

HARMONIZING DEVELOPMENT & BUSINESS INDICATORS TOOL USE CASE: GOURMÉA

HARMONIZING DEVELOPMENT & BUSINESS INDICATORS

The Harmonizing Development and Business Indicators (HI) tool seeks to highlight the existing alignment between USAID objectives and private sector objectives. It was created for USAID relationship managers who seek to engage private sector enterprises, which might include multi-national (MNC), national or regional organizations.

The HI tool maps existing business-relevant indicators to Foreign Assistance Framework Standardized Program Structure and Definitions (SPSD) indicators. To represent indicators for private sector objectives, a number of well-known environmental, social, and governance (ESG) indicator frameworks were used, such as Global Reporting Initiative (GRI) and SASB, as well as the Global Impact Investing Network's (GIIN) framework, IRIS+.

While the Sustainable Development Goals (SDGs) do not act as an ESG framework, companies often use the SDGs as a guide for their ESG strategies. As a result, the SDGs were added to the HI tool.

Relationship managers can use the tool to better understand partner motivations, recognize common monitoring needs, and identify engagement opportunities. To learn more about ESG frameworks along with why and how the private sector is using them, please refer to the Guidance Document.

CONTEXT & BACKGROUND

Gourméa is a small agribusiness enterprise which was founded in Senegal by local entrepreneur Fatim Basse. Gourméa created a niche by selling ready-to-eat poultry products in response to Senegal's increasing market demand for processed poultry. In 2005 Senegal banned poultry imports due to serious health and safety concerns as a result of a major bird flu outbreak. The country has since benefited from increased investments in local poultry production and sales, helping to reduce costs for previously scarce poultry products, and making strides towards food security.

To capitalize on these developments, Gourméa is further expanding its market share within Senegal, as well as internationally through export. As a current partner of Feed the Future Business Drivers for Food Safety (BD4FS), an initiative which is funded by USAID and implemented by Food Enterprise Solutions (FES), Gourméa has made significant investments towards this goal. By increasing its capacity to deliver safe, high-quality products to local markets, and building relationships with other stakeholders across government, private sector, and civil society, Gourméa continues to expand its capacity to respond to industry and stakeholder demands.

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Safer Food Reaches Major Senegal Supermarkets: Creating a Market-Linked Food Safety Culture with Growing Food Businesses

Growing food businesses in Senegal face challenges in establishing and maintaining market positions, particularly as consumer concerns about food safety grow.



Food Enterprise Solutions (FES)

Image 1: Screenshot from Food Enterprise Solutions website, featuring Gourméa

USE CASE PRIMARY SCENARIO

How and why might the USAID relationship manager search the tool for indicators that will benefit both USAID and Gourméa?

- System: HI Tool
- Primary Actor: USAID Relationship Manager

Gourméa has a sound business model, but does not utilize any reporting standards or frameworks. Small and medium enterprises (SMEs) face many challenges in reporting in alignment with well-established ESG frameworks and standards, due to limited financial, human, and legal resources and capacities. The following use case serves as an illustrative model and training on how the HI tool might assist both organizations in furthering their engagement objectives more effectively, as well as the monitoring and evaluation of these objectives. A USAID Relationship Manager might leverage the information gleaned from this exercise, along with an understanding of the challenges that SMEs face in sustainability reporting, to conceptualize and deepen current engagement efforts between both organizations, or to assist with capacity building for Gourméa in terms of sustainability reporting, given the high potential for alignment with internationally recognized reporting frameworks.

Given that USAID is already an established partner for Gourméa through the BD4FS project, the USAID Relationship Manager may have preliminary insight into potentially relevant search categories for the HI Tool. For example, using a combination of search criteria in the HI Tool which align with Gourméa's stated mission and vision, such as the subcategory Economic Growth (under SPSD Categories); Agricultural Sector Capacity (under SPSD Program Area); and finally, Agricultural Production and Revenue (under Engagement Objective), yields nine (9) potentially relevant indicator matches.



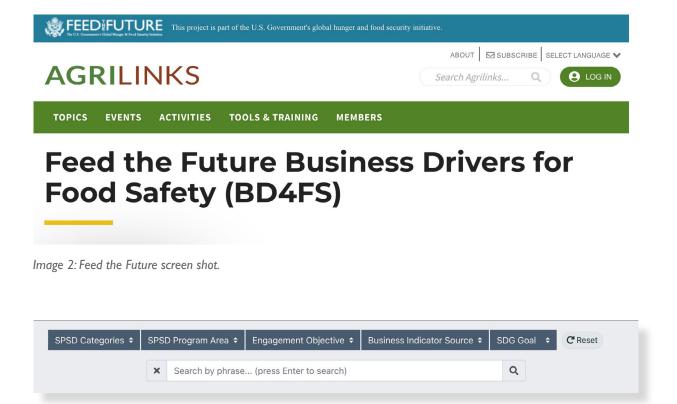


Figure 1: HI Tool indicator categories and search bar.

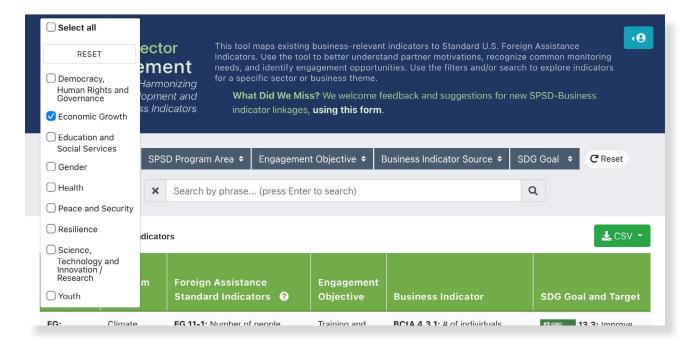


Figure 2: 'SPSD Categories' drop down list with one subcategory selected.

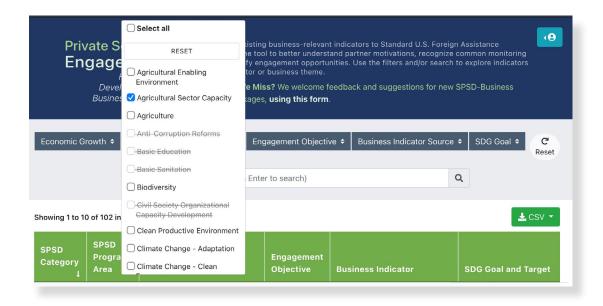


Figure 3: 'SPSD Program Area' drop down list with one subcategory selected.

Although multiple SDGs directly and indirectly apply to Gourméa (such as SDG 1: End Poverty; and SDG 2: End Hunger), adding sub-categories under SDG Goal to the search will not result in less indicator matches in this case. Nonetheless, narrowing down the indicators may not be necessary, due to the small number of search results. Based on these results, the USAID Relationship Manager may identify one or more indicators which are well aligned with Gourméa's business objectives. The existing partnership between USAID and Gourméa, as well as Gourméa's goal of expanding within Senegal, presents a prime opportunity to strengthen both organizations' relationship with each other, and their joint ability to address development priorities.

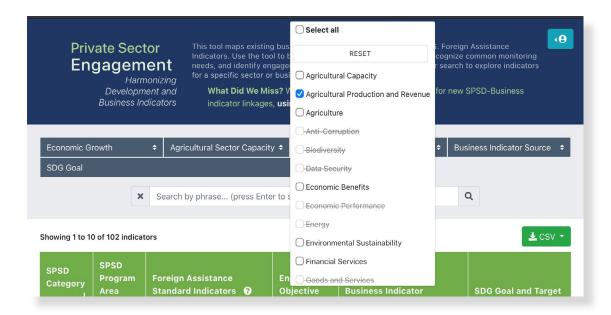


Figure 4: 'Engagement Objective' drop down list with one subcategory selected.



For example, after consulting with the executive leadership team of Gourméa, the USAID Relationship Manager might learn that the organization has the internal capacity to begin reporting in the next fiscal year, and that the current economic and political climate in the region will support this investment. USAID may be able to partner with them on this initiative (or identify another stakeholder more suitable), if internal and external factors would support this investment at the time. The HI Tool facilitates the identification of existing alignments (and potential gaps) between indicators that are relevant for business reporting commitments on socio-economic impacts. As a result, USAID internal, technical officers who are involved in private sector engagement and associated results monitoring, might better foster private sector engagement with joint monitoring and mutual understanding of the results each organization aims to achieve.

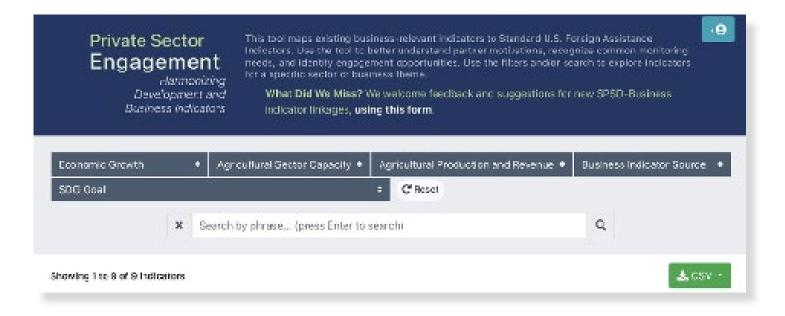


Figure 5: HI Tool indicator categories and search bar showing 9 indicators after 'Economic Growth', 'Agricultural Sector Capacity', and 'Agricultural Production and Revenue' subcategories have been added to the search.

FUTURE IMPACT

In the above-mentioned scenarios, the HITool facilitates the identification of existing alignments (and potential gaps) between indicators that are relevant for business reporting commitments on socio-economic impacts. This assists USAID internal, technical officers who are involved in private sector engagement and associated results monitoring, to more effectively foster private sector engagement with joint monitoring and mutual understanding of the results each organization aims to achieve.

Sources: (1) https://www.foodsolutions.global; (2) https://agrilinks.org/activities/business-drivers-food-safety; (3) www.feedthefuture.gov