusinesses developing and scaling their operations, and 2) procuring three incubators to accelerate early-stage agribusinesses through business development activities. The Climate Finance activity will facilitate investment in a feasibility study on carbon credit or offset projects, forest and ecosystem service conservation, climate-smart and forest-friendly agriculture, forest community livelihood development, and ecotourism.

Funding: Ceiling - \$20,000,000; Sub-obligation - \$6,991,386

Highlights and Key Performance:

- Following the successful capacity assessment exercise in February and follow-up clarifications, ATI cleared 12 Liberian agribusinesses for grant support. The \$9,115,718 in grants are expected to trigger at least \$25 million in sales (\$14 million in exports) and create 5,300 jobs (at least 500 full-time).
- Following a successful Technical Evaluation, ATI selected three sets of incubators (out of 11 who applied) as subcontractors under the Liberia Agribusiness Incubator Development Activity: 1) EDUCARE Liberia (Lead) and South Partnership for Development Consulting, 2) TRIBE, SMART Liberia, and YONER Liberia, and 3) iCampus Liberia. These incubators will strengthen and improve the commercial agricultural sector through technical assistance, co-investment, and improved productivity of Liberian agribusinesses.
- On March 24, USAID Liberia and ATI conducted the Climate Finance Grant Selection Committee, shortlisting four potential grantees. ATI is facilitating the subsequent question-and-answer sessions before commencing capacity assessments. The focus of this APS addendum opportunity is the promotion of conservation, biodiversity, and climate finance projects in Liberia, with an initial focus on the Gola rainforest, increased job creation, and strengthening the commercial sector, especially for women and youth.

USAID LIBYA

Overview: USAID/Libya intends to partner with ATI to develop the investment ecosystem in Southern Libya, in support of the Mission's now-launched Libya Economic Acceleration project (LEAP), designed to promote inclusive, private sector-led economic growth and increase employment opportunities and economic diversification for vulnerable and historically marginalized populations in Libya's south.

Funding: Ceiling - \$500,000; Sub-obligation - \$500,000

Highlights and Key Performance:

- Further development of a Libya BISOW has been placed on hold pending direction from the Mission.

USAID MALAWI

Overview: The USAID Malawi Buy-in Activity provides strategic advice, capacity-building, and facilitation designed to mobilize private-sector investment for cross-sector solutions in the country and with the region. The Buy-in will support private sector-led partnerships and private-sector engagement to cultivate long-term shared values and build access to innovative finance models.

Funding: Ceiling - \$1,325,000; Sub-obligation - \$1,325,000

Highlights and Key Performance:

- The Malawi Mission approved the ATI work plan covering trade, investment, and climate finance activities, along with the corresponding performance indicators and targets. The activities highlighted in the work plan focus on investment, including climate-focused structures, private-sector engagement, and trade. The activities link U.S.-Malawi and regional goals, support high-priority companies, and provide guidance to companies and the Malawi Government. In addition, the technical assistance will support the Mission's activities to enable policies by conducting short-term assessments and capacity-building for companies

and Mission staff, generating recommendations, and developing a path toward more effective trade.

- During the quarter, ATI identified a Trade and Investment Specialist and a Climate Finance Specialist to convene exploratory and introductory meetings with stakeholders, including the National Association of Smallholder Farmers in Malawi, Agriculture Diversification, Malawi Investment and Trade Centre, the Malawi Agriculture and Industrial Investment Corporation of Malawi, and the Renewable Energy Industry Association of Malawi. These meetings helped build a deeper understanding of what is needed to catalyze climate finance activity. ATI also engaged NBS Bank to determine how the activity can create new and effective blended finance models using the resources of NBS Bank, the U.S. International Development Finance Corporation (DFC), USAID Malawi, and USAID Malawi Implementing Partners.

USAID MIDDLE EAST REGIONAL

Overview: The USAID Middle East Regional Buy-in will develop ATI's presence in North Africa by building strategic regional technical programming that will unlock the potential of private capital and trade opportunities in North Africa and drive inclusive growth.

Funding: Ceiling - \$4,058,115; Sub-obligation - \$4,058,115

Highlights and Key Performance:

- This quarter, ATI developed a Buy-in scope of work in support of the below three streams of work:
 - Assess private capital flows into Francophone Africa, as well as investment linkages between North and West Africa, with the objective of increasing U.S. capital flows in Francophone African markets
 - Develop a regional climate finance activity, designed to source private and alternative sources of financing that will support mitigation and adaptation actions addressing climate change objectives in the region
 - Connect high potential North African companies, funds, and projects that offer attractive financial returns and economic development impact with the investment and expertise required to grow their businesses
- ATI developed and issued a request for information (RFI) to better understand the nature of investment flows into Francophone Africa, including the market linkages and investment opportunities between North and West Africa. This knowledge will inform ATI's development of a program that increases U.S. investment in Francophone African markets.

USAID MOROCCO

Overview: USAID Morocco intends to partner with ATI to advance its climate finance program. The Mission also expressed interest in a regional program to support incubators and facilitate investment across the region and the program's deal concierge services.

Funding: Ceiling - \$500,000; Sub-obligation - \$500,000

Highlights and Key Performance:

- ATI developed ten activities for USAID/Morocco’s consideration, with the objective of mitigating climate change through trade and investment. The proposed opportunities include support of a targeted climate finance transaction, climate fund structuring support, implementation of investor delegations in the climate space, and development of a Moroccan pension consortium. Per USAID Morocco’s preference and selection, ATI will develop a BISOW to launch one of the selected activities, in alignment with the Mission’s \$500,000 budget.

USAID NIGER

Overview: USAID/Niger is seeking to facilitate the Government of Niger’s access to international capital, specifically by helping it obtain a second credit rating, which would enable it to issue bonds on the international market. A second credit rating will also reinforce the transparency displayed by the Niger authorities regarding the country’s institutional, macroeconomic, and fiscal profile.

Funding: Ceiling - \$435,400; Sub-obligation - \$435,400

Highlights and Key Performance:

- The program shared its updated Ukraine Supplemental BISOW for programming of \$1.7 million Ukraine Supplemental Funding with the Mission for review in March.

ATI in partnership with GSA completed the following:

- Development of the letter to the commercial teams of credit rating agencies to express Niger’s interest in a second sovereign credit rating; issuance of a request for “reverse pitches” from credit rating agencies S&P (previously Standard & Poor’s) and Fitch, inviting them to present their assessments and assumptions that would translate into Niger’s rating.
- Preparation of a requirement brief to obtain the relevant commercial elements and negotiation with the credit agencies, depending on Niger authorities’ key priorities. The result was a summary paper including a list of advantages and limits for each agency.
- Niger authorities selected S&P as credit rating agency. The contracting process with S&P has begun, with all documents for the kick-off meeting with the agency to be provided by the last week of April 2023.
- S&P will begin its work with preparation of the credit rating review. This review comprises development of a rating application package, creation of a data book, and identification of key focal points within the credit rating task force to gather data. S&P will hold meetings thereafter to walk the Niger Government through the strategy, credit highlights, and discussion points. This process is expected to be completed by the end of July 2023.

USAID RWANDA

Overview: USAID Rwanda's Buy-in aims to increase the capacity of Rwandan financial institutions to develop climate-focused and sustainable banking practices. ATI will provide selected banks and financial institutions in Rwanda in-person training and tools focused on climate financing, climate risk, and carbon footprint metrics, with the goal of developing climate lending capacity and encouraging local banks and financial institutions to set net-zero targets.

Funding: Ceiling - \$633,686 (inclusive of \$250,000 from Prosper Africa); Sub-obligation - \$0

Highlights and Key Performance:

- The USAID/Rwanda Mission provided concurrence on the BISOW on March 28. Pending funding obligation to ATI, ATI will seek COR approval on the BISOW and kick off the activity next quarter.

USAID SAHEL

Overview: The USAID Sahel Regional Office (SRO) Mission aims to expand community resilience to violent extremism by improving social cohesion and promoting governance that delivers services to and improves livelihoods of the population, particularly marginalized communities, in Burkina Faso, Chad, and Mauritania.

Funding: Ceiling - \$15,000,000; Sub-obligation - \$5,000,000

Highlights and Key Performance:

- In this quarter, ATI contracted CrossBoundary and completed a Landscape Assessment report for Sahel. ATI conducted individual country presentations for the USAID/SRO Regional Mission and individual mission Country Representatives in Burkina Faso, Chad, and Mauritania, and responded to initial comments and questions on the content.

Based on the identified number of food security and resilience recommended interventions from the assessment (16 for Burkina Faso, 12 for Chad, and 22 for Mauritania), and noting the limited budget available to program the funds, ATI conducted an in-house Technical Evaluation session to develop a list of the most viable interventions per country. These sessions were guided by criteria based on food security and resilience principles (urgency, scalability, impact), replicability, USAID additionality, and potential implementing partnerships.

ATI completed the analysis and recommended interventions to Burkina Faso and Mauritania Missions for consideration and final selection. ATI will present to Chad next quarter.

USAID SOUTHERN AFRICA

Overview: USAID Southern Africa Buy-in Activity is a large, multi-year partnership mechanism that allows the private sector to co-create and co-invest in development activities that will significantly increase trade within Southern African countries and between the United States and Southern Africa, as well as boost sustainable utilization of African Growth and Opportunity Act (AGOA) in the agriculture and agribusiness sector. The aim is to deepen the market systems approach initiated under the USAID predecessor Southern Africa Trade and Investment Hub (USAID TradeHub). The Activity will address the incentives, behaviors, and relationships that undermine the region's trade competitiveness in three market systems, i.e., the trade-promotion system, the trade-enhancing services system, and the supply-chain management system.

Funding: Ceiling - \$25,000,000; Sub-obligation - \$11,686,649

Funding Ceiling - \$11,000,000; Sub-obligation - \$11,000,000 (Food Security and Resilience)

Highlights and Key Performance:

South Africa

- In this quarter, the Southern Africa Buy-in Activity supported Southern Africa firms and trade promotion service providers (TPSPs) to export \$20,373,062 in agricultural exports to South Africa and the United States. Of these, 25 exports valued at \$12,927,251 were to South Africa, and 14 exports valued at \$7,445,810 were to the United States. These exports were chiefly from Botswana, Eswatini, Lesotho, South Africa, and Zambia.
- South African firms reported ten exports to the United States valued at \$6,592,699. These specialty food exports were reported by BSCG, Rhodes Food Group, Superinga, Cape Honeybush Tea, Pura Beverages, Oryx Desert Salt, Carmién Tea, Banhoek Chili Oil, and Fynbos Fine Foods.

Botswana

- Botswana firms reported four exports to South Africa: irrigation pipes and equipment from Flotek (\$4,032,106), food packaging from Hasta Packaging (\$19,351), organic fertilizer from Organic Fertilizer Manufacturers Botswana (\$80,650), and a sample order of canned tripe from Dune Foods (\$203). DLG Naturals reported one export to the United States under the Africa Growth and Opportunity Act (AGOA) for marula oil (\$28,580).

Eswatini

- Three Eswatini firms made 16 exports. Black Mamba Chili reported two exports: one to South Africa (\$25,737), and one to the United States (\$9,125). NAMBoard made 11 exports (\$47,640). Smiling Through Farming made three exports (\$11,562).

Lesotho

- Lesotho firms reported three exports. Sanlei Trout made two exports of trout, one to the United States (\$813,407) and one to South Africa (\$622,002). Wild Plant Growers made one export of *Perlagonium sidoides* (African geraniums) to South Africa (\$5,000).

Zambia

- Firms in Zambia reported four exports to South Africa: marinade sauces from Traviium Supplies (\$6,000), two exports from EcoBee Natural Products for beeswax (\$24,000) and honey (\$58,000), and brown sugar through the Zambia Association of Manufacturers (\$7,995,000). Luano Honey reported one export of honey to the United States (\$2,000).
- ATI appointed Eco Ventures on February 3, 2023, to support the Southern Africa Buy-in Activity with in-country representatives in 10 Southern Africa countries. Eco Ventures will develop into deal notes concepts received under the Annual Program Statement (APS) and build a more systematic approach to implementing deal notes.
- ATI held a training session on developing concept notes into deal notes in Pretoria, South Africa, on March 14-16, 2023, for the entire Southern Africa Buy-in Activity team. Fourteen deal notes are under development, 13 under the trade market systems Activity, and one under the Ukraine Supplemental initiative.
- ATI reviewed 82 concepts under the APS 01 for Trade Market Systems, with 13 recommended for co-design. ATI has conducted a capacity assessment for one firm, with the

remaining planned for April and May 2023. These firms are collaborating with ATI and Eco Ventures to develop deal notes.

- Under APS 02, ATI held a Grant Steering Committee meeting on January 30, 2023, which reviewed seven concept notes. The committee did not select any concept notes for co-design; they tabled two concept notes for later consideration, but after question-and-answer sessions, decided not to consider them for partnerships. During this period there has been progress with Organic Fertilizer Manufacturers of Botswana (OFMB), which submitted a \$2.5 million concept aimed at increasing the production of quality and affordable organic and organic-blended fertilizer in Botswana to 22,000 metric tons in two years. The deal note is currently under development.
- To improve food security and resilience, ATI partnered with the African Trade Platform (ATP) to establish a \$9.5 million stock finance fund to support 250,000 smallholder farmers and export \$570 million worth of food commodities and products. The ATP fund will assist smallholders and traders in Angola, Botswana, Eswatini, Lesotho, Madagascar, Malawi, Mozambique, Namibia, South Africa, and Zambia.
- The Southern Africa Buy-in Activity hosted capacity-building workshops for AGOA Steering Committees in Madagascar (January 24-25), Angola (March 29), and Lesotho (March 23), reaching 221 participants. ATI also partnered with Catalyze, a TPSP, to host the Regional Business-to-Business (B2B) Networking and Peer Learning Event (March 4-7) in Johannesburg, South Africa, focused on bringing together buyers and suppliers from across Southern Africa, as well as U.S. buyers. The B2B event followed directly after the “Made in the Cape” trade show (March 1-3), organized by the TPSP Wesgro, and was so planned to take advantage of the abundant presence of market actors. The combined events included presentations, one-on-one meetings, informal opportunities to socialize and network, and site visits to successful exporting firms.
- ATI contracted Purpusly, a U.S.-based multi-channel e-commerce marketer, to list 20 Southern African firms under a collective brand known as Africa Fine Foods on Purpusly's four online platforms for a one-year pilot project.
- The ATI Southern Africa Buy-In Activity continues to support firms to address barriers to market entry. In this quarter, five firms applied for cost-share support on trade-enhancing services, mainly certifications to meet international standards. These firms are 260 Brands (Zambia), Forest Fruits (Zambia), MC Ingredients (Madagascar), Condor Anarcadium (Mozambique), and Mozambique Good Trade (Mozambique).

USAID TANZANIA

Overview: USAID/Tanzania will improve food security and resilience through trade and investment specific to Tanzania's fertilizer production and edible oil refinement industries, two sectors that have been highly affected by the effects of Russia's invasion of Ukraine and now operate in significantly weakened food systems. Additionally, USAID Tanzania has used non-food security funding to scale concepts submitted by the private sector under the broader East Africa APS Addendum.

Funding: Ceiling - \$5,500,000; Sub-obligation - \$5,500,000 (Food Security)

 Ceiling - \$750,000; Sub-obligation - \$750,000 (Non-Food Security)

Highlights and Key Performance:

- ATI's COR approved the USAID/Tanzania food security BISOW early in the quarter. In April, ATI will conduct a rapid landscape assessment and release the APS call.
- ATI received nine grant applications totaling \$14 million, which have been queued for a Technical Evaluation Committee review next quarter, at the end of May.

USAID UGANDA

Overview: Through ATI, USAID/Uganda seeks to structure results-based, cost-shared partnerships with the private sector to scale access to inputs, technologies, and food that will significantly increase trade and investment flows, improve food security, and expand employment opportunities for women and youth. Specifically, USAID/Uganda has set out to tackle disruptions in Uganda's commodity and agricultural input markets (such as those of seeds and fertilizer, due to the global food crisis), and to rapidly increase access to these key inputs. The aim is to boost production of food crops and bolster trade to meet domestic and regional food needs.

Funding: Ceiling - \$6,000,000; Sub-obligation - \$6,000,000

Highlights and Key Performance:

- This quarter, the ATI COR approved the BISOW and held two Grant Selection Committees, with a total of eight grantee applications selected for further due diligence and potential award.
- Private-sector partners in Uganda signed grant agreements, with co-funding from the Kenya East Africa Buy-in (\$1.6 million) and the Uganda Buy-in (\$0.8 million).
- Under the Ukraine Supplemental Funding, two firms, Kawacom Uganda and Patasente, will provide 20,000 smallholder farmers with capacity-building in quality production and processing of coffee and cashew nuts, with a total of \$20.8 million in exports expected and at least 3,000 jobs created directly and indirectly.

USAID ZAMBIA

Overview: USAID TradeBoost is a wide-ranging investment project that promotes creation of jobs, improvement in incomes, and participation of women and youth in Zambia's economic development. USAID TradeBoost aims to decrease rural poverty through green growth. The project co-invests with private-sector partners to increase gender-equitable trade and investment for Zambian enterprises domestically, regionally, and internationally, with a focus on trade and investment to and from the United States. To leverage existing enterprise support by USAID Zambia, the project will engage other Zambia-based mechanisms to support market development, technical assistance and trade-deal facilitation, information sharing, investment landscape assessment, and access to finance.

Funding: Ceiling - \$30,000,000; Sub-obligation - \$2,700,000

Highlights and Key Performance:

- During the quarter, USAID TradeBoost signed a memorandum of understanding with the Zambia Association of Manufacturers to enhance collaboration in green growth program implementation. The partnership will advance investment and trade between Zambia's

private sector and the United States and foster a manufacturing sector in Zambia that embraces strong governance standards, protects workers' rights, applies environmentally friendly practices, introduces new technologies, and attracts investment to Zambian enterprises.

- During the quarter, under the Ukraine Supplemental Funding, USAID TradeBoost continued to revise activities under the proposed AfGS/Bechtel/ETG partnership. The proposal from the consortium seeks to set up “seasonal open marketplaces” in Eastern and Central provinces of Zambia to help farmers aggregate maize, soybean, and other crops so they could negotiate better prices with traders. The TradeBoost team conducted two rapid field assessments of the proposed four sites for the seasonal open marketplaces and submitted a request for approval.
- USAID TradeBoost executed three grants with Zdenakie (\$20,000 grain deal), Africa Fertilizer and Agribusiness Partnership (\$499,977 fertilizer deal), and FoxFin Financial Services (\$200,000 macadamia deal), all of which were executed in the quarter.
- The grant with Zdenakie aims to unlock cross-border trade finance and supply opportunities between Zambia and regional countries. Specifically, the grant seeks to assist in aggregating and exporting an estimated 12,000 metric tons of grain (maize and soybeans) valued at \$7.2 million to Kenya and Rwanda within six months. The grant with Africa Fertilizer and Agribusiness Partnership aims to bolster the Zambian fertilizer value chain. The grant will provide an emergency response to ensure that commercial and smallholder farmers have the fertilizers needed to support national food security, and to fortify the local fertilizer trade by facilitating more cost-effective fertilizer imports.
- The macadamia-related grant with FoxFin Financial Services aims to allow the company to access an additional \$4.5 million in investment funds, enabling the transfer of 45,000 macadamia trees from South Africa to Zambia, the installation of solar energy panels in the associated farmland, and the creation of 92 jobs, of which women will hold 75.
- USAID TradeBoost also supported co-financing for two grants. The first is a \$200,000 contribution to the Okavango Capital Initiative under Prosper Africa, which focuses on strengthening rural livelihoods and promoting environmental protection. The second is a \$250,000 contribution toward the African Trade Platform (ATP) grant (which is under the Southern Africa Buy-in and amounts to \$4.75 million). The aim is to enable ATP to co-invest and establish a stock finance facility worth \$9.5 million within the Southern Africa Buy-in. This facility will encourage grain traders and aggregators across the Southern Africa region to export to Eastern and Southern Africa to combat food insecurity.

DC BUY-INS

AFR/EGEA Climate Finance

Overview: The AFR/Economic Growth, Environment, and Agriculture Division (EGEA) Climate Finance Buy-in will support research that deepens understanding of USAID agricultural, food security, and resilience programs' ability to access equitable climate finance. The Buy-in will also unlock opportunities for these programs to scale their contributions to the USAID Climate Strategy targets, which include reducing greenhouse gas emissions by six billion metric tons, mobilizing \$150 billion of climate finance, and improving the climate resilience of 500 million people, while also advancing inclusive, sustainable agriculture-led growth and resilience.

Funding: Ceiling - \$500,000; Sub-obligation - \$500,000

Highlights and Key Performance:

- AFR/EGEA and ATI began climate finance activity with Open Capital Group on January 31 to identify USAID resources and tools to support the USAID Climate Strategy in Africa.
- Open Capital Group, with its partner Climate Policy Initiative, conducted a landscape analysis of existing and upcoming agriculture climate finance-related programs. They also developed a climate finance scoring matrix to assess and prioritize interventions with the highest potential to meet USAID goals. The landscape analysis found that for USAID to have the greatest impact and fill programmatic gaps, it is critical to design interventions that include private and public sector capacity-building, information sharing, and incentivization for climate finance.
- Open Capital Group engaged USAID Missions in Africa to support the development of a climate-programming toolbox, a resource to help USAID scale climate-related initiatives and strengthen contributions to USAID Climate Strategy targets. Missions in Ghana, Liberia, Kenya/East Africa, Rwanda, Zambia, Malawi, Ethiopia, and Niger/Sahel Regional Office shared challenges and opportunities of climate finance programming in the agricultural space and validated that Open Capital Group's proposed tools and resources can be successfully applied or adapted locally. These findings will feed into a Stakeholder Consultation Report that will summarize the challenges and gaps in mobilizing climate finance for climate-smart agriculture in sub-Saharan Africa, lessons learned from implementing programs and instruments, and opportunities for intervention by USAID.

AFR/HEALTH

Overview: The USAID Bureau for Africa's Health Team (AFR/Health) is interested in understanding how AfCFTA can be harnessed to improve health outcomes. Through research, USAID AFR/Health and the USAID Africa Trade and Investment program will analyze AfCFTA's potential to improve health systems across sub-Saharan Africa. The final deliverables will inform policy, advocacy, and programmatic decisions for governments, private-sector stakeholders, and donors, including USAID.

Funding: Ceiling - \$175,000; Sub-obligation - \$175,000

Highlights and Key Performance:

- AFR/Health and ATI kicked off an analysis with McKinsey & Company on March 15 to investigate how to leverage the AfCFTA to improve health outcomes in sub-Saharan Africa.

- McKinsey & Company held a prioritization workshop on March 24 with key stakeholders and experts from USAID and USTR to align on focus areas for the analysis on harnessing AfCFTA for health outcomes. Representatives joined the workshop from various offices in USAID and USTR, including the Africa Bureau Office of Sustainable Development, the Bureau for Global Health, and the Bureau for Development, Democracy, and Innovation. Participants voted to focus the study on regulatory standards and trade barriers in the health product manufacturing landscape. Nigeria and Kenya and their respective Regional Economic Communities (RECs), ECOWAS, and EAC were selected as the focus geographies in which McKinsey will conduct deep dive analyses.
- McKinsey began research on the business-enabling environment for the healthcare sector to explore gaps, challenges, and opportunities to utilize the AfCFTA to improve health systems and outcomes in sub-Saharan Africa. The final deliverables of the study will be used to inform policy, advocacy, and programmatic decisions for governments, private-sector stakeholders, and donors, including USAID.

AFR/WASH

Overview: USAID/AFR Water, Sanitation, and Hygiene (WASH) seeks to improve the financing environment for the WASH sector in sub-Saharan Africa through support to regional institutions, primarily the African Water Facility (AWF), a special fund established in 2004 and managed by the African Development Bank at the request of the African Ministers' Council on Water. The Africa Bureau is exploring areas of collaboration, including supporting project preparation and strengthening the enabling environment for catalytic investment.

Funding: Ceiling - \$500,000; Sub-obligation - \$500,000

Highlights and Key Performance:

- ATI collaborated with the AFR/WASH team to design the activity to be released through a request for proposal (RFP). Once the RFP process is completed, the selected partner will implement a flexible technical assistance program that will help AWF mobilize investment while also strengthening their capacity. This support would be in addition to USAID's planned direct grant to the AWF, which is currently under preparation. This support will complement the AWF grant by providing additional specialized technical expertise to implement its work program.

DDI/GENDEV

Overview: USAID's GenDev office partnered with ATI to advance gender equality and women's economic empowerment (GEWEE), building on proven models for GEWEE in trade and investment programs in North Africa and sub-Saharan Africa. The Buy-in engages GEWEE experts from the private sector and USAID's Bureau for Development, Democracy, and Innovation to provide technical advice and support throughout the design and implementation of ATI's trade and investment interventions to effectively increase gender equality across the program.

Funding: Ceiling - \$6,000,000; Sub-obligation - \$6,000,000

Highlights and Key Performance:

- ATI kicked off the GEWEE Services Activity with the implementing partner, Gender Resources, Inc. (GRI). ATI implemented a robust orientation for GRI to familiarize them

with the ATI program and team. GRI presented its services across the program, including a presentation to the ATI Senior Management Team.

- During this quarter, the USAID GenDev Buy-in supported ten USAID Missions with designing activities to be implemented through the ATI mechanism. The GEWEE advisors reviewed Missions' draft program documents, including BISOWs, and provided recommendations to support the Missions' goal of integrating GEWEE throughout their programming.
- GRI collaborated with ATI to develop a system for responding to on-demand requests to support ATI's GEWEE efforts. Their services will include supporting ATI Buy-ins with inclusive activity design and implementation; contributing to a gender learning agenda; collecting and sharing best practice guides and tools for gender integration in trade and investment; and conducting gender analyses and market research.

GLOBAL HEALTH/CII

Overview: The USAID/Bureau for Global Health's Center for Innovation and Impact (CII) seeks to engage the private sector and employ new financing mechanisms and partnership structures to support local innovations and markets and achieve greater uptake of health services and goods. The USAID/GH/CII Buy-in will work across four workstreams: a health fund, a catalytic grant for faith-based hospitals, Local Market Catalyst for Health (LMC4H) activity, and support for regional vaccine manufacturing.

Funding: Ceiling - \$3,951,741; Sub-obligation - \$3,951,741

Highlights and Key Performance:

Health Fund

- AfricInvest is working to secure investments for the first close target of the Transform Health Fund (THF) in May. The THF identifies and invests in high-impact, proven innovations from the private and public sectors to improve health outcomes in Africa. The \$1 million catalytic capital grant provided by USAID has helped secure soft commitments of \$50 million in public and private capital.

Local Market Catalyst for Health (LMC4H)

- USAID/CII, USAID Southern Africa Bilateral Health Office (USAID/SA BHO), and ATI kicked off the LMC4H workstream on January 10. LMC4H will provide flexible funding to support local organizations that can test or scale market-based or private-sector solutions to address a high-priority health challenge. The challenge addressed the current electricity crisis in South Africa that hampers health facilities' ability to maintain operations and reduces the impact of USG global health investments.

Regional Vaccine Manufacturing

- The Clinton Health Access Initiative (CHAI) with ATI kicked off its grant on February 14 and began analyzing African vaccine manufacturing markets and opportunities by consolidating and upgrading existing analysis. They delivered a draft Market-Shaping Options report, including a demand forecast, a preliminary supply base assessment, and an initial perspective on procurement challenges in keystone countries to African vaccine manufacturing. CHAI's

continued research focuses on key success factors for African vaccine manufacturers to be commercially successful and summarizes the opportunities and challenges African manufacturers are facing.

Power Africa

Overview: Power Africa's Buy-in to ATI will bolster trade and investment to, from, and within the African continent. Activities will support the Power Africa Coordinator's Office and Power Africa interagency partners to provide expanded services to U.S. and African firms, link U.S. and African companies around specific business and project opportunities in key markets, and improve clean energy trade between the United States and Africa. Power Africa's interagency partners have designed and implemented unique services that will be at the core of the U.S.-Africa Clean Tech Energy Network (CTEN) effort. This activity will provide ancillary services and coordination services.

Funding: Ceiling - \$2,200,000; Sub-obligation - \$710,000

Highlights and Key Performance:

- Power Africa, Prosper Africa, ATI, CrossBoundary, and McKinsey & Company kicked off the CTEN activity on March 2. CrossBoundary will increase linkages between U.S. and African clean-tech energy companies around specific market opportunities and technologies. They will investigate African markets for viable, clean-tech energy opportunities, incubate opportunities ripe for U.S. clean-tech investment, and facilitate partnerships between U.S. and African stakeholders. In addition, CrossBoundary will manage participation in trade shows, matchmaking events, and networking opportunities, promote new business partnerships, and increase clean energy trade between the United States and Africa.
- CrossBoundary engaged in rapid research, analysis, consultations, and work planning. They are assessing the impact of potential activities, ease of implementation, and budget. One priority programming area, for example, is bridging information gaps by creating market-entry information packages for U.S. companies. This work supports the CTEN in identifying U.S. clean-tech companies and supporting their entry into sub-Saharan Africa energy markets.