



FEED THE FUTURE
The U.S. Government's Global Hunger & Food Security Initiative

Partnering for Innovation

Annual Report #1

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USAID
FROM THE AMERICAN PEOPLE



fintrac

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**All photos by Fintrac Inc.*

EXECUTIVE SUMMARY

Feed the Future Partnering for Innovation is a five-year program that identifies and promotes innovative agriculture technologies for investment and distribution across the developing world. Funded by the US Agency for International Development (USAID), the program collaborates with a broad range of external partners, including private sector companies, USAID Missions, universities, and R&D institutes. It focuses on four components: (1) agriculture technology commercialization; (2) partnership development; (3) design and analysis of partnership models; and (4) communications and knowledge management. Its goal is to put labor-saving, state-of-the-art technology into the hands of smallholder farmers, especially women, to improve their productivity, profitability, and quality of life

Achievements during the first year of implementation include:

- Quickly established a **competitive grants process** and solicited technology-scaling concepts in two separate grants rounds, and received **more than 100 Expressions of Interest (EOI) in the first round and more than 300 in the second**, with over half submitted by the private sector. The majority of technologies represented were postharvest or inputs-related.
- Conducted due diligence, negotiated, and **awarded \$3.9 million in grants to 11 organizations with over \$1.8 million committed for leveraged funds**. Nine applications are under negotiation for an additional \$10 million in grants, including an estimated \$4.2 million in proposed leverage.
- Negotiated **commercialization strategies for six grantees with more than 25 commercial partner organizations** from the private, public, and NGO sectors. This will provide **at least 37,600 smallholders with access to new technology**, such as:
 - Drip irrigation
 - Mobile-based extension platform
 - Small-scale millet processing equipment
 - Quick and inexpensive mastitis testing
 - Low cost hermetically-sealed grain storage bags
 - Weed-resistant maize seed
- **Engaged with a dozen USAID Missions**, including those in Feed the Future countries such as Kenya, Senegal, Bangladesh, Zambia, Rwanda, Uganda, Malawi, and Ethiopia.
- **Launched a website**, which contains a **Knowledge Exchange** that includes resources and catalogues for agriculture technologies, workshop materials and videos, and a **monthly blog**. The website receives **an average of 7,000 visitors per month, peaking at more than 15,000** in June when the program launched its second call for Expressions of Interest.
- Hosted the first **AgInvestor Lab**, where participants with promising agriculture technologies from around the globe worked with **corporate executives and private investors to fine-tune commercialization strategies, improve business plans, and expand partnerships**.

- Identified and created educational content for **four agriculture technology commercialization models with multiple examples** of companies applying each model to market their products to the smallholder farmer sector.
- Held four **webinars that reached more than 200 participants in more than 14 countries**. Some **730 people downloaded** the webinar recordings.
- Established Partnering for Innovation as a **hub for social media**. The weekly peak for accounts reached on **Twitter is 90,000**, the program's **LinkedIn group claims more than 500 members**, and the Facebook page attracts more than 1,400 visits per month.
- Populated a **web-based database with contacts from nearly 1,000 organizations**, half represent private-sector technology firms, and the remainder represent universities, research institutes, and non-profits.
- Created and populated a [resource corner](#), as part of the **Knowledge Exchange**, containing information and links to companies and organizations that are developing, testing, and marketing improved agriculture technologies to the base of the pyramid market. Also created source links to more than [30 additional funding sources](#) for agriculture technology on the Partnering for Innovation website.

Improving Cattle Health in Rwanda

Partnering for Innovation is working with [PortaScience, Inc.](#) to improve incomes for smallholder dairy farmers in Rwanda with an inexpensive and easy-to-use udder infection detection technology called **UdderCheck™**. The dipstick allows farmers to detect mastitis infection early and reduces the extreme losses in milk that result from late-stage infection. When dipped into fresh milk, UdderCheck detects an enzyme, Lactate Dehydrogenase (LDH), which is present when cells are damaged due to infection. In two minutes, the strip will change colors to indicate moderate, high, and very high levels of LDH infection. In Rwanda, it is estimated that mastitis losses amount to \$402 per cow per year, and total economic losses amount to \$3.5 million per year.



The UdderCheck dipstick displays levels of infection in milk.

INTRODUCTION

Partnering for Innovation identifies and promotes innovative agriculture technologies for investment and distribution across the developing world. Funded by the United States Agency for International Development (USAID) as part of the US government's Feed the Future initiative, its goal is to put labor-saving, state-of-the-art technology into the hands of smallholder farmers, especially women. The program works to improve their productivity, profitability, and quality of life and to make use of a range of external partners in program implementation. Partnering for Innovation focuses on Feed the Future target countries and other countries where USAID is active. Its budget totals \$66,900,369 of which \$52.5 million is designated for commercialization and partner grants.

“Technology is a hedge against climate change, abiotic stress, poor soils, poor nutrient availability, and drought.”

*Jim Gaffney, Global Biotech
Affairs and Regulatory Strategy
Lead, DuPont Pioneer*

Other critical activities include the identification and dissemination of best practices, and development of toolkits to assist companies and other organizations to enter developing markets with their off-the-shelf technologies for smallholder farmers.

Partnering for Innovation provides pilot grants to demonstrate proven technologies in new markets, and larger grants to bring these technologies to commercial scale. Innovation examples include:

- Seed varieties
- Biological pest management products
- Animal genetics and vaccines
- Drip irrigation and water harvesting systems
- Production and postharvest mechanization
- Postharvest and value-added technologies
- Internet and cell phone technology

This report summarizes activities and accomplishments under four components for the first year of operation: (1) agriculture technology commercialization; (2) partnership development; (3) design and analysis of partnership models; and (4) communications and knowledge management.

GOALS

Partnering for Innovation's overarching goal is to improve the competitiveness and incomes of smallholder farmers, especially women, in developing markets. Anticipated outcomes from this work include:

- Making proven agriculture technologies commercially accessible.
- Fostering partnerships for investment and commercial distribution of modern agriculture technologies.
- Creating a strong network of like-minded entrepreneurs, researchers, businesses, and other organizations working to create profitable businesses.
- Capturing and disseminating the best practices of technology developers and their partners.

STARTUP AND PROGRAM ADMINISTRATION

The first months of Partnering for Innovation required investment of time in start-up activities, including:

- Holding a public launch event in Washington, DC with nearly 100 attendees.
- Recruiting, hiring, and training staff.
- Leasing and furnishing office space in Washington, DC.
- Subcontracting with Deloitte Consulting LLP, giving the program access to Deloitte's global country-level expertise and specific country-level information for companies interested in investing in emerging markets.
- Establishing administrative and accounting procedures.
- Installing a web-based relationship management database (Salesforce.com) to track engagements with organizations and individuals.
- Developing grant solicitation, evaluation, and award criteria.

The remaining activities of year one are detailed in the following sections, organized by component.



Innovations such as cell phone technology can change the way smallholder farmers in rural parts of developing countries access inputs, market information, and make contact with buyers.

COMPONENT I: AGRICULTURE TECHNOLOGY COMMERCIALIZATION

Component I focuses on identifying and selecting technologies that increase productivity, are cost effective, and can be replicated. This includes identification of private sector partners and coordination to improve prospects for effective technology introduction, adoption, sales, and service. In addition to assisting with the grants solicitation guidelines development, the team focused on identifying best partnership models for replication and scaling, promoted the program to businesses, research institutes, universities and USAID, and developed strategies and approaches to assist current and potential grantees to more effectively implement technology commercialization plans.

Outcomes:

- Created a [Technology Inventory](#) of more than 150 technologies and their developers that have practical application smallholder farmers.
- Identified and summarized 11 examples of effective technology commercialization for the knowledge management component, which are posted on our website as [Featured Technologies](#) as well as included in the Monthly Updated provided to USAID.
- Conducted preliminary research for a technology needs assessment for Feed the Future priority countries to help guide the solicitation process, inform the review process, and provide information for the knowledge management and partnership components. This is an ongoing project, which we aim to post on our website early next year.
- Contacted all 10 USAID Innovation Labs and 15 Global Agricultural Research Partnerships (CGIARs) as well as the Consortium Center, to learn how they are commercializing their research and where Partnering for Innovation can be helpful in connecting them with commercial partners.
- Led a site visit to Virginia Tech and its USAID and commercialization programs, including the Integrated Pest Management Innovation Lab, the Sustainable Agriculture and Natural Resource Management Innovation Lab Innovation Lab, the innoVATE agricultural education program, and the Institute for Critical Technology and Applied Science (ICTAS), which is working across the university to identify and find commercial partners for new technologies.
- Conducted in-depth interviews with individuals who have successfully commercialized technologies developed in the public sector. This included representatives from the CGIAR Centers as well as Universities (e.g. Cornell, University of Wisconsin, University of Nebraska, Virginia Tech, and University of California at Davis), technology accelerators such as USDA's Agriculture Technology Innovation Program and two of its partners, Technology Development Corporation in Maryland, and the Innovation Center in Texas. A summary of best practices and effective approaches to technology commercialization will be published on the Knowledge Exchange.

What kinds of technologies were submitted?

EOIs included a wide range of technologies, such as solar-powered cold storage for dairy value chains, *aflatoxin* biological control and testing products, mobile applications for soil testing and market information, and new varieties of legumes and other products bred for disease resistance and improved nutritional quality.

Technology Commercialization Partnerships: 6 grantees and 25+ new partners

- PortaScience, manufacturer of UdderCheck, is working with African Breeders Services Total Cattle Management, a Kenyan firm, to promote sales of animal hygiene products in Rwanda.
- iDE is partnering with US-based drip irrigation firm, Toro, to deliver new drip irrigation technology to the Zambian smallholder market.
- World Cocoa Foundation is distributing its mobile cell phone technology working with global telecommunications company Orange, chocolate company Hershey's, Grameen Foundation, World Education, Cote d'Ivoire's *Conseil Cocoa Café*, and the International Cocoa Initiative, a major player in the anti-child labor movement.
- The Israeli drip irrigation company, Netafim has joined with Kenya-based agriculture distributor Amiran and AZMJ as a finance partner that will organize consumer credit through local banks K-Rep and Home.
- Purdue University is partnering with local distributor Bell Industries to distribute PICS bas in Kenya and with local producer/distributor Ecoplastics in Rwanda.
- AATF* is collaborating with BASF, CIMMYT, Kenya Seed and Western Seed (Kenya); Tanseed and one other seed company in Tanzania; Nalweyo Seed Company and one other in Uganda.

*pending approval

COMPONENT 2: PARTNERSHIP DEVELOPMENT

Component 2 is responsible for identifying and developing Program partner alliances from early seed funding to full buy-in by USAID Missions. Partners will include the private sector, investors such as venture capital and financial institutions, entrepreneurs, foundations and other organizations. The Lead for this component markets the Program and prioritizes interested missions that are pursuing private sector partnerships; provides technical and administrative support to launch Solicitations for New Agricultural Partnerships on behalf of USAID missions and negotiates and operationalizes these partnerships; works closely with missions to design and structure successful partnerships including negotiating roles and scopes of work, mission and partner leverage, and return on investment analysis.

Outcomes:

- Created a [Partnership Inventory](#) of successful technology commercialization partnerships. The inventory process helped the program identify potential grant applicants, capture findings from technologies already marketed, and understand the opportunities and challenges in commercialization.
- Researched and drafted a report on [Partnership Guidelines](#) based on past successful models, including a scan of existing partnership resources and literature and a recapitulation of early lessons learned from the first round of grants.

- Conducted in person meetings with USAID Missions, potential applicants, and partners in Rwanda, Uganda, Kenya, Ethiopia, Senegal, Bangladesh, Cote d'Ivoire, Burkina Faso, Malawi, and Zambia. Through partner projects, we have also informed Missions in Tanzania, Zimbabwe, and Honduras of the program's objectives.

COMPONENT 3: DESIGN AND ANALYSIS OF PARTNERSHIP MODELS

Component 3 is charged with developing a toolkit of business partnership models that can be used by the program team, existing and prospective partners, USAID's Bureau for Food Security's Markets, Partnerships and Innovations Office's (BFS/MPI), and bilateral USAID Mission staff. The toolkit will capture the best partnership models in use by program-funded grantees and from external programs. This product is a work in process, continually updated as the program gains more experience and learns about new examples. These models are user-friendly and will be available on the Partnering for Innovation Knowledge Exchange webpage.

Outcomes:

- Researched examples of commercial technology commercialization models for smallholder farmers and developed a presentation format containing four models and 14 company case profiles supporting each of the model characteristics. Models include:
 - *Distributor*: A direct or third party arrangement to sell a good or service through a network of wholesale or retail shops.
 - *Aggregator*: A consolidator or buyer managing a number of farmers as raw materials suppliers, providing training, market access, finance, and logistics while ensuring products meet market standards, certifications, and traceability.
 - *Acquisition*: This model involves taking an equity position in a firm to either co-manufacture and import or distribute products with mutually beneficial sales agreements.
 - *Accelerator*: These provide business management, coaching, mentoring, and IP advisory services, and help link technology developers with investors that will speed up commercialization of a technology.
- Using Deloitte's in-country expertise, prepared 10 country background briefs as part of the due diligence process. These reports include a summary of the FTF projects, commercial contacts, country demographics, and market characteristics including contacts. Country briefs on [The Partnering for Innovation Intranet](#) include Ethiopia, Kenya, Uganda, Senegal, Cote d'Ivoire, Rwanda, Malawi, India, Burkina Faso, and Bangladesh.
- Participated in Key Industry Events including:
 - World Food Prize and Borlaug Dialogue in Des Moines, IA
 - World Agriculture Expo in Tulare, CA
 - State Department Meeting on postharvest technologies
 - Market Matters conference in Cape Town, South Africa
 - Chicago Council Annual Meeting in Washington, DC
 - Corporate Council of Africa breakfast briefings
 - AgInnovation Showcase in St. Louis, MO



- These meetings and conferences resulted in a significant build-up of contacts and exposure to the private sector, including a jump in the number of commercial applicants for grants in the second round. Equally importantly, they allowed the program to identify critical technology provider profiles for the Knowledge Exchange.
- Partnering for Innovation's internal database contains 579 private sector groups. Staff have logged 123 personal interactions with private sector contacts from more than 80 companies, including 15 global companies and 21 African companies. Sixty-two of the companies included have signed letters of intent for USAID's New Alliance for Food Security and Nutrition.

COMPONENT 4: COMMUNICATIONS AND KNOWLEDGE MANAGEMENT

The Communications and Knowledge Management team is responsible for coordinating outreach to the private sector, USAID Missions, and other donor and non-governmental development communities using digital and social media tools such as websites, webcasts, blogs, videos, Twitter, and other media. The team manages the Knowledge Exchange, which is the program's comprehensive resource for learning, analysis, dialogue, and interaction among program partners, grantees, stakeholders, and external audiences. It houses vetted information and resources



Breakthroughs in seed varieties and fertilizers position smallholder farmers to increase their yields and incomes dramatically.

on transferring technology to smallholder farmers, including inventories, case studies, photos, videos, and other tools and resources to facilitate creation of new partnerships, the launch of technologies into new smallholder markets, and continual learning among a diverse community of stakeholders. The team supports the other components by identifying and preparing for events where activities, results, and best practices are presented and examined.

Outcomes:

- Designed a branding and marking strategy that combines Feed the Future, USAID, and Fintrac logos.
- Created program materials including brochures, information packets, letterhead, a PowerPoint presentation, and other marketing materials.
- Launched a website, which contains resources on agriculture technology, funding sources, partnerships, and an online community of practice. An average of 7,000 visitors use the website each month, peaking at more than 15,000 in June when Partnering for Innovation announced its second call for Expressions of Interest.
- Started a blog that features new content bimonthly. Published 11 blogs (three with embedded videos) that have been viewed an average of 700 times per month.
- Held the program's first in-depth technical workshop, the *AgInvestor Lab: Getting Your Technology to the Smallholder Market*. Seventeen participants from five countries—ranging from entrepreneurs, researchers, and nonprofits—participated in this week-long event, which will be held annually. Facilitated by KnowInnovation, an international firm that facilitates creative thinking and problem solving for the National Science Foundation and other government agencies and universities, the AgInvestor Lab included exercises and activities to help participants explore new solutions to barriers to entering the smallholder market. Based on evaluations, takeaways for participants included skills building in:
 - Identifying and negotiating partnerships.
 - Constructing and deploying a commercialization plan.

- Fine-tuning and applying management and leadership skills.
- Increasing the likelihood of successful technology transfer to smallholders.

- Produced six videos, including highlights from the AgInvestor Lab and full-length presentations on transferring technology to smallholders, pitching business concepts to private investors, creating a business plan, and scaling a business or technology.

“I have never gone to a workshop, knowing no one, and five days later had the feeling that I had known the participants for years. I attribute this to the innovativeness of the speakers and to the special qualities of all of the participants. Congratulations to Fintrac!”

*Professor E.A. “Short” Heinrichs
Research Professor and Associate Director Emeritus,
University of Nebraska at Lincoln, Entomology*

- Held two webinars focused on providing technical assistance for grantees around the release of the first Request for Applications and the second call for Expression of Interest. Close to 100 applicants or potential applicants, participated and detailed transcripts of Frequently Asked Questions were posted on the website.
- Hosted two webinars around community of practice topics, including “Inside Investors: Getting Investors to Back your Technology” and “From the Lab to the Field, the Challenges of Commercializing Research.” These webinars attracted more than 200 participants in more than 14 countries and some 730 individuals downloaded the recordings.
- Established the program as a hub for lively social media exchange on agriculture technology and smallholder competitiveness. The weekly peak for accounts reached on Twitter (@FTF_PI) is 90,000; the program’s LinkedIn group claims more than 500 members, and its Facebook page attracts more than 1,400 visits per month.
- Populated a web-based database with contacts for nearly 1,000 organizations. Half of these represent private sector technology developers, and the remainder are nonprofits, universities, and research institutes where technology is being developed.
- Featured in programs and webinars such as:
 - The Next Generation of African Hunger Fighters Speakers Series. Presentation on “Ten Technologies for Youth in Agriculture.”
 - The *Guardian* international webinar on “Financing Development Projects.”
 - AgriLinks events/webinars on (1) Preventing Postharvest Losses and (2) Scaling Technologies.
 - The #AskAg Twitter Chat on “Smallholder Access to Improved Technologies.” This event included 712 Tweets that reached more than 242,327 accounts.
 - The Corporate Council of Africa (CCA) monthly breakfast series featuring the Partnering for Innovation World Cocoa Foundation grant and partnership development which was webcast to CCA members around the world.
- Appeared in publications including the [Guardian](#), [The Africa Journal](#), USAID’s [Natural Resources Management & Development Portal](#), the State Department’s [IIP Digital Magazine](#), [Africa Agribusiness](#), and [DevEx](#), International Development News.

GRANTS

The grants team supports all funding activities, including the test pilot grant application and negotiation process, the launch of two rounds of Expressions of Interest and invitations for Request for Applications, due diligence and negotiation processes, review and approval documentation, and the issuance of final grant awards. The team is also responsible for validating implementation milestones and targets and making grant payments according to the terms of each agreement.

Outcomes:

- Developed program grants procedures including completing the subaward manual for USAID approval.
- Created guidelines and requirements for Expressions of Interest (EOI) and Request for Applications (RFA) as well as the criteria and rating rubrics. The two-step process includes requiring an application of no more than six pages. After an initial review, shortlisted applicants are asked to submit a more detailed proposal as well as budget and work and milestone plans.
- This process is designed to encourage private sector applicants that otherwise avoid applying to complex, traditional US Government grant programs.
- Similarly, grant payments are performance-based, with incentives created around meeting business metrics such as units produced, and unit and gross sales attained.
- Grant guidelines and EOI announcements went live less than two months after the start of the program. Following Round 1, the team revised the EOI application, criteria, and rating rubrics to apply uniformly to the review of EOIs and applications. Most notably, the program switched to an adjectival rating process to prioritize applications based on criteria including meeting Feed the Future program goals, technology innovation, market potential, smallholder impact, partnerships, and the potential sustainability of the project.
- Conducted initial research on potential technologies that showed promise for smallholders for an initial pilot award to test grant award procedures. Purdue University was selected for the first award following the identification of two other technology developers for the pilot award.
- Established and convened two complete grant application review processes:
 - i. **Internal Review Committee:** Created the committee to review of Expressions of Interest comprised of technical component leads, the grants program director, and one representative from USAID.
 - ii. **Commercialization Review Committee:** Identified seven outside experts representing a variety of countries and agricultural business and technical expertise to review the final proposals.

Partnering for Innovation concluded two full solicitation cycles in Year 1.

Chart 1: Round 1 and 2 Grants

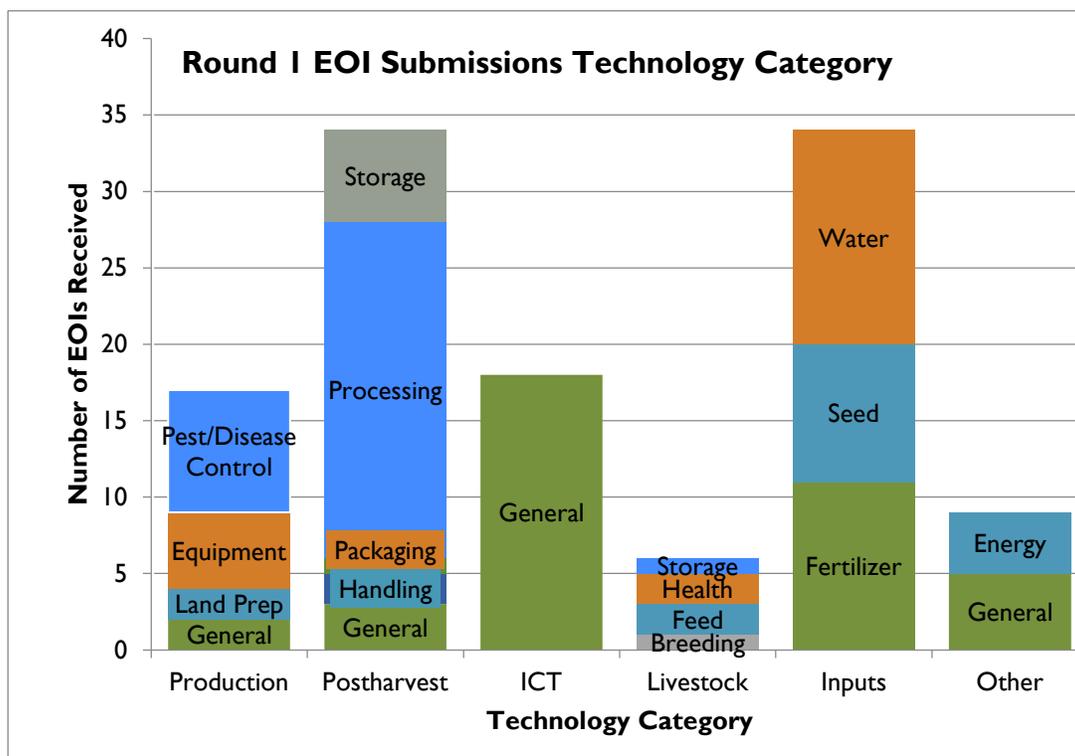
Key Features	Round 1	Round 2
EOI solicitation period	November 14 – 2012 to January 31, 2013	June 15, 2013 to July 31, 2013
EOIs reviewed	120	307
Applicants submitting full applications	19 (20 invited)	14 (15 invited)
Percentage of EOIs from the private sector	40%	59%
Amount obligated	Est. \$6.7 million*	Est. \$6.8 million

*Includes pending award to AATF.

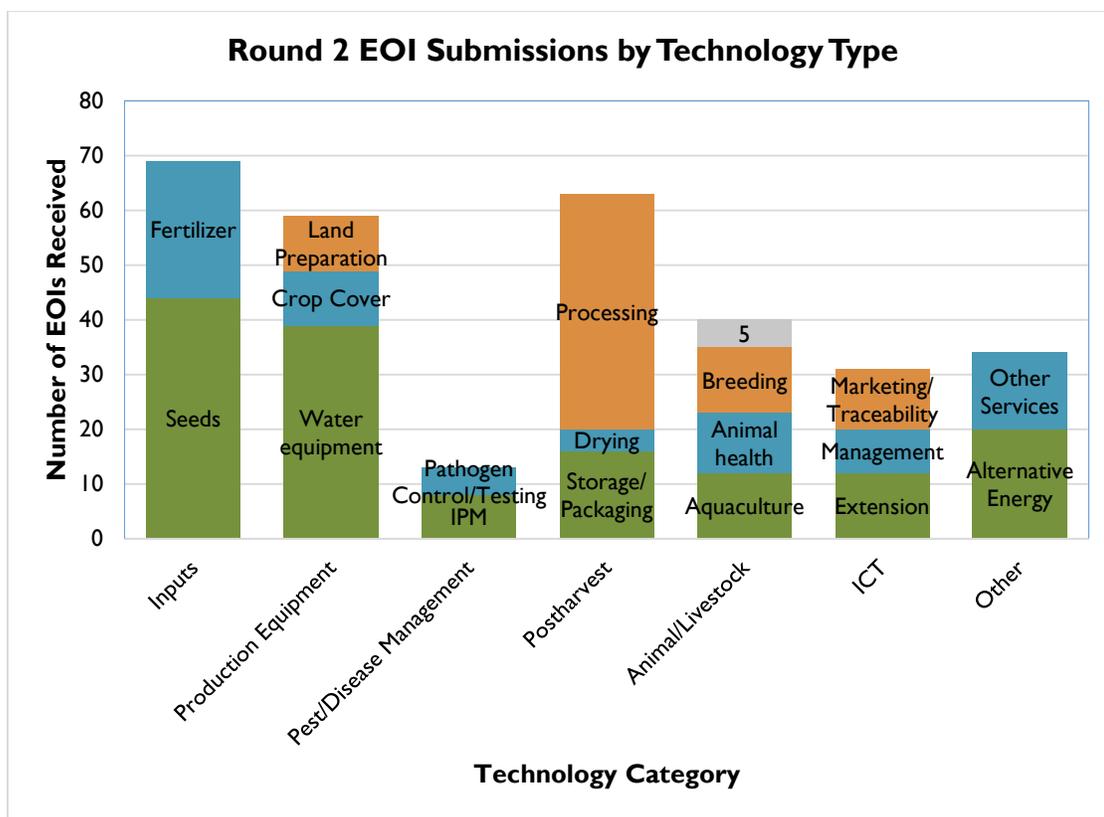
- Developed a hybrid grant mechanism called the Standard Milestone Obligation Grant (SMOG), a performance-based agreement with payments based largely on achieving business metrics. In the first year, Partnering for Innovation negotiated two commercialization awards, seven pilot activities, and awarded three small SMOGs for participants developing business plans at the AgInvestor Lab. In Round 1, Partnering for Innovation has committed more than \$6.7 million in grants.
- Received a variety of technology applications in the first round. The graph below provides a breakdown of technology categories such as production, postharvest, information communications, and technology, livestock, inputs, and other. Nearly 70 of the 120 applications focused equally on postharvest or inputs.

What is a SMOG?

All of Partnering for Innovation’s grants are performance-based awards built on achieving business metrics. To manage such milestones, the program developed a hybrid award called the SMOG (Standard Milestone Obligation Grant). Grantees receive payment when a milestone is accomplished. To date the milestone-based performance agreements have been positively received by grantees as a straightforward and transparent way to do business with USAID.



Round 2 saw the same large percentage of applications tackling postharvest and input innovations, representing 20 and 23 percent of total applications respectively. Only 10 percent of applications represented ICT solutions compared to 15 percent in Round 1. In contrast, animal and livestock represented 13 percent of the applications showing an increase from four percent in the first round.



- **Round 1 Applicants:** Overwhelmingly, 70 percent of all EOIs received focused on Africa exclusively; 8 percent of EOIs focused on a combination of countries where at least one of the countries was also in Africa. Thirteen and eight percent of the EOI proposals, respectively, targeted Asia and Latin America. One percent of all applications targeted the Middle East and North Africa.
- **Round 2 Applicants:** Similarly, 67 percent of all EOIs received focused on Africa with nearly half in East Africa. Partnering for Innovation saw the same percentage of applications representing Latin America at eight percent and the largest regional increase in Asia with 21 percent of applications proposing work in this region.
- **Commercialization Review Committee (CRC):**
 - The CRC, a group of international business and agricultural experts, met in March and September to review and evaluate the shortlisted applications received in response to the RFA. In the first round, the CRC reviewed 19 applications. In the second round, the CRC reviewed 14 applications.
 - The CRC reviewed each application received using pre-established rating criteria. At the end of each meeting, the result was a ranked list of applications in order of quality.
 - Based on the available budget, the program team selected the top 10 proposals in the first round and eight in the second to begin the grant negotiation process. Chart 2 below details the grantee or applicant, the key impact from the technology, the target country, and budget information.

- Partnering for Innovation notified applicants of their selection status, provided detailed feedback to all unsuccessful applicants, and invited the applicants who ranked highest to attend our AgInvestor Lab to improve their commercialization strategies.

Members of the March 2013 CRC:

- Sara Boettiger, senior advisor at Syngenta Foundation for Sustainable Agriculture.
- Ricardo “Raca” Lardizabal, head of global production for Fintrac.
- Tim de Mestre, general manager of Paraway Pastoral of Australia.
- Hasit “Tiku” Shah, managing director of the Sunripe Group of Companies of Kenya.
- Francisco Viteri, CEO of Agropecuaria Popoyán, S.A., a diversified agribusiness based in Guatemala.

Members of the September 2013 CRC:

- Ricardo “Raca” Lardizabal, head of global production for Fintrac.
- Bob Morris, a consultant helping start-ups and entrepreneurs commercialize their innovations.
- Mima Nedelcovych, Chairman of Schaffer International, a project, finance, and implementation firm focused on the emerging markets of Asia and the Americas.
- Brandy Salmon, director of RTI’s innovation advisors’ food and agriculture practice.

Chart 2: Current and Pending Grant Awards

Round I			
Grantee	Key Impact	Target Country	Date of Award
World Cocoa Foundation	5,400 cacao farmers adopt good agricultural practices with mobile extension platform	Cote d'Ivoire	5/31/2013
Driptech	1,000 farmers purchase customizable, DIY drip irrigation kit	India	7/5/2013
CTI	30 pearl millet processing suites will be purchased improving access to 8 cooperatives	Senegal	7/29/2013
PortaScience	\$25,000 worth of animal hygiene products, including UdderCheck, a mastitis detection dipstick, will be sold	Rwanda	8/22/2013
Netafim	\$10 million worth of drip irrigation smallholder kits and technical assistance packages will be sold through new loan mechanism	Kenya	9/10/2013
Purdue University	17,500 farmers will purchase hermetic grain storage bags	Kenya	9/27/2013
iDE	100 farmers will purchase the Toro drip irrigation system, available in Africa for the first time	Zambia	9/19/2013
African Agricultural Technology Foundation (AATF)	955 MT of hybrid seed, StrigAway, will be sold	Kenya, Tanzania, Uganda	Pending approval

Grants awarded through alternate competition			
Grantee	Key Impact	Target Country	Date of Award
Purdue University	15,000 farmers will purchase (PICS) hermetic grain storage bags	Rwanda	3/27/2013
Grantee	Key Impact	Target Country	Date of Award
WorldFish	Construction of 50 household level water and fish ponds	Cambodia	8/1/2013
Sistema Biobolsa	Installation of four small scale biodigesters	Mexico	8/2/2013
Catholic Relief Services with CTI	Assessment of potential for ground nut processing technology	Zambia	8/9/2013
Round 2 Finalists*			
Grantee	Proposed Technology	Target Country	Date of Award
AGCO	Metal grain storage system for smallholders	Zambia	In negotiation
MEA Limited	Rhizobial inoculants and specialized fertilizer blends	Kenya	In negotiation
MercyCorps with Syngenta Foundation	<i>Farmforce</i> , a traceability and supply chain management system	Guatemala	In negotiation
Moana	Disease free shrimp	Bangladesh	In negotiation
Surehatch	Smallholder egg incubators	Kenya	In negotiation
Syngenta Foundation	Weather Index-Based Crop and Indemnity-Based Livestock Insurance	Regional East Africa	In negotiation
Western Seed Company	Stress tolerant hybrid maize seed varieties	Kenya	In negotiation

* The CRC convened on September 27, 2013 to review and rank 14 applications. Partnering for Innovation is currently initiating negotiations with each of the Round 2 finalists; award will be contingent on successful negotiations.

PROGRAM IMPACT

Program monitoring tracks the two main indicators required in our cooperative agreement and provides impact data for Feed the Future program indicators. The tables below show results for the indicators from the cooperative agreement.

Indicator 4.5.2-12				
Number of public-private partnerships formed as a result of FTF assistance				
Component #	Year I Target	Year I Achieved	Program Target	Balance
1. Agriculture Technologies Commercialized	3	2	12	1
2. Partnership Development	3	0**	15	15
3. Investment Design/Models	2	0***	20	16

*Out of 11 subawards, two technologies have been commercialized PICS and the Driptech InstaKit. .

**Mission buy-ins

***Four models have been identified and examples for each have been summarized. The composition of the models toolkit and examples is underway.

The value of new private sector investments (Indicator 4.5.2-38) was determined from the leverage committed in each grant agreement. Grants with dedicated leverage began implementation in the latter part of year 1. Accordingly, the table below notes the leverage committed. Partnerships refer to Mission buy-ins. None has been recorded to date.

Indicator 4.5.2-38				
Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (US\$,000)				
Component #	Program Total	Year I Target	Year I Committed	Balance
1. Agriculture Technologies Commercialized	\$13,124	\$533	\$1,800	+1,267
2. Partnership Development	\$13,124	\$562	\$0	

In addition, the following Feed the Future indicators are being monitored, where applicable, in each grant agreement:

FTF indicator	Description	Year I Achieved
4.5.2-2	Number of hectares under improved technologies or management practices as a result of USG assistance	31*
4.45.2-5	Number of farmers (women) who have applied new technologies or management practices as a result of USG assistance	PICS results not yet available
4.5.2-39	Number of technologies or management practices made available for transfer as a result of USG assistance	15**

*DripTech sales of InstaKits 77 kits = 77acres/2.47 = 31 hectares.

** PortaScience 2 (Uddercheck, animal hygiene); World Cocoa Foundation: 2 (CKW training, mobile extension app); Netafim 3 (Drip, financing, technical assistance); Driptech 1 (InstaKit); Purdue/Rwanda 1 (triple-walled plastic storage

bags); Purdue/Kenya I (triple-walled plastic storage bags); WorldFish I (Wishponds); Sistema Biobolsa I (methane gas); CTI 4 (winnowing, processor, stripper, grinder components for pearl millet).

CHALLENGES AND SOLUTIONS

- Partnering for Innovation was designed to host a linked site on Feed the Future’s “Private Sector Hub,” but this was not a feasible option in time for the program’s launch. Fintrac created and maintains a separate website: www.partneringforinnovation.org.
- Outreach takes time and personal connections. The first EOI announcement was broad, but by the second announcement, the team had tripled its number of private sector contacts. Outreach will become more targeted to countries or regions, selected companies, or specific technologies or portions of the value chain.
- There is a gap between technologies getting to market and innovations coming from universities and research institutes. Partnering for Innovation provides a mechanism to help fill that gap.
- Extensive due diligence, negotiation, and program design up front takes time and concentrated staff resources but pays off in grants that are more effective. This process has helped eliminate organizations that would not be viable grantees as well as to set more ambitious targets for grantees. In the first grants round, four staff members visiting three countries apiece, saving the program from placing investments of more than \$2 million.
- There is a wide range of techniques and methods for managing Communities of Practice. Managing an online interactive community requires a web-based software package and at least half time of a staff person to manage content and drive participants to the online community. Partnering for Innovation has identified more than 25 online communities in the agriculture and international development space. The team determined that one effective way to establish an effective online community was to combine it with organizations and individuals who are actively seeking grants. Tools exist to facilitate these interactions; some are more developed, effective, and user-friendly than others. The team continues to look for innovative and cost effective ways to provide value to both successful and aspiring applicants.
- The first year of a program is challenging for staff and turnover is common. Partnering for Innovation is recruiting for replacements for two key personnel who left at the one-year mark.

ANNEX I: WORK PLAN

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance		
Start-up and Program Administration																		
Key personnel hired/approved	x													4	approvals, key personnel contracts	4	0	
Subgrant with Deloitte submitted/approved/signed	x													1	subgrant approved, signed	1	0	
Year I work plan submitted/approved	x													1	approved Year I work plan	1	0	
Office established			x											1	office leased, occupied	1	0	
Balance of core team approved/hired			x											1	approvals, staff contracts	1	0	
Admin/accounting systems installed			x											1	office files	1	0	
Subgrant manual submitted/approved			x											1	grant manual approved	1	0	
Branding/Marketing plan and project marketing materials approved		x												1	branding/marki ng plan	1	0	
Activity Startup event		x												1	startup event	1	0	
Monthly update		x	x	x	x	x	x	x	x	x	x	x	11	updates	11	0		
Semi-annual report (April)							x						1	report	1	0		

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance	
Annual report (each October)													0	annual report (Oct 2013)	0	0	
Second annual work plan submitted												x	1	second annual work plan	1	0	Revised version submitted
Component I: Commercialization of FTF Technologies																	
Develop process and metrics for soliciting technologies		x											1	solicitation document	1	0	
Identify, establish a technology assessment team			x										1	team profile, agreements	1	0	
Inventory existing technologies		x	x	x	x	x	x	x	x	x	x	x	10	monthly technology briefs	11	+1	Featured Technologies on website.
Outreach and assessment trips to research, project, Mission programs				x				x					6	2 trips/quarter to visit FTF countries	5	-1	
Solicit technology seed grant proposals for Round I			x										2	technology fund grant solicitation	2	0	EOI and RFA
Evaluate, score, rank Round I list of eligible technologies, submit to CRC				x									10	technology fund grant evaluations	15	+5	
Select applicants, support applicant in full proposal development, establish and negotiate targets and sub-award amounts					x								3	subgrants negotiated and approved	11	+8	7 awarded in Round I; 3 through the AgInvestor Lab; 1 pilot grant.

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes	
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance		
Approve seed grant, implement, monitor technology grants						x							3	subgrants awarded and implemented	10	+7		
Solicit technology seed grant proposals for Round 2										x			2	technology fund grant solicitation	2	0		
Evaluate, score, rank Round 2 list of eligible technologies, submit to CRC											x		10	technology fund grant evaluations	14	+4		
Select applicants, establish and negotiate targets and sub-award amounts													3	subgrants negotiated and approved	0	3	in process	
Provide technical support, oversight to Round 2 subgrantees														ongoing commercialization support				
Monitor technology agreement implementation, provide update in monthly report								x	x	x	x	x	6	monthly update	6	0	6 pilot grant awards: WCF, Purdue, Driptech, CTI, PortaScience, iDE.	
Component 2: Partnership Development																		
Inventory existing partnership relationships													1	report	1	0	Posted on FTF-PI Intranet.	
Develop partnership guidelines based on best practices models													2	report	2	0	Posted in FTF-PI Intranet.	

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance	
	Outreach & assessment trips to research, project, Mission partners															6	
Solicit partnership expressions of interest			x										1	solicitation	0	1	
Evaluate responses, negotiate operational plans for new partnerships													10	Mission related-partnerships	0	10	
Prioritize individual partner work program													6	partner work plans in process	0	6	
Negotiate and sign partner agreements							x						3	partner agreements	0	3	
Provide technical assistance and operational support to active partnerships														ongoing partnership support			
Solicit partnership expressions of interest											x		1	solicitation	0	1	

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance	
Monitor partner agreement implementation, provide update in monthly report							x	x	x	x	x	x	6	monthly update	0	6	
Component 3: Design and Analysis of Partnership Models																	
Develop and provide background investment and country information													5	country information reports	10	+5	Ethiopia, Kenya, Uganda, Senegal, Cote d'Ivoire, Rwanda, Malawi, India, Burkina Faso, and Bangladesh
ID and evaluate ongoing partnership models to identify, trial successful practices				x									1	partnership assessment report	0	1	
Develop case studies focused on model technologies, markets, regions					x		x		x				4	case studies	0	4	4 models, plus 14 company profiles as examples are in draft form.
Conduct semiannual learning seminar to disseminate findings							x					x	2	semiannual seminars	0	2	
Component 4: Communications/Knowledge Management																	
Private sector engagement & communications outreach strategy developed		x											1	communications plan	1	0	
Launch event		x											1		1	0	

FTF Partnering for Innovation Activity Year I Work Plan and Performance Monitoring Plan

Activity	2012-2013												Target	Milestone Indicators	Indicator target		Notes
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			To date	Balance	
	Private Sector Hub updated with promising technologies, other content																
Comprehensive database of interested commercial partners created, updated														website updates (ongoing)			Available in Salesforce.com and on www.partnering
Organize, conduct and place online innovation and partner webinars				x		x		x		x		x	5	webinars	5	0	2 grants info; 2 content for communities; 1 with AgriLinks on scaling tech.
Develop video blogs featuring developers and users of new technologies				x		x		x		x		x	6	video blogs	6	0	1 AgInvestor Lab highlights ; 5 speaker videos: Quattlebaum, Di-Giammarino, Viteri, Gust, Steig
Establish communities of practice around technologies					x		x		x		x		4	community of practice	4	0	Investments, Commercializing Research; AgInvestor Lab Ning, LinkedIn Group
Develop other video and social media products to disseminate														video, media products			
Organize and conduct periodic learning events on lessons-learned									x				1	learning event	1	0	AgInvestor Lab

ANNEX II: BUDGET AND EXPENDITURES

Redacted for public version.

ANNEX III: ROUND I GRANT SUMMARY

Feed the Future Partnering for Innovation announced the first round of grant solicitations on November 14, 2012 at the Ronald Reagan Building in Washington, DC. The solicitation closed on January 31, 2013, and the program received 120 expressions of interest (EOIs). Following an internal review process identifying the 20 top ranked EOIs, those entities were invited to submit a full application. On March 17-18, 2013, an external review committee, the Commercialization Review Committee, met to review and rank the applications and eight of the top applicants entered into negotiations for a Partnering for Innovation grant, including:

World Cocoa Foundation

Country: Cote d'Ivoire

Award period: 5/30/2013 - 05/29/2014

The World Cocoa Foundation consortium will develop smart phone applications to provide detailed mobile extension for five crops, including cocoa, and three livestock animals, to be selected based on potential income and food security impact for smallholders and women. The applications will be distributed through a 'lead farmer' model, identifying a Community Knowledge Worker in 120 target communities that will use the application to provide extension services to their neighbors.

Key impact: 5,400 farmers will adopt good agricultural practices and six private cocoa companies will commit to pay for the system after the grant period.

Driptech

Country: India

Award period: 7/5/2013 – 7/4/2014

A start-up company, Driptech, will commercialize a new do-it-yourself drip irrigation system called the InstaKit. The InstaKit is the first one-acre portable drip irrigation system in India and the farmer can install it in under three hours with little to no technical support. The practical system is affordable, customizable, and can irrigate twice as fast as a traditional irrigation system. Driptech is partnering with three large regional Indian companies and local distributors to sell 1,000 systems and develop a marketing and expansion strategy to introduce the InstaKit into select Feed the Future countries.

Key impact: 1,000 farmers will purchase the InstaKit contributing to increased yields by 50%, savings of 80% in labor costs, and increased market prices of up to 100%.

Compatible Technology International (CTI)

Country: Senegal

Award period: 7/29/2013-7/28/2014

The purpose of this grant is to increase commercial access and adoption of the CTI Pearl Millet processing suite by smallholder pearl millet producing households in Senegal, thereby reducing the labor required to process the grain, improve grain quality, and reduce post-harvest losses. The outcome of the project will be a private-sector equipment supply chain that will improve access to postharvest processing for Pearl Millet farmers.

Key impact: \$15,000 worth of equipment will be sold providing access to nearly 1,500 farmers.

PortaScience

Country: Rwanda

Award Period: 8/22/2013-8/21/2014

PortaScience, a U.S.-based company that manufactures UdderCheck, a mastitis detection dipstick, will introduce and sell the product to dairy farmers in Rwanda. Mastitis has a devastating effect on the cattle industry with current estimated mastitis losses amounting to US\$3.5 million per year. This is the first product that can detect pre-clinical mastitis, does not require refrigeration of any kind, and is affordable to smallholder farmers at a current sale price of 30 US cents.

Key impact: Sales of \$25,000 worth of animal hygiene products and an extensive farmer-training program, which will train over 600 farmers in three regions of Rwanda.

Netafim

Country: Kenya

Award period: 9/10/2013-9/9/2015

Developing an innovative finance loan program, Netafim, in partnership with Amiran, AZMJ, Equity and K-Rep banks, will sell US\$10 million of (i) drip irrigation equipment to smallholder farmers in Kenya; and (ii) technical/training services packages. The increased quality and productivity of crops sold to designated markets, local and foreign, is expected to increase farmer income substantially.

Key impact: \$10 million in drip irrigation and technical assistance packages will be financed through a new loan mechanism.

Purdue

Country: Kenya

Award period: 9/27/2013-9/26/2014

Purdue University will introduce PICS bag to Kenya, a new market, in partnership with a local private sector partner, Bell Industry Ltd, who will lead continued market access and adoption of the technology over the longer-term. The overall goal of the program is to increase access and adoption of PICS bags by smallholder grain producers to reduce pest-related post-harvest losses, increasing their ability to store grain for household food security.

Key impact: 17,500 grain storage bags will be sold.

iDE

Country: Zambia

Award period: 9/19/2013-9/18/2014

iDE will work with Toro, a U.S. developer of agricultural equipment, to introduce a Toro-branded drip irrigation kit in the Zambian smallholder farmer market. The kit will be demonstrated in Zambia, and observations of potential customers will be made using iDE's Human Centred Design (HCD) Toolkit. Based on the HCD assessment, the kit may be modified to tailor it to the Zambian smallholder market.

Key impact: 100 farmers will purchase Toro drip irrigation system available in Africa for the first time.

African Agricultural Technology Foundation (AATF)

Countries: Kenya, Tanzania, Uganda

Pending approval

AATF, working with 6 seed companies in three countries, will scale the commercialization of a hybrid maize seed that is resistant to the parasitic weed striga. The seed, StrigAway, will be produced, distributed, and marketed to smallholder producers by private seed company partners with market development, farmer training, and technology stewardship support from AATF. Estimated start date of October 2013 for 36 months.

Key impact: Total sales of 955MT of StrigAway valued at over \$2 million over the three-year period in Kenya, Tanzania, and Uganda.

Partnering for Innovation also funded four additional grants through alternate competitive processes.

Purdue

Country: Rwanda

Award period: 3/27/2013-3/26/2013

Purdue University will introduce PICS bag to Rwanda, a new market, in partnership with a local private sector partner, EcoPlastics, who will lead continued market access and adoption of the technology over the longer-term. The overall goal of the program is to increase access and adoption of PICS bags by smallholder grain producers to reduce pest-related post-harvest losses, increasing their ability to store grain for household food security.

Key impact: 15,000 grain storage bags will be sold.

In May 2013, Partnering for Innovation held its first AgInvestor Lab, an intensive coaching workshop aimed at refining participant commercialization strategies. The following three organizations were awarded grants to advance their business plans.

WorldFish

Country: Cambodia

Award period: 8/1/2013-1/31/2014

The purpose of this grant is to establish pilot Water and Fish (WISH) pond models near the Tonle Sap region of Cambodia. Ponds are made of plastic sheeting or cement and are stocked intensively with 600 fish per pond, will yield three times more fish per unit area than extensive ponds, and more efficient feed sources will dramatically reduce the cost of feed in production.

Key impact: Immediate food production for family consumption and income generation.

Catholic Relief Services (CRS)

Country: Zambia

Award period: 8/9/2013-2/8/2014

CRS will pilot the commercial viability of groundnut postharvest processing tools, including hand-powered tools for stripping, shelling, and sorting, in Zambia's Eastern Province. Additionally, CRS will conduct a study on production and distribution options for reaching potential consumers; map and characterize the business stakeholders along the supply chain; and clarify the value proposition for potential purchasers of the technology.

Key impact: Groundnut shelling potential assessed for market of nearly 21,500 smallholders.

Buen Manejo del Campo

Country: Mexico

Award period: 8/2/2013 – 2/1/2014

Buen Manejo del Campo will install four Sistema Biobolsa biodigester demonstration systems in four new markets in Mexico. These include peri-urban areas within Mexico City and rural Tabasco, Chiapas, Tampulipas. Buen Manejo del Campo will also produce marketing materials to boost sales and hold public events and conduct promotional work in each area to educate consumers and begin building market demand for the system.

Key impact: Providing alternative energy sources to more than 100 farmers.

ANNEX IV: SUPPLEMENTAL DOCUMENTS

Available on [Feed the Future Partnering for Innovation](#) website.