



# Private Sector Engagement Spotlight on Co-creation: Feed the Future Partnership for Sustainable Supply Chains

**Co-creation** can take many forms, ranging from a series of phone calls with a prospective partner to a structured, facilitated series of workshops with many partners.

**A Global Development Alliance (GDA)** is one way USAID works with the private sector to co-create and implement market-based solutions to key development challenges.

**The GDA Annual Program Statement (APS)** is an invitation to the private sector and other potential partners to co-create such solutions with USAID. After exploring whether and how their interests align, USAID and the private sector jointly develop market-based approaches aimed at achieving their business and development interests.

**To learn more** about the co-creation process under the GDA APS, visit [www.usaid.gov/gda/co-creation-process](http://www.usaid.gov/gda/co-creation-process) or contact [gda@usaid.gov](mailto:gda@usaid.gov).

**To Explore** additional Private Sector Engagement (PSE) resources visit [www.usaid.gov/work-usaid/private-sector-engagement](http://www.usaid.gov/work-usaid/private-sector-engagement) or contact the USAID PSE Hub at [globalpartnerships@usaid.gov](mailto:globalpartnerships@usaid.gov).

## A Long-standing Partner Expands Market-Based Solutions

How did **Root Capital**, a non-profit social investor in agricultural enterprises, use the GDA APS to co-create an alliance with multiple USAID Missions to minimize the impact of the COVID-19 pandemic on smallholder farmers and global supply chains?

### Opportunities, Challenges, and Aligned Interests

Root Capital, a USAID partner since 2013, approached the Agency in 2020 with a plan to address a shared interest: providing access to much-needed financing for coffee growers and other farmers in the aftermath of the pandemic. A new partnership between USAID, Root Capital, Keurig Dr Pepper, and Ezra Charitable Trust, would expand on the successes of the previous GDA, [Partnership for Sustainable Coffee](#). Given that the economic impact of COVID cuts across many sectors, the new alliance went beyond coffee. The new GDA, [Feed the Future Partnership for Sustainable Supply Chains](#), will help small agribusinesses in 11 countries in Latin America, Sub-Saharan Africa, and Asia. The partnership will provide business advice, debt relief, and a resilience grant fund to help these businesses navigate operational uncertainties and limited connectivity to markets created by the pandemic. With this support, businesses can continue to serve, and buy from, smallholder farmers in their communities, including those who grow food crops, coffee, cocoa, soy, and vanilla. In 2020, the alliance [lent over \\$22.6 million to 143 businesses](#), even as the pandemic plunged the global economy into a sharp recession. Over the next five to ten years, a growing pipeline of investment-ready agricultural enterprises is expected to emerge.



#### INITIATE

Do we have something to talk about?

#### EXPLORE

Identify aligned interests

#### DIG DEEPER

Develop market-based approaches

#### MAKE A PLAN

Determine roles and responsibilities

#### COMMIT

Formalize partnership with appropriate agreements

#### COLLABORATE

Continue co-creative spirit throughout implementation

Phases of co-creation



USAID



## Good Co-creation Practices

**Dialogue with Missions early and often.** Coordinating implementation across 11 USAID Missions with differing budgets, priorities, and contexts was a challenge. Though it required considerable effort, RFS provided critically important space for the Missions to call in and ask questions, and ensured that co-creation activities and project design were approved by the Missions; as a result, the GDA is Mission-driven, and stronger.

**Interagency cooperation.** The GDA has three components: advisory services, debt relief, and a grant fund. Because of USAID's close association with the U.S. International Development Finance Corporation (DFC), the GDA helped unlock a \$35 million loan guarantee for Root Capital's loans to small and medium-sized agricultural enterprises.

**Consider and adapt to partners' challenges.** Root Capital approached USAID with a solid proposal based on its understanding of how USAID operates. However, Keurig Dr Pepper initially hesitated because they had already committed their funds for that year. Because of the strong ties that Root Capital and USAID had with Keurig Dr Pepper, USAID and Root Capital could quickly revise, tailor, and present a proposal to Keurig leadership that was accepted. Root Capital, also brought on board Ezra Charitable Trust, a new private sector partner to support the alliance.



## Lessons Learned

**Expediting funds.** In response to urgent needs brought about by the COVID pandemic, USAID found new ways to release funds to support the GDA. By co-creating the development approach, Ezra Charitable Trust, Keurig Dr Pepper, Root Capital, and USAID were able to find operational solutions to make the alliance work for each partner.



## The Co-creation Value Proposition

**Partner-initiated dialogue.** The previous GDA and the existing relationship among partners provided an opportunity for Root Capital to initiate a new concept and a new partner to the alliance.

Learn more about the [Feed the Future Partnership for Sustainable Supply Chains](#)



### About the United States Agency for International Development

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