LESSONS LEARNED: PRIVATE SECTOR ENGAGEMENT ON LAND & GENDER

INTEGRATED LAND AND RESOURCE GOVERNANCE TASK ORDER UNDER THE STRENGTHENING TENURE AND RESOURCE RIGHTS II (STARR II) IDIQ

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LIST OF ACRONYMS

AU	African Union
CFS	Committee on World Food Security
CSR	Corporate social responsibility
ESG	Environmental, social, and governance
FPIC	Free, prior and informed consent
GBV	Gender-based violence
IDIQ	Indefinite Delivery/Indefinite Quantity
IEC	International Electrotechnical Commission
IFC	International Finance Corporation
ILRG	Integrated Land and Resource Governance
ISO	International Organization for Standardization
KPIs	Key performance indicators
NGO	Non-governmental organizations
OECD	Organization for Economic Cooperation and Development
PSE	Private sector engagement
PPP	Public-private partnership
RAI	Responsible Investment in Agriculture and Food Systems
RIPL	Responsible Investment in Property and Land
RSPO	Roundtable on Sustainable Palm Oil
SDGs	Sustainable Development Goals
SME	Small and medium sized enterprise
STARR II	Strengthening Tenure and Resource Rights II
UN	United Nations
UNECA	United Nations Economic Commission for Africa
UNECE	United Nations Economic Commission for Europe
UNGPs	United Nations Guiding Principles on Business and Human Rights
USAID	United States Agency for International Development
VGGT	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security
WEE	Women's economic empowerment

1.0 INTRODUCTION

Private sector engagement (PSE) is a key strategy for the United States Agency for International Development (USAID). Under this approach USAID "consults, strategizes, aligns, collaborates, and implements" with the private sector to leverage US government investments for greater scale, sustainability, and effectiveness, while also strengthening market-based systems in developing countries and contributing to economic growth and employment (USAID, 2022). Working with the private sector, USAID can demonstrate that investing in local development can be good for both a company's bottom line and the wellbeing of communities. This brief explores USAID experiences partnering with the private sector to advance land tenure security and gender equality and women's empowerment across five countries under the Integrated Land and Resource Governance (ILRG) activity (2018-2023).

Public-private partnerships (PPPs) are just one element of private sector engagement. USAID defines public-private partnerships as an arrangement between public and private sector entities to "share risks, and rewards in the delivery of services and infrastructure. Characterized by joint planning, joint contributions, and shared risk, PPPs are an opportunity to leverage resources, mobilize industry expertise and networks, and bring fresh ideas to projects" (USAID, 2022). The catalytic role of the private sector is well recognized in agricultural production because it contributes significantly to input delivery, storage and processing, transport, transfer of technical competencies to producers, and sale of commodities to national and international markets. Yet partnerships with the private sector on broader development goals, such as land tenure security or women's empowerment, that have positive but diffuse downstream impacts on company profits, require significant effort to align visions, interventions, and outcomes. For example, some broad public-private partnerships have promoted policy and legal reforms around land governance to improve the business enabling environment, the enforceability of commercial land rights,[1] and land markets. However, companies working in the agriculture sector may be wary of getting involved in policy issues around land tenure reform, which they see as outside of their core business interest. While women's empowerment is oftentimes an easier entry point, many private sector efforts are confined to corporate social responsibility (CSR) initiatives, rather than fully integrated into commercial supply chain operations. Many private sector entities may not have considered how proactively resolving land disputes and gender-responsive sourcing approaches can positively impact their bottom line. This is where public-private partnerships can help. USAID has done much work in this area and can help the private sector effectively engage on land rights to de-risk investments and improve community relations[2], as well as empower women through increased land literacy, land registration work and by providing linkages to expanded access to finance.[3]

Through private sector partnerships under ILRG, USAID has generated a series of lessons on approaches to proactively work with companies to strengthen land security for rural populations, while also empowering women and expanding their access to agricultural supply chains. This brief documents approaches employed, focusing on private sector engagement in sectors and supply chains linked to land-based investments.[4] This includes partnerships to clarify land rights and access issues, as well as those that combine engagement on land with efforts to increase women's access to productive

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[1] For examples of these broader enabling environment initiatives, see The World Bank Doing Business project and its successor Business Enabling Environment (BEE) work, or IFC's Climate Business work.
[2] For example, see USAID's Colombia Land for Prosperity project.
[3] For example, see USAID's Kosovo Property Governance Activity.
[4] This brief does not focus on other types of USAID private sector engagement, including engagement on women's empowerment objectives outside of the land sector, impact investing, and market systems development. For examples of other types of USAID private sector engagement, see USAID's Engendering Industries, USAID-Microsoft Airband Initiative, and USAID INVEST.

resources, agricultural inputs, and global supply chains. It is designed for USAID program staff and implementers who are attempting to facilitate private sector partnerships on these issues and sectors.

The brief opens by framing the rationale for private sector engagement on land tenure, gender equality, and women's empowerment and shares best practices and promising approaches. Next, it describes the varying structural design elements of public-private partnerships within the USAID ILRG activity and what impact each of these design choices had on partnership implementation. Third, it outlines both the successes experienced in the nine private sector partnerships under the USAID ILRG program as well as the lessons learned. Finally, it concludes with recommendations for other donors looking to engage with the private sector around land, gender equality, and women's economic empowerment (WEE).

2.0 THE CASE FOR PRIVATE SECTOR ENGAGEMENT ON LAND

Secure land tenure and property rights help create a stable enabling environment for private sector investment. They reduce political, economic, and social risks that companies face when they own property in a country. In addition to securing company rights, they allow suppliers and key stakeholders to secure their own rights, decreasing risk and supporting a more stable supply base. If businesses take property rights into consideration when making investment determinations, they should consider how addressing those rights for their suppliers might improve supply chains. Supporting work that strengthens the enabling environment for strong property rights can encourage investment, spur innovation and the productive use of resources, reduce conflict, help companies meet global standards, and enhance and protect company reputation.

2.1 BENEFITS

ENCOURAGES INVESTMENT: For agriculture firms, secure tenure helps strengthen supply chains by increasing farmers' incentive to invest in their land, which can boost productivity and profits. If farmers know they will be able to access their fields season after season, they are more likely to invest in on-farm technology like drip irrigation, tractors, and improved seed varieties (Deninger, 2003; Goldstein and Udry, 2008; Abduali, Osusu and Goetz, 2011). Secure land rights can also encourage farmers to expand commodity cultivation onto more land, or purchase additional plots, knowing they will not lose their rights to use this land in the future. Documented land can, under some conditions, also serve as collateral, potentially expanding farmer access to credit for farm investments (Manysheva, 2022; USAID, 2016a; Field and Torero, 2011). Increased investment can improve both the quantity and quality of goods produced, which helps a company's bottom line. Beyond direct supply chain impacts, a stronger legal framework for land tenure and property rights is central to creating a better enabling environment for business investments. Indeed, there is a large body of evidence supporting a positive link between secure property rights and economic growth (Locke, 2013).

Husband and wife eucalyptus farmers look at land documentation for their farm in Mozambique.

RICARDO FRANCO

SPURS INNOVATION AND PRODUCTIVE USE OF RESOURCES: Secure rights create incentives for sustainable use of land and natural resources. When people do not have secure rights to access land, water, or forest resources, they are more likely to treat them as disposable. For instance, 50 percent of forests in developing countries have insecure tenure, one driver of deforestation (USAID, 2016b). If farmers rent or have insecure land tenure, they are less likely to leave part of their land fallow for fear of others claiming unused land (MCC, 2020; Stevens, 2022). Secure land and resource rights thus help companies ensure a stable and high-quality supply base for agricultural and forest-based inputs. This reduces time and costs associated with finding new sourcing regions to maintain input supply, as well as helps meet international sustainable sourcing requirements, including deforestation free supply chains.

REDUCES CONFLICT: Helping farmers secure their tenure rights may also be also a form of risk reduction for companies, ensuring they do not spend considerable time, financial, and human resources on tenure disputes. Resolving land disputes between communities and companies over land access, use, and ownership can reduce tensions, promote stability, and create a better enabling environment for investment and growth. It also means farmers have more time to devote to farming and working to increase their productivity. On the other hand, failing to address these land-related risks can lead to delays in commercial operations and increased costs (Fyertag and Bowie, 2021; David and Franks, 2014). It can result in legal fines or lawsuits for violating land ownership agreements, supply chain disruptions due to conflict with suppliers, and limited access to commodity sourcing areas (Boudreaux, Vhugen and Walter, 2017). However, in some contexts companies may face increased political risks by entering into discussions about community land rights. It is important for companies to understand the tradeoffs between addressing and not addressing supply chain related land tenure conflicts, including engaging in disputes between government and local communities. The risks associated with investor (as well as smallholder and community) access to land will likely increase in coming years as countries try to attract investment in the clean energy transition or the green economy more broadly. Therefore, it is in the company's interest to understand land tenure risks and better mitigate and address these risks head on.

Agroforestry firm Grupo Madal community outreach officer helps farmers document their land in Mozambique.

RICARDO FRANCO

MEETS GLOBAL STANDARDS: Addressing tenure issues in supply chains also helps companies meet industry standards, like Roundtable on Sustainable Palm Oil and Bonsucro certification, which include content on land rights. Similarly, the United Nations Guiding Principles on Business and Human Rights (UNGPs), that 90 companies report on, include references to ensuring laws and policies support rights to ownership and use of land to "protect both rights-holders and business enterprises." With increasing international standards to ensure supply chains are free from corruption, exploitation, and abuse, secure tenure arrangements can help with product traceability. By ensuring smallholder producers hold clear rights to work their land, companies minimize the risk of coercion or exploitation over land access and use between landowners and tenant farmers within their supply chains. Standards are also increasingly recognizing that rights concerns extend beyond formal legal rights, with requirements for companies to not infringe on customary and other forms of (often) undocumented rights. Women/girls are often disproportionately affected by land acquisitions that don't follow international standards. Better outcomes for women/girls can be achieved through proactive empowerment activities with the private sector, but also through an approach of ensuring more responsible, inclusive land investments. Finally, consumers in some Western markets, especially of food and beverage products, have demonstrated an interest in buying from brands and companies that have clear commitments to sustainable and inclusive supply chains, though most consumers are unlikely to be aware of land tenure constraints.

ENHANCES AND PROTECTS REPUTATION: When companies help farmers secure land use rights, they also build their brand image and loyalty within the community. This can help firms secure a reliable producer base year after year, especially in areas where there are multiple firms that farmers can choose to sell to. On the other hand, companies risk perpetuating a negative reputation within commodity sourcing regions if they fail to respect community land rights or fail to address long standing community grievances around company land use. This reputational risk has real business costs for firms, both in terms of attracting and maintaining a supplier base, as well as consumer perceptions of the company.

2.2 CHALLENGES

Yet engaging on land rights can present a particular challenge for private sector entities.

- They may be wary of **getting involved in domestic policy issues**, specifically on land rights which is often a politically sensitive issue, and hesitant to push for reforms for fear of jeopardizing their operating capacity in a country. This may be a particularly acute tension for multinational firms, who often lack the local context knowledge to navigate the policy space. They may view advocacy efforts as outside of their business mandate.
- The **shifting regulatory environment** on deforestation free commodities may limit a company's ability to work on innovative services such as land tenure. A greater share of company budgets is now being used to comply with new environmental, social and governance compliance, which may come at the expense of other priorities.
- Land services and documentation are a **public sector service** that is often highly bureaucratic, so companies may simply not have an interest in getting involved in individual delivery of public services. While companies may be willing to get involved on issues of public utility delivery that impact daily company operations, such as electricity or water, they may view land services as a less urgent matter with more downstream impacts on company operations.
- Some private sector actors have been past **perpetrators of large-scale land acquisition** and subsequent **displacement of local populations**. These actions contribute to mistrust and even conflict with local communities. A study looking at 37 private sector investments in sub-Saharan Africa found that two-thirds of disputes between companies and local communities were the result of land displacement, when communities were forced off their land by private firms, often without appropriate compensation or prior consent (TMP Systems and Rights & Resources Initiative, 2016).
- Even when a company has not been a perpetrator of past land grabbing, there may be an overall **community distrust** of the motivations of companies, especially foreign companies.
- As private sector partners engage on land issues, they may **find latent conflicts they did not know existed and do not know how to solve**, or issues that are beyond their manageable interest or capacity.

2.3 OPPORTUNITIES

USAID believes that securing land and property rights can unlock multiple development objectives, including increased investment, reduced conflict, expanded livelihood opportunities, improved food security, and enhanced climate change resilience (USAID, 2016b). Land and resource governance/rights thus represent a critical gap and opportunity for increased public-private partnerships, but one where private sector companies and communities have particular sensitivities. Private sector partners bring market knowledge, local connections, and additional scale and outreach capacity to reach development goals. USAID, meanwhile, brings policy and community engagement expertise to help companies navigate the land tenure space and related development sectors like agriculture, food security, economic growth, climate, and gender equality and women's empowerment. USAID can support private sector partners, particularly US businesses, to understand the specific laws and policies related to land and land-based resources and how these may affect business operations, or coordinate policy efforts across multiple private sector firms operating in a country. USAID can also help private sector partners de-risk new investments or riskier areas of work by providing upfront capital, community and local stakeholder engagement, and technical support around national land tenure and property rights challenges.

Partnership can help bolster public image; by working with the private sector, USAID enhances its image as a leader in innovative private sector engagement, market systems approaches, and sustainable use of taxpayer dollars, and the company enhances its brand image, including its corporate sustainability image, and helps meet some environmental, social, and governance (ESG)-related requirements and commitments by supporting projects that are good for both local development outcomes and their bottom line. The USAID name can help build trust between the company and communities by acting as a third party that can prioritize communities' interests.

BOX 1. Public and private sector initiatives around responsible land-based investments

- The Interlaken Group is made up of private sector firms, investors, development finance institutions, and non-governmental organizations (NGOs) committed to scaling up strategies to help secure land tenure and resource rights within supply chains.
- The Roundtable on Sustainable Palm Oil (RSPO) has rolled out supply chain wide certification standards, paying special attention to land tenure issues and requiring growers to demonstrate proof of ownership for palm oil cultivation.
- Bonsucro, the global sustainability platform for sugarcane, has industry wide certification standards, including production guidelines for working with smallholder farmers, where companies must demonstrate that the smallholders they work with have clear titles to land and water rights.
- The Consumer Goods Forum supports the Sustainable Supply Chain Initiative, which includes benchmarks for ensuring supply chain producers can demonstrate the right to use land.
- The Sustainable Agriculture Initiative Platform works to support a sustainable agriculture sector and secure supply chains, including commitments to respect the traditional use of land and ensure local land rights are recognized.
- Land Matrix monitors and publishes data on land acquisitions in low and middle income countries to promote transparency and accountability over large scale land acquisitions.

This work does not start from scratch. There are a number of global principles and guidelines in place to help shape the global rules of the game around land tenure and resource rights. The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security (VGGT) were drafted through a multi-stakeholder process and inter-governmental negotiations and endorsed by the Committee on World Food Security (CFS) in 2012 to help improve food security and sustainable development by securing land tenure and resource rights (FAO, 2012). The United Nation (UN) Principles for Responsible Investment in Agriculture and Food Systems (RAI) were developed by the CFS in 2014 to promote responsible agricultural investments, including the need to respect legitimate tenure rights (FAO, 2014). The African Union (AU) Guiding Principles on Large-Scale Land-Based Investments in Africa were developed in a parallel process in 2014 by United Nations Economic Commission for Africa (UNECA), the AU, and the African Development

Bank to improve land governance and promote secure land rights to increase productivity and environmental protection in Africa (UNECA, 2014). These three principles spawned a number of subsequent land tenure global initiatives, including the Landesa Responsible Investment in Property and Land (RIPL) project (Landesa, 2022), the Interlaken Group, Land Matrix, and USAID's Operational Guides for Responsible Land-Based Investment (USAID, 2015). These initiatives have begun to provide a foundation for private sector engagement efforts in the land space to ensure that sector-wide lessons learned are built upon and utilized. Indeed, the lessons shared below reflect how partnerships have developed in practice, often using the above tools during the negotiation or implementation stage.

Finally, globally-recognized standards such as the UNGPs, Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, and International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability include provisions related to land tenure and resource rights. Many food, beverage, and agriculture companies have commitments related to these standards.

- **The UNGPs**: While the UNGPs are broader than land, they do acknowledge how failure to understand, address, or mitigate land tenure related risks contributes to compliance issues for companies. They specifically note that companies can contribute to negative impacts on land rights in three ways (Shift Project, 2021): First, they may contribute to land tenure disputes if they acquire land from the state or third party and do not conduct sufficient due diligence to ensure they are not competing claims to the land. Second, they may cause conflicts if they conduct resettlement operations on acquired land without sufficient due process, including free, prior and informed consent (FPIC). Third, companies may purchase commodities from growers or commodity traders without sufficient transparent sourcing criteria to ensure that smallholders have legal rights to use the land they farm free from coercion or exploitation. The UNGPs note that once a company becomes aware of any of these issues, they must take steps to investigate, address, or mitigate risks.
- **The OECD Guidelines**: Land is related to a number of the general policies spelled out in the OECD Guidelines (OECD, 2023). The guidelines stipulate that companies should carry out due diligence to identify, prevent and mitigate risks, which includes land-based conflicts and overlapping claims to land. They also state that companies should avoid contributing to adverse impacts, which includes weakening land rights for communities and smallholders. Companies must also engage with relevant stakeholders and take these views into account in planning activities that impact local communities. They specifically highlight that stakeholder engagement is especially key for decision making around projects involving intensive use of land or water.
- **The IFC Performance Standards**: Land is most closely related to Standards Five and Seven in the IFC Performance Standards (IFC, 2012). Standard Five relates to land acquisitions and involuntary resettlement and calls on companies to avoid or minimize displacement when possible and take steps to improve or restore livelihoods when populations are displaced. It also requires companies to anticipate and minimize economic and social impacts on communities during land acquisition, and if necessary, provide compensation for lost land access. Stakeholder engagement is a core piece of this process and should be carried out ahead of work to inform project design. Standard Seven relates to Indigenous Peoples and calls for companies to obtain FPIC from communities affected by projects, including land and resource usage.

3.0 THE CASE FOR PRIVATE SECTOR ENGAGEMENT ON GENDER EQUALITY AND WOMEN'S ECONOMIC EMPOWERMENT

The case for private sector engagement on gender equality and women's empowerment is often clearer for companies than the case on land – women make up half the population so are important actors in supply chains as suppliers, employees, and consumers. Investing in women's empowerment leads to benefits for companies both in terms of CSR commitments as well as productivity and profitability, though these latter two outcomes are not always immediately clear to the private sector. Failure to adequately address gender equality and women's empowerment within core business operations, on the other hand, represents missed opportunities for growth and revenue. Supporting gender equality and women's empowerment can increase productivity, expand companies' supply base, improve internal structures, better design and market gender-smart products, help meet international standards, and enhance company reputation.

3.1 BENEFITS

INCREASES PRODUCTIVITY: Private sector entities, and particularly those in the agricultural sector, are well poised to support women's empowerment, as women are often already extremely involved informally in farming. Indeed, women make up more than half of the agricultural labor force in many developing countries, including 50 percent in sub-Saharan Africa and southeast Asia (FAO, 2023). Yet globally, women have less access to land, productive inputs, and assets then men (FAO, 2018; Quisumbing et al., 2014; Peterman, Behrman and Quisumbing, 2010). They farm smaller plots with less on-farm equipment and fertilizers; as a result, women's plots are less productive on average than men's. In addition to inputs, women have less access to knowledge and information networks than men, which allow them to capitalize on and benefit from existing work. According to the FAO, the gender gap in land productivity between women and men managed plots of the same size is 24 percent (FAO, 2023). Closing this gap by expanding women's access to land, extension services, information, and access to finance would increase yields for commodity sourcing companies (Peterman et al., 2011).

PepsiCo and USAID hold agronomy training with women farmers in PepsiCo's potato supply chain in West Bengal, India. Including women as suppliers can increase firm's supply base, improving productivity.

SUBRATAA CHAKRABORTY

EXPANDS SUPPLY BASE: According to a 2013 IFC report, better integration of women into global supply chains can improve product quality, lead to better use of inputs, increase productivity, and strengthen the number and loyalty of suppliers (IFC, 2013). Women may be overlooked as farming practices are commercialized, or in places where men are considered lead farmers and women as on-farm "helpers" (Van de Velde, Stanley and Stickler, 2020). This may be especially acute when women do not have rights to own or inherit the land they farm. Yet better integration and recognition of women farmers in the agricultural supply chain has the potential to increase the supplier base for private sector firms, increasing both the number of people and acres under cultivation in key commodity sourcing regions.

IMPROVES INTERNAL STRUCTURES: Research shows that increasing women's representation in corporate structures can improve management costs. For instance, increased women's representation in producer organizations is shown to improve management and efficiency (IFC, 2013). Companies in highly feminized value chains that have invested in women's empowerment programs in the workplace have found a 22 percent decrease in the number of products that require reworking and a four and a half percent decrease in labor force turnover rates (AWEF, 2019).

DESIGN AND MARKET GENDER-SMART PRODUCTS: Women have great influence over household spending decisions, and as such are a core consumer base for companies around the world. Investing in gender equality and working directly with women suppliers and employees can help firms design and market better products for women consumers. For example, due to market research in Nigeria which found that women farmers owned smaller plots than men, an agricultural input firm started selling smaller quantities of fertilizer which were more affordable for women smallholders, increasing sales by 22 percent (AWEF, 2019).

MEETS INTERNATIONAL STANDARDS: Promoting gender equality and women's economic empowerment can help companies meet international standards. In 2019, the International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC) signed the United Nations Economic Commission for Europe (UNECE) Declaration on Gender Responsive Standards and Standard Development to strengthen the use of technical regulations on firms to help meet Sustainable Development Goals (SDG) 5 commitments on gender equality (ISO, 2019). 8,000 businesses have signed onto the UN's Women's Empowerment Principles, guidance on how companies can promote women's empowerment in the workplace; 250 companies have submitted progress reports to date (UN, 2020).

Husband and wife plant PepsiCo potato seeds in West Bengal, India. Due to gender norms that see men as head of household, many women are seen as on-farm helpers, rather than farmers in their own right.

SUBARNA MAITRA

ENHANCES COMPANY REPUTATION: Promoting gender equality internally and in supply chains can also improve a firm's brand image at the national and local level. Women are more risk averse than men, so can be more reliable suppliers year after year if companies have a good reputation in the community and provide a consistent, fair price each season (Kebede, 2022; Croson and Gneezy, 2009). Globally, consumers in global North countries care about gender equality, and are willing to spend money on products they see as contributing towards women's economic empowerment.

3.2 CHALLENGES

But the private sector may be hesitant or feel ill-prepared to engage in gender equality and women's empowerment efforts, particularly as it intersects with land tenure issues and engagement with smallholder farmers.

- Women's empowerment may be perceived as a **CSR initiative** rather than an opportunity to increase productivity, improve quality, or otherwise contribute to the firm's bottom line. As a result, gender equality and women's empowerment may be perceived as a lower priority – a "nice to have" element – but not an intrinsic benefit to core business metrics. As such, women's economic empowerment is often supported in CSR initiatives and in small pilot projects, but may not be fully integrated into corporate culture, operations, and business models. This is a lost opportunity for greater impact.

- Companies often approach farmer engagement from a "**gender neutral" approach**, i.e., under the well-intentioned belief that all farmers, regardless of gender, are welcome to join their supply chains. However, this approach inadvertently overlooks the legal, practical, and social barriers women face to access and control land and other productive resources that farmers need.
- Companies' operational structures may have **internal gender inequalities** that reflect and extend to supply chains. For instance, agricultural extension agents, who offer technical assistance to farmers, are predominantly men and their training and background seldom includes social development, gender equality and inclusion issues. Companies also frequently engage with men in rural households, due to the prevailing assumption that men are the "farmers" and women "farmers' wives," which is reinforced by the fact that land is mostly registered in men's names. As a result, women are regularly overlooked when signing contract farming agreements, negotiating prices, distributing inputs, and accessing training, financial services, and technologies.
- Increasing women's participation in supply chains **requires shifts in deep-rooted social and gender norms**, which demands long-term and sustained efforts that might feel beyond the scope or expertise of companies' involvement with suppliers. Pushing against these norms can create risks for company acceptance and perception in the community. Moreover, in male-dominated environments, efforts to increase women's participation may lead to push back from family and community members, and others in the supply chain. This risk can dissuade companies, as gender-based violence (GBV) in farming households might be considered a private issue and/or the responsibility of the local government. Indeed, even when companies have strong internal policies and reporting mechanisms for GBV and harassment within their workforce, the existence of similar procedures and response mechanisms for GBV in the supply chain is much less frequent. Shifting gender norms thus risks bringing conflict and issues to the surface that companies are often ill prepared to address, particularly during the early stages of the process when women's empowerment is most likely to face push back. However, businesses have in the past been hesitant to engage in other social issues, such as child labor, that are now a core part of international standards.

3.3 OPPORTUNITIES

Partnerships with public organizations like USAID can be decisive to help private sector entities navigate and overcome these barriers and challenges so they can capture reputational and economic benefits from helping to secure women's land and property rights and women's empowerment in their supply chains. Advancing gender equality and women's empowerment is a priority for USAID and a pathway for economic growth and other development goals (USAID, 2023). Public partnerships can support private sector entities to better understand and make the case internally for greater investments in gender equality, linking an expanding supply base to productivity, sustainability, and climate adaptation goals. External technical expertise on gender inclusion can help firms integrate gender-responsive approaches into their work streams and mitigate risks of unintended consequences like GBV. The private sector, meanwhile, can help USAID scale women's economic empowerment approaches, improving women's agency and creating long term income earning opportunities for women as suppliers, which can in turn increase household income, food security, resilience and the adoption of climate-smart and sustainable farming practices.

There are several existing public-private partnerships on gender and women's economic empowerment, including the USAID Global Development Alliance with PepsiCo focused on empowering women in agricultural supply chains, which builds on a pilot partnership with PepsiCo outlined in this brief. A number of existing resources can help firms better address gender equality and inclusion in their supply chains.[5] CARE has put together a private sector playbook to help private sector firms understand how they can support global gender equality goals within their organizations and supply chains (CARE, 2022). The Ethical Trading Initiative also has a guidebook for private sector partners on promoting gender equality and due diligence in supply chains (Ethical Trading Initiative, 2018). These tools can be built upon by corporate partners in other sectors looking to support gender equality in their own supply chains.

4.0 PRIVATE SECTOR ENGAGEMENT UNDER ILRG

The USAID ILRG program (2018-2023) worked with private sector partners across five countries to advance smallholder farmer land rights, improve the adoption of sustainable farming practices, and increase women's participation and benefit sharing in agricultural supply chains. The partnerships presented below often integrated land rights and women's empowerment, though the companies typically started the partnership focused on one or the other issue.

The private sector is not homogenous. Various types of private sector partners under the program include, but are not limited to:

- **Large US-based multinational corporations** like PepsiCo and Hershey. Engagement may be at the top corporate level, with a country office, or with local teams on the ground – or across these entities. These companies may vary in terms of their on-the-ground presence, either fielding a large team, or working primarily through subcontractors/suppliers.
- **National companies** that are significant agricultural investors in a given country or region, like Grupo Madal in Mozambique. They likely have high brand recognition locally, but not internationally.
- **Commodity traders/suppliers,** including multi-billion dollar international corporations with little name recognition, like ECOM Agro-industrial Ltd., that operate as an intermediary between large brands in the agricultural industry and local smallholder farmers.
- **Service providers** like microfinance and loan companies that operate in local communities.
- **Associations**, or groups of farmers/producers who collectively negotiate with the traders/suppliers or large companies.
- **Small and medium sized enterprises (SMEs)** who may work as suppliers for larger corporations, either directly or indirectly through commodity traders/suppliers.

Each of these groups are considered private sector actors by USAID (USAID, 2022). Yet their motivations, ways of operating, and mandates vary greatly, offering different opportunities and constraints for engagement on land issues, women's land rights and women's empowerment. The following page highlights the various partnerships under the ILRG project and the problem and solution each tried to solve.

[5] See USAID Engendering Industries program resources and Oxfam Behind the Brands report.

- **PROBLEM**: Hershey supplier ECOM wanted to address declining productivity of trees within their producer supply base in Ghana.
- **SOLUTION**: ECOM and USAID worked together to help farmers obtain land documents and tree use certificates to reduce conflicts and improve tenure security. They also helped farmers rehabilitate old tree groves, including a payment for ecosystem services sheme funded by Hershey's.

Hershey/ECOM Agroindustrial Corp. (ECOM) - *Ghana*

- **PROBLEM**: As part of its global sustainability goal of improving farmer livelihoods, ECOM wanted to promote gender equality in farming communities where it sources cocoa.
- **SOLUTION**: USAID partnered with ECOM on a second project to strengthen their capacity on gender equality, including developing a gender strategy and revising farmer and staff training curriculum. The partnership promoted alternative livelihoods and entrepreneurship through access to finance and skills training.

ECOM Agroindustrial Corp. (ECOM) - *Ghana*

- **PROBLEM**: PepsiCo wanted to improve its supply chain sustainability in the face of a changing climate.
- **SOLUTION**: PepsiCo and USAID worked together to demonstrate that empowering women in the potato supply chain in West Bengal, India can improve productivity, adoption of sustainable farming practices, and supply base loyalty. USAID supported PepsiCo to strengthen their staff capacity on gender equality, increase women's access to productive resources, and shift harmful gender norms.

PepsiCo - *India*

- **PROBLEM**: Climate change, deforestation, and underlying tenure insecurity are damaging valuable cocoa ecosystems in Madagascar.
- **SOLUTION**: USAID worked with Lindt and Sprüngli AG to ensure tenure considerations were integrated into the Climate Resilient Cocoa Landscapes (CRCL) initiative. USAID helped implementing partner Helvetas establish the first ever multi-stakeholder governance platform for the cocoa sector in the country.

Lindt & Sprüngli AG/ Helvetas - *Madagascar*

- **PROBLEM**: Forestry company Green Resources purchased several companies and became the holder of 360,000 hectares of land spread out over three provinces in Mozambique, most of which remain undeveloped. These became difficult and costly to manage.
- **SOLUTION**: Green Resources decided to disinvest from 230,000 hectares. Working with USAID, the company helped local communities document their land rights so they were able to register their rights on the relinquished land.

Green Resources - *Mozambique*

- **PROBLEM**: Smallholder farmers were encroaching on land held by agroforestry firm Grupo Madal.
- **SOLUTION**: With support from USAID, Madal gave those encroaching on its land long-term land use rights and farming contracts, allowing these ingrowers to enter into their supply chain, providing training and extension support. They also helped communities near Madal land document their land and secure farming contracts as outgrowers with the company.

Grupo Madal - *Mozambique*

- **PROBLEM**: A new irrigation scheme was being developed around one of Illovo's estates which could allow smallholder cooperatives to sell sugar cane to the company.
- **SOLUTION**: Together USAID and Illovo helped register household land rights in advance of the anticipated irrigation scheme in areas that would be affected by the planned scheme. This effort helped decrease the risks of households being pushed off the land by regional elites. The households in the area were predominantly female-headed.

Illovo Sugar - *Mozambique*

- **PROBLEM**: Portucel had been unable to negotiate adequate land from households to establish its plantations and build irrigation ponds to meet social obligations.
- **SOLUTION**: USAID and Portucel worked together to document community and household landholdings, which allowed the company to better negotiate with households over land use agreements, identifying who would be impacted by flooding and hence who should benefit from the irrigation.

Portucel - *Mozambique*

- **PROBLEM**: There are limited incentives for financial service providers to operate in rural areas. Rural residents have limited credit history and assets for banks to assess risk. There are logistical time and travel costs associated with operating further from urban centers.
- **SOLUTION**: Microfinance provider MFinance worked with USAID to pilot an agent-based financial service model in rural communities with documented land rights.

Madison Finance Company (MFinance) - *Zambia*

5.0 PARTNERSHIP STRUCTURE

Public-private partnerships take various forms. Several elements impact program function, form, and outcomes. These include partner motivations, partnership mandate, entry points, ownership level, source of funding and implementation model. There is no one-size-fits-all structure – each partnership should be tailored for the desired impact to ensure the best fit.

MOTIVATIONS

MANDATE

ENTRY POINTS

OWNERSHIP LEVEL

SOURCE OF FUNDING & IMPLEMENTATION MODEL

Table 1 below presents a summary of the partnership structure of each of the nine ILRG partnerships. The section that follows reflects on each of the various program elements, summarizing what happened under each ILRG partnership and lessons learned for future work.

TABLE 1: SUMMARY OF ILRG PARTNERSHIP STRUCTURES

	Hershey/ ECOM	ECOM (WEE)	PepsiCo	Lindt & Sprüngli	Green Resources	Grupo Madal	Illovo Sugar	Portucel	MFinance
Motivations									
Mandate									
Entry points	IP	IP	USAID	USAID	IP	IP	IP	IP	OCI
Ownership level	Global, National	Global, National	Global	Global, Local	Regional, National	Regional, National	Regional	Regional, National	National
Source of funding & Implementation model	Co-funded; USAID-led	USAID-funded, PS in-kind; Private sector-led	Co-funded; USAID-led	Co-funded; USAID-led	USAID-funded, PS in-kind; USAID-led	USAID-funded, PS in-kind; USAID-led	USAID-funded, PS in-kind; USAID-led	USAID-funded, PS in-kind; USAID-led	USAID-funded, PS in-kind; USAID-led

Gender equality and women's empowerment	Land rights
Supply chain issues/farmer engagement	Internal policies and procedures
IP: Implementing partner	**OCI**: Open call for interest

5.1 MOTIVATIONS

Motivation refers to the reason each party is interested in the project. These motivations may differ between partners, and as such require efforts to align expectations and organizational priorities at the start of the work. Figure 1 below presents some of the varying motivations the private sector and USAID might have for entering a partnership.

FIGURE 1. MOTIVATIONS FOR PRIVATE SECTOR & USAID ENGAGEMENT IN PSE

5.1.1 ILRG PARTNERSHIP MOTIVATIONS

In the partnerships under ILRG, USAID was motivated by the desire to improve land tenure security and expand economic opportunities for rural populations in agricultural supply chains, increase the adoption of sustainable farming practices, and support women's economic empowerment and social inclusion. While this intrinsic development motivation was constant, specific sectoral priorities shifted during the program due to changing US administrations – for example, climate change is a major focus under the Biden administration, and under the Trump administration gender equality was a priority. Changes in funding throughout the program, including new funds after some of the partnerships were underway, led to an expansion of the program focus.

- **Hershey/ECOM (Deforestation):** Hershey's and ECOM's primary motivation for the initial partnership in Ghana was to help resolve land issues and tenure disputes with local cocoa suppliers in order to combat deforestation from agricultural expansion.
- **ECOM (WEE):** ECOM Ghana was interested in internal and farmer engagement strategies to promote gender equality, a key sustainability goal for the company.
- **PepsiCo**: PepsiCo was interested in increasing women's empowerment and participation in their supply chain as a pathway for reaching business goals such as greater productivity, adoption of sustainable farming practices, and farmer loyalty.
- **Lindt & Sprüngli**: Lindt requested USAID assistance to support a landscape level cocoa project in Madagascar where there had been a history of conflicts between plantations and local communities.
- **Green Resources**: Green Resources was motivated by a desire to disinvest from its large and scattered landholdings in a way that allowed local communities to claim rights to land and company assets, recognizing the historical grievances related to the company's purchase of three smaller firms that had broken development and employment promises to communities.
- **Grupo Madal**: Madal was motivated by a desire to develop better working relationships with surrounding communities that were encroaching on the company's land, which had been underutilized for years, rather than evicting them and hurting the company's reputation.
- **Illovo Sugar**: Illovo was motivated by a desire to help smallholder cooperatives benefit from an upcoming irrigation scheme around one of its estates in Mozambique, increasing suppliers in its supply chain and reducing company reputational risks if regional elites came in to displace smallholders.
- **Portucel**: Portucel was motivated by a desire to resolve land disputes with nearby communities about acquiring land to establish plantations and build irrigation ponds. Helping households document their land rights would allow the company to better negotiate with communities over land use agreements.
- **MFinance**: MFinance was motivated by a desire to expand its rural client base by piloting a new agent-based model to extend services into rural areas. It was also interested in how land documentation might help the company better assess assets and risks for rural customers with limited credit history.

5.1.2 ANALYSIS

Public-private partnerships involve actors with different points of view, their own priorities, terms of art (jargon), timeframes, *modus operandi*, and motivations, which can make collaboration challenging. The key to a successful partnership is to initially align these motivations as much as possible, and to continue to check in and realign as organizational priorities, politics and dynamics shift. This requires regular, open communication as well as strong leadership on both sides, including a clear champion with enough influence to move things forward when momentum stalls.

Shifting company and USAID interests throughout the life of the project emerged in a few key partnerships under ILRG. While land rights were an initial focus of the PepsiCo partnership, land rights were de-emphasized as the project progressed due to the company's wariness of getting involved in policy issues that did not have clear cut solutions. However, program indicators and activities were locked in at the start of the work, leading to shifting budgets and work plans over time to accommodate the new focus. Similarly, the ILRG project spanned two US administrations with different development priorities. Under the Trump administration, this meant an intensified focus on gender with additional funding streams. Under the Biden administration, this meant that the program was asked to address how it was mitigating climate change results, though project activities were not initially designed with this focus. While leadership within USAID and partners were able to pivot in planning, field staff and local partners at times felt stretched beyond their areas of expertise, as new or revised objectives were introduced. These shifting priorities are not uncommon or unexpected during a five-year partnership but do require clear communication from both sides when interests shift in order to find common ground and shared values. These shifting commitments were more easily addressed when working with smaller companies where the field practice and policies could be discussed together. In contrast, in large corporations, like PepsiCo, changes to project objectives risked dulling the impacts of the overall narrative and approach.

5.2 MANDATE

Mandate refers to the scope of the project between the private sector and USAID. Sometimes, the mandate is directly related to company supply chain operations, sometimes internal policies, and sometimes unrelated to direct company outputs, but rather a larger CSR initiative to support development objectives within or outside of company operating locations. Work related to women's empowerment often extended into company policy and internal practices, whereas work around land rights was more often addressing a very specifically defined land rights tension/challenge/constraint.

5.2.1 ILRG PARTNERSHIP MANDATE

- **Hershey/ECOM (Deforestation)**: The initial partnership between USAID, Hershey and ECOM was focused on addressing the declining productivity of trees within the supplier base in Ghana. Initial discussions were focused on a narrow question of whether clear land and tree tenure rights would result in improved farm management.
- **ECOM (WEE)**: The second ECOM partnership was focused on better integrating women farmers in ECOM's cocoa supply chains in two districts in Ghana, as well as helping the company look at their internal policies to better address gender equality and social inclusion within their operations. In this case, separating the partnership from the above-mentioned deforestation work allowed the company staff to easily focus on the objectives of each partnership.
- **PepsiCo**: The PepsiCo partnership was focused on increasing women's participation, integration, and visibility in their potato supply chain in West Bengal, India. USAID was originally interested in the opportunity to strengthen women's land rights, however, it became clear over the first year of the partnership that PepsiCo was more interested in women's on farm participation rather than addressing land rights as the centerpiece of the work. While initially focused on PepsiCo's farming communities, the partnership evolved over the four years to consider internal PepsiCo staffing and extension training policies and procedures.
- **Lindt & Sprüngli**: USAID played a supporting part in the Lindt partnership mandate with a narrow focus on increasing company and community awareness of tenure and resource governance issues. USAID's role was to ensure that tenure considerations were integrated into the project inception phase. This allowed for a flexible arrangement, which evolved over two years. The company stayed largely on the sidelines contributing to a vision led by an NGO partner.
- **Green Resources**: Green Resources was focused on responsibly divesting from underutilized land holdings in three districts in Mozambique in a way that allowed communities to benefit

from the land and standing timber resources. Green Resources explicitly needed to distance itself from the operations of the partnership, as communities were distrustful of their intentions. Additionally, as Green Resources was attempting to fully disinvest from the communities, and scale down their operations, limited engagement was part of the company strategy, with USAID partners playing an intermediary role.

- **Grupo Madal**: Madal was interested in improving relationships with encroaching farmers on company land in Quelimane, Mozambique by setting up an ingrower and outgrower supplier model to bring encroaching farmers and those in neighboring communities formally into Madal's supply chain. The company also worked with ILRG to adapt internal company policies and extension trainings to be gender-responsive, including training for staff on how to best reach out to and work with women farmers in their supply chain. There was an openness from the company to look at both internal and community-level operations.
- **Illovo Sugar**: Illovo was focused on improving community relationships and increasing its supply base around one of its estates. The company had an interest in learning from the pilot to inform its broader set of land issues regionally, however it was very much focused on community level dynamics of smallholder suppliers neighboring its estates.
- **Portucel**: Portucel was focused on resolving community-company disputes in areas near its plantations. Given a high level of distrust of Portucel by communities, USAID's local partners tried to establish/improve relations between the company and community. It was important that the partners represented themselves independently, as communities and the press had previously accused partners of aligning with the company over the community.
- **MFinance**: MFinance was focused on expanding company operations in rural areas to establish its practice in a new area with new customers. Its focus on the use of land rights data to leverage greater access to financial services led to a very clear and narrow mandate.

5.2.2 ANALYSIS

There are often boundary issues within USAID-private sector partnerships: what is within the remit of the partnership and what is crossing the line into the company's core business? This can be difficult to navigate, as partnerships and funding streams tend to evolve over time, especially when a partnership extends over multiple US administrations with varying development priorities.

There may be tension between USAID's focus on vulnerable populations and the private sector's focus on suppliers. In line with its development aims, USAID typically works with the poorest and marginalized, supporting economic growth, sustainable livelihoods, and gender equality and social inclusion. However, companies might have a different focus: on farmers in their supply chain or other community members. In addition, not all farmers in a community work with the company, and subsistence smallholder farmers might not be best poised to engage in a commercial value chain without substantial investment from companies. If not discussed early, this can create a potential misalignment between target groups. Although USAID is often interested in pushing the private sector to expand their supply chains to include marginalized groups, some firms may feel this is outside of their core business mandate and priorities. For example, under the MFinance partnership, USAID aimed to target areas where land documentation efforts had been completed to help demonstrate how land documentation could be used to increase financial inclusion. But the company was focused on meeting key performance indicators (KPIs) in terms of number of clients reached, and thus expanded the partnership into areas that had not yet received land documents or had not been mapped and delimited at all. Land documents thus were only used as a form of residence verification, as opposed to a sign of credit worthiness or loan eligibility, which the partnership was intended to evaluate. In this case, the field staff and field management within the district may not have fully been able to capitalize on or translate the vision from the national level to local-level implementation. This highlights the importance of setting high-level partnership goals and turning them into discrete actions that local field staff can take up.

Companies are often comfortable integrating a sustainability, inclusion, or gender equality angle into their work with suppliers, but may be resistant to examining internal issues and policies. They may feel that this is outside of the mandate of the partnership and an example of USAID trying to interfere in its day-to-day operations. This may also be a timescale issue – companies are not always willing or able to move on these kinds of internal initiatives/policies within the timeframe of the partnership. USAID and implementing partners must navigate this terrain carefully. ILRG experienced boundary questions across companies on several issues, particularly related to gender: hesitancy to address GBV within supply chains, domestic land law reform, and internal hiring mechanisms and policies. Navigating these boundaries requires open and honest communication between partners and the leadership of champions on both sides that have the necessary influence and decision-making power within their organizations to advance the partnership.

5.3 ENTRY POINTS

Entry points refer to how the initial partnership discussions began. A partnership may be initiated by USAID, which approaches a private sector actor to assess alignment of vision for a potential project. It could be initiated by the private sector, which approaches USAID or other donors with an idea for a project. It could also be initiated by a third party, such as a USAID implementing partner which may have a pre-existing relationship with a private sector entity from past work. Finally, a partnership may emerge from an open call for interest/proposals by USAID. Table 2 below illustrates the various entry points for private sector engagement and the implications of each choice.

TABLE 2. ENTRY POINTS FOR PRIVATE SECTOR PARTNERSHIPS

	USAID INITIATED	IMPLEMENTING PARTNER INITIATED	PRIVATE SECTOR INITIATED	OPEN CALL FOR INTEREST
APPROACH	USAID reaches out to private sector at high/leadership level (could be at Washington level or Mission level).	USAID implementing partner brings company to table.	Private sector approaches USAID about potential partnership.	USAID or implementing partner puts out an open call for potential partners to express interest.
OPPORTUNITIES	Early top-level buy-in and champions.	Usually based on pre-existing relationships with some level of existing trust. May originate at global or country level, but often grounded in country-level relationships and local context.	USAID may be able to help the private sector solve a specific policy or coordination issue. Early top-level buy-in and champions can help drive progress and navigate bureaucracy.	Partners must demonstrate some level of interest at the start.

	USAID INITIATED	IMPLEMENTING PARTNER INITIATED	PRIVATE SECTOR INITIATED	OPEN CALL FOR INTEREST
CHALLENGES	Could have less knowledge of on-the-ground dynamics if Washington-initiated. Concerted effort needed to garner buy-in from national/local company partners.	May be challenging to translate implementing partner trust into USAID trust and relationship.	Level of national/local support may vary, depending on where activities are housed and inter-departmental coordination.	Gives less weight to individual relationships and trust building.

5.3.1 ILRG PARTNERSHIP ENTRY POINTS

- **Hershey/ECOM (Deforestation)**: Implementing partner Winrock brought ECOM and Hershey to the table in Ghana based on pre-existing relationships from past partnerships. This led to a flexible co-design process; however, it was occasionally complicated by having two companies engaged.
- **ECOM (WEE)**: The second ECOM partnership built upon the previous deforestation work. When USAID received an additional tranche of funding to work on women's economic empowerment, it reached out to existing partners to identify new opportunities.
- **PepsiCo**: The PepsiCo partnership in India was initiated through a relationship with USAID-Washington. USAID held initial conversations with PepsiCo leaders at the global level to discuss how women's land rights and women's empowerment could help the company meet sustainability and business goals. The outline of the partnership was largely negotiated between USAID and PepsiCo before the implementing partner was introduced to the partnership.
- **Lindt & Sprüngli**: Lindt & Sprüngli approached USAID, requesting technical assistance/expertise on land tenure and property rights. They hypothesized that investments in improved production practices in the principal cacao growing area of Madagascar required secure land rights to lay the foundation for reducing deforestation. Lindt had invested in an NGO partner, Helvetas, to help implement the land component of the work but they lacked this technical expertise.
- **Green Resources**: Implementing partners Landesa and Terra Firma brought Green Resources to the table in Mozambique based on pre-existing relationships from past partnerships. Green Resources' board of investors, led by Norfund and Finnfund, was interested in responsibly divesting from their underutilized landholdings in a responsible way. The broad outline of the activity and its relevance to USAID's interest was established and then the company and implementing partners presented this to USAID. Green Resources CEO had initial conversations with USAID Washington.
- **Grupo Madal**: Implementing partner Terra Firma brought Grupo Madal to the table in Mozambique based on pre-existing relationships from past partnerships. The company had worked with other USAID programs previously.
- **Illovo Sugar**: This partnership was a continuation/expansion of a previous USAID partnership with Illovo Sugar to work on areas outside of the initial agreement. The previous partnership came from an open call for interest. USAID implementing partner, Terra Firma, had received

requests from neighboring communities to expand the work to include more potential smallholders. This project therefore built upon pre-existing relationships from past partnerships.

- **Portucel**: Implementing partner Terra Firma brought Portucel to the table in Mozambique based on pre-existing relationships from past partnerships that were developed under a UK-funded land rights and private sector initiative.
- **MFinance**: The MFinance partnership in Zambia began with an open call for interest at an ILRG workshop with a number of financial institutions on the potential implications of land documentation for financial inclusion in rural areas. MFinance presented the most viable proposal and an initial commitment to build on the use of land data.

5.3.2 ANALYSIS

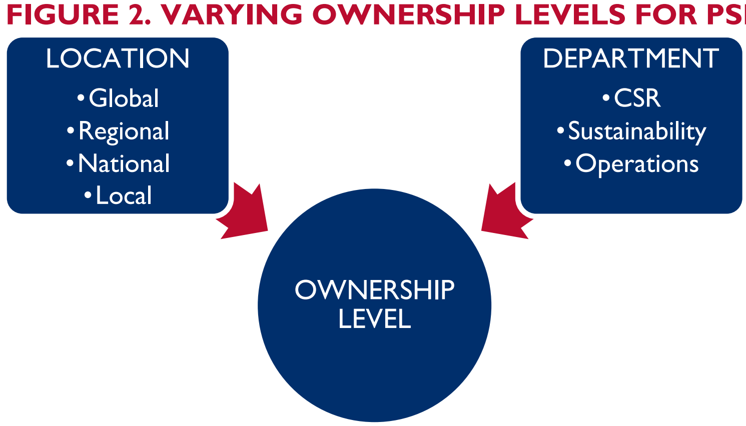
Public-private partnerships can emerge in several ways. While none of these are necessarily better or worse than the other, these entry points do impact the way the partnership plays out. The PepsiCo partnership, for instance, had a high level of global buy-in and support since it initiated as a USAID Washington-PepsiCo global discussion, which led to a further five-year Global Development Alliance between USAID and PepsiCo. However, this high-level initiation does not necessarily translate to high level buy-in. For instance, while the Lindt & Sprüngli partnership began at the global level, after the initial high-level buy-in and engagement of NGO Helvetas, there was very little longer-term interaction with the private sector partner.

ILRG found much success under partnerships that were originated by implementing partners. These partnerships were built on an existing level of trust from the private sector partner, who had worked with the implementing partner before and thus had some understanding of how to work with donors on a development project. These initiatives had country or regional level ownership since they were locally originated, which shortened the communication channel between top decision makers and field level staff carrying out the work. Though many of these companies do not have internationally recognized names, they are large local employers and well known nationally.

5.4 OWNERSHIP LEVEL

Ownership level refers to where partnership responsibilities and decision makers sit within USAID and the private sector entity. Project responsibility and ownership can be housed at many levels. It can be championed at the global level, by a regional or national office, or by a local team. It can be housed within a CSR or sustainability unit, or within an operational unit, or co-owned across a few different teams (Figure 2).

FIGURE 2. VARYING OWNERSHIP LEVELS FOR PSE



5.4.1 ILRG PARTNERSHIP OWNERSHIP LEVELS

- **Hershey/ECOM (Deforestation):** The Hershey/ECOM partnership was owned at the global and national level. The partnership was initiated at the global level, based on conversations between USAID and Hershey's global leadership. However, the partnership had strong buy-in at the national level and was grounded in in-country relationships and trust between the Ghana ECOM staff and the USAID implementing partner, who worked together on previous projects. This led to strong collaboration during implementation and communication at both the local and global level throughout the process.
- **ECOM (WEE)**: The second ECOM partnership on women's empowerment was owned at the national level. Under this work, ECOM field staff owned and led the work for the whole project, with technical support from a USAID implementing partner. This work was fully owned by the ECOM team in part because the program had a direct contract with the company.
- **PepsiCo**: The PepsiCo partnership was owned by the company's global sustainable agriculture team. Day to day interactions under the project took place between the local level West Bengal agro-marketing team and ILRG staff, who were largely supportive of the project but did not have the level of authority to drive decision making around the work.
- **Lindt & Sprüngli**: The Lindt & Sprüngli partnership was initiated by global leaders who then handed operations off to a team at NGO Helvetas to lead the work at the country level.
- **Green Resources**: Project ownership was housed at the regional and national level. Initial buy-in and decision-making came from the CEO and board, but actual divestment was led by national level counterparts. Because the company was reducing their Mozambique footprint, engagement was unsurprisingly light.
- **Grupo Madal**: Project ownership was housed at the national level within the company, given Terra Firma's existing relationship with company leaders at that level. The company had recently restructured, and its overall management systems were somewhat light/weak. However, the USAID program had easy access to management.
- **Illovo Sugar**: Project ownership was housed at the regional level in South Africa, given USAID and Terra Firma's existing relationship with company leaders at that level. The promotion of the Illovo's internal champion meant that the program experienced a leadership gap in the company and there was limited long-term ownership.
- **Portucel**: Project ownership was housed at the national level within the company, given Terra Firma's existing relationship with company leaders at that level. Similar to Illovo, the internal champion in the company departed partway through the activity, leading to a leadership gap that ultimately resulted in a weakening of the partnership.
- **MFinance**: The activity was co-designed with management at the national level for MFinance, including through a co-creation process with USAID implementing partner. Once the project started, there was a transition to field based leadership within the district. The team implemented the activity following a step-by-step approach and had strong local leadership trying to reach the company's KPIs, with limited understanding of USAID's land rights objectives.

5.4.2 ANALYSIS

Project ownership may sit within one private sector unit/level, or there may be shared ownership across levels. There may be power dynamics within and across these various entities that are challenging to navigate, especially for an outside entity like USAID or an implementing partner that does not understand or have visibility into the internal politics at play. This is particularly an issue with larger, multinational companies, where the partnership may be initiated at the global level, and then handed off to country level staff for implementation. For example, the PepsiCo partnership was owned by the company's global sustainable agriculture team. While champions in this unit helped drive the project forward and built long-term institutional buy-in for similar efforts, it was difficult to operationalize the partnership at the country level given local staff time constraints, multiple and competing priorities, and different focus and vision of the business case. The agro-marketing team in West Bengal engaged directly with smallholder farmers as suppliers and was highly focused on meeting commercial performance indicators. The program built up support at the local level among PepsiCo agronomists and local aggregators who worked with women under the partnership and saw positive impacts. However, there was less buy-in from middle management at the India country office level who at times felt like this was a top-down initiative – though by the end of the project was bought in and committed to institutionalize the work. While global ownership is not inherently a negative factor (and in some cases may be a positive factor), it can be challenging when working with large multinational corporations, as it requires concerted effort to ensure that top-level buy-in flows down to those that oversee the day-to-day operations of the project.

Housing partnerships at the national level is one way to combat these challenges. In Mozambique, project ownership was housed at the regional and national levels. Project ownership and responsibility was thus much closer to the actual level of implementation, creating shorter communication channels between those at the top and those working directly with communities. When problems arose, it was easier for Terra Firma, given their existing relationship with companies, to call project champions at the national and regional levels to help solve implementation challenges. The Illovo partnership in Mozambique was slightly different. While there was buy-in and a core champion for the project at the corporate level in South Africa, there were some challenges in gaining in-country buy-in and support within the country team. While these regional-level leaders likely understood the on-the-ground conditions better than more distantly based global leaders, they still struggled to translate their commitment and ownership to those working directly with communities.

The Lindt & Sprüngli partnership was a bit of a hybrid between the other approaches. While top-level individuals brokered the deal, the introduction of new intermediaries and distancing of original champions created ownership issues that at times affected momentum. Indeed, this partnership largely moved towards a standard NGO development project where Lindt partially funded the work of Helvetas, which happened to be implementing activities within an area where Lindt sources from.

Overall, these experiences stressed the importance of building ownership across multiple levels of a company and not relying on a single champion. It underscores the need to recognize that a development partnership represents a new way for many companies to do business, which requires consistent reinforcement both up and down the chain of communications for a company.

5.5 SOURCE OF FUNDING AND IMPLEMENTATION MODEL

Funding for private sector partnerships can come from a variety of sources. Some partnerships are entirely USAID-funded, some are co-funded by USAID and the private sector, either through financial or in-kind commitments, and some are private sector funded, where USAID only provides technical support (Figure 3).

FIGURE 3. SOURCE OF FUNDING FOR PSE

The subsequent implementation of the activity may also vary from one that is implemented by a third-party implementing partner that does the work for the company and USAID, to a model where the company itself takes on implementation responsibility (Figure 4). For the purposes of sustainability, USAID desires that companies take on responsibility, either financially or through implementation, for project activities, ideally through its operational team.

FIGURE 4. IMPLEMENTATION MODEL FOR PSE

USAID-led implementation

- USAID leads initial negotiations with private sector
- Implementation led by a contractor or grantee that understands on-the-ground realities
- USAID has high visibility into day-to-day operations
- Driven by a clear understanding of partnership development goals
- Allows private sector to be more hands off; USAID leads, they get benefits without much skin in the game
- May limit long term scalability; limits private sector ability to eventually take on themselves
- Implementing partner cacpacity to engage with private sector varies

Co-implementation

- Both partners have some level of buy-in
- Implementing partner may support implementation for USAID and/or private sector
- Co-implementation is a core scaling strategy; allows USAID to help build private sector capacity to lead the project on their own moving forward
- Both partners have some level of visibility into project
- Requires more clear and frequent communication to clarify roles and expectations

Private sector-led implementation

- Private sector takes initiative onboard internally
- USAID provides technical support, but implementation led by private sector staff
- Private sector dedicates staff time and resources to project
- Private sector more likely to carry the initiative forward post-partnership; already built internal capacity to carry out
- Private sector may struggle to prioritize partnership due to multiple competing priorities internally
- USAID has less visibility into day-to-day operations

5.5.1 ILRG PARTNERSHIP SOURCE OF FUNDING & IMPLEMENTATION MODEL

- **Hershey/ECOM (Deforestation)**: This work was co-funded by USAID and Hershey. USAID awarded a grant to Hershey supplier ECOM to lead the work, and Hershey put forward funds to pilot a payment for ecosystem services scheme to incentivize the planting of shade trees on cocoa farms. At various stages, USAID provided grants directly to ECOM to support the expansion of their activities to help meet development goals. This included soil testing and farm rehabilitation. As ECOM is a purchaser for Hershey, they were very accustomed to this type of "for hire" model.

- **ECOM (WEE)**: The second partnership was USAID-funded with a grant to ECOM to carry out the work, though ECOM did provide material in-kind contributions such as staff time, vehicle usage, etc. Because it represented a risk for ECOM to hire staff to work on an area that they had limited experiences in, USAID was willing to provide a supporting grant. The ECOM work was private sector led, both by new staff hired with grant funds as well as existing company leadership. Ecom staff carried out the extension work and trainings for women and men farmers, with USAID implementing partner Tetra Tech providing technical support and capacity strengthening for staff.

- **PepsiCo**: The PepsiCo work was co-funded by USAID and PepsiCo, with both making financial contributions. PepsiCo's staff time was also provided at various points; however, getting this buy-in was a negotiation. The PepsiCo work in India was USAID-led, carried out by implementing partners Tetra Tech and Landesa, who hired staff and implemented the project in communities where PepsiCo sources from. During the final year of work, implementing partners trained PepsiCo staff to carry out agronomy training with women farmers in 37 new communities to provide a pathway for project sustainability.

- **Lindt & Sprüngli**: This work was co-funded by USAID and Lindt & Sprüngli, who funded work through NGO partner Helvetas. Other chocolate brands also funded the partnership, and as a result it was more of a traditional donor model activity.

- **Green Resources**: This work was funded by USAID, working through implementing partners to carry out the land documentation and institution building work. Green Resources contributed in-kind to the partnership by divesting from its landholdings to enable community registration of rights and transfer of physical assets to communities, valued at US $3 million. USAID hired local civil society organizations to support the community governance activities. Given that Green Resources was disinvesting from the area, this model made logistical sense.

- **Grupo Madal**: The partnership was USAID-funded with a grant to Grupo Madal to carry out the work, though Grupo Madal did contribute material in-kind contributions such as staff time, vehicle usage, coconut saplings, farming inputs, etc. USAID funded third party NGOs to work alongside Madal and provide services that could support Madal in agriculture, women's empowerment, as well as land rights.

- **Illovo Sugar**: This work was funded by USAID, with private sector in-kind commitment of staff time, farming inputs, and vehicle usage. In this case, USAID partners worked directly with the company as well as a cooperative of farmers.

- **Portucel**: This work was funded by USAID, with private sector in-kind commitment of staff time, eucalyptus saplings, and vehicle usage. USAID hired local NGOs to carry out extension and community engagement, which was necessary due to a history of distrust between the community and companies.

- **MFinance**: This work was funded by USAID with a direct grant to the company to expand their operations to a new area. This was accompanied by private sector in-kind commitments of staff time and vehicle usage.

5.5.2 ANALYSIS

Each of the varying funding modalities have their strengths and weaknesses. Under USAID-funded projects, there is very little upfront commitment required from the private sector partner, particularly when a third-party organization is hired to do work that supports the company. This provides an incentive for the company's engagement, as they can benefit from USAID financial and technical support with minimal risk. However, this may limit the company's sense of ownership and reduce the likelihood that the company will sustain and scale the initiative post-USAID funding. Under co-funded partnerships, USAID typically carries most of the financial risk for the partnership, but the company also has a material commitment through staff time, in-kind provision of agricultural inputs or other resources, and/or financial support. These types of hybrid efforts require a clear transition plan if the end goal is for the private sector firm to take on full ownership but can be scalable. Private sector funded efforts, where USAID only provides a technical support role, are probably ideal from a scalability and sustainability perspective, but do give USAID less visibility and control over activities.

Of course, USAID and the private sector have inherently different operational styles. These differences may manifest on several fronts, including communication styles, preferred medium of communication, frequency of communication, reporting expectations, timeframes for action, and idea of what effective monitoring and evaluation looks like. Clear expectations should be established at the outset of a project about operational styles and standards to minimize the risk of misunderstanding and tensions.

In some cases, it makes sense for USAID to take the lead role. This is especially true in cases where USAID has technical expertise that the private sector lacks, or when the private sector is not seen as a trustworthy actor by local communities due to past abuses. Much of the land documentation work under ILRG was carried out by USAID through implementing partners, often local CSOs and NGOs who had strong community relationships and were seen as a neutral outside party to adjudicate land disputes between the company and communities.

In other cases, it makes more sense for USAID to take a hands-off approach. Under ILRG, private sector leadership was important for agricultural extension support and supply chain integration to increase the likelihood that these connections and services would continue post-project. Under the PepsiCo work, this extension support was USAID-led, with consistent private sector engagement. This then required a long handover period to bring the private sector staff up to speed on how to lead the training themselves, eventually accomplished by hiring USAID-implementing partner staff to be direct PepsiCo employees. Under the second ECOM WEE partnership, on the other hand, ECOM staff led the extension support and training from the start. ECOM engaged an in-house Gender & Sustainability Specialist with USAID funding to lead the work internally and vis-a-vis external stakeholders. This Specialist led activities to increase the company's capacity to integrate gender equality and women's empowerment throughout business functions, including the development of country-wide policies and revising practices to engage with and train cocoa farmers. This marked a step towards activity sustainability, as the Specialist was part of the private sector company and integrated activities into core company workflows. However, there is an inherent challenge in keeping employees focused on the project and preventing them from being pulled away into other company priorities. These new responsibilities must be integrated into job descriptions and employees must be evaluated against program objectives to build lasting institutional buy-in for the initiative.

6.0 PARTNERSHIP SUCCESSES

The private sector partnerships under ILRG achieved notable successes for communities and private sector partners, both within their core objectives of strengthening land use rights and promoting women's empowerment, and downstream secondary impacts.

SUCCESSES FOR COMMUNITY

STRENGTHENED LAND RIGHTS

- **HERSEHY/ECOM:** Helped **672** farmers (**24%** women) map & document their land parcels.
- **GREEN RESOURCES:** Relinquished **230,000** hectares benefitting **150,000** people in **76** communities (**52%** women).
- **ILLOVO:** Mapped **6** areas surrounding sugar estate, delivering land documents to **1,905** people (**60%** women).
- **PORTUCEL**: Helped **4.827** farmers (**71%** women) map & document their land parcels.
- **MADAL**: Granted **1,300** landless farmers (**85%** women) the right to use company land they had encroached upon & helped **19** nearby communities document their land rights.
- **PEPSICO**: Supported **11** women's groups to lease land; advocated for land law reform.

ADDRESSED HISTORICAL GRIEVANCES

- **GREEN RESOURCES**: **Returned land to communities**, restoring some trust that was lost when the companies Green Resources purchased failed to deliver on development promises. The company also helped communities with existing timber resources **set up viable forestry enterprises**.
- **MADAL**: Granted encroachers the **legal right to remain on the land** and the opportunity to become suppliers, instead of spending time and resources on legal battles with communities.

SUPPORTED GENDER EQUALITY & WOMEN'S EMPOWERMENT

- **ECOM:** Integrated **GESI content into farmer training**, with a focus on shifting harmful norms that restrict women's access to & control of productive resources.
- **MADAL**: Expanded **income opportunities** for women ingrower (**85%**) and outgrower (**55%**) farmers. Gave women land use rights over **larger plots**, allowing them to grow commodities for sale alongside food for **household consumption**. Provided **gender-responsive extension training** for **Madal staff** to help them better address the needs of women farmers.
- **PEPSICO**: Helped **1,880** women gain skills in **agronomy & sustainable farming** practices. Increased **women's recognition as farmers** through household & community dialogues. Employed **2** women Field Agronomists & **17** women Community Agronomists to provide **technical support** to women & men farmers. Supported **11** women-led **demonstration farms** showcasing agronomy best practices.

IMPROVED ACCESS TO FINANCE

- **MFINANCE**: Expanded **financial service provision** to rural communities with land documents, which served as proof of residence and plot size. Opened **726** mobile banking accounts & provided agricultural input loans to **47** people (**70%** women).
- **ECOM**: Established **VLSA** groups, helping **1,283** women and **35** men save for non-cocoa enterprises, pay school fees, invest in cocoa production, and support household expenditures.

SUCCESSES FOR PRIVATE SECTOR

EXPANDED SUPPLIER BASE

- **MADAL**: Brought **1,300** ingrowers & **3,000** outgrowers into Madal supply chain, granting them **farming contracts** to supply coconuts & other commodities along with **agricultural extension support** & **farming inputs**.
- **PEPSICO**: Expanded engagement with **1,880** women smallholder farmers in their potato supply chain. PepsiCo staff reported increased farmer **retention** rates and increased **acreage** under PepsiCo cultivatoin in project areas.
- **ECOM**: Expanded engagement with **2,900** farmers (54% women), providing **extension support and gender training**.

REDUCED SUPPLY CHAIN RISK

- **ILLOVO**: Provided supplier contracts to smallholder farmers whose land rights were documented under the partnership which gave the company the **peace of mind that their suppliers had recognized land rights** and mitigated conflicts down the line.

INCREASED ADOPTION OF SUSTAINABLE FARMING PRACTICES

- **HERSHEY/ECOM**: Planted **16,000** shade tree, **rehabilitating cocoa farms** & creating a more sustainable cocoa ecosystem.
- **PEPSICO**: Trained **648** women farmers in **sustainable farming practices**, including seed cutting, soil nutrition, & agrochemical handling. Supported **11** women-led **demonstration farms** to help teach other farmers about proper practices.

STRENGTHENED COMPANY CAPACITY

- **ECOM**: Developed **Gender and Social Inclusion Strategy & Standard Operating Procedures** & revised staff & farmer **training curriculum** to better integrate GESI. **Hired a Gender & Sustainability Specialist** to lead work to integrate gender equality and women's empowerment into ECOM's core operations.
- **MADAL**: Provided **staff capacity building** for Madal staff to help them better reach out to women farmers in their supply chain.
- **PEPSICO**: **Trained staff in gender equality & participatory training** methods to better reach out to women farmers in their supply chain.

OVERALL IMPACTS

- **9** partnerships with **10** private sector entities
- **180,000** people provided with secure land use rights
- **9,000** farmers trained in sustainable farming practices
- **3** companies integrated GESI considerations into company policies

7.0 LESSONS LEARNED

The varied experiences highlighted here illustrate both the commonalities across private sector partnerships in land and women's empowerment, as well as the differences that are related to working in these two different sectors. A number of lessons can be drawn from the nine partnerships discussed.

7.1 ALIGNING PARTNER INTERESTS

Public and private sector partners have different interests in entering into a partnership in a given country. These varying interests can act as a complement but can also cause challenges if not adequately discussed. USAID sees private sector partnerships as potential opportunities to scale development solutions, though knows that sometimes these partnerships are used to test new approaches which may or may not prove to be financially viable for the private sector to continue on their own. The private sector often sees partnerships as a way to test a new approach or geography for business operations, and thus acts as a form of research and development.

Land policy may be one area where the private sector is wary of getting involved. Land tenure is complicated, and often pits vested interests and political elites against communities, leaving private sector entities caught in the middle and wary of disrupting the status quo and their ability to operate in the area. While the private sector may be willing to get involved in inherently political issues around infrastructure, energy, and agricultural policy, which they see as a core threat to their ability to operate within a given country, ILRG found that many companies have not considered how downstream land rights issues impact company operations and profits. National companies may be more aware of how land laws impact their business, but multinational firms, who often rely on third-party commodity traders to source inputs from smallholders, may be more removed from the day-to-day risks that tenure insecurity poses to supply chains and thus not as willing to engage on this issue. Yet private sector companies are increasingly finding they need to understand land tenure policy in order to comply with international standards (e.g., RSPO, Bonsucro, and deforestation free supply chain certification). USAID has much learning in this area and approaches that are geared towards managing complexity and addressing land issues in a conflict-sensitive way. It is therefore key for each partner to be open and upfront about their core motivations, which can help define the boundaries and mandate of the project.

Husband and wife display their land use agreements and farming contracts with Grupo Madal in Mozambique. Land policy issues can be difficult for the private sector to engage on, given vested interests and local power dynamics that could jeopardize their ability to operate in a given area.

RICARDO FRANCO

7.2 DIFFERENT TIME HORIZONS

USAID operates through relatively short programs, with a maximum five-year commitment (though follow-on projects can extend programming), and often much shorter. The private sector, on the other hand, has a much longer vision, assessing whether to make a multi-decade investment in a new market or new way of doing business. Because of this, they may be hesitant to get involved in efforts that could jeopardize their long-term operational capacity in a country. However, there is also a tension here, as the private sector is also motivated in seeing returns on investment, which due to company leadership or shareholder pressure may lead the company to look for returns on a shorter timetable than the project can realistically provide. Private sector partners at various times expressed frustration with the slow pace of decisions associated with development financing, the amount of time spent in meetings and the length of technical reports.

7.3 IMPORTANCE OF A PROJECT CHAMPION

These types of partnerships often require a champion – an individual who believes in the initiative and is willing to help navigate various institutional and bureaucratic barriers to make it a reality – both on the private sector and USAID side. These champions are essential for partnership success. Yet reliance on champions also poses a risk – if the champion leaves and a new owner/champion is not identified, it risks slowing down or even discontinuing the partnership. There is thus a delicate balance to strike between a partnership that is individually versus institutionally led.

The Portucel partnership in Mozambique under ILRG was championed by the company's CEO, building on implementing partner Terra Firma's existing relationship with the firm. He was interested in having a more collaborative relationship with neighboring communities, ensuring that the company's operations did not threaten local land rights. He wanted to start by buying and sourcing from local communities under an outgrower scheme. Though the partnership was initially successful, a few years in, the CEO moved out of Mozambique, and the company's new leadership deprioritized working with outgrowers and communities. One core learning is that partnerships that hinge on the support of a single individual are more vulnerable to failure.

The PepsiCo partnership with USAID to empower women in supply chains, on the other hand, was taken on as an institutional initiative, closely aligned with the company's global commitments to expand regenerative farming practices across seven million acres of farmland by 2030, improving the livelihoods of more than 250,000 people in its agricultural supply chain (PepsiCo, 2021). The institutionalization of a partnership decreases risks of de-prioritization and discontinuation if individual champions move on. It also opens opportunities for expanding and scaling up initiatives; indeed, the ILRG PepsiCo partnership has spawned a larger Global Development Alliance between USAID and PepsiCo to focus on women's empowerment in four countries over five years. However, institutionalization of public-private partnerships usually takes place at the top, global or national level, given their high visibility. This can distance commitments and the overall approach from the business units and country or local teams leading day-to-day operations who are crucial to successful implementation.

7.4 NEW PARTNERSHIPS VS. EXISTING RELATIONSHIPS

Some partnerships need time to build mutual understanding and trust in advance of co-design work. A key learning from ILRG is that it may be easier to build on existing relationships than creating new partnerships. The PepsiCo partnership under ILRG was a new initiative, and while both parties were engaged and committed, project design and launch required significant effort and time to develop. It was also complicated by top-level ownership versus in-country buy-in, which was needed to drive the day-to-day operations. In Ghana and Mozambique, Winrock and Terra Firma brought existing partners to the table. They were known entities, and some level of trust between partners was already built up, which enabled the partnerships to move forward more quickly. This did not mean those projects were without challenges, as noted in the Portucel example above, but it did allow for faster initial uptake. Another key learning is that it takes time to build trust between partners, whatever the entry point. Most of the private sector partnerships under ILRG were true partnerships and relied on personal relationships between parties. When partnerships are only set to last for a short pilot period, this may not give each side enough time to build up trust and ownership. Yet it can be hard to get a private sector firm to commit to a longer-term partnership without some sort of initial proof of concept.

7.5 TRUST BUILDING WITH OTHER STAKEHOLDERS

USAID, and often national and sub-national governments, typically perceive the private sector as a vector for good in communities, driving economic growth and opening opportunities for market-based approaches to development. But CSOs and communities might see the private sector as a vector for exploitation. Communities may not welcome private sector investment in their area due to historical grievances, past conflicts, or general distrust, particularly around land. Trust building is thus a key component of any public-private partnership. But such efforts take time, often longer than the length of the partnership.

Companies often need both a legal and a social license to operate in a given location (Landesa, 2022). A company must have the trust and buy-in of the community to gain this social license. Yet on land issues specifically, there is often a long history of abuse, conflict, and mistrust between parties. This does not go away overnight but takes concerted efforts by both sides to address the issue. In many cases, actions speak louder than words, for many communities have received empty promises of more jobs and additional development investments from private sector firms for years.

Community leaders stand by the abandoned office building of a local forestry firm. The company left the area abruptly when it was bought by Green Resources, taking jobs and development promises with it. The community hopes to turn the building into a school after Green Resources transfers the building and other high value assets on the land to communities.

RICARDO FRANO

Under ILRG, many companies had to work hard to gain or regain the trust of neighboring communities – in fact, repairing these relationships was a cornerstone of some partnerships. Green Resources' relationship with communities was complicated by the fact that they had acquired a number of smaller companies which had broken relationships with communities. They felt that when these companies closed without warning, jobs and promises of future development investments were taken away. The communities blamed Green Resources for those unmet promises and felt they should uphold them. These complaints created public pressure for action, and concern among top GRAS leadership and its financial backers. Relinquishing company rights to community land was a strong first step in repairing this past damage. Additionally, the company provided support to eight communities whose land contained high value parcels with existing timber resources to help them set up community organizations to manage resources. Similar legacy issues marked the partnership in Madagascar with Lindt & Sprüngli and their implementing partner Helvetas. Both companies and their NGO partner did not realize the area they were entering was marred by decades of conflict and land tenure disputes with the government and private sector firms. Some progress was made with the establishment of the first multi-stakeholder governance platform for the cocoa sector in the country, but overcoming decades of distrust will take time and concerted effort. In Mozambique, Madal experienced ongoing conflict with local communities who were encroaching on their lands. The new partnership attempted to rectify this by granting land use rights to those farming on Madal lands, giving them a legal basis to continue to use the land, and extending farming contracts to bring these smallholders into the company's supply chain. In India, while most women farmers under the PepsiCo partnership held positive views of the company, there was some community distrust due to past grievances. For example, PepsiCo had previously sued Indian farmers for selling its patented potatoes to other firms, a move that was highly publicized and undermined trust nationally. While companies have the legal right to protect their intellectual and physical property, in this case it led to the unintended consequence of hurting relationships between supplier communities and the firm. Due to unfortunate timing, this issue hit the national press at the same time as USAID's design and launch meetings, which led USAID to limit their public engagement on the partnership for a short time. A similar issue struck Hershey in Ghana due to a national dispute between the cocoa regulatory body and international companies, whereby Hershey was temporarily banned from implementing livelihood activities because it was seen as doing direct implementation of sustainability programs while not meeting its financing commitments to the national government.

7.6 LOCAL ORGANIZATION CAPACITY BUILDING

USAID partnerships are often implemented by local NGOs/CSOs or for-profit service providers alongside the national office of the private sector company engaged. However, not every implementing partner is equipped to work with the private sector and understand priorities and communication styles that might differ from those of development actors. This may be especially true in countries where implementation is often done through local NGOs/CSOs. In many cases, such as the four Mozambique partnerships, ILRG implementing partners worked with local NGOs and CSOs to carry out land documentation work and community sensitization. These local organizations often had a history of working with and advocating for communities, not providing services to private sector firms, so working under a private sector partnership presented a unique challenge. Both the Portucel and Madal partnerships were implemented by local CSOs that historically had difficult relationships with the companies. ILRG found that this created tensions between company management and the implementation team. Given USAID's continued focus on localization, it is important to both pick the right partners for the work needed, as well as invest sufficient capacity strengthening and technical support resources to help orient local organizations on how to effectively carry out private-sector engagement.

7.7 MEASURING SUCCESS

Different partners, and even different constituencies within the same partner, may have different metrics for success, and different approaches to monitoring and evaluation, which can make it hard to determine if a public-private partnership has been effective and met its goals unless the partners have clarified what success looks like for each of them.

USAID is focused on development metrics like gender equality, women's economic empowerment, and secure tenure rights. USAID also wants the private sector to meet its goals like increased productivity, an expanded supply base, and improved product quality. It is an open question about how much partnership sustainability plays a role in USAID's measurement of success. If the partnership improved development metrics in the community – such as income earning potential, women's economic empowerment and climate change adaptation – but the private sector does not continue the project on its own after the partnership period ends, is the project still considered a success? While the overarching USAID goal for private sector partnerships is scalability and sustainability, there is also some acknowledgement that many of these partnerships are pilot projects, not all of which will be successful or taken past their initial stage.

The private sector is focused on delivering on the company's goals, which could relate to profitability, the business case for the activity, sustainability, CSR, or legal compliance metrics. Even within the private sector itself, there are debates about how to measure the business case, social inclusion, and return on investment (Market and Rodrigazo, 2021). Under the PepsiCo partnership, PepsiCo originally focused on business metrics of productivity, yields, and rejection rates. But USAID encouraged the company to think beyond core KPIs and take a wider view of the business case, including benefits like expanded supply base, increased brand loyalty, and improved reputation. PepsiCo engaged an independent consultancy to assess and measure the "intangible" benefits of women's empowerment in the supply chains for the company. Yet capturing these intangible benefits, while critical, comes with an inherent challenge. KPIs and business metrics such as yield and profitability are easily measurable and quantifiable.

The private sector as a result is often focused on hard numbers to demonstrate the value-add of investing in women's empowerment. They may be looking for straight forward correlations, like expanding the potato supply base by X women farmers leads to Y increase in yields. Yet some development metrics like women's agency, perceptions of tenure security, and shifts in gender norms are more abstract concepts, difficult to accurately measure, harder to causally link to business metrics, and often require household surveys and qualitative data collection. While USAID may think a project has clearly contributed to women's economic empowerment in an area, the private sector partner may need a different dataset to justify additional investments to their management, boards or shareholders.

Farmers weighing their potatoes at harvest time in West Bengal, India. Private sector partners are often focused on quantifiable metrics of program success like yield, productivity, and rejection rates. But softer women's empowerment outcomes may be harder to measure.

ILRG INDIA

Measures of success may also vary within different parts of the company. For PepsiCo's sustainable agriculture team, the adoption of climate-smart farming practices that support meeting the company's sustainability and climate goals are paramount and more aligned with USAID's development metrics. But for the agro-marketing team on the ground in West Bengal, meeting core KPI targets around potato yields and expanding the supply base are the key priorities. Making the business case for investing in women's land rights and empowerment requires demonstrating gains against these metrics.

The private sector and USAID often also have different expectations for what constitutes monitoring and evaluation reporting. USAID relies on detailed monitoring and evaluation plans that utilize common USAID indicators to allow for easier aggregation of impacts across programs and countries, alongside long narrative reports. The private sector may be more accustomed to shorter, simpler monitoring frameworks, presented in easy-to-understand slide decks and graphical formats. This may require program implementers to gather varying sets of metrics – some for USAID monitoring and evaluation purposes, and some for private sector business case analysis.

These differences in definitions and what variables matter are understandable since USAID and the private sector have different motivations for entering into the partnership. There should be some discussion at the outset about how success will be measured to ensure both parties have a shared understanding of project objectives. USAID can push the private sector to expand their thinking towards the "intangible" benefits of engagement on land tenure issues, which are tied to addressing political, economic and social risks in weak property rights environments, as well as women's economic empowerment. At the same time, the private sector appetite and need for quantitative business metrics can help USAID to be more rigorous in how it assesses the benefits and costs of an activity. Similarly, neither USAID nor the private sector are generally poised to know at the beginning of a partnership exactly what information they will need to scale the partnership at the end, so periodic re-evaluation of assumptions is necessary.

8.0 CONCLUSIONS & RECOMMENDATIONS

Private sector partnerships represent an important approach to development assistance. By leveraging private sector expertise, connections, and resources, these partnerships have the ability to help donors leverage limited public funding to reach greater scale and sustainability. The private sector to date has not been heavily involved in addressing tenure-related weakness downstream in their supply chains. Land tenure disputes with neighboring communities can be costly and time consuming for firms, but companies often lack the technical knowledge to navigate these tricky domestic policy spaces for longer-term solutions. Enhancing supplier land tenure security is not only a form of risk reduction, but it can also increase productivity and supply chain sustainability, as farmers have the incentive to invest in on-farm improvements. As companies commit to meeting international standards around supply chain traceability, it is important to ensure that smallholder suppliers have land ownership and use rights to their plots, including consideration of both customary and statutory rights. By engaging with smallholder farmers, especially women, the private sector can expand their supply base and increase trust and brand loyalty in communities. Greater gender inclusion is also important in responding to a changing climate, as women make up the bulk of the agricultural labor force in developing countries, and hence can be key agents of change in the adoption of regenerative farming practices.

Under the ILRG project, USAID engaged in nine private sector partnerships: Hershey & ECOM in Ghana on deforestation; ECOM in Ghana on women's empowerment; PepsiCo in India; Lindt & Sprüngli in Madagascar; Green Resources, Grupo Madal, Illovo Sugar, and Portucel in Mozambique; and MFinance in Zambia. Though each of these partnerships was unique, there were a number of common lessons which can serve as a guide for other donors looking to work with the private sector in the land tenure and women's empowerment space. The following eight recommendations are based on the above learnings across the private sector partnerships implemented under ILRG.

1. Find a champion and build buy-in at multiple levels

Champions on the private sector side are essential for driving a project forward and keeping institutional attention focused on the partnership. Yet if a partnership is individually led, there is a risk that it will fall apart if that person leaves. Therefore, it is essential to have an initial champion to drive the project forward during its beginning stages, as well as a concerted effort to build institutional buy-in at multiple levels from multiple people to sustain project momentum in the medium to long term.

2. Consider working within existing relationships at the national level

Partnerships require trust and mutual understanding, which can take time to build up, often longer than a project life cycle. It can therefore be easier to work within existing relationships, whether facilitated by USAID itself or an implementing partner in-country. These partnerships are often able to get started more quickly, building off existing trust and prior work together. In the same vein, it can be easier to work with national or regional firms, as opposed to large multinational brands. Firms with a strong local connection know the context, and there is a shorter communication channel between top-level champions and community-level staff. Partnerships with big multinational brands are impressive, but they take a lot of work to implement given various levels of company ownership and control across units and global/country offices. Though there may be questions about scale and impact working with national level firms, many of these actors (like Green Resources and Madal under ILRG) are major employers and thus have national scaling potential. In the case of ECOM in Ghana, ILRG worked with the company to develop a scaling strategy to implement similar programming in other origins where they work, and thus reach more consumer facing brands who they work with.

3. Start with an exit strategy

Program sustainability depends on whether the partnership demonstrates a value-add to the private sector. If so, the company may be willing to take the initiative onboard, increasing scale and sustainability. Yet most partnerships are not set up for this step. Under most partnerships, USAID leads implementation efforts, generally through an implementing partner. The private sector partner may contribute through financial or in-kind commitments, but largely remains hands off. This model is how USAID entices private sector participation - they get additional benefits without much effort. But at the end of the partnership, the private sector partner can be ill-equipped to keep the initiative going. More work is needed to plan for an exit strategy from the outset.

4. Find the "additionality"

Defining a clear partnership mandate can be challenging. USAID does not want to fund work a company would do in their absence. But they also may struggle to keep a private sector partner engaged if they push for a project scope that is clearly outside of the core business mandate of the company. Finding additionality is key – identifying the value achieved from the resources contributed by each partner. One possible path forward is to help private sector firms identify places where they are currently being pushed beyond their mandate or skill set. This may be a new area of work that the private sector is eager to engage in but keeps hitting roadblocks. It could also be an existing area of work where USAID support could help the private sector perform better. Women's economic empowerment often falls into this latter camp; companies may care about gender equality at some level, and there is a strong business case for greater gender integration. USAID technical guidance can help firms better integrate women into their supply chains and create a work environment that supports women's caregiving responsibilities.

5. Expand and nuance the definition of the business case

Each partner will have their own metrics of what partnership success looks like. Ideally, the partnership should achieve metrics on both partners' lists, both improving community development outcomes and supporting private sector objectives. USAID can push private sector partners to expand their vision of what constitutes the business case. In addition to traditional metrics like productivity and profit, an expanded supply base, improved brand loyalty and firm reputation, and decreased conflict are core intangible business outcomes. Likewise, the private sector can help USAID develop more rigorous quantitative metrics to assess program success.

6. Equip partners to meaningfully engage with the private sector

The day-to-day operations of most partnerships continue to be run by USAID implementing partners, whether a large international NGO, a consulting firm, or a local level CSO. Not all of these partners are well-equipped to meaningfully engage with the private sector on an equal footing. It is important to build partner capacity to productively engage with the private sector to ensure there is mutual understanding and trust building to set the partnership up for success.

7. Build trust between the private sector, government and communities

Private sector engagement requires trust between partners and communities. Building trust takes time, especially when working against a legacy of conflict and grievances. Project timelines are not necessarily conducive to this effort, but steps can still be taken to ensure partners and communities are on the right track to a healthy relationship. Community sensitization, discussion, and engagement are key so that communities feel they are partners in the project.

8. Align partner interests

While USAID and the private sector will likely have different motivations for engagement, it is important to align as much as possible at the outset. Key design decisions like ownership, funding structure, and implementation model have a large impact on program outcomes. Partners should agree on the project mandate at the outset to prevent boundary issues and mission creep from occurring. They should also establish periodic check-ins to assess and realign throughout the project as politics and dynamics shift.

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