



USAID
FROM THE AMERICAN PEOPLE

PROSPER AFRICA

A U.S. TRADE AND INVESTMENT INITIATIVE



USAID AFRICA TRADE AND INVESTMENT PROGRAM

QUARTER 3 YEAR 1 (Q3Y1) PROGRESS REPORT
APRIL 1, 2022 – JUNE 30, 2022

A CONTINENTAL SCOPE

The USAID Africa Trade and Investment 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, this continent-wide program will expand and accelerate two-way trade and investment between African nations and the United States.

TO FUNDAMENTALLY TRANSFORM MARKETS

The USAID Africa Trade and Investment program works hand-in-hand with the private sector to identify opportunities that deliver on USAID's impact, bring value to the private sector, and position the continent for future growth.

The USAID Africa Trade and Investment program works closely with the private sector to shape activities that unlock business opportunities, particularly those that drive trade and investment with African markets.

What the USAID Africa Trade and Investment Program Offers

MARKET INTELLIGENCE, ASSESSMENTS, AND FEASIBILITY STUDIES

Mapping of trade and investment opportunities



MARKET LINKAGES AND TRADE SERVICES

Trade competitiveness support, matchmaking, transaction support



FUND AND FINANCIAL INSTRUMENT DESIGN AND STRUCTURING

Fund/instrument structuring, capital raising support



FINANCIAL ADVISORY SERVICES

Feasibility studies, transaction advisory, capital markets advisory



CAPACITY-BUILDING SERVICES

Technical assistance, improving access to finance



POLICY AND REGULATORY SERVICES

Policy analysis, regulatory impact assessments, reform support



TOPLINE ACHIEVEMENTS

PROGRAMMATIC



- USAID Administrator Samantha Power launched the **\$30 million TradeBoost Zambia** activity. TradeBoost Zambia will improve market intelligence, increase investment in local businesses, and provide targeted trade facilitation support to Zambian businesses to help them reach regional and international markets.
- The USAID Africa Trade and Investment program supported USAID with the Democratic Republic of the Congo (DRC) Mining Week and the Battery Gigafactories USA 2022 conference. Three U.S. senators and multiple major U.S. corporations—including Tesla, Google, and General Motors—attended these sector-focused events, highlighting the importance of Africa-U.S. trade in critical minerals. The USAID Africa Trade and Investment program facilitated negotiations for **\$116 million in follow-on trade and investment deals**.
- In Q3Y1, the program identified and is currently supporting a total of **113 deals** worth **\$19.2 billion**, of which 78 are investment deals and 35 are trade deals. This brings total the number of deals facilitated to date to 135 (92 investment and 43 trade) worth \$20.3 billion.

OPERATIONAL

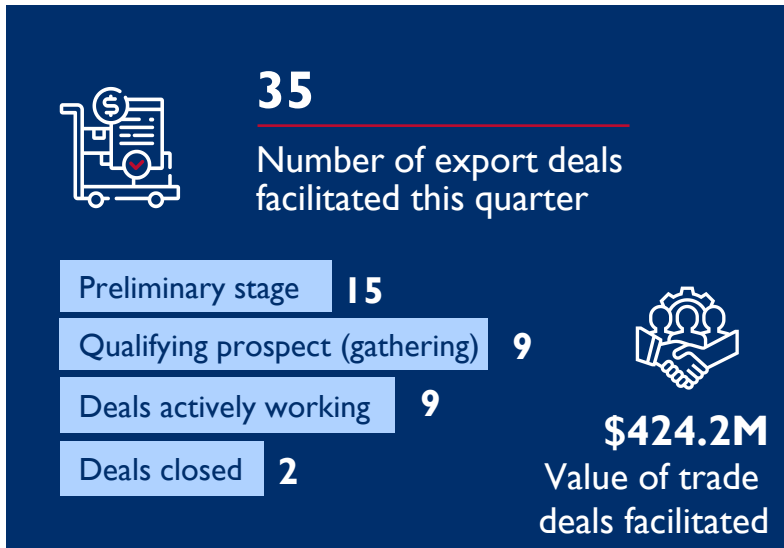


- **Offices:** The Johannesburg office is operational, and staff are working under a hybrid model. In Kenya, the program is expected to move into its office space in early August 2022.
- **Recruitments:** The Kenya office has 20 staff on board, and recruitment for four additional staff is underway. The South Africa office has eight staff, with recruitment in progress for four staff.

TOPLINE ACHIEVEMENTS: Deal Opportunities

In Q3Y1, the USAID Africa Trade and Investment program facilitated trade and investment opportunities through two Annual Program Statement addenda, the Trade and Investment Landscape Assessment, and ongoing partner research and engagement.

TRADE



INVESTMENT

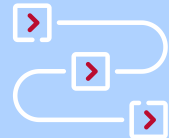


EXPECTED AND REALIZED OUTCOMES

- Increased resilience and food security through increased exports and trade within Africa
- Mining export capacity of African firms strengthened
- New intra-Africa and U.S. markets secured, increasing export capacities and production by African firms
- Improved locally led development initiatives as more firms participate in local economy



- Increased investment in Africa, especially on agriculture and food security
- Increased investor confidence through credit assurance and guarantee schemes
- Established investment opportunities for U.S. firms in line with Prosper Africa objectives



SPOTLIGHT: Responding to the Food Resilience Crisis



CHALLENGE

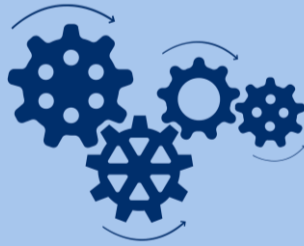
Before Russia's invasion of Ukraine, African countries imported roughly 30 million tons of wheat and maize from Ukraine. Now, many African countries are facing a maize deficit. Zambia, on the other hand, is experiencing a maize surplus. Now, the country has lifted its export bans on maize, and Zambian maize sellers have identified Kenyan and Rwandan buyers interested in importing their maize. Closing these deals, however, requires that both the suppliers and buyers secure letters of credit from their banks, which can take months, in part due to onerous credit security requirements.



SOLUTION

The USAID Africa Trade and Investment program structured and accelerated two export deals to respond to the growing food crisis. The first deal included grants with two Zambian grain trading companies—Zdenakie and NewGrowCo—to export 17,500 metric tons of maize and soybeans valued at \$8.5 million to Kenya and Rwanda. To scale these deals, the program is structuring a revolving credit facility that will give Zambian grain traders the financing to buy, aggregate, and export grain quickly.

SPOTLIGHT: Responding to the Food Resilience Crisis



OUTCOMES

The deal closures aligned with USAID Administrator Samantha Power’s inaugural trip to Zambia and Malawi. As such, she was able to announce the deals during her trip. Thanks to the program’s robust communication support in advance of the announcement, the deals received extensive coverage in national and international media. These stories highlighted how the deals can strengthen food resilience, which is critical given Putin’s war on Ukraine and anticipated climate-related shocks. In addition, given the scalable nature of revolving credit facility, the USAID Africa Trade and Investment team anticipates that exports could reach an additional 30,000 metric tons.

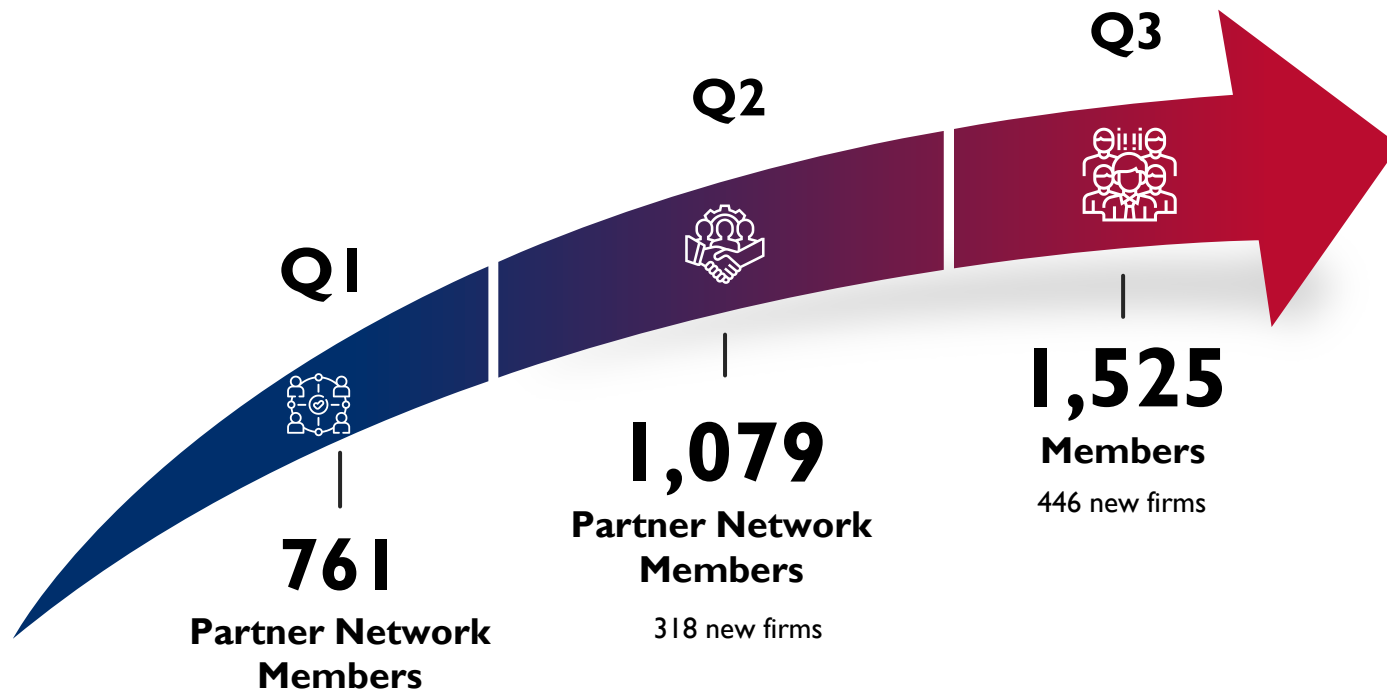


LESSONS

Early coordination and close collaboration with USAID Missions and the Prosper Africa Secretariat enhanced external communications and accelerated outreach efforts. The team can replicate this approach to achieve its communication goals on future high-level engagements. In addition, structuring country-level trade and investment deals that could be scaled to a continental level was a good demonstration of the power of USAID Africa Trade and Investment program’s continental approach to amplify bilateral buy-in activities.

THE PARTNER NETWORK: Growth

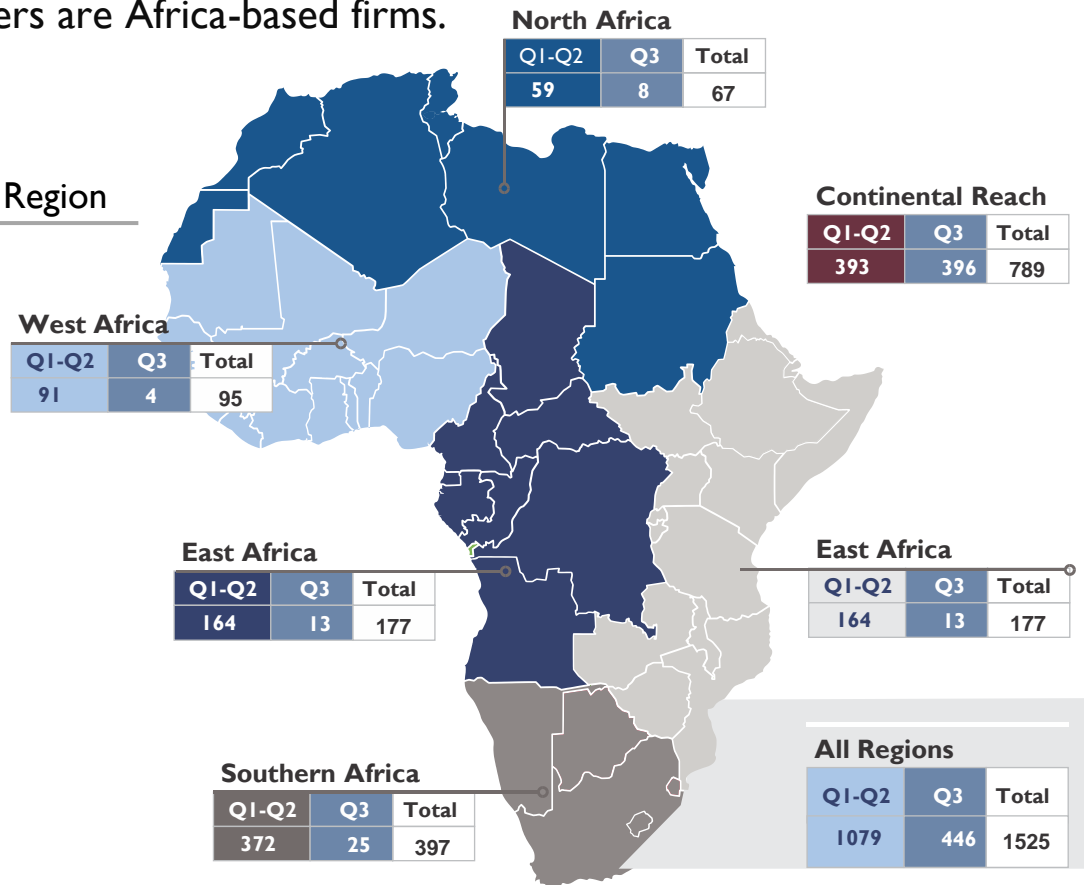
The USAID Africa Trade and Investment program's Partner Network added **446 partners** in Q3Y1, bringing the total membership to 1,525 (up from 1,079 in Q2Y1). The network continues to grow thanks to active research, network building, prior USAID project networks, and word-of-mouth. The launch of the USAID Africa Trade and Investment program grants and subcontracts hub (atiprogram.com) has also increased visibility and reach, resulting in new sign-ups.



THE PARTNER NETWORK: Reach

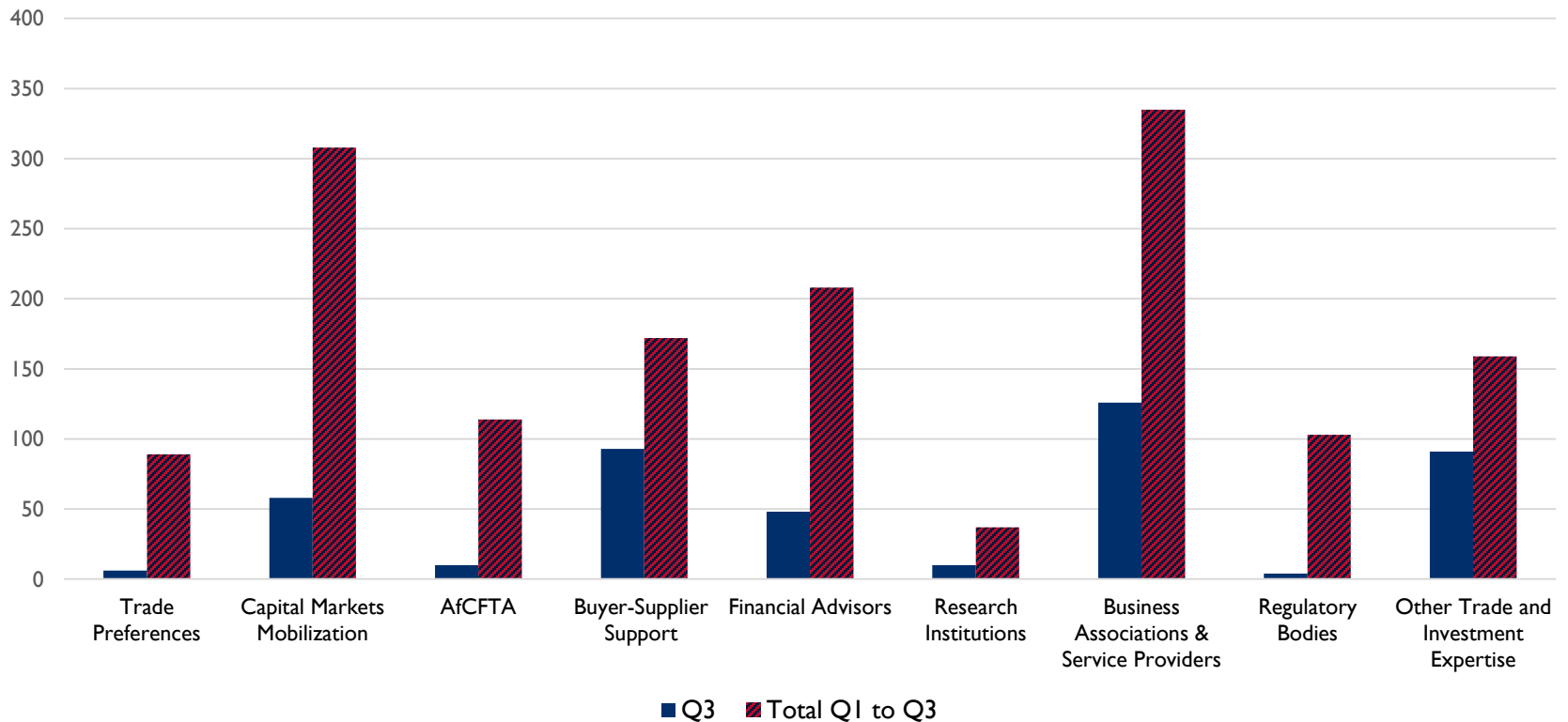
The Partner Network includes export firms, transaction and financial service providers, regulators, investors, diaspora organizations, trade associations, and more. They represent 74 countries worldwide and all regions across the African continent. An estimated 57 percent of the partners are Africa-based firms.

Partner Data by Region



THE PARTNER NETWORK: Partner Expertise

PARTNER NETWORK BY AREA OF EXPERTISE



Other trade and investment expertise includes fund managers, sovereign credit rating agencies, financial advisors, research institutions, accelerators, communications firms, government regulatory agencies, associations, and manufacturers.

USAID BUY-INS: Overview

In Q3YI, the USAID Africa Trade and Investment program secured **six new buy-ins**—the Global Health Bureau, USAID/Malawi, USAID/Niger, USAID/Southern Africa, USAID/Tanzania, and USAID/Zambia. In addition, the program maintains a robust pipeline of potential buy-in opportunities across USAID Missions.

6

New active buy-ins in Q3YI

15

Total active buy-ins

\$8.5M

**Value of new active
buy-ins in Q3YI**

\$37.5M

Value of all active buy-ins

GRANTS: Overview

Since its inception, the USAID Africa Trade and Investment program has released three addenda to its continent-wide Annual Program Statement. The first addendum was for East Africa; the second focused on tech opportunities in the DRC. In Q3YI, the program released its third addendum, for the Prosper Africa Catalytic Funding opportunity.

The Response to the Annual Program Statement: Kenya East Africa Addendum in Q3YI

- **47 concepts** received through the Annual Program Statement, 18 of which were rejected at initial screening for failing to meet grant guidelines and eligibility criteria.
- **29 concepts** advanced to the Technical Evaluation Committee (TEC).
- **9 concepts** moved to the next round of evaluation (i.e., submitting a full application to the program team).
- **1 concept** received USAID approval to move to award.

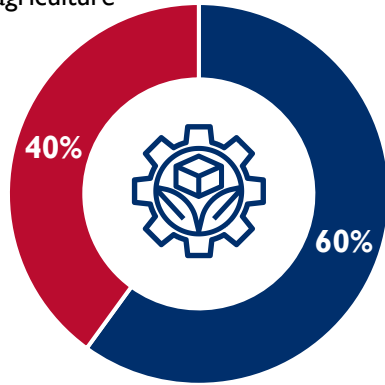
New Opportunity Released in Q3YI: Prosper Africa Catalytic Funding Facility

- **Purpose:** This addendum invites concepts from financial intermediaries—such as fund managers and financial institutions—across sub-Saharan Africa that can use USAID's grant capital to reduce risk, build track records, and scale financial offerings to businesses on the continent.
- **Grant values:** \$250,000 to \$425,000

GRANTS: The Data

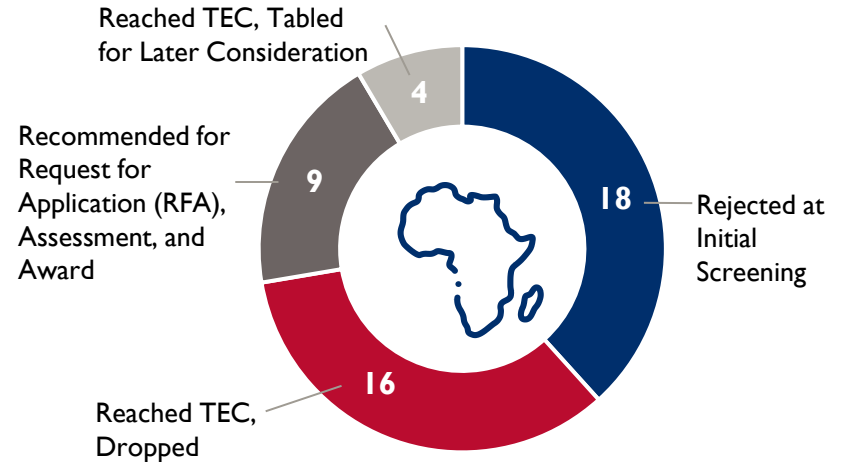
GRANT APPLICATIONS BY MAIN SECTORS FOCUS

Non-agriculture



Agriculture

GRANT APPLICATIONS BY REVIEW OUTCOME



Total Applicants Received by Sector

 Agriculture	28	 Other creative sector/Defense/Garment	3
 Health	3	 Tourism	2
 Manufacturing	5	 Logistics	1
 Education	2	 Energy	3

47
Total received

SUBCONTRACTS: Overview

In Q3Y1, the USAID Africa Trade and Investment program released three requests for information (RFIs), seven requests for proposal (RFPs), and six requests for task order proposals (RFTOPs.) The program also issued two task orders to partner McKinsey & Company.

PROCUREMENTS RELEASED – 13



PROPOSALS RECEIVED – 65



SUBCONTRACTS ISSUED – 2



SUBCONTRACTS VALUE – \$1,424,684.67



Submission Date: July 30, 2022

Contract Number: 7200AA21C00056

Activity Start and End Date: 09/25/2021 – 09/24/2026

Contracting Officer's Representative: Patterson Brown

Submitted by:

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Kristi Ragan, DAI, Chief of Party
Patterson Brown, USAID, Contracting Officer's Representative

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