

External Orientation Document on Private-Sector Engagement for COVID-19 Response

21 April 2020

USAID is committed to working with the private sector to respond to the COVID-19 pandemic. Guided by its Private-Sector Engagement (PSE) Policy, the Agency works strategically with corporations and businesses to address the most challenging development and humanitarian problems around the world. By combining the comparative advantages of USAID and the private sector, we can deliver better outcomes to slow the spread, care for the affected, and equip local communities with the tools needed to fight back against COVID-19. By making early investments in the economic system we lay the groundwork necessary for longer term economic growth and prosperity.

USAID values the private sector's unique expertise and access – to people, technologies, distribution networks, and more – to save lives, to mitigate social and economic impacts, and to build resilient individuals, communities and institutions. USAID foresees these types of collaborative opportunities below and is open to exploring new approaches and avenues from the private sector.

USAID RESPONSE TO COVID-19

The Agency's response to COVID-19 entails interventions to address immediate health needs of affected communities, including existing humanitarian settings such as refugee camps. The response will also include efforts to mitigate and respond to social, economic and governance-related impacts. This includes planning for response and recovery needs focused on second-order political and economic impacts (e.g., governance, stabilization, rule of law) in countries where USAID works.

USAID seeks to co-create and co-finance solutions with the private sector to achieve maximum speed, impact, and scale in the response. By unlocking private-sector investment and catalyzing innovation and enterprise-driven outcomes, USAID is committed to exploring and formulating collaborative solutions which leverage the private sector's expertise.

Immediate Health Response Needs

USAID's priorities for its COVID-19 health response abroad include: 1) reducing the burden of disease; 2) avoiding the collapse of health care systems and delivery; and 3) strengthening global health security. Supporting activities to advance these priorities will include training health care workers and strengthening community clinics, hospitals, and other health institutions to isolate and care for COVID-19 patients.

USAID's immediate health priorities include:

- Strengthening laboratory diagnostics and testing capacity;
- Promoting risk-communications and engagement with communities;
- Preventing and controlling infections in health facilities;
- Supporting surveillance, rapid response, and emergency operations;
- Improving the quality of COVID-19 case management;

- Planning for the availability and delivery of future vaccines, point-of-care diagnostics, and treatments;
- Accelerating innovative and market-based approaches for local manufacturing capabilities of COVID-19 supplies;
- Strengthening health-related supply chains; and
- Strengthening digital and data information systems.

Engaging with USAID to Support the Immediate Health Response

The Center for Innovation and Impact (CII) within USAID's Global Health Bureau published a Request for Information seeking market information related to product, process, or service innovations that could support the COVID-19 response in low- and middle-income countries. Private-sector partners submitted responses through April 8, 2020; the CII team is currently reviewing the submissions to inform landscaping and prioritization of high-potential innovations.

Similarly, USAID's Office of U.S. Foreign Disaster Assistance (soon to be part of the Bureau for Humanitarian Assistance) is exploring opportunities to leverage the Humanitarian Grand Challenge: [Creating Hope in Conflict](#) for COVID-19 related innovations, and OFDA is continuing regular PSE efforts in response to humanitarian crises. This includes working with its partner [Connecting Business Initiative](#) for messaging to the private sector.

Second-Order Economic and Social Impact Needs

The U.S. Government will accelerate communication and collaboration with large and small businesses, and with non-governmental stakeholders to mitigate the second-order impacts of COVID-19. USAID anticipates impacts across a range of sectors, including governance, the economy, rule of law, education, energy, tourism, health, agriculture, and food security. The virus will cause serious disruptions to economic and financial systems around the world, with both short- and long-term repercussions. These disruptions may particularly harm already-vulnerable communities.

Illustrative USAID responses to mitigate second-order economic impacts include:

- Through engagement with the private sector and international diplomacy, monitor and communicate with national and local businesses and non-governmental stakeholders regarding the effects of the pandemic on supply chains and the overall global economy;
- Engage impacted U.S. and local private-sector entities, perform economic impact assessments and evaluate threats to supply chains, maintain economic linkages with key allies and economic organizations, and co-create joint approaches to address the economic impacts of COVID-19;
- Provide grant capital and technical assistance to help private-sector entities, including micro, small, and medium-sized enterprises and women-owned businesses, and cover critical costs and maintain employment;
- Facilitate and de-risk transactions that can continue and accelerate the flow of capital to finance-constrained businesses;

- Create economic opportunities to spur recovery efforts once the crisis has receded; and
- Support economic recovery among marginalized and vulnerable populations, especially those in urban and rural areas, including leveraging the U.S. Development Finance Corporation (DFC) and other financial institutions and tools to catalyze longer-term private sector investment.

Engaging with USAID to Support the Second-Order Impact Engagement

USAID surveyed over 40 of our global private sector partners to understand how they are responding to COVID-19 and the challenges to business models and operations. We also asked for ideas on areas of potential collaboration with USAID. Outreach to the more than 230 investment and development partners in the [USAID INVEST network](#) is generating ideas on how to address the economic aspects of the COVID-19 crisis.

Please share your ideas about collaborative opportunities for the COVID-19 response [Global Development Alliance \(GDA\) Annual Program Statement \(APS\)](#). This is our standing invitation to the private sector to co-create, co-design, and collaborate with USAID. It satisfies all U.S. Government competition and eligibility requirements and allows the entire private sector to participate. Questions on this GDA APS can be directed to Ken Lee (kenlee@usaid.gov) of the Private Sector Engagement Team at USAID.

Similarly, you can send an unsolicited proposal to USAID on COVID-19 to: COVID19_Concepts@usaid.gov. Additional details on the process are available at: <https://www.usaid.gov/coronavirus/funding-requests-unsolicited-proposals>

For More Information

To contact the team working on mobilizing private-sector engagement to support the response, please send an email to: COVID19TF_PSE@usaid.gov.

Read the USAID Private-Sector Engagement Policy here: <https://www.usaid.gov/work-usaid/private-sector-engagement>

Read the USAID Private-Sector Partnerships information: <https://www.usaid.gov/work-usaid/private-sector-engagement/work>

The USAID Global Development Lab is using existing mechanisms to provide support to the COVID response, such as (1) [Development Innovation Ventures \(DIV\) program](#), (2) [Venezuela Challenge](#), (3) [Water & Energy for Food \(WE4F\) Challenge](#), (4) Digital Solutions through private enterprise as articulated in the [USAID Digital Strategy and the Digital Ecosystem Fund](#) and 5) the Global Innovation Exchange, a technical platform for COVID innovations <https://www.covid19innovations.org/>