



VOLUNTEERS FOR ECONOMIC GROWTH ALLIANCE

LEADER WITH ASSOCIATE AWARD FINAL REPORT

2004-2017

COOPERATIVE AGREEMENT NO. EEM-A-00-04-00002

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ACKNOWLEDGEMENTS

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Former Executive Directors: Art Warman 2008-10, Earl Yates 2005-08 and James May 2004-05; Former Board Chairs: Dr. Donald E. Hawkins 2013-15 SAVE Travel Alliance, Tom Campbell 2011-13 Cultivating New Frontiers in Agriculture, Michael Levett 2009-11 CDC Development Solutions (now PYXERA Global), Spencer King 2007-09 International Executive Service Corps, David Norman 2006-07 Winrock International and Malcom Butler 2004-06 Partners of the Americas.

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VEGA LWA FINAL REPORT OVERVIEW

Launched in 2004, the Volunteers for Economic Growth Alliance Leader with Associate Award (VEGA LWA) has been a flexible funding vehicle for the U.S. Agency for International Development (USAID) to spur economic growth by efficiently and effectively incorporating highly skilled volunteers into a wide range of development activities. The VEGA LWA scaled USAID's mobilization of skilled volunteers by broadening the activities and expertise that could be accessed worldwide and streamlining it under a LWA to a single, diverse and highly skilled consortium of volunteer-sending organizations, the Volunteers for Economic Growth Alliance (VEGA). Through the VEGA LWA, USAID Field Missions and Bureaus in 41 countries have partnered with VEGA to provide opportunity, tools and training to more than 5 million people seeking self-sufficiency through nearly 40,000 days of expert volunteer service, saving more than \$30 million taxpayer dollars and nearly doubling the program value through cost share and leverage.

In response to President Bush's Volunteers for Prosperity Executive Order in 2003 (See Annexes), USAID prioritized incorporating highly skilled American volunteers into economic growth programs connected to broader U.S. foreign assistance goals. A small group of volunteer-focused economic growth non-governmental organizations (NGOs) formed the VEGA alliance to answer this call for international service. Originally consisting of 15 NGO members and two resource partners and managed by the VEGA Secretariat, VEGA was the only applicant for the RFA issued under Administrator Andrew Natsios and has managed the VEGA LWA since.

Today, the VEGA alliance is an independent, self-funded 501(c)(3) organization that grew to include 30-member organizations with a broad range of technical expertise from economic growth and energy development to global health and finance and practical experience in 140 countries (See more in Annexes). In addition to managing the VEGA LWA, VEGA also manages USAID's Farmer-to-Farmer (F2F) Special Program Support Project (SPSP) (period of performance FY13-FY18).

The VEGA LWA proved to be extremely adaptable and well-suited to meet a range of USAID development goals, from discrete technical assistance such as the Emerging Markets Development Advisers Program (EMDAP) to high-priority and large-scale development programs under Feed the Future (FTF), Power Africa and the African Growth and Opportunity Act (AGOA) as well as economic growth programs in Critical Priority Countries (CPCs), such as Afghanistan and Iraq, and post-conflict countries, such as Sri Lanka and Cambodia.

Throughout the life of the VEGA LWA, there was consistent demand from USAID Operating Units (OUs) for its speed and flexibility as a procurement mechanism. Unique to this type of funding mechanism, the VEGA LWA was designed to include competition among consortium members to ensure that OUs received outstanding solutions from the best qualified implementers. Thus, VEGA and its portfolio under the VEGA LWA grew significantly to include participation of 23 of VEGA's volunteer-sending members on 32 multi-year Associate Awards (AA) and 14 EMDAPs in 41 countries across a wide range of econ-

ABOUT VEGA

VEGA is a consortium of volunteer-sending, non-profit organizations that generate prosperity worldwide by creating partnerships that bring together volunteers with people seeking skills for self-reliance. Since 2004, VEGA has impacted the livelihoods and futures of over five million people in partnership with USAID through 65 programs, including the VEGA LWA and Farmer-to-Farmer, in 50 countries and more than 47,000 volunteer days, saving tens of millions of taxpayer dollars and nearly doubling the program value through cost share and leverage. VEGA has leveraged the cost savings and skills of more than 100,000 volunteers who not only generate economic growth, stability and opportunities for trade, but also convey the best of American values and ingenuity.

omic growth and development activities, including food security, women's economic empowerment, youth workforce development, strengthening systems, trade and investment and financial services (See Annexes).

VEGA MEMBERS AND PARTNERS

as of September 8, 2017





THE VEGA LWA BY THE NUMBERS TO DATE*

*Please note that there are 13 ongoing programs through at least 2021.

5,027,928

total beneficiaries¹

¹ This figure is an underestimate as many programs did not count/estimate direct and indirect beneficiaries.

46 PROGRAMS

in 41 countries

DEVELOPED & MANAGED

nearly \$355 million in LWA program funding

U.S. GOVERNMENT PROGRAM INVESTMENT

nearly doubled through VEGA cost share and leverage

MORE THAN \$30 MILLION

in U.S. taxpayer savings

INCREASES IN SALES

by more than \$43 million²

²This amount is the total for only four VEGA LWA programs in Yemen, Ethiopia, Cyprus and South Africa.

11,409

SMEs trained and supported

36,468 JOBS

created

1,082

public-private partnerships supported

INCREASED VALUE OF EXPORTS

by nearly \$32 million³

³This amount is representative of only three VEGA LWA programs in Tunisia, Ethiopia and Sri Lanka.

65 LEARNING ACTIVITIES

for VEGA LWA members and the community

INFLUENCED 151

laws and policies⁴

⁴This amount is representative of seven VEGA LWA programs

39,576 DAYS

of volunteer service



46 VEGA LWA PROGRAMS IN 41 COUNTRIES

- » **Albania:** Financial Sector Development Program (FDSP)
 - » **Armenia:** Microenterprise EMDAP
 - » **Bosnia and Herzegovina:** Workforce and Higher Access to Markets Activity (WHAM)
 - » **Bulgaria:** Business and Trade Development Program (BTD)
 - » **Cyprus:** Cyprus Partnership for Economic Growth (CyPEG)
 - » **Egypt:** Feed the Future Egypt: Food Security and Agribusiness Support Project (FAS)
 - » **Iraq:** Iraq Private Sector Development Initiative (PSDI)
 - » **Jordan:** Jordan Long Term Business Advisors Program EMDAP
 - » **Lebanon:** Lebanon Investment in Microfinance (LIM); Lebanon Strengthening Democracy through Economic Opportunity (LAGO)
 - » **Moldova:** Technical Assistance to the National Bank of Moldova
 - » **Ukraine:** Credit for Agriculture Producers Project (CAP); Local Investment and National Competitiveness (LINC) Project EMDAP
- » **Ethiopia:** African Growth and Opportunity Program (AGOA+)
 - » **Kenya:** Powering African Agriculture (PAA)
 - » **South Africa:** Communications and Business Strategy Adviser Supporting the South African Supplier Diversity Council (SASDC) Project EMDAP; South African Annual Program Statement Small Grants Administration Program (SAAGA)
 - » **South Sudan:** South Sudan Agricultural Market and Enterprise Development Program (AMED)
 - » **Tanzania:** Feed the Future Tanzania: Enabling Growth Through Investment and Enterprise (ENGINE)
 - » **Uganda:** Uganda District Operational Plan (DOP) Coordinator EMDAP
 - » **Yemen:** Competitive Agriculture Systems for High Value (CASH)
 - » **Zambia:** Microenterprise EMDAP
- » **Ecuador:** Microenterprise EMDAP
 - » **Guyana:** Microenterprise EMDAP
 - » **Mexico:** USAID/Mexico EMDAP; Mexico Long-Term Business Adviser EMDAP
 - » **United States:** Job Opportunities for Business Scale-Up Program (JOBS)

VEGA LWA programs with short descriptions of their activities and impact can be found in the Annexes.

- » **Afghanistan:** Assistance in Building Afghanistan by Developing Enterprises (ABADE); Afghanistan Capacity Building and Change Management Program (CBCMP) I & II; Afghanistan Community Development Agriculture Program
 - » **Bahrain:** Bahrain Free Trade Area Program (FTA)
 - » **Central Asia Republics:** Long-Term Business Volunteers Program EMDAP
 - » **Kazakhstan:** Business Connections Project (KBC); USAID/Kazakhstan's Public-Private Economic Partnership Program in Kazakhstan
 - » **Kyrgyzstan:** Business Adviser to Support Trade and Business Development in the Kyrgyz Republic EMDAP
 - » **Pakistan:** Microenterprise EMDAP
 - » **Uzbekistan:** USAID/CAR/Uzbekistan Country Office's Business Enabling Environment Programs in Uzbekistan
- » **Ghana:** Improved Access to Credit for West African Export-Ready Companies (ERCs) and Small to Medium Enterprise (SME) Project
 - » **Liberia:** Liberia Investing for Business Expansion (Liberia/IBEX)
 - » **Mali:** Mali Finance for Food Security and Women Entrepreneurs (MFFSWE)
 - » **Morocco:** Morocco & Bahrain Export Trade Training Program
 - » **Nigeria:** Feed the Future Nigeria and Nestlé Maize Quality Improvement Partnership
 - » **Sierra Leone:** Microenterprise EMDAP
 - » **Tunisia:** Tunisia Small and Medium Enterprise (SME) Program
 - » **West Africa:** Improved Access to Credit for Export-Ready Companies (ERCs) and Small- to Medium-sized Enterprises
- » **Cambodia:** Capacity Building of Cambodia's Local Organizations (CBCLO)
 - » **Indonesia:** EMDAP to Support Strengthening Business Associations for Reform (SEBAR) Program
 - » **Laos:** Laos EMDAP: Business Adviser to Support Lao Chapter of the American Chamber of Commerce
 - » **Philippines:** Microenterprise EMDAP
 - » **Sri Lanka:** BIZ+ Project; Youth Employment and Business Start-up Program (YouLead!); Sri Lanka Facilitating Economic Growth (FEG)
 - » **Timor-Leste:** Value Chain Analyst EMDAP

In this final report, there is a deeper discussion about the impact of the VEGA LWA on maximizing the nexus between skilled American volunteers, development and economic growth and creating a community of learning. Among the programs that demonstrated the most volunteer and development impact are:

SRI LANKA

Small Businesses Offer the War-Weary a Second Chance

The eight-year BIZ+ program in Sri Lanka, implemented by VEGA Member Land O'Lakes International Development, recently received a two-year extension due to its success in stimulating economic growth, job creation and increased household incomes in post-crisis and under-developed areas of the country. By increasing SMEs' technical know-how and providing investment grants requiring a 1:1 match, the program and its more than 33 skilled volunteers have created more than 6,647 jobs, leveraged over \$14 million private sector funds, benefited 4,383 micro-enterprises and entrepreneurs and 8,840 households, and increased local incomes by more than \$8 million.

ETHIOPIA

Building Resilience through Public and Private Sector Development

AGOA+ was a six-year program, implemented by VEGA and its Member IESC. AGOA+ utilized 18 volunteer experts, including diaspora and Geek Corps volunteers, to strengthen the capacity of the government and private sector to increase exports and trade facilitation. Technical assistance was provided across sectors from banking to manufacturing to crafts. More than \$6.5 million in private finance was mobilized through loans to 36 diaspora-owned and 22 women-owned businesses. 1,920 firms were assisted with advice, information and technical assistance, creating 5,668 new jobs. By the program's end, Ethiopian exports had increased five-fold to \$15 million, and sales directly attributable to AGOA+ grew to \$5 million from \$1 million.

NIGERIA

Public-Private Partnership with Nestlé Promises Better Nutrition and Livelihoods

The VEGA LWA provided USAID with opportunities for greater engagement with the private sector through partnerships that benefited from the pro bono expertise of the U.S. private sector. In Nigeria, VEGA brought together direct investments from a corporate partner, Nestlé Nigeria, to leverage USAID's FTF initiative to reduce the threat of dangerous crop contaminants and improve livelihoods. Nestlé had worked with Nigerian farmers to improve their farming practices and the safety and quality of their crops for several years, but the new partnership under the LWA will leverage the expertise of skilled volunteers to train farmers, workers and small agricultural businesses to expand upon these efforts, improve Nigerians' health and incomes and generate shared value.

EDUCATING AND ENGAGING THE AMERICAN PEOPLE

Unique to U.S. foreign assistance programs, volunteer-centered development creates a constituency among the American public. These volunteers return home and share their experiences, generating more cross-cultural understanding and an appreciation for U.S. global development. USAID and VEGA spelled out the vision for the program in the first award, which was to: "promote increased international volunteerism among qualified Americans, leveraging foreign assistance funding and spreading appreciation of American volunteerism and its contributions to a modern foreign assistance program, both at home and abroad. This will also result in increased understanding of the vital role foreign assistance plays in our national security. This connection between the VEGA LWA and the American people is not lost on members of Congress who are pleased and proud to have their constituents engaged and serving in U.S. development through the VEGA LWA.

"The work of American volunteers has made an **impact for people in developing nations** worldwide, and I have been proud to work with them and organizations like Volunteers for Economic Growth Alliance (VEGA) wherever possible. I appreciate the volunteers and advocates being honored here today. **VEGA's network of skilled volunteers** greatly furthers the impact of USAID's meaningful work."

—Senator Johnny Isakson (R-GA)

"These **generous volunteers** offer their valuable time and expertise to not only promote growth and opportunity, but also **share the best of American values and innovation** around the world."

— Representative Gerald Connolly (D-VA)

Both members of Congress spoke at VEGA's International Volunteer Day Capitol Hill Event 2017.



FROM LEFT: Senator Lamar Alexander (R-TN), VEGA's Farmer-to-Farmer Volunteer of the Year 2016 Charlene Nash, VEGA Communications & Advocacy Director Angela Canterbury, Senator Bob Corker (R-TN)

ALBANIA

Creating an Enabling Environment for Mobilizing Capital and Catalyzing Investments

VEGA Member FSVC's work in Albania is a prime example of how the VEGA LWA has helped a country put policies and systems in place that will allow it to become self-sufficient and end reliance on foreign aid. Since 2011, the Financial Sector Development Program has been strengthening the Albanian financial sector through the VEGA LWA by improving the quality and consistency of financial sector regulations and supervision. FSVC has mobilized 174 highly skilled volunteers, including a number of New York and New Jersey state bank and insurance regulators and high-level Federal Reserve and FDIC officials, who have assisted Albania in developing a strong financial system and enabling environment necessary to win the confidence of its citizens and investors.

EGYPT

Sustainable Agricultural Development across Value Chains

Smallholder farmers in Upper Egypt use traditional practices and suffer from high production costs and reduced yields. In 2016, VEGA and its Member CNFA launched the five-year FTF Egypt Food Security and Agribusiness Support Project to provide

training and support to more than 14,000 smallholder farmers and agribusinesses throughout key agricultural value chains. The project's market-driven approach will improve yields by at least 50%, resulting in at least 350 new sales contracts and a 12% or higher increase in income. VEGA Members Winrock International and Arizona State University also support implementation. The project will provide new investments in women-owned agribusiness and up to 50 agribusinesses that adopt women-inclusive policies. In addition to leveraging the contributions of highly skilled volunteers, the program will also leverage at least \$2.6 million in private matching investments.

LEBANON

Strengthening the Economy by Supporting Women Entrepreneurs

In addition to FTF Egypt, the VEGA LWA has strengthened women's economic empowerment on a number of programs as a key strategy to boost incomes and economic opportunity at home and abroad. From 2009 to 2015, the Lebanon Investment in Microfinance (LIM) Program, implemented under the VEGA LWA by IESC and FSVC, worked with microfinance institutions and microenterprises to increase access to finance and business development services, and ultimately increase incomes and create new jobs. During the six-year program, \$9.5 million dollars in grants were recycled to facilitate 14,000 loans with a total value of \$32.5

million. These loans helped to create 3,000 new jobs and sustained 20,000 more. Among these, 6,000 loans, or 42.9%, went to women-owned businesses, totaling \$11 million. Women assumed 1,900 of the new jobs created and held 9,000 of the sustained jobs.

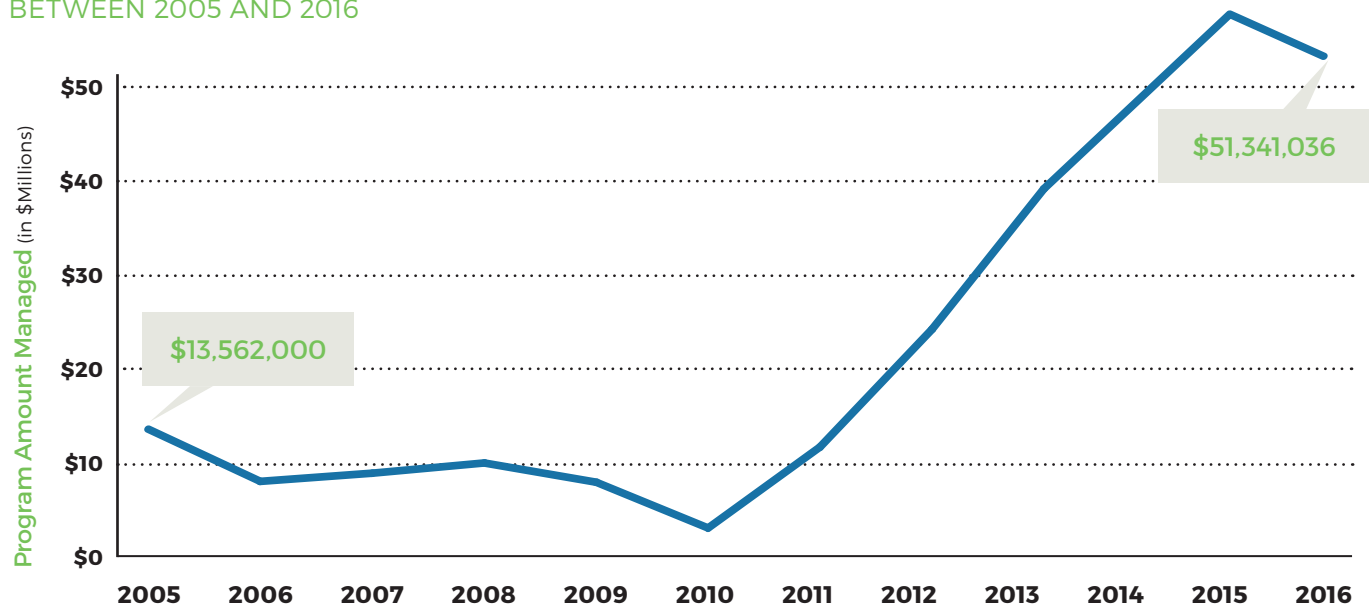
SUDAN

Diaspora Volunteers Provide Hope and Support for Agricultural and Enterprise Development

In 2005, a fragile, temporary peace returned to Southern Sudan (now South Sudan). Within this context, VEGA Member Winrock International in collaboration with four other VEGA members implemented the three-year Agricultural Market and Enterprise Development (AMED) program, funded by USAID through the VEGA LWA to improve the environment for increasing private sector employment opportunities across sectors, including construction, information technology, and agriculture. The program utilized the expertise of 136 short- and long-term volunteers from the U.S., Sudanese diaspora, and the East Africa region who donated 3,150 days. AMED assisted in the formation and registration of the Natabo Farmers Association, and its members reported increased sales by an average of 250%. The average returns for group members rose from around US\$1,200 per season to around \$3,000. Other groups that benefited from training and mentoring included the Amatru Multi-

Increasing Demand: Mission Buy-In*

BETWEEN 2005 AND 2016



*Does not include Management and General

Purpose Association and the Kunyarta Women Farmers Association in Lujulo Payam—within six months of working with AMED, their incomes increased by 50%. In addition, a local company assisted by the program won a large-scale road construction program that was expected to add 10-20 new employees.

LIBERIA

Strengthening DCA and Local Organizations—Even During an Ebola Outbreak

The VEGA LWA built the capacity of partner banks to fully utilize USAID's Development Credit Authority (DCA) risk guarantee and provided technical assistance to SMEs through the Liberia Investing for Business Expansion Program (IBEX), which was managed by VEGA and implemented by VEGA Member IESC. In March 2014, two years into the IBEX program, the horrific Ebola outbreak in West Africa occurred. Throughout the crisis, IBEX's local experts continued to provide Liberian SMEs with essential advice and mentoring on acquiring loans and accessing credit. In addition, the IBEX team continued to work with the banks and borrowers to restructure loans to allow for more flexible repayment terms for those adversely affected by the Ebola outbreak. In all, IBEX supported the development of 89 loan applications, of which 49 were approved and 46 disbursed, resulting in \$7.6 million in loans to local businesses. IBEX trained 99 business development services providers and over 300 financial services professionals, including bankers and microfinance officers, in technical areas such as agriculture lending, financing renewable energy projects, and loan underwriting. IBEX strengthened access to credit for over 1,000 SMEs.

AFGHANISTAN

Building the Capacity of Government to Serve Farmers and Agribusiness

VEGA's Capacity Building and Change Management Program (CBCMP) demonstrated that measurable reforms to government infrastructure within a conflict environment are possible. Started in November 2010, CBCMP embedded nearly 200 qualified Afghani change-management specialists, who worked side-by-side with civil service counterparts to provide on-the-job training. After six and

a half years of continuous improvements and training of civil servants in financial management, budget, procurement, reporting and proposal writing, CBCMP doubled Afghanistan's Ministry of Agriculture, Irrigation and Livestock's budget execution rate, lifting it from 31% in 2010 to 82% in 2016, and resulted in more than 70 approved proposals valued at more than US\$122 million.

KAZAKHSTAN

Business Partnerships with U.S. Firms Prove Profitable

The VEGA LWA program, Business Connections in Kazakhstan, implemented by VEGA Members IESC and CNFA, helped Kazakhstani SMEs gain international exposure through business training and business development tours. 166 Kazakhstani businesswomen and men traveled to the U.S. over the course of 14 three-week business development tours. Over the life of the project, 77 volunteer assignments were completed. The project's development impacts were highlighted in USAID's FRONTLINES in March/April 2015: "Business Connections brought together American and Kazakhstani firms across a wide range of industries. With common economic interests, the two countries are making deals, forging connections and realizing profits from a wide swath of business ventures. Nearly 20% of the Kazakhstani program participants confirmed that they've signed contracts or reached formal agreements with American partners. So far, the program has helped conclude 26 deals in an array of industry sectors. Iowa-based CemenTech sealed a deal for up to \$500,000 in products and services delivered to Kazakh Petroleum. Nebraska-based Norland International signed a deal worth \$50,000 with the Almaty-based Comet bottling company. Nevada-based Battery Doctors sold \$16,000 worth of battery-extending technologies to the Aktobe-based MIA Group in northern Kazakhstan."

EMDAP

Lasting Impact Created through Long-Term Volunteer Experts

The EMDAP worldwide fellowship program places students and recent graduates of U.S. Masters programs and professionals with USAID missions and local organizations in USAID-assisted countries to provide

technical assistance and support. Through 12-month work assignments with new or existing local organizations and SMEs, and sometimes with USAID itself, EMDAP volunteers support USAID's strategy of building sustainable local capacity by transferring knowledge in areas such as business planning, organizational development, operations, product marketing, financial systems and reporting, human resources and internet technology. EMDAP Advisers return to the U.S. with new knowledge, skills, and relationships to support continued engagement in emerging markets. Since 1992, more than 250 Advisers representing more than 90 graduate schools have participated in the program, providing pro-bono assistance to more than 200 businesses and organizations in 50 USAID-assisted countries.

HIGHLY SKILLED VOLUNTEERS

This report features many of the all-star expert volunteers that are among the many that have contributed to the success of the VEGA LWA. A few examples are:

- » **Lucretia Freeman Buster:** Executive Director of the DC Small Business Development Center
- » **Ryan Donovan:** Chief Advocacy Officer of the Credit Union National Association
- » **Hal Handley*:** Former Vice President of McCormick & Company Spices
- » **Frank Hartigan:** Former Deputy Regional Director of the Federal Deposit Insurance Corporation
- » **Dexter Koehl:** Former Vice President of Industry Relations for U.S. Travel Association
- » **Lisa Larson*:** President and Founder of Larson & Partners, LLC
- » **Melody Meyer:** Vice President of Policy and Industry Relations for United Natural Foods, Inc.
- » **Gary Mutz:** Former Executive at IBM
- » **Phyllis Resnick*:** Economist and Professor at Colorado State University
- » **Haoua Cheick Seip*:** Social Entrepreneur and Business Leader
- » **Lynda Swenson*:** Former Banking Executive
- » **Fred Whiting:** Former South Dakota State Senator

*Volunteer of the Year Award Recipient

LESSONS LEARNED AND RECOMMENDATIONS

The VEGA LWA ended on September 8, 2017, after having been renewed and expanded three times over its 13-year lifespan. However, VEGA LWA programming will continue at least through 2021, as there are 12 ongoing Associate Awards and one EMDAP, any of which can be extended until the LWA's remaining \$26,227,740 ceiling has been exhausted. While herein we mostly use the past tense, over the next three or more years, there will be many more measures of impact, success stories, lessons learned and recommendations stemming from the VEGA LWA. VEGA will continue to conduct monitoring, oversight and reporting until all VEGA LWA programs conclude.

VEGA continues to work with Congress and assist USAID in efforts to build on the success of the VEGA LWA and maximize the contributions of skilled volunteers, including through the Volunteers for International Security and Prosperity Annual Program Statement (VISP APS) released on August 30, 2017 (See Annexes). The VEGA Secretariat offers more analysis on how to better optimize the use of volunteers within USAID programming in the section "Evaluating the Impact." Meanwhile, VEGA and its members are exploring ways to use VISP and diversify funding in order to continue as a consortium and carry forward the best practices from the VEGA LWA into new volunteer-centered economic growth and development programs.

The primary recommendation of the VEGA Secretariat is for USAID to continue to dedicate resources and create credible opportunities for the Agency to leverage the outstanding contributions of American skilled volunteers. In order to do so, VEGA recommends that USAID design and compete a new Leader with Associate Award as a critical tool to incentivize USAID OUs to opt in and fulfill the Agency's objectives on volunteerism and global development.

The following lessons learned and recommendations from the past 13 years of the VEGA LWA are discussed in more detail later in this report.

1. Together, USAID and VEGA increased the participation of skilled volunteers and nontraditional, volunteer-sending partners in core development programs.

» **Recommendation:** USAID needs to determine how to move large development programs through VISP and/or devise a new LWA focused on delivering development impact through the use of skilled volunteers. When considering ways to increase the mobilization of volunteers, USAID should consider the investment it has made in the VEGA consortium and the value VEGA can provide as a trusted, proven partner with no need for additional appropriated funding.

2. American volunteers promote goodwill and cross-cultural understanding, thereby enhancing U.S. and international stability and security.

» **Recommendation:** In addition to ensuring that there are multiple, successful USAID-sponsored programs that provide opportunities for Americans to serve, more outreach is needed to educate and engage the American people on how to serve and the impacts of U.S. foreign assistance. Lastly, a foreign policy objective might

be to increase use of U.S. volunteers for strategic countries where the U.S. is seeking to deepen diplomatic ties.

3. USAID Field Missions require a mechanism which facilitates and provides incentives to utilize skilled volunteers.

» **Recommendation:** While the VEGA LWA provided sufficient incentives to Missions, an APS might also if it came with core funding or other incentives to rival the speed and cost-effectiveness of a LWA.

4. VEGA procurement support increased over time, saving thousands of hours of USAID staff time, and proved important to the success of the VEGA LWA.

» **Recommendation:** Procurement support for Missions served as a key incentive under the VEGA LWA will should be incorporated as an important factor for the success of current and future volunteer mechanisms.

5. The VEGA LWA procurement model was highly effective in reducing Procurement Administrative Lead Time (PALT).

» **Recommendation:** USAID should consider how to replicate the VEGA procurement model to reduce procurement timelines.

6. The unique competition developed by VEGA under the VEGA LWA allowed USAID Field Missions to confidently and quickly award large-scale core programs.

» **Recommendation:** VEGA's unique, independent and internal competition should not only be included in a new volunteer-focused LWA, but also should be considered a model for other LWAs and potentially replicated where possible under the VISP APS.

7. Co-design or co-creation created a two-way dialogue that was important to increasing the LOE from skilled volunteers.

» **Recommendation:** USAID should ensure that any new volunteer-centered LWA includes co-creation features and a minimum or target LOE from volunteers, similar to what is called for under the VISP APS.

8. Effective, innovative volunteer models can enhance sustainability and increase volunteer participation, especially in Critical Priority and Post-Conflict Countries.

» **Recommendation:** USAID should be purposeful in trying to engage skilled volunteers who can contribute technical assistance over the life of a program and support resiliency appr-



FROM LEFT: North Confectionary Savor Prevailed Iraq with VEGA's PSDI program; Land O'Lakes coffee training in Yemen with VEGA's CASH program

oaches, including in countries that are transitioning away from being aid recipients but would still benefit from targeted technical assistance to shore up economic, development and policy gains. USAID also should encourage and incentivize incorporating remote, local and diaspora volunteers into programming. Technology has opened new doors for USAID to mobilize large numbers of remote volunteers, which USAID should capitalize on through a new volunteer funding mechanism. In addition, more emphasis should be placed on building the capacity of local organizations to recruit, train and deploy skilled volunteers utilizing train-the-trainer approaches.

9. Although there was a concerted effort to utilize the VEGA LWA for foreign assistance efforts at the State Department and U.S. Department of Agriculture, it was only used successfully a few times.

» **Recommendation:** International volunteer mobilization could be dramatically scaled by using a whole-of-government strategy, similar to the Global Food Security Strategy, which would involve all of the nearly 30 agencies and departments engaged in development assistance. The Volunteers for Prosperity Executive Order provides USAID the authority to spearhead this effort.

10. Despite a lack of funding, VEGA spearheaded cost-effective learning activities and a community of practice.

» **Recommendation:** USAID could preserve and dramatically scale the community of learning with a modest investment to ensure capacity building takes place among volunteer sending institutions, including volunteer-sending organizations in partner countries.

11. The VEGA LWA provided new opportunities for the private sector to partner with USAID Field Missions.

» **Recommendation:** USAID should look to the existing VEGA/Nestle/USAID PPP as a case study for how PPPs can serve as important vehicles to leverage skilled volunteers, and consider prioritizing PPP development in the VISAP APS or future volunteer-centric programming, including but not limited to a new LWA.

12. VEGA's learning, communications and advocacy activities educated the American people and successfully engaged Missions.

» **Recommendation:** USAID should explore opportunities to engage VEGA or another partner to create an online volunteer communications and coordination hub for recruiting, tracking and communicating with organizations and individuals to support volunteer mobilization in USAID programming and new partnerships. This hub could also be a portal for knowledge management and innovation.

13. The ability of the VEGA LWA to mobilize volunteers required leadership in Washington.

» **Recommendation:** Successful volunteer

programming at USAID requires strong leadership in Washington to raise the profile of the contributions of volunteers and ensure that dedicated resources are available to educate and market to Missions.

14. The VEGA Secretariat developed its own measures of volunteer impact, as none had been prescribed by USAID in the VEGA LWA.

» **Recommendation:** USAID should develop and require consistent measures of development and volunteer impact, drawing upon the VEGA LWA metrics, as well as require the continued documentation of best practices for USAID volunteer programming.

15. There were limits to the VEGA LWA on how to engage small organizations.

» **Recommendation:** USAID should consider providing core funding to the Leader of a new LWA to help build the capacity of smaller, non-traditional partners using small grants, similar to what is done under the F2F SPSP.

16. USAID did not independently evaluate the impact of the VEGA LWA.

» **Recommendation:** USAID should conduct an independent evaluation of the VEGA LWA to inform current and future volunteer-sending programs, and/or conduct a side-by-side comparison of the new VEGA-like LWA with the VISAP APS in practice.

"Volunteers for Prosperity is a call to service to support major U.S. initiatives that promote health and prosperity around the world."

— President George W. Bush
Executive Order 13317
September 25, 2003

THE ROOTS OF THE VEGA LWA

President George W. Bush significantly expanded the long presidential legacy of supporting volunteerism beginning with the establishment of the USA Freedom Corps in 2002. A year later, in 2003, he issued the Volunteers for Prosperity Executive Order (EO) "to encourage volunteer service by highly skilled Americans to support major initiatives by the United States for promoting health and prosperity around the world." Then-USAID Administrator Natsios embraced the president's initiative, and, according to a memo dated April 3, 2003, was already establishing a new program to implement it when the EO was signed. In this memo, Natsios states that "USAID is committed to continue to partner with volunteer organizations and utilize their capacity to mobilize volunteers in meeting USAID strategic objectives in economic growth, agriculture and trade" (See Annexes).

Administrator Natsios took action to both broaden and streamline these partnerships to address "obstacles volunteer organizations and Missions have encountered with current procurement mechanisms" by establishing a worldwide Volunteers for Economic Growth Activities Leader with Associate (LWA) Cooperative Agreement to "allow Missions and bureaus to procure the services of volunteers for a broad spectrum of programmatic activities through a single collaborative organizational structure." A LWA is a type of funding mechanism that allows USAID Field Missions to choose to work with partners to implement programming for a particular purpose tied to country goals and global priorities.

Through the LWA, Natsios sought greater efficiencies and effectiveness by creating a single point of mobilization of volunteers with a variety of skill sets, believing that this would allow for more creative and comprehensive activities yielding larger developmental impacts in economic growth. Unlike first generation core grants

for volunteer-only programs beginning in the mid-1960s, the VEGA LWA responded to full-fledged Mission programming, recruiting volunteers to fill specific short and long-term technical assistance requirements.

VEGA was the only applicant and successfully managed the VEGA LWA through its conclusion. Originally consisting of 15 NGO members and two resource partners managed by the VEGA Secretariat, the mandate for the VEGA consortium under the LWA was to "support the growth of sustainable business development service markets in emerging economies by using its collective volunteer-based resources and best practices." VEGA's first LWA Cooperative Agreement was valued at \$2,497,798 and ran from February 12, 2004 to February 11, 2009. The "Leader" was the VEGA Secretariat, and VEGA members competed for Associate Awards (AAs) to implement economic growth programs on behalf of USAID Field Missions or other OUs with the facilitation, monitoring and oversight of the VEGA Secretariat.

The areas of focus were: private market development, agribusiness development, economic opportunity for the rural/urban poor and finance services.

The VEGA LWA included an innovative internal competition for AAs among VEGA members with an independent selection panel. LWAs do not typically include competition for AAs. However, the VEGA LWA was designed to be uniquely competitive. The VEGA LWA provided USAID with the very best programming and technical assistance from VEGA's members through an independently competed process that also allowed full-scale economic growth programs to get up and running three times faster than the average USAID procurement process. Over the years, this competition evolved to include more independence and transparency for VEGA members and Field Missions. The VEGA LWA approach ultimately added more competition, transparency, oversight and accountability than other similar funding models, while not sacrificing flexibility and results.



FROM LEFT: Greenhouse grower with PAA program in Kenya; ETT Training in Bahrain with local partners

ADAPTATION AND INNOVATION

The VEGA-USAID partnership and implementation of the VEGA LWA continually evolved over the LWA's 13-year lifespan, including when VEGA achieved financial self-sufficiency and became an independently incorporated 501(c)(3) organization in 2009, and when USAID Administrator Raj Shah extended the LWA in 2014, which took the life of the LWA beyond the usual 10-year limit. Other significant modifications included:

- » **Mod 8** (September 2008) which extended the LWA for a second 5-year period and added additional funding to the Leader Award (at a lower level

than the first 5 years and on a declining scale).

- » **Mod 9** (June 2009) which revised the proposal review procedures.
- » **Mod 14** (July 2014) which extended the period of performance to June 10, 2017, and created a ceiling for all AAs. The ceiling was created by summing the then total of all AAs, which came to \$273.7m, and supplementing it with an additional \$100m, thereby creating the ceiling of \$373.7m.
- » **Mod 16** (June 2017) which extended the period of performance for 90 days to September 8, 2017 and increased the ceiling by \$7.5 million.

Over the LWA's 13-year lifespan, VEGA's membership grew and diversified, ranging from seven to 30 members at its peak when the VEGA LWA ended. Several VEGA members are small, volunteer-sending organizations that had no or limited experience in partnering with USAID prior to being involved in VEGA.

Innovations and improvements to the VEGA LWA can be found throughout this report, embodied in the featured programs and evaluated in the section "Evaluating the Impact." Some of the major adaptations are briefly discussed in the following pages.

ORIGINAL VEGA CONSORTIUM MEMBERS

- » ACDI/VOCA
- » Coffee Quality Institute/ Coffee Corps
- » Citizens Network for Foreign Affairs
- » Financial Services Volunteer Corps
- » Florida Association of Voluntary Agencies for Caribbean Actions
- » International City/County Management Association
- » International Executive Service Corps
- » International Senior Lawyers Project
- » Land O'Lakes International Development
- » Opportunities Industrialization Center International
- » Partners of the Americas
- » PYXERA Global (formerly Citizens Development Corps)
- » TechnoServe
- » Volunteers in Technical Assistance
- » Winrock International

VEGA MEMBERS AS OF SEPTEMBER 8, 2017

- » Aquaculture Without Frontiers
- » Arizona State University
- » Australian Volunteers International
- » Aid to Artisans
- » BizCorps
- » Coffee Quality Institute
- » Conservation Council of Nations
- » Cultivating New Frontiers in Agriculture
- » Engineers Without Borders USA
- » Financial Services Volunteer Corps
- » Florida Association for Volunteer Action in the Caribbean and Americas
- » Foods Resource Bank
- » Global Business School Network
- » Global Communities
- » Institute of International Education
- » International City/County Management Association
- » International Executive Service Corps
- » International Real Property Foundation
- » International Senior Lawyers Project
- » Land O'Lakes International Development
- » Mennonite Economic Development Associates
- » National Cooperative Business Association CLUSA International
- » National Rural Electric Cooperative Association International
- » Opportunities Industrialization Centers International
- » PUM Netherlands Senior Experts
- » Purdue University College of Engineering
- » PYXERA Global
- » Winrock International
- » Worldwide Foundation for Credit Unions, Inc.
- » World University Service of Canada



FROM LEFT: SAAGA partner, Patrick Johanness, in South Africa; VEGA Volunteer John Grover in Morocco; BIZ+ with Kings Ice in Sri Lanka

MAJOR VEGA LWA ADAPTATIONS 2004 TO 2008

During this period, VEGA and the VEGA LWA continually adapted, reflecting changes such as Negotiated Indirect Cost Rate (NICRA) creation. As previously noted, the internal competition for AAs was improved and its independence was strengthened in 2006. Core responsibilities included knowledge management (KM) and the development and assessment of different models for deploying volunteers.

By 2008, VEGA had deployed 7,518 person days of volunteer LOE and successfully leveraged investments of \$62.9m by 17 USAID OUs in 21 countries. VEGA had met all of the original goals under the LWA. The design, technical, and delivery synergies that the LWA represented were significant, meaning USAID could access and manage an activity of complex proportions by simply using VEGA as the Leader.

Programmatically, the work was directed by the guiding principles of the original LWA award including:

- » **Strengthening** local organizations
- » **Targeting** sub-sectors and industry clusters with promising markets
- » **Linking** volunteer activities to ongoing, long-term donor programs
- » **Creating** open access to market opportunities
- » **Concentrating** on clusters of communities where collaborating institutions had the strongest presence and beneficiary needs and motivations were strongest

The term “critical priority country” (CPC) had not yet been coined, but 75% of total funding awarded by 2008 had been in post-conflict and recovering countries,

including Afghanistan, Iraq and Sudan, as well as other environments, which, in the context, might be considered challenging, especially for volunteer-sending programs.

In May 2008, the Economic Growth Office, Economic Growth, Agriculture & Trade (EGAT) Bureau, funded a technical brief through the Business Growth Initiative project titled “The Effective Use of Volunteers in USAID Economic Growth Programs Technical Brief No. 5” (See Annexes). **Highlights included:**

- » Business volunteer implementation teams deliver a cost-effective mix of expertise and assistance services
- » Business volunteers generate both short and long-term impacts
- » Use of local and regional expertise contributes to the long-term sustainability of program goals
- » Business volunteer organizations make effective partners
- » Business volunteer organizations support U.S. foreign assistance policies and programming priorities

In mid-2008, an external evaluation of VEGA was carried out at the CTO’s request (See Annexes).

Major findings included:

- » Overall satisfaction with VEGA’s field project management
- » VEGA viewed as effective arbiter and moderator
- » High quality of volunteer service
- » Members’ main concerns were lack of business development support and equity issues

Recommendations made to VEGA:

- » Strengthen strategic marketing/outreach
- » Improve strategic planning and develop strategy to utilize full range of vehicle
- » Assume a capacity development role to assist smaller organizations to grow

THE 2008 "RESET" PROPOSAL AND 2009 EXTENSION

The VEGA LWA was first extended by Mod 8, dated September 19, 2008, which added five years to the period of performance, extending the VEGA LWA from February 12, 2009 to February 11, 2014. This mod also added \$1.16m in core funding for the VEGA Secretariat (compared with \$2.5m for the first 5-year period). VEGA was asked by USAID to submit a proposal requesting this extension and increased funding. The proposal, dated July 23, 2008, summarized work to date, set out a plan for the future, including a pathway to financial sustainability, and served as a “reset” for VEGA (See Annexes).

The reset proposal laid out a business plan and path to sustainability, based on strengthening the members’ outreach capabilities to represent the alliance, and market the LWA to USAID Missions as well as to other potential donors or clients, including corporations and foundations. The State Department’s Middle East Partnership Initiative program was indicated as a target. VEGA was to seek 501(c)(3) status and to revamp its website, converting it from a reporting format to a more interactive tool.

The “reset” proposal also laid the groundwork for financial self-sufficiency, and expressed the concern that VEGA address disparity in work allocation among its members. The core support for the second five years was less than in the original LWA and was intentionally programmed on a declining basis to encourage VEGA to move toward achieving self-sufficiency.



FROM LEFT: Woman entrepreneur with ABADÉ program in Afghanistan; Himalee Dairy farmer with BIZ+ program in Sri Lanka

MAJOR VEGA LWA ADAPTATIONS 2009 TO 2014

In 2009, VEGA became a registered 501(c)(3) non-profit organization in the District of Columbia. Also during this period, the VEGA LWA internal competition was further strengthened, clarifying make up of proposal review committees and allowing “bonus points” for members that contributed to the Mission’s design and/or decision to use the LWA. In 2010, VEGA’s current President & CEO Michael Deal was selected as VEGA’s Executive Director, after an extensive search process.

Innovative Volunteer Models: During this period, VEGA deepened its work with diaspora volunteers, awarding six “Diaspora Volunteers of the Year” in 2012 (See section “Volunteer Profiles and Impact” and “Evaluating the Impact” for more on innovative volunteer models).

Growing the Membership and Building the Capacity of Smaller, Non-Traditional Partners for USAID: Since 2009, the VEGA Secretariat has been dedicated to growing and diversifying its membership. As per the 2008 evaluation, there was a focus on bringing on smaller NGOs and building the capacity of these organizations to team with larger members and partner with USAID. The 2008 evaluation stated that “while any structure will be dominated by those organizations with the financial wherewithal to become primes, the smaller groups need to see more benefits. Therefore, if USAID is able to provide additional resources through a core grant, we suggest mandating activities aimed at strengthening member organizations.”

USAID funding for this purpose was not

forthcoming; however, the VEGA Secretariat undertook a number of measures to support its smaller members. Monitoring and evaluation (M&E) training is but one example of how the VEGA Secretariat offered capacity building support to all members, but which was most beneficial to smaller members. VEGA-sponsored sessions offered the smaller members access to various USAID offices (sustainable tourism, Development Credit Authority, climate change, aquaculture) and of case studies/lessons learned (e.g. a gender webinar), which would not otherwise have been available to them (See section “Impact for VEGA Members” for more).

Likewise, VEGA was asked to assume more of the burden of marketing the mechanism to Missions, though funding was not provided for this purpose. VEGA increasingly took on this responsibility over the years since, as USAID/Washington did less education and promotion of the LWA among Missions.

THE 2014 EXTENSION

USAID Administrator Shah extended VEGA’s LWA in 2014 after determining that it was “strategically necessary” and in the “best interest of USAID.” This was extraordinary given that LWAs are usually limited to 10 years. The rationale detailed in the Justification for Exception to Competition (JEC)-Volunteers for Economic Growth Alliance Leader with Associates, approved June 20, 2014 by Administrator Shah is an important assessment of the VEGA LWA:

- » “... the need for the VEGA program is strategically necessary.”
- » “It is in the best interest of USAID

because the volunteer consortium is unique to the Agency, supports many small US businesses, and provides a nimble response to global development needs. The incumbent organization was **established specifically to meet USAID’s objectives for this initiative.** The proposed extension is logically based on previous activities and performance.”

- » “In addition, **extending the agreement minimizes performance risk.** VEGA’s approach to implementation has evolved with significant input of the consortium members, making it uniquely responsive to both USAID and the organizations using volunteers that we are targeting as partners.”
- » “**The current Program Description continues to meet the needs of economic growth programs around the world.**”
- » “**VEGA can add alliance partners... allowing for new entrants to compete for each Associate Award.**”
- » “**Mission demand for this procurement vehicle is higher than normal.**”

The JEC also states that during the next three years “the Agency will reassess its needs and the results of the VEGA LWA and determine next steps, if any.”

On July 11, 2014, Mod 14 to the VEGA LWA extended the period of performance by three years, from June 11, 2014 to June 10, 2017. The three-year extension also, for the first time, introduced a ceiling for AAs, setting it at \$373,703,899 (or \$100m above the cumulative level of approved AAs up until July 2014). This ceiling represented the maximum amount Field Missions and other OUs could spend on programming through the VEGA LWA and was consistent with how the Agency had begun to limit spending under LWAs generally (See Annexes).



FROM LEFT: LIM program training with the Microfinance Institutions (MFIs) in Lebanon; VEGA Member Global Communities with partner in Rwanda, by Matt Feldman

MAJOR VEGA LWA ADAPTATIONS 2014 TO 2017

During this period, VEGA continued to experience very high demand from Field Missions for the VEGA LWA. It rededicated to increasing the participation of skilled volunteers in its programs, embarked on more co-creation of program designs with Missions, invested in creating public private partnerships (PPPs), continued to build capacity and opportunities for smaller volunteer-sending NGOs, and increased its communication and advocacy efforts on behalf of the VEGA LWA.

HIGH DEMAND FOR THE VEGA LWA AND HITTING THE CEILING

Demand for the VEGA LWA grew during its final three years, and is discussed more in later sections including in “Impact for Missions.” By spring 2017, it appeared that the ceiling was exhausted with a pending economic growth program in West Africa. The VEGA Secretariat began to turn away Missions and requested an extension of the VEGA LWA and an increase in the ceiling, which was denied. Meanwhile, the program in West Africa fell through based on internal uncertainties about the program’s fit with emerging strategic priorities.

GROWING THE MEMBERSHIP TO ADD EXPERTISE AND NUMBERS OF VOLUNTEERS TO MOBILIZE

During this time period, VEGA added several members that deepened and broadened the volunteers and expertise available to USAID through the VEGA LWA. New VEGA members included academic institutions such as Arizona State University and Purdue University; small, all-volunteer organizations such as Engineers Without Borders; organizations with highly specialized expertise such as the National Rural Electric Cooperative Association; volunteer organizations from Canada, Australia and the Netherlands;

MEASURING THE VALUE OF VOLUNTEERS

In 2016, VEGA developed and launched a new, proprietary evaluation tool, the Volunteer Value Reporting System (VVRS). VEGA LWA Associate Awards were modified to incorporate the VVRS, which requires VEGA implementing members to gather data from implementing partners, host organizations, and volunteers after each volunteer assignment. VVRS data is then reported via a standard template to VEGA on a quarterly basis. The aggregated data is used by VEGA and its members to establish and demonstrate the advantages of volunteer contributions to donors, host organizations, beneficiaries, volunteers and the public. The VVRS also enables VEGA and its members to analyze, learn from and improve its volunteer-sending programs.

AMONG THE NOTABLE FINDINGS FROM 2016-2017:

- 90% of host organizations agree or strongly agree that support provided by the volunteer was effective in achieving the goals of the assignment.
- Based on their experience, 84% of host organizations said they would prefer to use a volunteer rather than a paid expert for a similar assignment in the future.
- 91.5% of host organizations agree or strongly agree that the recommendations made by volunteers will be applied on an ongoing basis.
- On average, volunteers had 21.9 years of experience relevant to their assignments.
- 88.3% of volunteers agree or strongly agree that they will stay engaged with the host or beneficiaries after the end of the assignment.
- 93.5% of volunteers agree or strongly agree that completing the assignment increased cross-cultural understanding and friendship.

beyond economic growth such as Global Communities. VEGA also began to strongly encourage members to team to ensure a 30% minimum level of effort by volunteers and minimum of 15% cost share.

CO-CREATION

The VEGA Secretariat provided support to multiple USAID Missions to co-create program designs by engaging with technical experts and using past experience to generate creative and innovative solutions to international development challenges. As an early facilitator, VEGA was able to improve the integration of skilled volunteers. Through early engagement with the USAID/Bosnia Mission, VEGA worked closely to assist in the creation of the Workforce and Higher Markets Activity program, as well as with USAID/Moldova on the Technical Assistance to the National Bank of Moldova program.

PUBLIC-PRIVATE PARTNERSHIPS

In 2017 in Nigeria, VEGA brought together public and private partners to create innovative shared-value solutions to generate more prosperity and better health

for the Nigerian people. As a one-stop shop, VEGA took the lead in developing the program description, convened the key stakeholders and coordinated the program design to ensure that the needs of all partners were represented in the final program description.

SMALL GRANTS PROGRAM

In 2016, the VEGA Board of Directors approved a new small grants mechanism under the VEGA LWA, which was designed to broaden member participation in the LWA and provide VEGA's smaller members an opportunity to partner with USAID and build their capacity. The mechanism also supported USAID's "new entrants" policy. Under the mechanism, USAID Missions had the ability to directly access eligible VEGA members to implement economic growth, volunteer-centric programs valued at \$1,000,000 or less without going through the VEGA LWA competition process. In spite of the VEGA Secretariat working closely with its smaller members and with a few targeted Missions, none of these proposals were funded. There is a discussion about this in the "Evaluating the Impact" section.

COMMUNICATIONS AND ADVOCACY ON BEHALF OF THE VEGA LWA

VEGA worked to educate members of Congress and the incoming administration about the extraordinary impact being made by skilled volunteers around the globe and here at home. The goal was to ensure that the VEGA LWA continued or served as a model for a new LWA to utilize skilled volunteers in U.S. global development. VEGA had several discussions with its membership, USAID, other members of the executive branch and Congress about another extension and/or a successor program. VEGA shared many of the lessons learned, best practices and recommendations for building on the success of the VEGA LWA that are included in this report. VEGA submitted congressional testimony and policy recommendations, and highlighted the extraordinary stories through our Volunteer Impact 360° Campaign (See more in the "Volunteer Profiles and Impact" section and in the Annexes).

THE 2017 EXTENSION AND SUNSET

VEGA's communication and advocacy regarding the impacts of the VEGA LWA resulted in a short-term extension, followed by the launch of a new volunteer-centered funding mechanism and appropriations language directing the USAID Administrator to develop an agency-wide policy for incorporating skilled volunteers.

On June 9, 2017, USAID granted VEGA an extension of 90 days, with an increase of \$7.5 million in ceiling, which provided USAID Field Missions with the opportunity to partner with VEGA on up to \$26.5 million in programming. Unfortunately, at this point, the VEGA Secretariat had already turned away or lost the opportunity to partner with several Missions, and 90 days proved too short for new programming under the VEGA LWA during a very uncertain time for USAID and its budget (See chart on page 5).

On August 3, 2017, former Ambassador Mark Green became USAID Administrator. Among the first initiatives of his tenure was

the launch of the Volunteers for International Security and Prosperity Annual Program Statement (VISP APS), released on August 30, 2017 (Please read more about this in the "Measuring the Impact" section and in the Annexes).

On September 7, 2017, the Senate Appropriations included language in report that accompanied the State and Foreign Operations Appropriations Bill for Fiscal Year 2018 (FY18) that directs USAID to develop a policy to incentivize incorporating volunteers into agency-wide programming. It states:

"Volunteers. —The USAID Administrator shall develop an agency-wide policy that attributes additional merit to proposals and applications that include

the use of skilled U.S. and local volunteers (including, as appropriate, the use of the Peace Corps Response Corps and U.S. Government retirees) to implement a broad range of locally-driven development activities. The administrator shall consult with the Committee on such policy not later than 120 days after enactment of the act."

At the writing of this final report for the VEGA LWA, Congress had yet to enact appropriations for FY18 (except for Continuing Resolutions extending FY17 funding levels through January 19, 2018).

VOLUNTEER PROFILES AND IMPACT

As an efficient and effective volunteer-centered mechanism, the VEGA LWA allowed USAID to significantly expand the engagement of individuals from the private sector who do not earn their living as consultants or contractors. Drawing from VEGA's network of more than 100,000 volunteers, USAID programs implemented through the VEGA LWA benefited from VEGA members' ability to recruit, train, place and support highly skilled volunteers, resulting in nearly 40,000 volunteer days. For the past several years, LWA-supported programs have included a target level of effort (LOE) from volunteers of 30%.

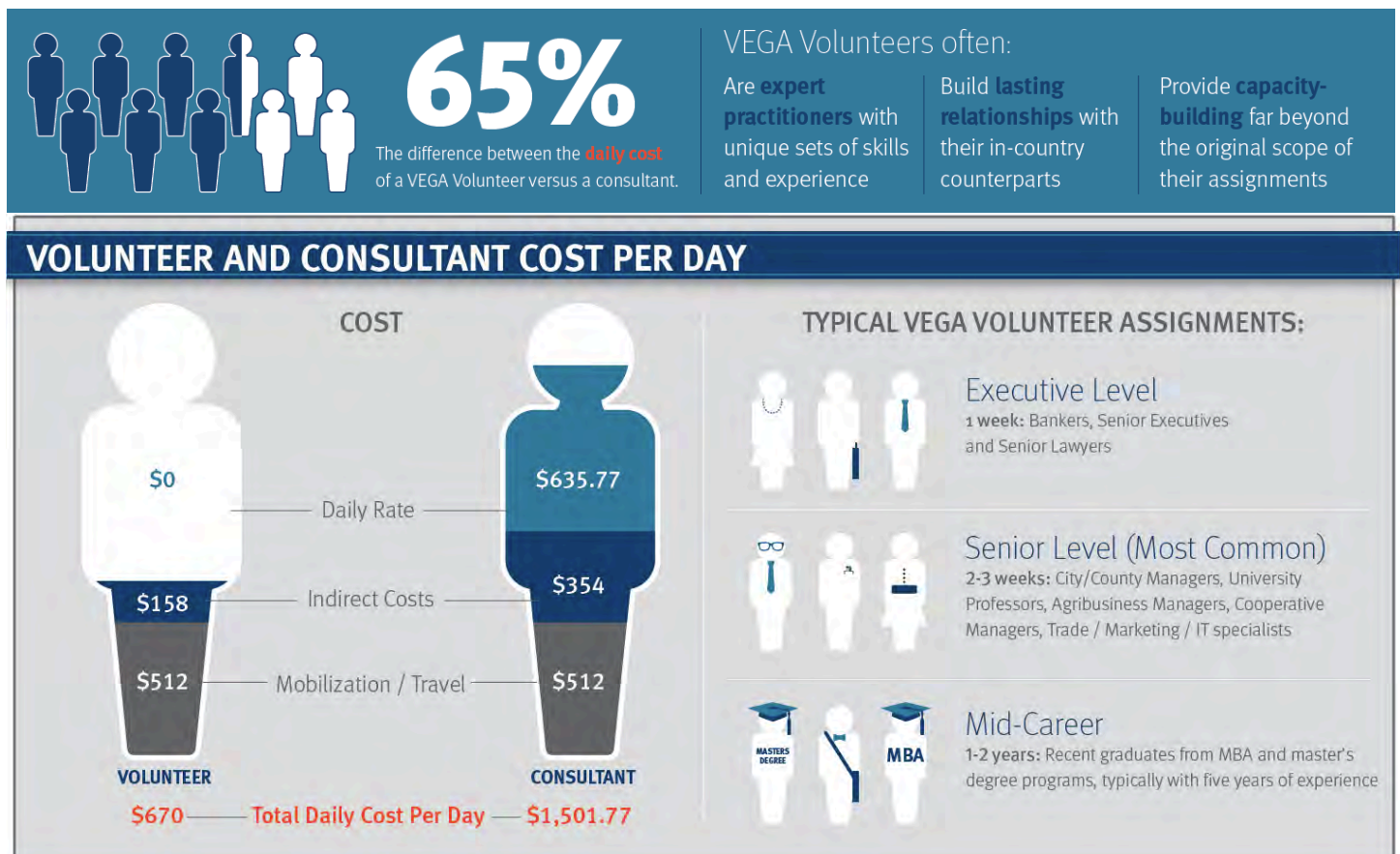
Professionals with expertise from financial services to engineering to agribusiness to technology have donated their valuable time to help give a hand up, instead of a hand out. **VEGA volunteers represent professionals in virtually every industry and profession**, including successful entrepreneurs, agricultural enterprise managers and owners, CEOs and executives of multinational firms, computer programmers, banking officials and more. The volunteers deployed on VEGA LWA programs have been technical experts, matched to meet overall program goals and the needs of the local partners.

Each volunteer was carefully selected and had a track record of excellence in their field. Generally mid- to late-career, these individuals brought current, refined skills with real-life experience to their assignments. On average, volunteers had 21.9 years of experience relevant to their assignments (2016-17) (See Annexes).

Through assignments ranging in length from one week to one year but averaging two to three weeks, **VEGA LWA volunteers created impacts almost immediately, and also positive effects that continue to build and last over time.** These skilled experts provided management and technical

assistance (TA) to small and medium-sized enterprises (SMEs), agribusinesses, financial institutions, educational institutions, NGOs, local governments, central ministries, advocacy organizations, associations and communities. According to the VEGA VVRS, **91.5% of host organizations agree or strongly agree that the recommendations made by volunteers will be applied on an ongoing basis.**

The VEGA LWA afforded USAID Missions the opportunity to stretch the U.S. assistance dollar while achieving the goals of the program. While volunteer assignments are not free, the costs are limited to basic staff





VEGA Volunteer of the Year 2017 Kate Coffey instructing local Sri Lankan partners while on assignment with BIZ+ project

time for recruitment and administration, volunteer travel and per diem. The average cost-savings of utilizing volunteers over consultants is 35%.

Through the nearly 40,000 days of expert volunteer service, the VEGA LWA saved more than \$30 million taxpayer dollars and nearly doubled the program value through cost share and leverage.

Beyond these cost savings, the VEGA LWA allowed USAID to access senior professionals whose compensation would exceed the USAID daily rate if hired by a program as a consultant. Many could not have been hired in the first place, since they were not professional consultants, but rather were professionals who worked on Wall Street or for engineering firms, or ran successful businesses themselves. Notable examples of high-value VEGA volunteers include: Former Senior Vice President of McCormick Spices Hal Handley, Former South Dakota State Senator Fred Whiting, Former Deputy Regional Director of the Federal Deposit Insurance Corporation (FDIC) Frank Hartigan, and Chief Advocacy Officer of the Credit Union National Association Ryan Donovan, among many others.

Importantly, the value of partnering with volunteers goes far beyond cost savings, in that these citizen diplomats also advance U.S. interests by sharing the best of American values and skills.

Those serving under the VEGA LWA have been successful and generous Americans who have shown up as ambassadors of goodwill, ready to help those ready to help themselves in a very personal and practical way. VEGA LWA skilled volunteers brought flexibility and long experience solving some of the same problems developing country

farmers or business owners faced. It was the volunteers' interest in solving problems that frequently led them to go beyond the scope of their original assignment to solve not just the immediate problem, but also the roots of it. Other times, by taking the time to listen and observe, VEGA volunteers found that the problem they thought they would address was not the primary problem.

VEGA LWA volunteers created authentic peer-to-peer relationships and great credibility with partner country counterparts, thereby strengthening local capacity and sustainability. According to the VEGA VVRS, based on their experience, 84% of host organizations said they would prefer to use a volunteer rather than a paid expert for a similar assignment in the future. Many attribute this to the volunteers' willingness to lend their experience and expertise to others without being compensated—that they're simply working with these people for the greater good and are very dedicated and interested in the success of the project.

Very often, these relationships and the capacity building did not end with the volunteer assignment. 88.3% of volunteers agree or strongly agree that they will stay engaged with the host or beneficiaries after the end of the assignment, according to the VEGA VVRS.

Many VEGA volunteers who donated their two or three weeks of vacation time continued to support the partners they trained after the volunteer assignment ended. Many of them returned for subsequent volunteer assignments.

93.5% of volunteers agree or strongly agree that completing the assignment

increased cross-cultural understanding and friendship (VVRS). As private citizens, VEGA volunteers shared their experiences with people at home and applied their newly acquired skills in their own careers and communities, sometimes inspiring colleagues and neighbors to serve or donate funds or supplies to send back to their local partners. These volunteers sometimes garnered local press, blogged or wrote pieces that have been published in the media.

VEGA LWA models for deploying volunteers have evolved over time, including by adding online support, in-country and third-country volunteers and corporate and institutional partnerships.

Some of the **innovative volunteer models** utilized through the VEGA LWA included:

- » Cultivating local volunteer participation and sustainability through in-country partnerships and train-the-trainer activities - Nigeria, Egypt, Georgia
- » Remote technical assistance and training - Tanzania, Afghanistan, Tunisia, Lebanon
- » Volunteers with special regional expertise - Ukraine, Bosnia and Herzegovina, Albania
- » Engaging diaspora volunteers with language, cultural and overall understanding of the local socio-economic dynamics - Liberia, Ethiopia, Sri Lanka, Sudan
- » Adding Dutch, Canadian, and Australian volunteer organizations as members, which has added new perspective to VEGA's volunteer network and knowledge management.

VOLUNTEER IMPACT

In 2016, VEGA launched a public campaign called Volunteer Impact 360° to highlight how USAID's skilled volunteers are peer-to-peer diplomats who create economic opportunity and cultural understanding abroad and back home. The campaign has raised awareness of how skilled volunteers help combat global poverty and promote prosperity for disadvantaged communities around the world. The VEGA Secretariat used this campaign to promote and educate the use of the VEGA LWA to USAID Missions and the public. The campaign has shared the accomplishments of VEGA volunteers via several modes, including case studies, short videos and volunteer success stories. Visit www.VolunteerImpact360.org to learn more.

Also to raise public awareness and build community, the VEGA Secretariat has sponsored **Volunteer of the Year Awards** since 2008, typically awarded at an International Volunteer Day event. These all-star volunteers exemplify the generous spirit and skills of VEGA LWA volunteers. Those below who are recipients are noted with an *. Please see the section on "VEGA's Impact for Members and Community of Learning" to read more about these activities.

OUTSTANDING VOLUNTEERS



Ryan Donovan
**Chief Advocacy
Officer of Credit
Union National
Association**

Ryan Donovan is the Chief Advocacy Officer at the Credit Union National Association (CUNA) and is responsible for the development and implementation of CUNA's legislative, regulatory and state government advocacy efforts. Mr. Donovan volunteered his expertise on VEGA's Credit for Agriculture Producers (CAP) project in Ukraine, implemented by VEGA Member World Council of Credit Unions (WOCCU). Mr. Donovan led advocacy and taxation workshops to discuss the importance of advocacy with credit union leaders in Ukraine, as well as tackling their issues with broadening their membership into rural areas. In roundtable meetings with government officials and credit union national associations, Mr. Donovan helped open a dialogue and show the widespread benefits of credit unions. Mr. Donovan's expertise was critical for laying the foundation for Ukrainian credit unions to begin building their advocacy efforts and helping to expand their impact across the country. You can read more about Mr. Donovan's work in Ukraine in his article "Exporting Advocacy," published in the Credit Union Magazine (See Annexes).



Hal Handley*
**Former Vice
President of
McCormick &
Company Spices**

Harold "Hal" Handley was VEGA's Volunteer of the Decade 2014, often used his own personal network to facilitate business connections among beneficiaries and established corporations in the United States.

Since his first assignment in 1999, Handley brought an unparalleled level of professionalism and dedication to his work completing dozens of domestic and overseas assignments for more than 10 programs, including LWA and F2F. Whether working to improve value chains in Lebanon and Ethiopia, optimizing dairy production in Uganda or accompanying agribusiness professionals from Egypt on business-to-business meetings in the Midwest, his commitment to improving the lives of program beneficiaries was unwavering.



Fred Whiting
**Former South
Dakota State
Senator**

Volunteers acted as important support mechanisms providing knowledge and expertise on VEGA's Agricultural Market and Enterprise Development (AMED) program in South Sudan. Volunteer Fred Whiting, a state senator from South Dakota, trained the executive officers of the South Sudan Chamber of Commerce (SSCCIA) in organizational management. He reviewed the Memorandum of Association and Articles of Association (bylaws) of the SSCCIA and discussed with the Chairman several bylaw revisions. After his assignment, several other volunteers were

deployed to continue the development of the SSCCIA's capacity and functionality.



Melody Meyer
**Vice President of
Policy and Industry
Relations for United
Natural Foods, Inc.**

VEGA LWA volunteers have brought to bear their vast professional networks for development solutions. For example, Volunteer Melody Meyer, the vice president of policy and industry relations for United Natural Foods, Inc., activated her network of contacts in the U.S. organics market, shared her expertise and worked closely with emerging Tunisian organics producers to help them enter a new market. Due to her involvement, emerging enterprises made significant sales to U.S. buyers, and Tunisian businesses worked with the government to develop the country's organics industry. Melody penned her experiences on the Organic Matters Blog and used this media platform and the Huffington Post to recruit other volunteers. (You can about her experiences volunteering at <https://organicmattersblog.com/2013/12/09/tunisian-chronicles/> or <https://www.huffingtonpost.com/author/mmeyer52-755>)

"Without Melody's assistance, we wouldn't have been as productive...Before the Fancy Food Show, I thought we would never export to the U.S."
- Leif Tlemcani, Owner of Herbiotech



FROM LEFT: Volunteer Ryan Donovan at CAP launch in Ukraine; Volunteer Haoua Cheick Seip at the design center with local partners in Ampara, Sri Lanka; Volunteer Melody Meyer on VEGA's Tunisia SME Program



Haoua Cheick Seip*
Social Entrepreneur and Business Leader

As part of the Finance for Food Security and Women Entrepreneurs program in Mali, volunteer Haoua Cheick Seip initiated a pilot mentorship program for women entrepreneurs. The program, implemented by VEGA Member IESC, improved the lending environment for women SME owners and managers in targeted value chains. A key focus was to build the capacity of women by teaching them financial literacy and other essential skills needed to bring their businesses from the informal to the formal sector. Having grown up in Mali, Seip understood some of the challenges and cultural sensitivities that women entrepreneurs need to overcome. "They face lots of discouragement," she says. "As a woman, no one tells you to study. So they need to be able to turn to someone who has experience."

"They not only learn from me, but they learn from themselves. The fact that they are together in one room is a way for them to sit down and talk and learn. They help themselves."
 - Haoua Cheick Seip

Seip also understood that the advice would best come from other local Malian

women entrepreneurs, so she helped create a pilot group made up of four local mentors from different sectors, such as agriculture and textiles, who mentored 16 women entrepreneurs. During the twelve-week program, they talked through different financial skills that would make the women-owned businesses less of a loan risk for banks, and the mentees underwent training on the importance of keeping a ledger, how to pay taxes and the advantages of growing a business. Seip received the VEGA Program Service Award in 2012.



Lisa Larson*
President and Founder of Larson & Partners, LLC

Lisa Larson is a high-energy leader with more than 20 years of experience achieving results in engagement and change management. Ms. Larson received the VEGA Volunteer of the Year Award in 2017 for her work on multiple volunteer assignments. Ms. Larson completed a volunteer assignment with IESC on the VEGA LWA Capacity Building of Cambodia's Local Organizations (CBCLO) Program. During her two-month assignment, Ms. Larson shared her expertise on process optimization and financial and monitoring evaluation systems to build the self-sustainability and capacity of local civil society organizations. In order to gauge organizations' sustainability gaps, Ms. Larson developed a tool to measure the organizations' readiness to transition from relying solely on donor funding to becoming a self-sustaining social enterprise. Based on the results of the assessment, Ms. Larson

and the CBCLO field team developed a tailored assistance package that addressed the identified organizational gaps. The tool was exported to an online survey platform and administered to participating organizations. Since Ms. Larson's assignment, every sustainability request that CBCLO responds to has been guided by this assessment tool.

"Using my skills in a new way gives me new perspectives on how to have a more purpose-driven career. Visiting places I would not ordinarily go and living and working with the most wonderful people—many of whom are close friends long after I leave—fills me with happiness and a sense of purpose."

- Lisa Larson

In addition to her own assignment, Ms. Larson made herself available as a constant resource to the volunteers that followed her, providing remote support long after she had finished her assignment.



Gary Mutz
Former Executive at IBM

Volunteer Gary Mutz is a prime example of a committed volunteer, as he has completed 17 successful volunteer projects on eight IESC programs, including four VEGA

LWA programs. With over 30 years of experience in sales and marketing as an executive at IBM, he has assisted hundreds of SMEs with business planning, export preparedness, marketing, sales, logistics and customer and financial management. Mr. Mutz continues to provide follow-up support after all of his assignments, developing close relationships with local partners. **The continued engagement of these volunteers has brought lasting success to many projects and stretched the U.S. assistance dollar through added resources and enduring remote coaching and advice.**



Phyllis Resnick*
Economist and Professor at Colorado State University

VEGA Volunteer of the Year 2015 Phyllis Resnick completed five separate projects with FSVC in three countries, two of them on VEGA LWA programs in Angola and Tunisia. Taking time from her work as an economist at Colorado State University, Ms. Resnick spent 48 days training 223 beneficiaries from both government and civil society on five projects in just a twelve-month time frame.

"One of the true hidden gifts of volunteering is the tremendous impact it has on me. It helps me do my job better and look at the U.S. system more critically."

- Phyllis Resnick,



Lynda Swenson*
Former Banking Executive

Lynda Swenson is a former banking executive with extensive experience in finance, credit, business management and training, including 19 years as an instructor at the Ohio School of Banking. Over the past ten years, Ms. Swenson has embraced volunteering, taking her considerable knowledge and expertise **on more than 60 international volunteer assignments**, including LWA and F2F programs. Those assignments brought her expertise to beneficiaries of VEGA LWA programs and VEGA member programs, primarily including IESC and CNFA. On more than 30 assignments in Africa with CNFA, Lynda consulted with and trained various cooperatives, community based financial organizations and private companies in business and financial management, allowing those organizations to better serve their communities. Ms. Swenson

received the VEGA Volunteer of the Year Award in 2016 for her outstanding service.



Frank Hartigan
Former Deputy Regional Director of the Federal Deposit Insurance Corporation

Frank Hartigan has over three decades of experience working on a wide-range of banking operations and has held leadership roles in both the private and public sectors. As Deputy Regional Director, he manages a staff of 100 professionals responsible for the supervision of 400 financial institutions in 11 states, Guam, and the Federated States of Micronesia. Mr. Hartigan served as a Senior Advisor on the VEGA LWA-supported Albania Financial Sector Development program. Mr. Hartigan advised the Albanian Deposit Insurance Agency (ADIA) on their mission, structure and strategic planning, and developed short, medium and long-term plans to reform the ADIA and foster confidence in the financial system for Albanian's unbanked people. Mr. Hartigan volunteered a second time to advise new leadership in the ADIA and bring the agency closer to meeting IMF recommendations to avoid a financial sector crisis. Due to the expertise of Mr. Hartigan and volunteers like him, Albania's financial institutions have continued to reform and promote economic stability (See Annexes for Mr. Hartigan's volunteer profile and for an in depth Case Study on the Albania Financial Sector Development Program).

A complete list of VEGA Volunteer of the Year Award recipients can be found here: <http://vegaalliance.org/success-stories/vegas-volunteer-of-the-year-award-winners/>. See the Annexes for profiles of these and other remarkable volunteers.

Amplifying Results

Our volunteers bring additional resources.

Volunteers' professional networks help enterprises enter markets.



Volunteers bring US buyers to new markets.



Hosts expand networks and possibilities.





Local partner adds finishing touch to his carpet with ABADE program in Afghanistan;

DEVELOPMENT AND ECONOMIC GROWTH

What if we lived in a world where there was no longer a need for global development programs to end hunger and poverty? USAID Administrator Mark Green has spoken often about how the goal of U.S. foreign assistance should be to end the need for it to exist. This vision has been the driving force behind the VEGA LWA, and every VEGA LWA program has taken us closer to that reality. Through the VEGA LWA, USAID, VEGA, its members and highly skilled volunteers have worked together with local partners to create enduring, demand-driven solutions to development challenges. Highly skilled volunteers have shared their expertise with those seeking a hand up, not a handout. Through the VEGA LWA, skills training and knowledge transfer have been a bridge to transitioning people and countries out of aid dependency and toward greater self-sufficiency, including by becoming trading partners.

From the beginning, VEGA focused on building local capacity by working together with host-country counterpart organizations; this is first among several guiding principles in the original VEGA LWA award. A number of VEGA LWA programs have focused on building the capacity of local organizations and SMEs. By filling technical and knowledge gaps, VEGA LWA programs from Sri Lanka to Mali gave our partners the best opportunity to succeed and grow. Other VEGA LWA programs from Ethiopia to Albania have created an enabling policy environment to mobilize capital and support increased trade. Whether mentoring national and local leaders on governance, facilitating private-sector investments through policy reforms and institution strengthening, or creating jobs and entrepreneurial opportunities for women and youth—the VEGA LWA’s programs and the skilled volunteers that they mobilized helped to build the conditions necessary for sustained economic growth in 41 countries.

IMPACT

- » **5,027,928** total beneficiaries
- » **46 programs** in 41 countries
- » **39,576 days** of volunteer service
- » **More than \$43 million** increases in sales
- » **11,409** SMEs trained and supported
- » **36,468 jobs** created
- » **1,082** public-private partnerships supported
- » **Increased value of exports** by nearly \$32 million
- » **Influenced 151** laws and policies

This section highlights some of the most impactful VEGA LWA programs, but there are many more. A comprehensive list of all of the VEGA LWA programs with short descriptions of the activities and impacts can be found in the Annexes.

MORE SUCCESS STORIES CAN BE FOUND ON
www.VEGAAlliance.org



FEATURED PROGRAM: **BIZ+**

Kanni Mankaytkarasy working at the Yharl coconut oil production mill in Sri Lanka with the BIZ+ program

SMALL BUSINESS OFFER SRI LANKA'S WAR-WEARY A SECOND CHANCE

Country: Sri Lanka
VEGA Lead Member: Land O'Lakes International Development
Performance Period: 2011-2019

Sri Lanka is at a unique stage in its history, as the country moves forward following a 26-year civil war. Propelled by economic disparities among ethnic groups, the conflict decimated the country's infrastructure, government institutions, business enterprises and productive assets.

VEGA's eight-year BIZ+ program in Sri Lanka, implemented by VEGA Member Land O'Lakes International Development, recently received a two-year extension due to its success in stimulating economic growth, job creation and increased household incomes in post-crisis and under-developed areas of the country. By providing SMEs with technical know-how and investment grants requiring a 1:1 match by the SMEs, the program has surpassed the original job and income goals by creating more than 6,647 jobs, leveraged over \$14 million private sector funds, benefited 4,383 micro-enterprises and entrepreneurs and 8,840 households, and increased incomes of Sri Lankans by more than \$8 million.

Since 2011, 26 highly skilled U.S. and international volunteers have contributed approximately 1,500 volunteer days, in addition to the service of at least seven local volunteers, assisting entrepreneurs on a range of topics, from financial skills

to marketing and branding. One such entrepreneur is Rejin Thilleepan, owner of Yharl coconut mill, who felt compelled to support his community after the 26-year civil war that ended in 2009. "Women were widowed and without jobs. We wanted to help," he said. "That's when we put in a grant proposal to Land O'Lakes International Development—we wanted to expand to coconut oil production. That type of mill would not only help our business grow but also provide job opportunities."

The business grew from just two employees to 34 who now have steady incomes, savings accounts and a supportive community to call home. Kanni Mankaytkarasy has scars on her hands as remnants from her time fighting on the frontlines. She picks up a coconut and cracks it open with the swing of a machete. "We all rotate jobs each day. It makes me happy to see the process and the final product of our work," says Kanni, smiling.

"The BIZ+ program is remarkable because it is made up of determined women and men who not only want to succeed but are also committed to seeing their communities improve. That is why a hallmark of BIZ+ businesses is their focus on how they can employ,

train and partner with their community so that they benefit as a whole. This is how BIZ+ is helping to provide war widows, the disabled, survivors of gender-based violence and other vulnerable populations with hope for a brighter tomorrow."

- Andrew Sisson, Mission Director, USAID/Sri Lanka

Helping to build an ice factory that could transform economic opportunity throughout the seafood value chain was one of the first catalytic investment grants made by BIZ+. Access to an effective cooling mechanism is imperative for transporting fish and keeping it fresh, particularly in tropical climates like Sri Lanka. But until Thinuravukkasu Senthana opened his ice manufacturing plant in Jaffna and grew it with assistance from BIZ+, small fishermen and traders struggled to earn a viable and reliable income from what they caught.

"We used to experience a 10-20% loss of our catch during transport. If we could earn 400 rupees (\$3) per kilo on a good day, we'd only get 200 rupees per kilo if the catch was damaged or wasn't sufficiently cooled," explained Mariahoneste Nirojan, a large fish seller in Jaffna who sells in bulk on behalf of 40 local fishermen to about 20 regular customers. He added, "Now that

we have ice, we can ensure that everything sells for the same amount, and set a higher overall price for what we catch.”

“NGOs used to come here and do charity work, establishing orphanages, roads and sanitation, but not doing anything to strengthen business and industry,” Mr. Senthana recalled. “The BIZ+ program means people are not just getting a handout, but a real salary. We don’t want charity anymore. If you give us free eyeglasses and reading materials, they will vanish someday. But if you create employment, we can buy those things for our kids ourselves. An entrepreneur will not allow his company to fail. We have to grow.”

Known as Jeyantha Industrial Park (Pvt) Ltd, the new 20 ton-per-day ice factory is harnessing the untapped economic potential of aquaculture in an area that was devastated by war. Prior to BIZ+, Mr. Senthana had already secured commercial bank loans to manufacture six tons of ice per day, but he struggled to meet local demand. Within three months of submitting his business plan, Mr. Senthana learned he was successful and began rushing to secure the cost share required by BIZ+ to facilitate his business’ growth. Jeyantha Industrial Park contributed about \$200,000 for the land and factory construction, while the BIZ+ grant of \$266,000 covered the purchase, transportation and installation of the new 20-ton per day ice factory’s machinery. Mr. Senthana purchased the land from his uncle, and built his dream ice factory atop the detritus of his uncle’s former prawn export company, which was destroyed by mortars during the war.

Ice not only enables fish to remain fresher at the market, but it allows fishermen to work for longer durations without having to return to shore. According to a small-scale fisherman and day boat operator named Santhan (no relation to the owner of Jeyantha), “The availability of ice in Jaffna has helped us to make three catches in a night compared with one. Previously, we would only go out to sea at about 4 am and return by 6 am, so that we could get the fish to the market before it spoiled. Now, we leave at about 5pm the previous evening and fish all night.” He is now earning over US \$100 a day.

Not only is Jeyantha Industrial Park already operating at full capacity thanks to USAID’s support through BIZ+, selling crushed and blocked ice to some 60 regular customers a day, but about 15-20 new multiday boats have started fishing in the harbor since the new ice factory began operation. The 23 new staff members, most of whom were previously unemployed youth, are now earning a locally competitive salary equivalent to \$152-\$167 a month, plus a bonus incentive. Now that his business is solid and steady, Senthana plans to expand his business into related areas such as fish trading and processing in the coming year.

Mr. Senthana is extraordinarily proud that he’s not only helping to change mindsets about rebuilding industry in Jaffna, but is providing proof about what kind of assistance conflict-affected communities such as his really need the most.

BIZ+ will continue USAID’s focus on achieving inclusive growth through enterprise development through 2019, and will build on the successes and lessons learned from working with businesses and delivering capacity building services.

“When we started this business it was very challenging to attract investors or to get banks to finance our business because demand for these polysacks really went down. That’s when volunteers came from

the US and helped us to properly plan our financial forecast to the bank and succeeding in securing a loan. We are really happy to have a partnership with BIZ+ because without it the starting of this business would have been impossible. With their support we have succeeded and we have provided 100 plus jobs and are really happy.”

– Muhammed Sanoon, Managing Director, East Lanka Polysack

With an aim to ensure inclusive growth, support will be prioritized for small and medium enterprises that create jobs for vulnerable populations, such as ethnic minorities, ex-combatants, disabled persons, youth, and women, including war widows. With a strong emphasis on private sector partnerships, this may include promoting sectors that have the greatest potential for broad-based growth, and facilitating financing for small and medium enterprises. Programming will support activities that are market-driven and that enhance the connectivity between rural and urban areas so that the benefits of growth are spread island-wide.

Learn more about this and other Sri Lankan businesses booming as a result of BIZ+ by watching the 7 short videos VEGA produced to illustrate the volunteer and development impact of the program. Visit VEGA’s YouTube Channel to watch these and other videos: <https://www.youtube.com/user/TheVEGAAlliance/featured>

This program was also featured in FRONTLINES, visit: <https://www.usaid.gov/news-information/frontlines/september-october-2016/small-businesses-offer-sri-lankas-war-weary>



FEATURED PROGRAM: **African Growth Opportunity Act Program (AGOA+)**

AGOA+ partners at Magic Trade Market 2011

BUILDING RESILIENCE THROUGH PUBLIC AND PRIVATE SECTOR DEVELOPMENT

Country: Ethiopia
VEGA Lead Member: IESC
Performance Period: 2005-2011

The VEGA AGOA+ was a USAID-funded, six year program implemented by International Executive Service Corps (IESC) through VEGA. The program aimed to provide export capacity building and trade facilitation assistance with life of program funding totaling US\$3,424,278.

Since the beginning, VEGA AGOA+ undertook three primary activities: (1) trade capacity building and export promotion, (2) institutional strengthening for Business Membership Organizations (BMOs) and

government agencies and (3) promoting access to finance - first through investment finance from the diaspora and later loan finance through USAID's DCA loan guarantee program. Particular focus was placed on support to small and medium sized enterprises (SMEs), women entrepreneurs and Diaspora investors.

EXPERT VOLUNTEER ASSISTANCE

The VEGA AGOA+ Program utilized IESC Volunteer Experts (VEs), Geek Corps Volunteers (GCVs) and professional consultants to impart business expertise and information technology (IT) skills to firms, government institutions and business membership organizations servicing the private sector. Over the life of the program, 18 VEs, of which six were Ethiopian Diaspora volunteers, completed 19 projects. An additional seven senior level experts, including two Ethiopian Diaspora,

completed Short-term Technical Assistance (STTA) projects. Where appropriate, the VEGA AGOA+ strategy for its VE consultancies involved: (1) needs-based approach that responds to a specific business and/or organization problem identified by the beneficiary, (2) targeted expertise aimed to solve real problems that the beneficiary encounters on a daily basis and (3) utilization of VEs as a gateway to market products from the companies they support. Examples of successful volunteer experts included:

- » Training to local banking staff from Finance VE on basic credit analysis, risk management and financial statement analysis for SMEs, with a sector specific case study session dedicated to agriculture.
- » Onsite assessment and training from Customs VE to the Ethiopian Revenue and Customs Authority (ERCA) on US entry requirements for AGOA privileges, international customs standards, and ways to increase operational efficiency within the Ethiopia customs system.
- » Briefing from horticulture VE on how to prepare and what to expect at the Miami International Flower Show. Focus was placed on how to handle logistics and support during the show.
- » Hands on training and mentoring visit to Muya Ethiopia Plc from handicraft VE that covered market-led product development and design for pottery

IMPACT

- » Ethiopia AGOA exports have increased from \$3 million in 2005 to **\$15 million** in 2011.
- » Sales directly attributed to AGOA+ grew from \$1 million in 2005 to **\$5 million** in 2011 with a life of project total at **\$19.07 million**
- » Assisted **1,920 firms** with advice, information and technical support, creating **5,668 new job opportunities**
- » **\$158,240 in volunteer-donated services** as cost share to the program, with **18 volunteers** completing 19 assignments
- » Mobilized **\$6.5 million** in private finance through loans extended to **22 women** and **36 diaspora-owned businesses**

handicrafts and tactics to penetrate new markets.

In May 2010, VEGA AGOA+ program brought in two garment volunteer experts (VEs) to conduct a series of hands-on trainings designed to help small to medium scale garment factories boost their productivity and quality control system. The principal beneficiary companies included NovaStar Garment, Addis Garment, GMM Garment, Wossi Garment and Mulat Garment. The VEs spent two days in each selected factory, conducted a one day presentation and site visit with Nazareth Garment Factory 100 km outside Addis Ababa and held a wrap-up meeting at the Ethiopian Garment and Manufacturing Association (ETGAMA) to share experiences and lessons learned with all members.

“Ethiopia, ‘Open for Business’ is more than a catchy saying... you made it happen. VEGA

has made a major positive impact on the way the rest of the world does business with Ethiopian firms. Funding of AGOA+ was the best money we ever invested in Ethiopia.”

– Bruno Cornelio, Former EG Officer, USAID/Ethiopia

The activity was developed in consultation with ETGAMA through comments and suggestions from the association and its members. Terms of Reference were jointly drafted to identify just the right VEGA/IESC experts. Garment VEs brought with them years of experience working in the garment sector for big name buyers including GAP, VFCOM, Banana Republic, and a plethora of Eastern European garment factories that supply the U.S. market. Care was also taken to target garment factories with ongoing

export orders and experience that could fully take advantage of VE know-how. The participants were thrilled with the results. One factory manager summed up the immediate impact in his operation with one word –“magic.”

“Continuity is really the key factor in maintaining manufacturing quality and productivity,” noted one of the Garment VEs. Although investment in machinery and other productive tools are important, a key lesson learned from the volunteer visit was that significant productivity and quality improvement can also be realized with the materials on-hand. The activity provided an important example of how the expertise and experience of VEGA/IESC VEs can be an important tool that offers real solutions to business problems for firms in developing countries such as Ethiopia.

(Please see the independent evaluation of AGOA+ in the Annexes).

FRONTLINES: BUSINESS PARTNERSHIPS WITH U.S. FIRMS PROVE PROFITABLE

Featured Program: Business Connections

Country: Kazakhstan

VEGA Lead Member: IESC

Other VEGA Member: CNFA

Period of Performance: 2011-2014

In 2015, USAID’s FRONTLINES covered the impact of the VEGA LWA program Business Connections in Kazakhstan implemented by VEGA Lead Member IESC with support by VEGA Member CNFA. One of the most significant impacts of the program was its role in helping Kazakhstani SME owners gain international exposure through business training and business development tours. A total of 14 three-week business development tours to the U.S. took place and 166 Kazakhstani businesswomen and

men traveled to the U.S. Over the life of the project, 77 volunteer assignments were completed. The following are excerpts from FRONTLINES:

In some areas, American products can’t compete with regional players, including Russia or China, mostly due to costs imposed by distance. However, in other areas, there are natural partnerships to be formed. Business Connections brought together American and Kazakhstani firms across a wide range of industries. With common economic interests, the two countries are making deals, forging connections and realizing profits from a wide swath of business ventures. Nearly 20% of the Kazakhstani program participants confirmed that they’ve

signed contracts or reached for-mal agreements with American partners. So far, the program has helped conclude 26 deals in an array of industry sectors. Iowa-based CemenTech sealed a deal for up to \$500,000 in products and services delivered to Kazakh Petroleum. Nebraska-based Norland International signed a deal worth \$50,000 with the Almaty-based Comet bottling company. Nevada-based Battery Doctors sold \$16,000 worth of battery-extending technologies to the Akto-be-based MIA Group in northern Kazakhstan.” (See FRONTLINES here: <https://2012-2017.usaid.gov/news-information/frontlines/foreign-aid-impact/kazakhstan-business-partnerships-us>)



FEATURED PROGRAM: **Feed the Future Nigeria and Nestlé Maize Quality Improvement Partnership**

Feed the Future partners in Nigeria

PUBLIC-PRIVATE PARTNERSHIP WITH NESTLÉ PROMISES BETTER NUTRITION AND LIVELIHOODS

Country: Nigeria
VEGA Lead Member: CNFA
Performance Period: 2017-2020
Other VEGA Members: Purdue University

In Kaduna State, Nigeria, as in many parts of the developing world, post-harvest losses due to high levels of mycotoxins, such as aflatoxin, and other contaminants, have plagued staple crops such as maize and soybean, making it much harder for smallholder farmers to earn a decent income. These mycotoxins also threaten the health and lives of humans and animals, leading to cancer and fatal kidney and liver failure. In children, aflatoxin poisoning causes stunting, immune suppression and even death.

Under the VEGA LWA, USAID/Nigeria has joined forces with VEGA, Nestlé, and CNFA to reduce the deadly threat of these dangerous crop contaminants and improve nutrition in Nigeria. For several years, Nestlé has been working with Nigerian farmers to improve their farming practices, the safety and quality of their crops, and thus their health and incomes. The new partnership under the LWA is expected to significantly expand upon these efforts to generate shared value.

Over a three-year period, the Feed the Future Nigeria and Nestlé Maize Quality Improvement Partnership will leverage the expertise of volunteers to train farmers, workers and small agricultural businesses in Kaduna State to reduce crop contaminants in order to sustainably increase the safety and quality of maize and soybeans

and improve the health, nutrition and livelihoods in this community.

“This public-private partnership supported by Feed the Future will help lift farmers out of poverty by sharing best practices in agriculture activities and focusing on value chains. Providing farmers and suppliers the knowledge and tools to improve their product will help them garner higher selling prices and increase household incomes. Investments in this program from Nestlé and through the in-kind contributions of volunteers really stretch U.S. taxpayer dollars and increase the return on investments.”

– Stephen M. Haykin, USAID/
Nigeria Mission Director

Through VEGA and CNFA, a team of experts—including highly skilled volunteers—will build the capacity of local associations and train 150 local youth volunteers to train more than 20,000 smallholder farmers—including 40% women—increasing the sales of high quality maize and soybean by at least 17,000

ABOUT FEED THE FUTURE

Feed the Future was born of the belief that global hunger is solvable. Led by the USAID, Feed the Future draws on the resources and expertise of 10 other U.S. Government partners to pioneer a comprehensive approach to end hunger and drive real change at a large scale.

As America's initiative to combat global hunger and poverty, Feed the Future is putting America's engine of ingenuity and opportunity to work abroad. The initiative works to give families and communities in some of the world's poorest countries the freedom and opportunity to lift themselves out of destitution. By equipping people with the knowledge and tools to feed themselves, we are addressing the root causes of poverty and hunger, helping people end their reliance on aid, and creating important opportunities for a new generation of young people, while building a more stable world.



FROM LEFT: Feed the Future Nigeria and Nestlé Partnership launch in Nigeria; VEGA President & CEO Michael Deal speaking at the launch

metric tons annually. More than 200 for-profit private enterprises, such as farm service retailers, will also be trained and supported in improving their technologies and management practices. The partnership aims to empower participants throughout the supply chain to create a culture of transparency, leading to higher quality and safer crops that can be brought to market. The resulting increased grain and maize sales will boost incomes and help farmers and small business operators improve their livelihoods.

“In line with our commitment to Creating Shared Value, Nestlé is happy to work together with CNFA, USAID and VEGA to achieve our mutual objectives of helping to build thriving, resilient communities by improving the livelihoods of individuals and

families with whom Nestlé lives and works. We are confident that this program will help to enhance quality of life and contribute to a healthier future.”

– Mr. Mauricio Alarcon, CEO and Managing Director of Nestlé Nigeria

VEGA President & CEO Michael Deal said, “VEGA is very pleased to have brought these partners together to create sustainable supply chain solutions to enhance the well-being of farmers, small business owners and families in Nigeria. This partnership serves as a model multi-stakeholder collaboration to leverage highly skilled volunteers to generate more prosperity and shared value for all partners. VEGA will continue to coordinate the collaboration of our partners and ensure rigorous results.”



PUBLIC-PRIVATE PARTNERSHIPS

The heart of the VEGA LWA was that it provided USAID with opportunities for greater engagement with the private sector at home and abroad through partnerships with businesses in the developing world that benefited from pro bono expertise from the U.S. private sector. More recently, VEGA brought together direct investments from a corporate partner, Nestlé Nigeria, to leverage USAID’s Feed the Future investments in Nigeria. The launch of this program received a good amount of local press, attention from Nestlé corporate headquarters, and was recently featured by the Shared Value Initiative and CECP, both coalitions of corporations interested in generating social good as part of their business model.



FEATURED PROGRAM: **Albania Financial Sector Development Program**

Albania FSDP volunteer working with local partner, by FSVC

CREATING AN ENABLING ENVIRONMENT FOR MOBILIZING CAPITAL AND CATALYZING INVESTMENTS

Country: Albania
VEGA Lead Member: Financial Services Volunteer Corps
Performance Period: 2011-2018

VEGA's membership includes organizations that specialize in strengthening legal and regulatory frameworks and financial systems. Through the utilization of high-level volunteers not typically available to USAID, these programs are able to improve commercial environments, making them more conducive for entrepreneurs to operate and grow businesses.

VEGA Member FSVC's work in Albania is a prime example of U.S. assistance helping a country put policies and systems in place that will allow it to quickly become self-sufficient and end reliance on outside help. Since 2011, the Financial Sector Development Program (FSDP) has been

strengthening the Albanian financial sector through the VEGA LWA by improving the quality and consistency of financial sector regulations and supervision. FSVC has mobilized a number of New York and New Jersey state bank and insurance regulators and high-level Federal Reserve and FDIC officials to assist Albania in developing a strong financial system and enabling environment necessary to win the confidence of its citizens and investors. The program relies heavily on impressive volunteer experts—at least 174—who have contributed more than 1,200 volunteer days to date.

Drawing on over a decade of experience in strengthening Albania's financial sector, VEGA Member FSVC works with the Bank of Albania, the country's central bank and the Financial Supervisory Authority to increase access to banking, insurance, investment and other financial services. FSVC volunteer experts are training examiners, developing new and revising existing regulations,

harmonizing supervisory practices with European Union standards and fostering linkages between Albania's regulators, regional and EU regulators and the Albanian private sector.

FSDP also works to build on Albania's strong mobile network to develop a platform for mobile payments. Working with the regulators, commercial banks, telecommunications companies and municipal governments, the project is creating an enabling environment to encourage the private sector to embrace mobile technology as a method of increasing the public's access to financial services and enabling municipalities to collect taxes and utilities via mobile phones.

FSDP was extended to include work with Albania's General Directorate for Tax and overhaul public financial management with a special focus on modernizing its tax administration and countering rising public debt.

HIGH-CALIBER VOLUNTEERS

Acting Commissioner Nonie Manion and Deputy Commissioner Amanda Hiller of the New York State Department of Taxation and Finance (NYSDF) were awarded the 2016 FSVC Volunteer of the Year Award for their outstanding commitment to civic and global service, including their volunteer service on FSVC projects in Albania.

Under the VEGA LWA, Ms. Manion and Ms. Hiller spent several weeks advising key decision makers in Albania, including the Prime Minister and Deputy Prime Minister, and facilitated a working visit by officials from the tax authority in Albania to the New York Department of Tax and Finance. Their work under the VEGA LWA to promote more efficient tax collection and improve the formal financial sector will help to pay off Albania's public debt and improve the overall quality of life for Albanian citizens through improved public services.





FEATURED PROGRAM: **Feed the Future Egypt Food Security and Agribusiness Support (FAS)**

FAS project's farmer partner displaying produce at Trade Expo in Cairo, Egypt

SUSTAINABLE AGRICULTURAL DEVELOPMENT ACROSS VALUE CHAINS

Country: Egypt
VEGA Lead Member:
 Cultivating New Frontiers in Agriculture
Performance Period:
 2015-2020

Other VEGA Members:
 Winrock International and Arizona State University

Agriculture is a major component of the Egyptian economy, contributing up to 14.5 percent of GDP and 28 percent of all jobs, including 45 percent of all women in the workforce. The sector is dominated by small farms, which use traditional practices that do not comply with internationally recognized standards. As a result, farmers experience increased production costs,

reduced yields, decreased soil fertility and limited marketing opportunities. The Feed the Future Egypt Food Security and Agribusiness Support Project (FAS) is implemented by CNFA and funded through the VEGA LWA. The program will improve food security and increase incomes for at least 14,000 Upper Egyptian smallholder farmers and small agribusinesses across several crop value chains.

From 2016 to 2020, the program will demonstrate that it is economically and socially feasible to achieve sustained growth in the region through an agricultural value chain approach. This approach will improve horticulture productivity, access to markets, value-adding activities and commercial linkages with input and service suppliers. Inclusive growth in the agricultural sector will increase incomes of smallholder farmers and small agribusinesses, leading to improved health and educational opportunities for women and youth as well as higher household purchasing power.

The market-driven approach of the project is supported by four interrelated components: 1) improved on-farm production, 2) more efficient post-harvest processes, 3) improved marketing of agriculture crops and products, and 4) improved nutritional status, especially for women and children. In addition to the major components, there are also a number of supporting cross-cutting themes including systems strengthening for input suppliers; agriculture processors and support services; a focus on end markets and demand; an understanding of the role of value chain governance; a market systems perspective; recognition of the importance of inter-firm relationships and stakeholder participation; policy and enabling environment; gender inclusivity; and leveraging proven ICT capabilities to bring interventions to scale.

FAS is currently supporting 10 value chains, target with crops selected based on market demand. Farmers and farm associations already have contracts for onions, green beans, sweet potatoes, tomatoes, pomegranate, table grapes, basil, geraniums, henna and marjoram.

Farmers from several associations have and will receive trainings and continuing technical assistance on using good agricultural practices for high-quality production. Topics covered under the trainings thus far have included: land preparation, fertilizing, integrated pest management, irrigation, seeds sowing, weeding and plant protection, including identifying and mitigating the effects of toxic weeds.

EXPECTED IMPACT

- » **\$5.75 million** in matching grants disbursed, leveraging at least **\$2.6 million** in private matching investment
- » **A 12 percent** annualized increase in incomes in net present value for more than **14,000** horticulture-based smallholder farmers
- » **Up to 50 percent** increase in yields for selected horticulture crops
- » Introduction of **350** new contracts between horticulture smallholder farmers and market channels
- » More than **\$1.5 million** of new investment in women-owned agribusinesses and more than **50** Upper Egyptian agribusinesses adopting policies that promote inclusion of married women in the workplace
- » Upwards of **36,000** farm families benefiting from nutrition-sensitive messaging



FROM LEFT: Egyptian farmer with FAS project; FAS farmers at Trade Expo in Cairo; Egyptian farmer sorting through olive harvest, by CNFA

Additionally, in an effort to strengthen capacity of associations and cooperatives to work as market-driven organizations, FAS developed and conducted a negotiation skills training. The training helped lead farmers and boards of directors for cooperatives to better manage their negotiations with buyers and input suppliers and increase their communication with smallholder farmers.

Producers have and will participate in several trade shows to display their products in an effort to reach more buyers, cultivate business relationships and execute contracts for importing and exporting their Egyptian goods.

FEED THE FUTURE FAS FARMERS SHINE IN FRONT OF INTERNATIONAL BUYERS

FROM VEGA'S BLOG

When most people hear “farming in Egypt,” they think major staple crops such as wheat, sugar and cotton. At the 2017 Food Africa Trade Show, held from April 22-24 in Cairo, Egypt, wheat, sugar and cotton were secondary to the wealth of products and services on display. The football field-sized conference center bustled with buyers and exhibitors selling their products ranging from fish and baked goods to innovations that will improve packaging and transportation efficiency. Now in its fourth year, the Trade Show has come to expect success. Last year’s turnout included

290 exhibitors representing 28 countries and over 10,000 attendees. Although still pending the final report, the 2017 Trade Show is projected to meet these numbers again.

Among the hundreds of exhibitors was the Feed the Future Egypt Food-Security and Agribusiness Support (FAS) Project’s farmer beneficiaries. The FAS exposition area was in the center of the Trade Expo; FAS farmer beneficiaries displaying their unique products lined the interior walkway. One such beneficiary was UD Crops from Minya, Egypt, whose table included stacks of packaged dried garlic and onions giving off a sweet aroma inviting interested buyers to come closer. As they did, UD Crop’s Export Director Moller Awad talked about his company’s innovative equipment used to produce, dehydrate, process and export Egyptian dried vegetables, herbs and spices. A few tables down you would find FAS beneficiary, Oasis Herbs from Beni Suef, Egypt. Oasis Herbs dressed their table with a colorful presentation of orange calendula, yellow chamomile and bright green basil displayed in glass bowls and long stemmed Champaign glasses. Across the large rectangle was Eiat, a company based in Giza, Egypt—home of the great pyramids. General Manager Bahaa Ismail explained the reasoning behind their slogan “Italy for Agri.” Their sundried tomatoes and peppers fuse the rich flavors of Italy with the complex spices of Egypt, creating a product as unique as their catchphrase.

As part of FAS, the producer groups were invited by the FAS team to display their products in an effort to reach more buyers, cultivate business relationships and execute contracts for importing and exporting their

Egyptian goods. This activity supports FAS’s objective of improving marketing and agriculture corps and products; which contributes to the program’s overall goal to increase agriculture-related incomes of smallholder farmers in Upper Egypt.

The Food Africa Trade show is one of three Trade Shows the FAS program has participated in over the course of the past year. FAS’s reach is not limited to inside Egypt; the team traveled with beneficiaries to Fruit Logistica Trade Show in Berlin and Gulf Food Exhibition in Dubai to connect these producers with international buyers. Four exporters from Egyptian horticulture traveled with the FAS team to Berlin and held over 40 meetings with potential buyers who were enthusiastic about the opportunity to access the Egyptian market. At the Gulf Food Expo in Dubai, the FAS team, two private sector partners and one farmers association held over 100 meetings with potential buyers. As a result of these meetings, FAS beneficiaries received business proposals from markets in seven countries, a private sector partner received three offers to import green beans in Upper Egypt and three potential contracts were received by FAS farmer associates for frozen and processed vegetables.

But the momentum will not stop there. Through the life of the program, which will conclude in 2020, FAS will continue to develop these linkages, foster relationships and support farmers to execute and carry out agreements to import and export their products. Continuing down this line of success, soon people across the globe will be garnishing their next pasta dish with Eiat’s sun dried tomatoes or topping their pizza with Oasis Herb’s Egyptian basil.



FEATURED PROGRAM: **Lebanon Investment in Microfinance (LIM) Program**

LIM partner at his shop in Lebanon

STRENGTHENING THE ECONOMY BY SUPPORTING WOMEN ENTREPRENEURS

Country: Lebanon
VEGA Lead Member: IESC
Other VEGA Members: FSVC
Performance Period: 2009-2015

The VEGA LWA has strengthened women's economic empowerment on a number of programs as a key strategy to boost incomes and economic opportunity at home and abroad.

From 2009 to 2015, the Lebanon Investment in Microfinance (LIM) Program, implemented under the VEGA LWA by IESC and FSVC, worked with microfinance institutions (MFIs) and microenterprises to increase access to finance and business development services and ultimately increase enterprises' incomes and create new jobs. The project used grants to enable MFIs to offer loans that targeted specific

borrower groups, particularly women and youth in rural areas. Loan payments were recycled to fund new loans, thus leveraging and increasing the impact of the original. The program combined the grants with targeted technical assistance to MFIs, promoting microfinance best practices, industry cohesion and networking and new product development.

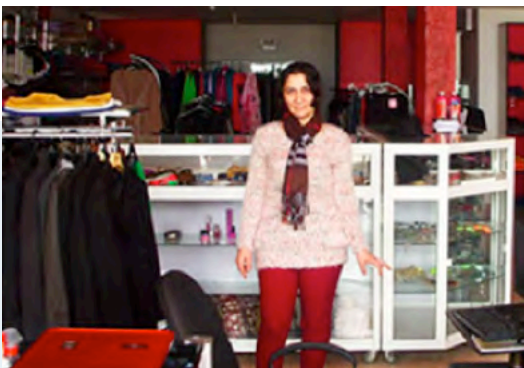
"These projects are the perfect kinds of things where the United States can connect with local Lebanese communities so they can fulfill their ambitions and meet their economic needs."

- David Hale, Former U.S. Ambassador to Lebanon

During the six-year program, \$9.5 million in grants were recycled to facilitate 14,000 loans with a total value of \$32.5 million. These loans helped to create 3,000 new jobs and sustained 20,000 more. Among these, 6,000 loans, or 42.9%, went to women-owned businesses, totaling \$11 million. Women assumed 1,900 (63%) of the new jobs and held 9,000 (45%) of the sustained jobs.

EXPERT VOLUNTEER ASSISTANCE

The training and capacity building component of LIM was designed to build the capacity of MFIs by providing inclusive and cross-cutting training programs on topics such as risk management, proposal writing and fundraising and social media outreach. All of these trainings



OMAYA

Besides needing to earn money to support her family, Omayya needed to earn enough to provide medical care for her daughter who suffered a chronic blood disease. Omayya first tried being a tailor, which involved borrowing money at a high interest rate from an informal vendor to buy a sewing machine. When the money wasn't enough, Omayya started to supplement her income by selling bread from home. The bread business proved more viable, and after a year, Omayya took out her first loan from one of LIM's partnering MFIs, Vitas, to expand her business and buy a dough machine, oven and wholesale flour. Five years later, after paying off her first loan from Vitas, Omayya took a \$5,000 loan and rented five shops - three for clothing and two for baking. With her increased income, she was able to move her family into better housing and help her kids access higher education. Her final loan was for \$15,000 which she used to finance a bone marrow transplant for her ill daughter, forever improving her quality of life.

For Omayya, a MFI was her lifeline to creating and improving her livelihood.



FROM LEFT: Beekeeper with LIM program; LIM partner cooking at restaurant; Baker baking bread at shop with LIM program

had high participation by women entrepreneurs, averaging a third of all trainees.

Mentoring focused on industry best practices, coaching of MFI loan officers, new product development, and the improvement and development of services for borrowers and potential borrowers in the three targeted sectors. VEGA Member IESC drew on its robust database of talented expert volunteers, in addition to volunteers from VEGA Member Financial Services Volunteer Corps (FSVC) and other experienced Lebanese and international consultants, to implement its training and mentoring plan.

To maximize the impact of the technical assistance component, LIM prioritized relationship-building among the partner MFIs to improve their collaboration and facilitate sharing of best practices among themselves.

VOLUNTEER EXAMPLES

- » **Volunteer Jan Buresh** provided advice to organizations on agribusiness equipment, start-up, seasonal loans, sales timing, branding and marketing, farmer success factors and value chains. Ms. Buresh has 24 years of experience in banking and agribusiness, spending the last decade balancing her time as an independent consultant and a volunteer, working on 32 projects in 19 countries, including VEGA LWA and F2F programs.
- » **Volunteer Harold Handley**, former Vice President of McCormick Spices, trained 85 people on topics such as dairy product lending risk factors, cooperatives, milk and livestock value chains,

components of an agribusiness plan and seasonal price charts.

- » **Volunteer Dexter Koehl**, former Vice President of Industry Relations for the US Travel Association, designed and delivered training to equip loan officers with the technical knowledge needed to better service borrowers from the tourist value chain.

(See more in the "Volunteer Impact 360" section and in the Annexes. Watch a video about how the VEGA LWA helped to grow and sustain Rabih's Fishing Business here: <http://vegaalliance.org/our-programs/lebanon-investment-in-microfinance>).

ZAHRA

Zahra started her own business selling flowers and making flower arrangements to support her large family. For capital, she took out a \$1,500 loan from LIM MFI partner ADR which allowed her to open her own shop. After paying her first loan back, she took out a series of successive loans from ADR to first expand her floral business, then expand into Egyptian art dealing, clothing, and glassware. Along the way, she earned enough to stop paying rent and build her own facility to house her shops.

Starting with her first \$1,500 loan from ADR, she progressively increased her family's income and provided her eight children with education and their own opportunity to succeed.





FEATURED PROGRAM: **Agricultural Market and Enterprise Development Program**

AMED Program in South Sudan with Ministry of Commerce, Trade and Supply MCT staff and Secretary General

DIASPORA VOLUNTEERS PROVIDE HOPE AND SUPPORT FOR AGRICULTURAL AND ENTERPRISE DEVELOPMENT

Country: Sudan (now South Sudan)

VEGA Lead Member: Winrock International

Other VEGA Members:

ACDI/VOCA,

CNFA, CDC & IESC

Performance Period:

2005-2008

After more than 21 years of civil war, a fragile, temporary peace returned in 2005 to southern Sudan (now South Sudan) with the signing of the Comprehensive Peace Agreement between the government of Sudan and the Sudan People's Liberation Movement. The war had destroyed infrastructure, institutions and physical capital, crippling economic growth and livelihoods at all levels.

Within this context, VEGA Member Winrock

International in collaboration with four other VEGA members implemented the Agricultural Market and Enterprise Development (VEGA/AMED), a three-year program funded by USAID through the VEGA LWA to improve the environment for increasing private sector employment opportunities across sectors from construction to information technology to agricultural markets in Southern Sudan. The program accomplished this through small business development, skills and asset building, improved governance and increased business productivity.

“From the training conducted by AMED, I learned how to carry out proper farm management including costing my expenses and calculating profit and loss.

Previously, I used to work randomly but now I am more organized. I have even built a small hut for the farmworkers at the garden so that they can maximize time spent tending the crops.”

- Ali Osman, Natabo Farmer Association, South Sudan

Muhammed Sanoon, Managing Director East Lanka Polysack (Pvt) Ltd.

Despite the enormous challenges and a difficult operating environment, VEGA/AMED worked in partnership with local government authorities and civil society, responding to requests for assistance to build programs and markets and provide services in response to needs of emerging private enterprises. VEGA/AMED built



ISMAIL LIMBO: DIASPORA VOLUNTEER

Mr. Limbo is one of 12 Sudanese diaspora that volunteered their expertise under the VEGA/AMED Program. After 27 years, Mr. Limbo, a native of southern Sudan living in Cairo, returned to his hometown as a volunteer under VEGA/AMED to provide computer literacy training in Juba and Wau on computer basics, typing skills and use of software such as Microsoft Word and Excel to private and public-sector participants. Participants are now able to produce typed documents, create tables and organize their desktops. Mr. Limbo also held a separate session on computer networking and maintenance, including syllabus development, for 10 IT trainers at the Juba Computer Training Institute. He has since moved permanently to South Sudan to support the development and growth of the country.



FROM LEFT: Sudanese farmer working with AMED at Farmer Association; AMED partners working with animal skins; Women attending Loka Women's Association Meeting in Sudan

capacity for the development of the construction industry and agricultural markets, particularly the establishment and growth of marketing associations and cooperatives. By using international and regional volunteer consultants and in-house expertise, VEGA/AMED provided technical assistance to various entities, including government, farmers and development organizations, on the market-oriented dev-

elopment of specific agricultural sectors as well as general agricultural markets. The program utilized the expertise of 136 short- and long-term volunteers from the U.S., Sudanese diaspora, and the East Africa region who donated 3,150 days. When possible, VEGA drew upon Sudan's diaspora for technical and training support.

Throughout VEGA/AMED, volunteers proved to be very effective in filling a vast need

for training and capacity building, which could be delivered through volunteer assignments. However, another lesson learned was that it is important to couple volunteer technical assistance with more sustained forms of technical assistance since a volunteer tends to carry out short-term assignments. This adjustment made the program even stronger and became a best practice for VEGA LWA programs.

AMED DEVELOPMENT IMPACTS

- » VEGA/AMED assisted in the formation and registration of the Natabo Farmers Association (NFA), and its members reported increased sales by an average of 250 %. The average returns for group members rose from around \$1,200 per season to around \$3,000.
- » Other groups that have benefited from in-house direct training and mentoring include the Amatru Multi-Purpose Association and the Kunyarta Women Farmers Association in Lujulo Payam of the Central Equatoria State. VEGA/AMED helped them strengthen their memberships and improve their members' production,

marketing and recordkeeping techniques. The results were dramatic: within six months of working with VEGA/AMED, their incomes increased by 50%.

- » VEGA/AMED provided technical assistance and training in the construction sector, including in large scale carpentry, masonry and road construction. One short-term volunteer provided carpentry and masonry training to instructors at the Vocational Training Center in Akot for a program that trained ex-combatants and orphans. Long-term MBA volunteers assisted carpenters in Wau to form the Carpenters Society of

Low Income Association, and provided training on marketing, finance, management and operations.

- » The business and technical training provided by a volunteer assisted Eco-Builders in winning a proposal for a large-scale road construction project implemented by Louis Berger, that was expected to help Eco-Builders add 10- 20 new employees.
- » Long-term MBAs developed a management information system for Sudan Microfinance Institute based on its specific needs for independent reports and easier operability.



FEATURED PROGRAM: **The Emerging Markets Development Advisers Program (EMDAP)**

EMDAP Volunteer with American Chamber of Commerce Lao Chapter

LASTING IMPACT CREATED THROUGH LONG-TERM VOLUNTEER EXPERTS

Country: Worldwide
VEGA Lead Member:
 Institute for International Education (IIE)

Period of Performance: Since 2007 through the VEGA LWA

The Emerging Markets Development Advisers Program (EMDAP) is a USAID-supported fellowship program that places students and recent graduates of U.S. Masters programs and professionals with USAID Missions and local organizations in USAID-assisted countries to provide technical assistance and support. Through 12-month work assignments with local organizations and SMEs, and sometimes with USAID itself, EMDAP volunteers support USAID's strategy of building sustainable local capacity by transferring knowledge in areas such as business planning, organizational operations, product marketing, financial systems and reporting, human resources and internet technology. EMDAP Advisers return to the U.S. with new knowledge, skills and relationships to support continued engagement in emerging markets. Since 1992, more than 250 Advisers representing more than 90 graduate schools have participated in the program, providing pro-bono assistance to more than 200 businesses and organizations in 50 USAID-assisted countries.

VEGA Member Institute for International Education (IIE) has administered EMDAP since 2000, first through a cooperative agreement with USAID and since 2007 through the VEGA LWA. EMDAP is demand-driven, with placement based on requests

from USAID Field Missions or Bureaus to meet USAID development priorities.

Current and past VEGA LWA EMDAP programs are described in the Annexes.

VOLUNTEER IMPACT AND INNOVATIONS

EMDAP has proven a highly successful and cost-efficient program in providing synergies of local capacity, development professionals and pro-bono expertise. USAID Missions, host country partner organizations and volunteer Advisers give high marks to the value of EMDAP in meeting its objectives of contributing to USAID development goals, host organization needs and the Advisers' professional development. The impacts are immediate as well as long-term. Several host companies and organizations reported improvements in their operations within months of the Adviser's arrival.



Reilly Ross
Uganda EMDAP Volunteer

EMDAP advisers helped USAID/Uganda to inform local governments in Uganda of USAID activities in their districts and improve the alignment of USAID activities with district development plans and priorities. Volunteer Reilly Ross spent a year with the USAID Mission in Uganda, where she visited each district they were working with to provide hands-on support, assistance and advise the Mission on how to effectively use donor funds. Ms. Ross coached district government leaders to help them facilitate,

plan, monitor, evaluate projects and report progress. Ms. Ross' presence allowed USAID to incorporate local voices and needs. (See a full profile of Ms. Ross in Annexes).

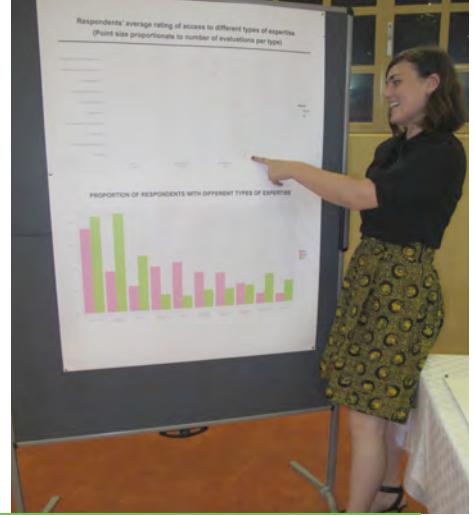


Alice Chan
Kyrgyz Republic EMDAP Volunteer

Alice Chan volunteered to assist USAID, the American Chamber of Commerce and other organizations by promoting regional trade business development in the Kyrgyz Republic and other countries of Central Asia, including Afghanistan. Ms. Chan produced several reports including recommendations for the Government of the Kyrgyz Republic and interested foreign investors, based on her meeting with the International Finance Corporation, World Bank, USAID REFORMA consultants, U.S. Chamber of Commerce, Center for International Private Enterprises, the British Embassy, the Turkish Embassy, the United Nations Conference on Trade and Development and private investors.

Examples of Adviser-initiated innovations have ranged from introducing time and cost saving methods in product packaging, to implementing a customer friendly, country-wide bank deposit system, to designing and activating a revenue-increasing, computerized, activity-based cost control and pricing system.

The U.S. business community has recognized the potential contribution of EMDAP Advisers to their success in the global marketplace. EMDAP alumni have



FROM LEFT: EMDAP Volunteer Francisco Hernandez speaking to the Jordan National Forum for Women; EMDAP Volunteer Vitaly Rutus on assignment in Ukraine; EMDAP Volunteer Reilly Ross presenting survey results from rural districts of Uganda

moved into positions in international business or development with major U.S. corporations as well as small and medium-sized businesses, business-serving institutions, non-governmental and non-profit organizations.

Many EMDAP Advisers have used their experience to springboard into a variety of interesting and challenging international assignments. One Adviser was hired by a U.S. company to promote telecommunications business with Asia largely on the strength

of his EMDAP experience in Nepal. Another Adviser has furthered his interests in international business by working in the Chicago stock exchange, focusing specifically on emerging markets.

An example of international development work is the experience of an Adviser who has gone on to work with agribusiness development in Latin America. Yet another Adviser decided to pursue a career in microfinance based on his initial experience in South Africa with a rural microfinance

institution.

As part of their service, many EMDAP Advisers developed case studies that illustrate important considerations for best business practices in emerging markets. With assistance from university experts, these case studies were refined and published.

(Current and past VEGA LWA EMDAP programs are described in the "Program Table" in the Annexes).

VEGA LWA EMDAP Examples

- > A USAID/Mexico EMDAP Adviser served as a full-time adviser to the Mexican Government at the General Office for Climate Change Policy, providing technical assistance on issues related to Mexico's National Emissions Registry, international coordination, and the design of a potential national emissions trading system.
- > Long-Term Business Volunteers Program in Central Asia was a nine-year effort, from 2008-2017, that first supported the American Chamber of Commerce in Kazakhstan and then provided support in the context of USAID's Business Enabling Environment initiative in Uzbekistan. A total of seven volunteer assignments completed more than 1,500 volunteer days over the life of the project.
- > An EMDAP South Africa Communications and Business Strategy Adviser supported the development and implementation of e-communications and business development strategy as part of the Supporting South African Supplier Diversity Council Project.
- > In Timor-Leste, an EMDAP Value Chain Analyst worked alongside the staff of USAID to help develop and promote a business case for accelerating investment in the input supply, trade and wholesale links of the value chain.
- > Advisers worked with Private Enterprise Division within USAID/Washington, providing expertise and assistance in the assessment, implementation, and evolution of the JOBS Program. Advisers advocated for the importance of entrepreneurship in all appropriate fora, inside and outside the U.S. government; contributed to the communication strategy, strategic goals and the programmatic framework; reached out to Missions as well as the private sector to promote entrepreneurship and seek partnerships; improved capacity building through training; and developed new programs to help further develop the market innovation ecosystem in USAID-presence countries.
- > Advisers supported the needs of USAID's Office of Microenterprise Development for technical assistance to foster economic growth through selected microfinance and micro-and small enterprise programs in Ecuador, Guyana, Sierra Leone, Pakistan, Philippines and Zambia.
- > Advisers with Jordan's Economic Opportunities Program supported Jordanian businesses and organizations to improve their operations through economic growth initiatives. Over the seven-year life of the program, 44 volunteer assignments were completed with more than 13,000 LOE days.



FEATURED PROGRAM: **Liberia Investing for Business Expansion Program (IBEX)**

Pharmacy owner in Liberia, Jitendra Kumar, used an IBEX loan to train his employees to properly identify Ebola

STRENGTHENING DCA AND LOCAL ORGANIZATIONS—EVEN DURING AN EBOLA OUBTREAK

Country: Liberia

VEGA Lead Member: IESC

Other VEGA Members:

OIC International

Period of Performance:

2012-2016

In Liberia, the VEGA LWA built the capacity of partner banks to fully utilize USAID's Development Credit Authority (DCA) risk guarantee and provided technical assistance to SMEs through the Liberia Investing for Business Expansion Program (IBEX), which was managed by VEGA and implemented by VEGA Member IESC. USAID/Liberia created IBEX following underutilization of USAID's DCA, a loan-guarantee program for partner banks in Liberia covering up to 50% of a lender's loss on the guaranteed portion of a loan. DCA was designed for countries such as Liberia, where SMEs cannot gain access to credit due to a lack of information on their creditworthiness and high rates of default. In FY 2009, USAID provided an \$11.1 million guarantee under the DCA for partner banks lending to SMEs in the agriculture and renewable energy sectors; by 2012, the guarantee remained unused.

IBEX was designed as a facilitation program to link creditworthy SMEs with banks and consisted of three components. Component one provided SMEs with technical assistance in business development services, such as preparing business plans, completing loan applications and providing the owner with the business and financial

management skills needed to succeed. Component two worked with DCA partner banks to develop small-business lending portfolios and provide technical assistance in evaluating loan applications. Component three ensured the sustainability of the program after its completion by actively developing an exit strategy and working with the National Business Development Advisory Center to ensure that it could provide ongoing technical assistance to SMEs and banks.

"The impact volunteers have is huge because they are not charging customers. Clients know they are not doing it for the money, they are doing it to help; this builds immediate trust."

**- Watchen Harris Bruce,
IBEX Chief of Party**

What made IBEX special, however, was that these objectives were only the starting point, thanks to the creative and untiring work of Chief of Party (COP) Watchen Bruce, her staff and seven skilled volunteers who together provided more than 100 days of service. "We call ourselves financial doctors," Ms. Bruce described IBEX. "We analyze the problem and come up with solutions." In providing technical assistance for DCA partner banks, Ms. Bruce recognized that others could benefit from the training IBEX offered, so

she invited credit unions to participate at the same time. Similarly, when IBEX could not provide financial management for all the businesses looking for IBEX assistance, IBEX partnered 25 college students with SME beneficiaries, giving SMEs access to below market-rate accounting services and adding workforce development to the IBEX portfolio.

Ms. Bruce, a former banker based in Maryland, is an active representative of the Liberian diaspora. She is a member of the Maryland Liberia Sister State Executive Committee and the Maryland Governor's Commission of African Affairs. In IBEX, Ms. Bruce saw a way to contribute to the economic development of her birth country. She has also made good use of her network, tapping other diaspora members to provide volunteer technical assistance under IBEX.

Highly skilled volunteers were key to the success of IBEX. **Lucretia Freeman-Buster, a Liberian-American and the associate director of the D.C. Small Business Development Network at Howard University's School of Business** in Washington, DC, was eager for the opportunity to return to Liberia and give back by sharing her knowledge and experience to help people get back on their feet after the civil war. Over a two-week period, she trained 40 bankers from 10 financial institutions on best practices, policies and standards in underwriting and lending to small businesses. Lucretia was



FROM LEFT: Volunteer Lucretia Freeman-Buster; VEGA staff with IBEX partner in Liberia

struck that the banking system lacked many standards for analyzing risks or markets, and many bankers did not know how to analyze financial statements. Without these basic tools, banks could not follow set processes for loan approval.

"With Liberia beginning to get back on its feet after the civil war, I thought it was a great opportunity to share my knowledge with bankers and business technical assistance providers because that's what I do."

- Volunteer Mike Sturdivant

She also trained business service providers to teach them how to work with businesses, many of which were not registered and had

no legal documents and few resources for obtaining capital and growing. She brought various sample business plans for a range of sectors to instruct people in how to write business plans, and many businesses and service providers are still using these samples today. She has stayed in touch with many of the bankers she trained and responds to their calls for information about particular industries or help analyzing cash flow and collateral when approving loans.

In March 2014, two years into the IBEX program, the horrific Ebola outbreak in West Africa occurred. Due to this crisis, many fell ill and many lives were lost. In addition, throughout the region livelihoods were put at risk as many SMEs struggled to survive. Despite the significant restrictions on the movement of people, goods and money brought about by efforts to control Ebola, IBEX's local experts continued to

provide Liberian SMEs with essential advice and mentoring on acquiring loans and accessing credit. In addition, the IBEX team continued to work with the banks and borrowers to restructure loans to allow for more flexible repayment terms for those adversely affected by the Ebola outbreak.

IBEX's accomplishments did not go unnoticed. In July 2014, IBEX received the Golden Image Award, International Category, for Economic Empowerment of Local Businesses—a national award given each year by the Liberia Crusaders for Peace to organizations that "have made a selfless contribution to peace and humanity, nationally and internationally." United States Ambassador to Liberia, Deborah Malac, attended the award ceremony honoring IBEX.

(See the Annexes for an independently prepared mid-term performance review on IBEX)



HIGH DEVELOPMENT IMPACT

IBEX worked to build the capacity of IB Bank and EcoBank to fully utilize the DCA risk guarantee and provide technical assistance support to SME borrowers. IBEX supported the development of 89 loan applications, of which 49 were approved and 46 disbursed, resulting in \$7.6 million in loans to local businesses. IBEX trained 99 business development services providers and over 300 financial services professionals, including bankers and microfinance officers, in technical areas such as agriculture lending, financing renewable energy project, and loan underwriting criteria. IBEX strengthened access to credit for over 1,000 SMEs.



FEATURED PROGRAM: **Capacity Building and Change Management Program (CBCMP I and II)**

Farmer with CBCMP program in Afghanistan

BUILDING THE CAPACITY OF GOVERNMENT TO SERVE FARMERS AND AGRIBUSINESS

Country: Afghanistan
VEGA Lead Member: IESC
Performance Period: 2011-2017

Other VEGA Members: International City/County Management Association, Land O'Lakes International Development, Institute of International Education and International Senior Lawyers Project

Reforming a large, government ministry that employs more than 9,000 civil servants is a daunting task. Doing so in a conflict environment such as Afghanistan, where the ministry and its employees are spread across 34 provinces, is even more of a challenge. Yet, the VEGA LWA Capacity

Building and Change Management Program (CBCMP) demonstrated that measurable reforms of the government infrastructure within a conflict zone are possible, especially when there is a cadre of dedicated, local staff. Started in November 2010, CBCMP was a \$36 million, VEGA LWA program to develop capacity at every level of Afghanistan's Ministry of Agriculture, Irrigation and Livestock (MAIL). The program was implemented by VEGA Members IESC in partnership with the International City/County Management Association (ICMA), the Institute of International Education (IIE), and Land O'Lakes International Development Fund. CBCMP embedded up to 200 change-management specialists, educated and qualified Afghans, who worked side-by-side with civil service counterparts to provide on-the-job training. Remote volunteers also provided technical assistance.

CB-CMP illustrates how the VEGA LWA allowed VEGA members to combine efforts to achieve development objectives, and these change-management specialists were the secret to the success.

Realizing that more needed to be done to institutionalize reforms, USAID awarded a three-year, \$20 million follow-on program in July, 2014. Under the VEGA LWA, the CBCMP-II was implemented by IESC and ICMA. Formal and on-the-job trainings during the life of CBCMP-II resulted with more than 70 approved proposals to assist farmers and agribusiness valued more than US\$122 million. After six and a half years of continuous improvements through the training of civil servants in financial management, budget, procurement, reporting and proposal writing, the MAIL budget execution rate was doubled, lifting it from 31% in 2010 to 82% in 2016.



IMPACT FOR USAID FIELD MISSIONS

Throughout the 13 years of the VEGA LWA, USAID Field Mission expressed growing demand for the mechanism, as noted when USAID renewed the VEGA LWA in 2014. The consistent growth in demand for the VEGA LWA is also demonstrated in portfolio growth and the number of Missions buying into the mechanism (See chart on page 5). The VEGA LWA was designed with the needs of Field Missions in mind. Here are some of the benefits that Missions enjoyed under the VEGA LWA:

➤ **USAID Staff Support and Additional Oversight and Accountability:** The VEGA Secretariat provided Missions with information about and access to the benefits of the VEGA LWA through outreach and marketing, significant independent assistance throughout procurement and implementation---assisting in program design and managing the competition, selection, and award---and additional monitoring, oversight and accountability.

➤ **Volunteer Mobilization:** The VEGA consortium offered experienced and professional recruitment and management of highly skilled volunteers for specific and innovative technical assistance to supplement and enhance the work done by program staff and paid consultants, generating additional value through expertise not always otherwise available.

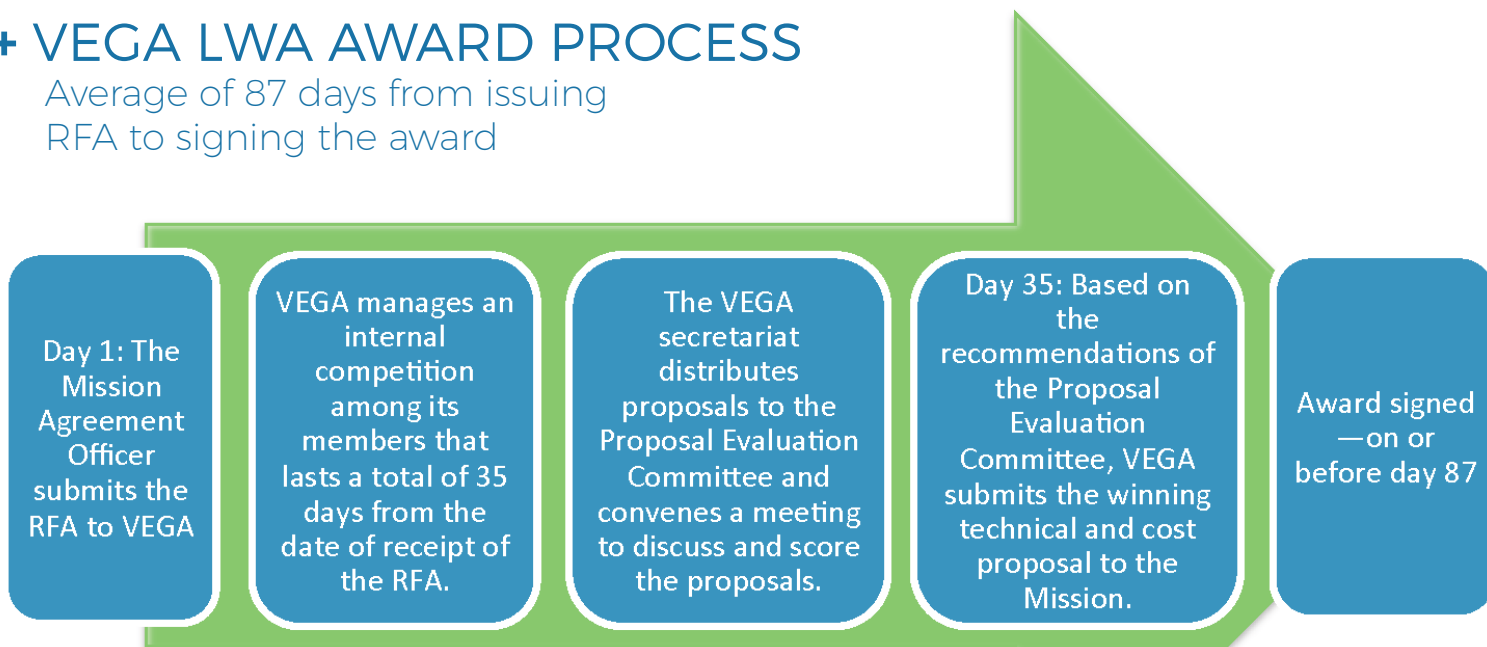
“I was pleased that USAID was able to identify a qualified implementer fast. VEGA met and exceeded my expectations and the VEGA team was very responsive. I would seriously consider using the LWA again.”

– Anna Bogdanova, Ukraine CAP AOR, USAID/Ukraine

➤ **Speed and Efficiency:** The VEGA Secretariat served as a one-stop shop for accessing experienced development NGOs, volunteer-sending organizations and private-sector partners for full-scale development programs with procurement lead times (PALT) three times faster than the USAID average (89 days vs. 300 days).

+ VEGA LWA AWARD PROCESS

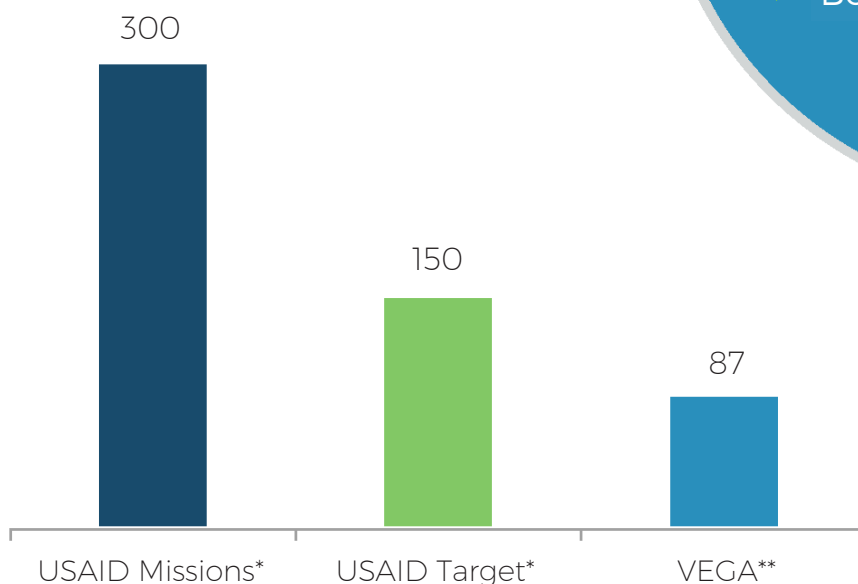
Average of 87 days from issuing RFA to signing the award



“VEGA helps USAID to ramp up programs quickly and then implement them cost-effectively. For example, it took only 50 days from receipt of a program description from USAID for VEGA to tender, compete and initiate USAID’s Powering African Agriculture program, which assisted Kenya and other countries along the Rift Valley to tap into their impressive geothermal resources for productive uses.”

– Christopher J. Policinski, President & CEO, Land O’Lakes, Inc.

+ Comparison of USAID and VEGA Procurement Timing



VEGA top 3 response times

- ✓ Kenya PAA - 50 days
- ✓ Afghanistan ABADE - 53 days
- ✓ Bosnia WHAM - 44 days

Comparison of time from RFA/P release to award.

USAID averages for 2015 (source: USAID Procurement Action Lead Time Presentation, 12/1/15; author Charity Benson, M/OAA)

**VEGA average for all programs 2004-2016

- > **Flexibility:** The VEGA LWA was used for a broad range of programming activities from discrete programs such as EMDAP to large, full-scale modern development programs, such as Feed the Future and Power Africa, including those in post-conflict countries.
- > **Cost Effectiveness:** A required cost share of at least 15% and leverage of private sector volunteers and cash investments generated budgetary savings and stretched Mission budgets.
- > **Unique Competition:** Unlike other LWAs, VEGA LWA Associate Awards were competed among VEGA consortium members through an independent panel, including Mission representation, and process to ensure best available implementing partners, without sacrificing efficiency or accountability.
- > **Broad Access and Technical Expertise:** The VEGA LWA operated without geographic limits, and gave Missions access to VEGA members' vast expertise and experience, which spanned more than 140 countries and across the spectrum of development and economic growth areas, including agribusiness, financial services, trade, capacity building and institution strengthening as well as health and energy.
- > **Partner Diversity:** VEGA's open membership diversified and expanded the range of expertise available to USAID on programs, providing easy access to small, non-traditional partners.
- > **Demand-Driven:** All VEGA LWA programs were demand-driven and ultimately determined by and funded through USAID Bureau and Field Missions, increasing partner country engagement and the ability to solve specific, locally identified problems together.
- > **Volunteer Specialists:** The VEGA LWA offered Missions the opportunity to quickly and effectively partner with experienced NGOs that are the experts at mobilizing volunteers and the best partners for local counterparts and capacity building.
- > **Robust Impact Indicators:** The VEGA Secretariat measured impact specific to programs and overarching Mission, country and USAID goals, including evaluating the value of volunteer assignments via VEGA's proprietary reporting system, the VVRS and managing a Client Survey to be responsive to Mission feedback.

"It costs a lot of money to move international experts around the world. Here in Sri Lanka, we have worked with companies from agricultural to metal working. If we had to hire all of those experts to come on site without the use of the VEGA LWA there's no way that we would be able to work with that variety. The flexibility of the VEGA volunteer mechanism has allowed us to really pinpoint that accurately and get the right people in country to do the work that we need."

- Kimberly Bell, Former Acting Director, USAID/Sri Lanka

USAID MISSION SURVEY RESULTS

VEGA compiled survey results of USAID Missions' level of satisfaction of VEGA's handling of the procurement process under the LWA.

*The 2017 VEGA Client Survey included results from 3 different USAID Missions and 6 total respondents.

A SUMMARY OF 2017 SURVEY RESULTS

All respondents reported they were either **satisfied** or **very satisfied** with VEGA's level of support during the competition, including in the areas of:

- ✓ Providing clear instructions for the Mission about the LWA competition process
- ✓ Adhering to established timelines
- ✓ Providing a detailed cost memo

- ✓ Providing the Mission Proposal Evaluation Committee representative with clear instructions
- ✓ Providing a comprehensive technical memo

100% noted VEGA's **reputation as a good partner** in choosing the VEGA LWA

SUPPORT THROUGHOUT THE PROCUREMENT PROCESS

100%
OF USAID MISSIONS

said that using the VEGA LWA increased the quality of the final NoFO.

All Missions surveyed were **satisfied** or **very satisfied** with VEGA's assistance in:

- 1 the development of the Notice of Funding Opportunity (NoFO),

2

the development of the NoFO's scoring criteria.



and the development of the Program Technical Description.

3

VALUE ADDED

5 out of 6 respondents noted VEGA's access to private sector investment partners in choosing the VEGA LWA.



100%
OF USAID MISSIONS

noted VEGA's cost effectiveness, including cost share generated from volunteers, as **important** or **very important** in choosing the VEGA LWA.

And all Missions stated they would use the LWA to issue future assistance awards targeted at economic growth activities that utilize volunteers.



39K days of volunteer service
\$30M in U.S. taxpayer savings

VEGA volunteers **cost 65% less** than paid consultants.



IMPACT FOR VEGA MEMBERS AND A COMMUNITY OF LEARNING

From the beginning, the VEGA Secretariat was designed to support a community of practice around the VEGA LWA. Throughout the VEGA LWA's lifespan, the VEGA Secretariat supported an array of monitoring, evaluation and learning activities as part of its commitment to knowledge management (KM) and identifying and sharing lessons learned to improve program design and impact among its member organizations and the international development community. Predating USAID's "Collaborating, Learning and Adapting" approach, VEGA's KM work under the LWA stands as an early example of using data to assess the whole program cycle, guide adaptive management and generate learning to improve future program designs.

Member Benefits

Throughout the life of the LWA, the benefits for VEGA members included:

1. New Business: Member organizations were eligible to bid on solicitations submitted to the Alliance under the VEGA LWA, either as lead implementing organizations and/or as sub-implementers.

2. Expanded Capacity: Members were able to pool resources to gain access to specialized expertise and attract more volunteers.

3. Increased Outreach: VEGA promoted the expertise of each member organization through USAID Mission and corporate visits, outreach materials, websites and special events.

4. Best Practices: VEGA's KM activities and facilitation helped members to exchange best practices and identify new economic development models for future programs.

5. Participation: Members had representation on VEGA's Board of Directors and could also participate in subcommittees that guided the development of VEGA's interaction with volunteer-sending organizations.

6. Volunteer Advocacy: VEGA served as an advocate for the value and impact of volunteers on behalf of its members through events, learning products and promotional materials.

The first five years of the LWA included core funding for the VEGA Secretariat to lead specific KM activities. The original design included a focus on collaboration, not only among VEGA members and

with USAID Missions, but also with locally and U.S.-based public and private sector organizations throughout the entire program cycle and enabled by information and communications technology (ICT). As envisioned by USAID in the original LWA award, VEGA's KM role was "vital" to the promotion and incorporation of skilled volunteers in USAID programs.

After VEGA transitioned to become an independent non-profit organization, core funding for KM ended. However, the VEGA Secretariat has continued to support a community of practice with creative partnerships and cost-effective learning activities for its members, USAID missions, the international development community at large and communicating with the American public. This responsibility is also shared by VEGA members, which, in order to be eligible to apply for membership in VEGA, are required to have "an ability to... communicate to their home communities the purposes and achievements of their (volunteer) assignments."

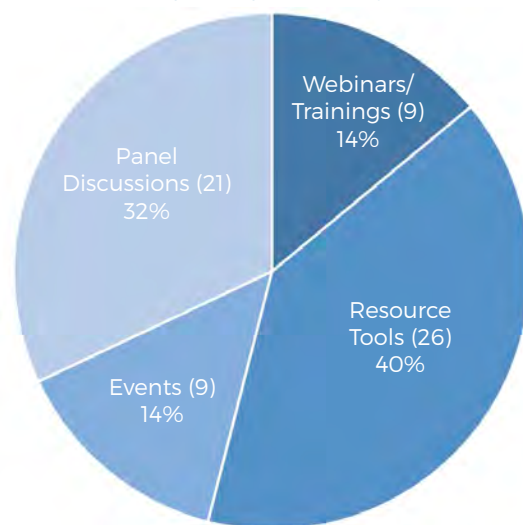
VEGA continues to offer its diverse and talented membership many of these same benefits outside of the framework of the VEGA LWA.

Over the LWA's lifespan, VEGA offered many learning and engagement opportunities and tools to its members, partners and the public. Evaluation tools developed by VEGA include the Volunteer Value Reporting System and Client Surveys (See sections "Adaptation and Innovation" and "Impact for Missions"). Below are some additional examples.

LEARNING EVENTS: PANEL DISCUSSIONS, TRAININGS AND WEBINARS

For the past several years, VEGA has conducted meetings for its members on at least a quarterly basis, providing a forum for learning through interactive panel discussions. Panelists were VEGA members, volunteers and outside experts sharing best practices and perspectives on a range of issues related to the VEGA LWA and its effective implementation. For example, one such panel was on What Makes a Good Volunteer Assignment, during which five panelists with significant volunteer exp-

VEGA ACTIVITIES



erience shared their perspective about the keys to an impactful assignment. This discussion was opened up to USAID Farmer-to-Farmer implementers in an effort to share information within the wider volunteer-sending community. A summary of each volunteer's presentation along with a recording of the presentation was posted on the VEGA website.

VEGA also routinely organized and led informational brown bag sessions on topics of interest to its members and USAID, such as USAID's 2011 Evaluation Policy, integrating volunteers into programs and project sustainability through enterprise development. A training on transitioning to the CFR200/700 was offered as well. VEGA members of every size consistently expressed their satisfaction with these learning events. The events were particularly valuable to VEGA's smaller and medium-sized members, several of which had limited experience working on USAID-funded programs prior to engaging as sub-implementing partners under the VEGA LWA.

VEGA further organized a series of webinars to better reach all of its members, regardless of location. For example, in collaboration with InsideNGO, VEGA presented three monitoring and evaluation webinars throughout 2015. The webinars were led by experts, including VEGA members, and covered the following topics: M&E Planning; How to Plan and Manage the M&E Process; M&E Capacity Building with Local Partners; and Impact Evaluation Alternatives. The webinars were open to the public and approximately 100 people participated in each.

VEGA hosted a training session with Jeffery Bell, Vice President of VEGA resource partner Claro KC. A retired Contracting and Agreement Officer with 20 years of experience working directly with USAID, Bell presented to members on volunteer cost share versus volunteer leverage and how to accurately calculate both for reporting purposes.

At another training, the Chiefs of Party of the VEGA LWA Development Credit Authority Technical Assistance programs in Liberia and Mali presented on how to best make the credit guarantee work to USAID's DCA team. The presentations outlined lessons

learned and findings to improve the design of future programs.

PROGRAM AND LEARNING VIDEOS

Over the years, a wide range of videos have been produced about the VEGA LWA by the VEGA Secretariat, VEGA members, implementing and local partners. Below are some examples, which can be viewed on VEGA's website or YouTube channel (https://www.youtube.com/channel/UCMVW4c7AIlpXrFpanvkJ40w?view_as=subscriber).

Volunteer Interviews

- » Volunteers discuss how they bring their personal expertise to their assignments and the overall value of volunteering.

Program Snapshots

- » On-the-ground footage of local partners with our programs work with worldwide.

LWA How-to-Use Guides

- » General information on the VEGA LWA mechanism and the benefits of using it for efficiency and timeliness.

VEGA LWA Impact and Expertise

- » Highlighting VEGA's unique value and expertise in using highly skilled volunteers to promote economic prosperity around the globe.

International Volunteer Day Celebrations

- » Speeches and panels from VEGA's 2016 and 2017 International Volunteer Day events, including speeches from members of Congress, Volunteer of the Year Award winners, and international development professionals.

Seminars

- » Lessons learned in the international development community, including topics such as best practices in volunteer recruitment, M&E outcomes and impact and advantages of small grant mechanisms.

LOCAL CAPACITY BUILDING CASE STUDY SERIES

In 2014, VEGA teamed with several of its members to finalize nine local capacity building case studies, highlighting impact achieved, innovative approaches and lessons learned in the areas of gender, inclusive markets, scaling and innovation, and public sector strengthening in post conflict environments. VEGA and its partnering members presented these to the USAID Local Capacity Building Working Group and representatives of other USAID OUs. The case studies were distributed to a number of websites and working groups, including InterAction and Devex, as well as to Missions around the world. To see VEGA's Local Capacity Building case studies please visit: <http://vegaalliance.org/vega-2013-case-studies/>

REPORTS AND CASE STUDIES

VEGA has authored a variety of reports and case studies on VEGA LWA programs, presenting analysis and best practices on volunteer recruitment, engagement and integration into high-impact development programs. Some examples include:

- » **Innovating among Lebanese micro-finance organizations:** VEGA developed this case study on possible new microfinance interventions in response to interest expressed by the Mission and based on its LIM project undertaken with IESC. The case study has been shared on multiple occasions with other Missions interested in microfinance.
- » **Reforming banking in Albania:** VEGA produced a study on the Albanian banking system based on its Albania Financial Sector Development program, undertaken with FSVC. The study explores the project's unique volunteer model and institutional partnership, and is potentially applicable to all Missions.
- » **Strengthening Tunisia SMEs:** This case study describes aspects of VEGA

Safety Guide

To promote volunteer safety and build the capacity of its members, VEGA developed a Guide to Volunteer Safety and Security Policies and Procedures. The Guide not only provides key points to ensure volunteer safety but also provides a step-by-step guide to organizations on how to develop a comprehensive volunteer safety guide.

LWA's project, undertaken with IESC, to strengthen the capacity of local organizations, especially SMEs, seeking to overcome barriers to financial access.

- » **Economic growth in Sri Lanka:** This case study, which emanated out of the VEGA LWA's Sri Lanka Facilitating Economic Growth program with IESC, describes the program's unique volunteer component that met multiple needs of the Mission. This study is potentially of interest to other Missions.
- » **Kenya Powering African Agriculture:** Related to Presidential Initiatives on Power Africa, Feed the Future and Global Climate Change, this case study contains lessons learned and suggests next steps in building capacity of a Kenyan parastatal organization.

(Please find other Case Studies and Program Success Stories in the Annexes)

COMMUNICATIONS AND ADVOCACY

As mentioned earlier in this report, VEGA has promoted a greater understanding of U.S. foreign assistance among the American public, emphasizing how the VEGA LWA delivered sustained economic growth for people worldwide through targeted and effective volunteerism. Through strategic outreach, VEGA's communications efforts reached new audiences, spreading awareness and support for USAID volunteer-sending programs throughout the U.S.

VEGA regularly generated and published content on its website, VEGAAlliance.org; social media channels, including Twitter and Facebook; and online and in print media, including monthly electronic newsletters, which highlighted volunteer experiences and stories, program success stories and learning. VEGA-generated content was relevant not only to AA implementers but to the larger development and volunteer-sending community in the U.S. and abroad.

In addition, VEGA worked with publishers such as hometown papers of volunteers, FRONTLINES, World View Magazine, VEGA member blogs and websites and outlets such as Huffington Post to create earned media aimed at garnering further attention for VEGA LWA programs.

VEGA maintained a secure and exclusive "Members Only" section of its website, which continues to serve as a repository for learning tools and resources for VEGA members, including program management, communications and business development information. VEGA also provided communications and advocacy resources, such as the guide on How to Write a Great Volunteer Story along with a sample template.

SOCIAL MEDIA CAMPAIGNS

VEGA participated in a growing number of social media campaigns throughout the VEGA LWA, including leading its own campaigns to bring its community of members together to celebrate volunteers. For example, in February 2016, VEGA spearheaded a "Send a Volunteer Valentine" social media campaign to share heartfelt words with volunteers and engage new audiences. Five members participated in this VEGA-led campaign, including IESC, CNFA, EWB-USA, Food Resources Bank and Winrock International. The campaign's Facebook posts registered particularly high levels of engagement, with e-valentines registering 750 likes and 93 shares to new audiences.

VEGA's annual social media campaigns around International Volunteer Day, which is celebrated worldwide on December 5th, have been an important part of how VEGA expanded its audience and promoted its members. VEGA created and distributed a social media toolkit with sample images



and language for posting to Facebook or tweeting for its International Volunteer Day celebrations. For example, 10 VEGA members participated in VEGA's 2017 International Volunteer Day celebration, including CNFA, PYXERA Global, IESC, WOCCU, Winrock International, Land O'Lakes, WUSC-EUMC, NCBA CLUSA, FSVC and Australian Volunteers International. VEGA received 4,354 Twitter impressions during the 2017 celebration, far exceeding its average of 5,000-10,000 Twitter impressions per month.

VEGA frequently participated in other social media campaigns during the VEGA LWA's lifespan, including USAID's Feed the Future Week, National Volunteer Week and World Food Day. Each of these campaigns was critical in VEGA's efforts to raise awareness of the VEGA LWA and its volunteer impact among the public and for building relationships with other international development and service-oriented organizations.

PUBLIC EVENTS

Over the course of the VEGA LWA, the VEGA Secretariat sponsored and/or participated in numerous public events, including events organized by USAID, ranging from conferences such as InterAction, Devex, the World Economic Forum for Africa and International Association for Volunteer Efforts to Capitol Hill briefings to the International Volunteer Day celebrations and awards ceremonies. At these events, VEGA often served as a thought leader on engaging volunteers in international development programming and represented the experience and impact of the VEGA LWA and VEGA's members. These, as well as VEGA learning events, provided an excellent opportunity for networking, learning and collaboration between VEGA members and the broader development and volunteer-sending communities.



FROM LEFT: VEGA's Farmer-to-Farmer (F2F) Volunteer of the Year (VOY) Erin Schneider, VEGA VOY Lisa Larson, VEGA's F2F VOY Matthew Amato, VEGA President & CEO Michael Deal, U.S. Representative Gerald E. Connolly (D-VA), VEGA VOY Michael Messier, VEGA'S F2F VOY Wayne Burselson, VEGA VOY Kate Coffey



U.S. Senator Chris Murphy (D-CT) speaking at VEGA's International Volunteer Day Celebration 2016



FROM LEFT: Lynda Swenson, volunteer; Melissa Golladay, Partners of the Americas; Cathy Healy, volunteer; Charlene Nash, volunteer; U.S. Senator Chris Murphy (D-CT); Corey Arnez Griffin, Global Government and Industry Partners; Former U.S. Senator Harris Wofford; David Caprara, Building Bridges Coalition; Kathleen Denis, International Association for Volunteer Effort; Steven Rosenthal, volunteer; Neelam Canto-Lugo, volunteer; John Turner, volunteer; Yasmeeen Shaheen-McConnell, Service Year Alliance; Amanda MacArthur, PYXERA Global; Michael Deal, VEGA



FROM LEFT: U.S. Senator Johnny Isakson (R-GA) receiving recognition for championing volunteers from VEGA President & CEO Michael Deal

INTERNATIONAL VOLUNTEER DAY CELEBRATION AND AWARDS CEREMONY

Volunteer Impact 360°

VEGA Member organizations have mobilized volunteers in 140 countries over the past 50 years.

Volunteers share their expertise



They add value to:



businessmen and women



co-op managers



are business savvy



fostering business innovation



increasing value-added productivity in strategic industries

promoting growth



Since 2012, VEGA's signature public event has been its annual International Volunteer Day celebration and award ceremony on December 5th in Washington, D.C., at which outstanding volunteers are honored with the VEGA Volunteer of the Year Award. In 2017, the event was held at the Capitol Visitors Center where a broad spectrum of skilled volunteers, bipartisan congressional champions, USAID leadership, volunteer-sending organizations and experts from the private sector gathered to celebrate the contributions of volunteers to effective U.S. global development and discuss USAID's new VISP initiative to leverage pro-bono private sector expertise to reduce poverty and promote prosperity worldwide. (Please visit www.VEGAAlliance.org to watch video and read more on these awards.)

EVALUATING THE IMPACT: LESSONS LEARNED AND RECOMMENDATIONS

The VEGA LWA was USAID's signature volunteer-sending program and succeeded in using foreign assistance funds efficiently and effectively, saving more than \$30 million taxpayer dollars and nearly doubling program value through cost share and leverage. President Bush and Administrator Natsios scaled USAID's mobilization of skilled volunteers by broadening the activities and expertise that could be accessed worldwide and streamlining it under an LWA to a single, successful consortium of volunteer-sending organizations. The breadth of the VEGA LWA's scope allowed USAID Field Missions to accommodate their increasingly integrated programmatic designs, as opposed to other more siloed procurement instruments.

VEGA as an institution grew and evolved while managing the VEGA LWA to accommodate USAID's strategic objectives over the years, as evidenced by its membership growth and strong participation as well as modifications brought about by the several renewals of the program by USAID. The VEGA LWA enjoyed strong bipartisan support in Congress, and several bipartisan members of Congress strongly supported its continuation because it is "valuable to the U.S. taxpayer, to USAID Field Missions, and to meeting our foreign assistance objectives." Notably, the VEGA LWA was also continued under President Obama with a strong justification for renewal. USAID Administrator Rajiv Shah extended VEGA's LWA in 2014 after determining that it was "strategically necessary," that "Mission demand for this procurement vehicle is higher than normal" and that it was in the "best interest of USAID" (See Annexes).

A primary goal of the VEGA LWA was to make accessing volunteers for economic growth programs quick and easy for Missions, and, as described previously, the VEGA LWA succeeded in demonstrating its utility as a solution to long procurement lead times.

But how well did the VEGA LWA mobilize volunteers?

After the VEGA LWA was extended under President Obama in 2014, VEGA placed a renewed emphasis on maximizing volunteer service contributions, educating and engaging the American people and increasing the participation of smaller NGOs. While most recent programs will meet or exceed 30% volunteer LOE, the overall volunteer LOE under the VEGA

LWA was lower because it was frequently used to fund development in CPCs, where volunteering opportunities were limited to remote or third-country venues. Yet, the VEGA LWA still succeeded in mobilizing volunteers for nearly 40,000 days of service at the writing of this report.

"One of the most significant lessons learned over the last 13 years is that there must be incentives for USAID to fully leverage and make the most of skilled volunteers as partners in U.S. global development. USAID Missions are stretched thin and need solutions that provide them with sufficient staff support, cost savings, flexibility, efficiency and accountability. That was embodied in the VEGA LWA."

– Michael Deal, VEGA President & CEO

While impressive, this is a small representation of the expansive supply of willing, pro bono expertise that could be engaged by USAID to meet its development objectives at various Mission and OU levels. Leveraging these unique, cost-efficient investments of human capital in partnership with civil society will be essential to achieving USAID Administrator

Mark Green's goal of using foreign assistance to end the need for it.

How can USAID capitalize on these trends and build on the successful legacy of the VEGA LWA?

On August 30, 2017, USAID announced a new initiative to leverage volunteers in reaching U.S. global development goals: Volunteers in International Security and Prosperity Annual Program Statement (VISP APS). USAID describes the VISP APS as "a mechanism through which USAID will maximize development impact and efficient resource use by mobilizing the creative capacity of volunteers globally" and that it offers OUs "an easy-to-use mechanism to facilitate access to volunteers across any sector while upholding U.S. foreign policy objectives of promoting national security, advancing American values, and supporting global prosperity and self-reliance."

The VISP APS outlines four specific goals:

1. Increasing the number of volunteer-sponsoring organizations collaborating with the Agency
2. Increasing the number of development sectors using volunteers
3. Increasing the quality of services provided by volunteers supporting Agency objectives
4. Increasing the understanding within the Agency of the positive role volunteers play in supporting Agency objectives

Achieving these goals would certainly build on the success of the VEGA LWA; however, absent several of the key features of the VEGA LWA that made it an easy and attractive procurement choice for Missions, it is uncertain whether the VISP APS will



FROM LEFT: CBCMP partner in Afghanistan, by IESC; Volunteer Susan Gurley on assignment with VEGA's CBCLO program in Cambodia

achieve its stated goals and succeed in mobilizing sufficient numbers of volunteers. The VISP APS relies on Missions to identify un-programmed funding to respond to unsolicited concept papers in tight budgetary times; whereas, the VEGA LWA implemented full-scale core Mission programs. When coupled with the time-intensive process of fielding concept notes and the associated additional workload for USAID staff to use the APS, this new instrument may deter Missions and other OUs from utilizing it as a contracting tool, thereby also limiting USAID's use of skilled volunteers.

Still, VEGA welcomed the VISP APS in that it demonstrates that Administrator Mark Green and the Trump Administration share the view of VEGA, its members and that of several members of the U.S. House of Representatives and Senate that skilled volunteers offer great value to USAID in achieving its mission to end extreme poverty and promote resilient, democratic societies. This reflects USAID's 13-year experience with the VEGA LWA as described in this report and is an important finding in itself to emphasize.

"Volunteers and the principle of volunteerism maximize USAID's development programs through bringing in non-traditional partners and new solutions and ideas, increasing peer-to-peer learning, building community,

advancing diplomacy, and leveraging resources."

- VISP APS

Thus, the primary recommendation of the VEGA Secretariat is for USAID to continue to dedicate resources and create credible opportunities for the Agency to leverage the outstanding contributions of American skilled volunteers. In order to do so, VEGA recommends that USAID design and compete a new Leader with Associate Award as a critical tool to incentivize USAID OUs to opt in and fulfill the Agency's objectives on volunteerism and global development. USAID could utilize both approaches and have a thorough evaluation of the effectiveness of both the new volunteer LWA and the VISP APS, comparing the number of volunteers mobilized and the development and volunteer impact of each mechanism.

This recommendation is based on the overwhelming evidence that the VEGA LWA, and LWA mechanism more generally, has provided important benefits for USAID Field Missions and proved capable of mobilizing significant contributions from skilled volunteers. There is no downside to issuing a new LWA alongside VISP—neither in terms of cost or efficiency. Rather, issuing a new LWA would provide USAID OUs with an additional, flexible tool to leverage volunteers and provide USAID with a critical, evidence-based learning opportunity that would inform its use of volunteers for the foreseeable future. Notably, USAID's Farmer-to-Farmer Program has been made more effective by utilizing the LWA funding mechanism to integrate volunteers into USAID programs, although they are only for agriculture/food security programs and do

not have the benefits of a consortium with a secretariat to administer an independent competition.

Additional and specific lessons learned and recommendations from the VEGA Secretariat, based on 13 years of implementing the VEGA LWA and attempting to engage under the VISP APS include:

1. Together, USAID and VEGA increased the participation of skilled volunteers and nontraditional, volunteer-sending partners in core development programs: With the closure of the VEGA LWA, there is a risk that volunteer-sending NGOs will let their volunteer capacity atrophy as they can no longer implement large, core USAID programs. This occurred in the past when USAID core support for volunteer-sending NGOs ended, and NGOs either converted into consultant entities or de-emphasized volunteerism without an incentive. The VEGA consortium itself may cease to exist without an LWA. If the VEGA consortium disbands, USAID will lose a valuable, trusted partner with deep expertise and experience in how to support USAID in making volunteer-sending programs successful.

» **Recommendation:** USAID needs to determine how to move large development programs through VISP and/or devise a new LWA focused on delivering development impact through the use of skilled volunteers. When considering ways to increase the mobilization of volunteers, USAID should consider the investment it has made in the VEGA consortium and the value VEGA can provide as a trusted, proven partner with no need for additional appropriated funding.



FROM LEFT: VEGA partner with LIM Lebanon program; VEGA Member Aid to Artisans working with metal artists

2. American volunteers promote goodwill and cross-cultural understanding, thereby enhancing U.S. and international stability and security: From the Peace Corps to Farmer-to-Farmer to the VEGA LWA to the VISP APS, the U.S. has generally recognized the value of citizen diplomats. However, the U.S. government has not always invested in engaging and leveraging public ambassadors of goodwill.

» **Recommendation:** In addition to ensuring that there are multiple, successful USAID-sponsored programs that provide opportunities for Americans to serve, more outreach is needed to educate and engage the American people on how to serve and the impacts of U.S. foreign assistance. Lastly, a foreign policy objective might be to increase use of U.S. volunteers for strategic countries where the U.S. is seeking to deepen diplomatic ties.

3. USAID Field Missions require a mechanism which facilitates and provides incentives to utilize skilled volunteers: Missions often only saw the value of the skilled volunteers after the programs were underway and overwhelmingly chose to use the VEGA LWA because of its other benefits, specifically, that it was proven to be efficient, cost-effective and saved significant amounts of staff time thanks to the VEGA Secretariat's management of the competition, monitoring, oversight and reporting.

» **Recommendation:** While the VEGA LWA provided sufficient incentives to Missions, an APS might also if it came with core funding or other incentives to rival the speed and cost-effectiveness of a LWA.

4. VEGA procurement support increased over time, saving thousands of hours of USAID staff time, and proved important to the success of the VEGA LWA: VEGA became a trusted partner for USAID and over time provided increasing support in the procurement of economic growth programs through a growing array of services including: drafting program descriptions and incorporating volunteer usage, drafting Notice of Funding Opportunities, reviewing Mission project budgets, and creating cost and technical memos on behalf of Missions.

» **Recommendation:** Procurement support for Missions served as a key incentive under the VEGA LWA and should be incorporated as an important factor for the success of current and future volunteer mechanisms.

5. The VEGA LWA procurement model was highly effective in reducing Procurement Administrative Lead Time (PALT): Full-scale development programs under the VEGA LWA had PALT three times faster than the USAID average— 89 days versus 300 days.

» **Recommendation:** USAID should consider how to replicate the VEGA procurement model to reduce procurement timelines.

6. The unique competition developed by VEGA under the VEGA LWA allowed USAID Field Missions to confidently and quickly award large-scale core programs: This was evidenced in particular by the several FTF and CPC programs that were channeled through the VEGA LWA. VEGA's competition also allowed for more teaming among larger and smaller members, bringing new and highly specialized implementing partners to USAID programs.

» **Recommendation:** VEGA's unique, independent and internal competition should not only be included in a new volunteer-focused LWA, but also should be considered a model for other LWAs and potentially replicated where possible under the VISP APS.

7. Co-design or co-creation created a two-way dialogue that was important to increasing the LOE from skilled volunteers: Absent a required LOE from volunteers, volunteer LOE was much lower on programs that were already fully developed when dialogue began between USAID Missions and VEGA about using the VEGA LWA. However, when VEGA's AOR urged Missions to prioritize utilizing volunteers and working with VEGA on that aspect of the design, volunteer LOE went up significantly.

» **Recommendation:** USAID should ensure that any new volunteer-centered LWA includes co-creation features and a minimum or target LOE from volunteers, similar to what is called for under the VISP APS.

8. Effective, innovative volunteer models can enhance sustainability and increase volunteer participation, especially in Critical Priority and Post-Conflict Countries: Since USAID continues to reduce poverty and create more stable democratic societies and economies in countries affected by conflict, flexible and creative ways of utilizing volunteers is needed. While these environments can be difficult for volunteers, VEGA had some notable successes utilizing remote, local and diaspora volunteers in programs in Afghanistan, Sudan, Ethiopia, Nigeria and elsewhere. Several of VEGA's current programs include activities to build the capacity of local organizations to recruit,

train and deploy skilled volunteers utilizing train-the-trainer approaches. For example, in Nigeria, a volunteer youth organization will grow its capacity to deploy volunteers to improve crop quality and safety. VEGA also found that many volunteers willingly and voluntarily continued to contribute technical assistance and support beyond the length of their assignment(s) under VEGA LWA programs.

» **Recommendation:** USAID should be purposeful in trying to engage skilled volunteers who can contribute technical assistance over the life of a program and support resiliency approaches, including in countries that are transitioning away from being aid recipients but would still benefit from targeted technical assistance to shore up economic, development and policy gains. USAID also should encourage and incentivize incorporating remote, local and diaspora volunteers into programming.

Technology has opened new doors for USAID to mobilize large numbers of remote volunteers, which USAID should capitalize on through a new volunteer funding mechanism. In addition, more emphasis should be placed on building the capacity of local organizations to recruit, train and deploy skilled volunteers utilizing train-the-trainer approaches.

9. Although there was a concerted effort to utilize the VEGA LWA for foreign assistance efforts at the State Department and U.S. Department of Agriculture, it was only used successfully a few times: The Volunteers for Prosperity Executive Order, which is still in force, is very broad and not exclusive to USAID; however, USAID was not keen on managing the procurement of programming for other agencies through the VEGA LWA.

» **Recommendation:** International volunteer mobilization could be dramatically scaled by using a whole-of-government strategy, similar to the Global Food Security Strategy, which would involve all of the nearly 30 agencies and departments engaged in development assistance. The Volunteers for Prosperity Executive Order provides USAID the authority to spearhead this effort.

10. Despite a lack of funding, VEGA spearheaded cost-effective learning activities and a community of practice: Over the LWA's lifespan, VEGA offered many learning and engagement opportunities and tools to its members, partners and the public.

» **Recommendation:** USAID could preserve and dramatically scale the community of learning with a modest investment to ensure capacity building takes place among volunteer sending institutions, including volunteer-sending organizations in partner countries.

11. The VEGA LWA provided new opportunities for the private sector to partner with USAID Field Missions: Large U.S. corporations have committed resources, including their employees, to help reduce poverty around the globe. Increasingly, for-profit companies are seeking to partner with civil society and the public sector to leverage their social impact investments and to mitigate risk. VEGA had recent success under the VEGA LWA in aligning public and private interests to create shared value for all partners with volunteers as a key ingredient. For example, VEGA brought together Nestlé and USAID/Nigeria for a PPP under Feed the Future, which leverages the expertise of volunteers to train farmers, workers and small agricultural businesses to reduce crop contaminants in order to sustainably increase the safety and quality of maize and soybeans and improve the health, nutrition and livelihoods of Nigerians.

» **Recommendation:** USAID should look to the existing VEGA/Nestle/USAID PPP as a case study for how PPPs can serve as important vehicles to leverage skilled volunteers, and consider prioritizing PPP development in the VISP APS or future volunteer-centric programming, including but not limited to a new LWA.

12. VEGA's learning, communications and advocacy activities educated the American people and successfully engaged Missions: The many activities described earlier in this report such as Learning Events, Case Studies, E-Newsletters, Volunteer of the Year Awards, International Volunteer Day and other public events that were managed by VEGA were valued. Should the VEGA consortium disband, there is no other organization that will continue these activities at scale on behalf of USAID.

» **Recommendation:** USAID should explore opportunities to engage VEGA or another partner to create an online volunteer communications and





FROM LEFT: Local Afghan producer selling his Kandahari pomegranates at AgFair; Woman working at Kobithan Garments factory in Sri Lanka with BIZ+ program

coordination hub for recruiting, tracking and communicating with organizations and individuals to support volunteer mobilization in USAID programming and new partnerships. This hub could also be a portal for knowledge management and innovation.

13. The ability of the VEGA LWA to mobilize volunteers required leadership in Washington:

At its inception, the VEGA LWA helped to demonstrate the vision and priorities of President Bush's Office of Volunteers for Prosperity, which unequivocally prioritized volunteer engagement in U.S. foreign assistance. This office's disbandment in 2012 and the subsequent absence of high-level, dedicated leadership on the issue of volunteerism created a leadership vacuum. Likewise, the success of the LWA in mobilizing volunteers depended upon Missions being aware of it as a procurement option. Based on VEGA's outreach to date around the VISAP APS, mission personnel are unaware of VISAP and are seemingly unlikely to use it prior to the current APS's expiration.

» **Recommendation:** Successful volunteer programming at USAID requires strong leadership in Washington to raise the profile of the contributions of volunteers and ensure that dedicated resources are available to educate and market to Missions.

14. The VEGA Secretariat developed its own measures of volunteer impact, as none had been prescribed by USAID in the VEGA LWA:

Measuring impact across such a diverse range of programs proved challenging under the VEGA LWA, as it has for USAID and its partners generally. From

the beginning, performance monitoring was designed to be "cost-effective and simple," and the original award specifically mentions aggregating data such as numbers of volunteers and volunteer LOE, and documenting best practices. While those performance measures continued throughout the VEGA LWA's lifespan and most individual programs developed their own, program-specific and robust indicators, there were not consistent measures of development impact across all programs. USAID also had no requirement for measuring the volunteer impact through the VEGA LWA; thus, the VEGA Secretariat created its own proprietary method of measuring volunteer impacts.

» **Recommendation:** USAID should develop and require consistent measures of development and volunteer impact, drawing upon the VEGA LWA metrics, as well as require the continued documentation of best practices for USAID volunteer programming.

15. There were limits to the VEGA LWA on how to engage small organizations:

While strengthening the capacity of smaller members was a priority objective for VEGA in the latter years of VEGA LWA implementation, VEGA observed that most smaller members do not intend to become primes, and several recognize that they do not have the capacity to even undertake substantial sub-implementer roles. These smaller organizations do see value in being a member of the VEGA consortium while at the same time desiring a more concrete and discrete set of benefits.

VEGA attempted to build consortiums among three to four smaller volunteer-sending members with annual revenue of

less than \$3 million, often including one larger member, several times, but was only successful on occasion. Missions also were not receptive to VEGA's small grants effort, as mentioned previously. VEGA assumed that this was due to the workload involved. VEGA's experience with the Farmer-to-Farmer Special Program Support Project (F2F SPSP) small grants program, while not limited to VEGA members, represents a more effective means of strengthening the capacity of smaller organizations.

» **Recommendation:** USAID should consider providing core funding to the Leader of a new LWA to help build the capacity of smaller, non-traditional partners using small grants, similar to what is done under the F2F SPSP.

16. USAID did not independently evaluate the impact of the VEGA LWA:

In 2016, USAID Washington had plans and budget set aside for an independent evaluation of the VEGA LWA. However, this did not materialize and USAID instead opted to perform a "desk review." While the VEGA Secretariat has endeavored to be as frank and accurate as possible in this final report, USAID would benefit greatly from an independent evaluation of the large body of work conducted by VEGA and its members over 13 years to help ensure USAID maximizes the value of volunteers.

» **Recommendation:** USAID should conduct an independent evaluation of the VEGA LWA to inform current and future volunteer-sending programs, and/or conduct a side-by-side comparison of the new VEGA-like LWA with the VISAP APS in practice.

CONCLUSION

By many measures, the VEGA LWA is one of USAID's success stories. Through the VEGA LWA, USAID Field Missions and Bureaus in 41 countries have partnered with VEGA to provide opportunities, tools and training to more than five million people seeking self-sufficiency through nearly 40,000 days of expert volunteer service, saving more than \$30 million taxpayer dollars and nearly doubling the program value through cost share and leverage.

The VEGA Secretariat and members have been dedicated to continually improving the functionality and impact. Important learning was and continues to be generated through the VEGA LWA which could positively influence the design and future of other USAID volunteer-sending programs. VEGA will continue to conduct monitoring, oversight and reporting until all 13 ongoing VEGA LWA programs have concluded.

VEGA embraces the opportunity to continue to partner with USAID and is eager to help USAID fulfill the vision and objectives of the VISP APS. We begin this new chapter for our alliance with a commitment to do all we can to ensure USAID is successful in fully and effectively leveraging skilled volunteers in U.S. global development for more prosperity and security at home and abroad.

ACRONYMS

AA — Associate Award	EQUITY — Economic Equality in Utility Investment Transferred into Yields	MEPI — Middle East Partnership Initiative
ABADE — Assistance in Building Afghanistan by Developing Enterprises Program	ETGAMA — Ethiopian Garment and Manufacturing Association	MFI — Microfinance Institution
ADC — Associate Design Committee	EU — European Union	MIS — Monitoring Information System
AGCI — Africa Growth and Competitiveness Initiative	F2F — John Ogonowski and Doug Bereuter Farmer-to-Farmer Program (USAID)	M&E — Monitoring and Evaluation
AGOA — Africa Growth Opportunity Act	F2F SPSP — Farmer-to-Farmer Special Program Support Project	NGO — Nongovernmental Organization
AMCHAM — American Chambers of Commerce	FEG — Facilitating Economic Growth (Sri Lanka)	NICRA — Negotiated Indirect Cost Rate Agreement
AMED — South Sudan Agricultural Market and Enterprise Development Program	FFSWE — Finance for Food Security and Women Entrepreneurs Program (Mali)	OU — USAID Operating Unit (Field Mission or Bureau)
AOR — Agreement Officer's Representative	FOG — Fixed Obligation Grant	PA — Power Africa
BAA — Broad Agency Announcement	FSA — Financial Supervisory Authority (Albania)	PAA — Powering African Agriculture Program (Kenya)
BCP — Business Connections Program (Kazakhstan)	FSD — Financial Sector Development Program (Albania)	PEC — Proposal Evaluation Committee
BDS — Business Development Services	FTF — Feed the Future	PEPFAR — President's Emergency Plan for AIDS Relief
BOA — Central Bank of Albania	FAS — Feed the Future Food Security and Agribusiness Program (Egypt)	PPA — Public-private Alliance
BOD — Board of Directors	GCC — Greek Cypriot Community	PSDI — Private Sector Development Initiative (Iraq)
BSD — Banking Supervision Department	GDC — Geothermal Development Company of Kenya	QED — The QED Group, LLC
BSO — Business Support Organization	LAGO — Lebanon Assessment of Growth Opportunity	RFA — Request for Application
BTD — Bulgaria Business & Trade Development Program	LIM — Lebanon Investment in Microfinance Program	RPD — Request for Program Description
CASH — Competitive Agriculture Systems for High Value Crops Program (Yemen)	LSC — Leader Steering Committee	SBDC — Small Business Development Centers
CBCLO — Capacity Building of Cambodia's Local Organizations Program	HACCP — Hazard Analysis and Critical Control Point	SEBAR — Strengthening Business Associations for Reform Program
CBCMP — Capacity Building and Change Management Program (Afghanistan)	HBCU — Historically Black Colleges and Universities	SI — Social Impact
CPC — Critical Priority Country	IACES — West Africa Improved Access to Credit for Export-Ready Companies and Small- to Medium-sized Enterprises	SIDA — Swedish International Development Cooperation Agency
CSSC — Civil Society Support Contract	IBEX — Investing for Business Expansion Program (Liberia)	SME — Small- and Medium-sized Enterprises
CSSP — Civil Society Strengthening Program	IBTCI — International Business & Technical Consultants Inc.	SO — Strategic Objective
CTO — Cognizant Technical Officer	ICT — Information and Communications Technology	SSA — Sub-Saharan Africa
DAIL — Directorates of Agriculture, Irrigation and Livestock	KIMEP — Kazakhstan Institute of Management, Economics and Strategic Research University	SSCCIA — South Sudan Chamber of Commerce, Industry and Agriculture
DAMU — Kazakhstani Entrepreneurship Development Fund	KM — Knowledge Management	TA — Technical Assistance
DCA — Development Credit Authority	LOE — Level of Effort	TCC — Turkish Cypriot Community
DG — Democracy and Governance	LWA — Leader with Associate	TIFA — Trade and Investment Framework Agreement (Tunisia)
DU — Direct Use	MAIL — Ministry of Agriculture, Irrigation, and Livestock (Afghanistan)	USAID — United States Agency for International Development
E3 — Bureau for Economic Growth, Education, and Environment (USAID)		USG — U.S. Government
EG — Economic Growth		USTR — United States Trade Representative
EGAT — Bureau for Economic Growth, Agriculture and Trade (USAID)		VEGA — Volunteers for Economic Growth Alliance
EGVos — Economic Growth Volunteer Organizations		VISP APS — Volunteers for International Security and Prosperity Annual Program Statement
EMDAP — Emerging Markets Development Advisers Program		VFP — Volunteers for Prosperity
EO — Executive Order		

VEGA'S 30 NGO MEMBERS

as of September 8, 2017





VOLUNTEERS FOR ECONOMIC GROWTH ALLIANCE

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