

A photograph showing several women working in a lush green field filled with marigold flowers. In the foreground, a woman with dark hair tied back and a bright smile is looking towards the camera. Behind her, another woman is focused on her work. The field extends to a dense background of greenery.

United Nations Global Compact COMMUNICATION ON PROGRESS 2019





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CONTENTS

P4

CEO
STATEMENT
OF SUPPORT

P8

CONTRIBUTION
TOWARD THE
SDGS

P6

COMPANY
OVERVIEW

P48

PROGRESS
TOWARD THE
UN GLOBAL
COMPACT
PRINCIPLES

COMMUNICATION ON PROGRESS

I am pleased to present DAI’s 2019 Communication on Progress and to reaffirm DAI’s commitment to the United Nations Global Compact and its 10 principles.

As an independent, employee-owned global development company, our mission is to make a lasting difference in the world by helping people improve their lives. We envision a world in which communities and societies become more prosperous, fairer and better governed, safer, healthier, and environmentally more sustainable. Integral to that mission is a commitment to uphold human rights and labor standards, promote environmental responsibility, and combat corruption in all its forms.

On the threshold of a decade that begins with DAI’s 50th anniversary in 2020 and ends—we hope—with the achievement of the Sustainable Development Goals (SDGs), we have positioned DAI to provide development services at the confluence of three great resource streams:

- Donor-funded development assistance;
- Direct investments by private enterprises seeking to operate in developing countries; and
- Development finance.

These resource flows have the potential to lift billions of people out of poverty. On the donor side, we continue to deepen our relationships with longstanding partners such as the U.S. Agency for International Development and the Department of State, the

U.K. Department for International Development and Foreign and Commonwealth Office, and the European Commission and European Bank for Reconstruction and Development.

We are also doing fascinating work with the World Bank (piloting development impact bonds in Palestine), the U.K. Department of Health and Social Care’s Fleming Fund (fighting antimicrobial resistance in Bangladesh, Indonesia, Nigeria, and Pakistan), and the Bill and Melinda Gates Foundation (enhancing seed systems in Africa), among other clients.

At the same time, DAI’s Sustainable Business Group is working with international firms to support their social investment strategies, upgrade local suppliers, and generate local jobs. This focus on local content—or in-country value as it is coming to be known—ensures that host communities participate in the benefits of economic development while laying the groundwork for more diversified and sustainable economies.

Meanwhile, a new venture—DAI Capital—is building on our decades of experience in developing nations to spur private investment within and into frontier markets. Through a combination of advisory offerings, asset management services, and direct principal investing, DAI Capital will mobilize commercial transactions by investing capital, people, and market expertise to drive returns while supporting sustainable development.

This new venture complements projects such as INVEST, USAID's flagship initiative to use development finance to stimulate private capital flows to underdeveloped markets. Historically, development agencies have little experience bridging the investment and development domains, structuring transactions, or sourcing deals. But under DAI's management, INVEST is creating a network of partners with the expertise to close this gap, enabling USAID to target distinct development challenges with tailored finance solutions. By the fall of 2019, that network of 195 development and investment entities had mobilized \$68 million of private capital, with an additional \$377 million in the pipeline.

These are impressive numbers, but we are measured not only by what we achieve but how we achieve it. We strive to offer value and to live by our cardinal values of integrity, responsibility, excellence, and global citizenship. We have an obligation to treat everyone our work touches with dignity and respect, especially if they are somehow vulnerable or dependent on DAI for assistance or support. DAI has for years maintained a robust Ethics and Compliance department to ensure that we live up to this ideal, and in 2019 we augmented this team by appointing a Global Director of Safeguarding who oversees DAI's efforts to establish, enforce, and embody a culture of zero tolerance for sexual abuse and harassment. We will make safeguarding a point of emphasis in 2020 and beyond.

In the pages that follow, we provide snapshots of DAI projects spanning the 17 SDGs—from facilitating clean energy finance in Morocco and creating safe learning spaces in Honduran schools to energizing the agricultural economy in Bangladesh's Southern Delta and helping women meet the critical need for health workers and midwives in northern Nigeria.

In these as in all of our endeavors, we remain committed to shaping a more livable world in the spirit of the UN Global Compact and its underlying principles.



A handwritten signature in black ink, appearing to read "James Boomgard".

James Boomgard
President and CEO



COMPANY OVERVIEW

DAI: A GLOBAL DEVELOPMENT COMPANY

DAI is an employee-owned international development company, one of the world's larger enterprises dedicated solely to international development. Global in reach and outlook—fielding 700 corporate and 5,000 project staff—we are delivering development results on roughly 200 projects in some 100 countries, from stable societies and high-growth economies to challenging environments racked by political or military conflict, such as Afghanistan and Iraq, Libya, and Somalia.

In late 2019, DAI acquired the distinguished European consulting firm Human Dynamics, a pre-eminent supplier of international development services to the European Commission, further extending our reach and enhancing our ability to support the SDGs.

Our tagline ("shaping a more livable world") speaks to a mission that is unchanged since our founding in 1970: helping people improve their lives. We work for international development agencies, private corporations, and philanthropies to tackle fundamental social and economic development problems.

DAI is perennially one of the leading partners for the world's leading bilateral and multilateral aid donors. Current clients include the U.S. Agency for International Development (USAID), the U.K. Department for International Development (DFID), the European Bank for Reconstruction and Development (EBRD), the European Commission (EC), the U.K. Foreign and Commonwealth Office, the U.K. Department of Health and Social Care, the Millennium Challenge Corporation, the Swiss Agency for Development and Cooperation, the French Development Agency, the World Bank, the MacArthur Foundation, and the Bill and Melinda Gates Foundation, in addition to various private corporations. We have been named U.S. Government Contractor of the Year on two occasions and recognized as one of the world's top development innovators.

DAI WORKS ACROSS DEVELOPMENT DISCIPLINES



ECONOMIC GROWTH

Driving trade, investment, technology, agriculture, business, and financial services to create jobs, reduce poverty, and enhance food security.



FRAGILE STATES

Supporting political transition, ensuring short-term stability operations, preventing and countering violent extremism, and laying the foundation for development in fragile environments.



GOVERNANCE

Strengthening accountability and improving government performance by providing technical advice, strategic guidance, and support to public institutions, elected bodies, and citizens.



DIGITAL ACCELERATION

Designing and deploying innovative, user-centered digital tools that drive change across emerging markets.



ENVIRONMENT

Improving the management of natural resources and ecosystem services in a way that supports economic growth and strengthens resilience to climate change.



GLOBAL HEALTH

Delivering holistic, tech-enabled solutions to save lives and improve wellbeing worldwide.



SUSTAINABLE BUSINESS

Helping companies to be smarter corporate citizens in their local business operations and assisting public authorities to grow sustainable industries.



DAI'S WORK AND THE SUSTAINABLE DEVELOPMENT GOALS

DAI's 50 years on the frontlines of global development confirm the interconnectedness of development challenges. Our specialists reach across technical disciplines to shape the integrated development solutions that promise transformational development results. In this document we present brief profiles of sample projects that reflect our work across the 17 SDGs.





1 NO POVERTY



“Our approach was all about what was already happening in the market, which incentives were driving the market, and which barriers were inhibiting the poor’s inclusion.”

—Sarah Wall,
DAI project manager

BANGLADESH

HARNESSING MARKETS TO FORGE PATHS OUT OF POVERTY

Many of the 28 million people in Bangladesh’s Southern Delta live in poverty, pursuing livelihoods as smallholder farmers but lacking the resources and services to connect to the country’s mainstream economy. The USAID Agricultural Value Chains (AVC) activity addressed how and why Bangladesh’s agricultural market system was not organically including these poor populations. The result: More than 300,000 Southern Delta farmers applied new technologies and management practices that increased crop yields by 131 percent.

“Our approach was all about what was already happening in the market, which incentives were driving the market, and which barriers were inhibiting the poor’s inclusion,” said DAI’s Sarah Wall, the project manager.

The AVC team sought out and built on the nascent alignments between business incentives and USAID’s goals: improving farmers’ crop yields and incomes. It then developed flexible matching grants to help businesses build bridges to low-income smallholders. All told, AVC built relationships with 42 leading private sector partners—providers of high-quality seeds, safer biopesticides, better equipment, and other inputs—who were attracted by the opportunity to cultivate a new source of customers.

Tapping this low-income customer segment, AVC partner firms increased sales by up to 60 percent while at the same time learning about sustainable market strategies—the importance of training, product information, after-sales services, and direct interaction with farmers. By catalyzing latent market trends in this way, AVC created 110,000 jobs and helped to forge pathways out of poverty for the Southern Delta’s smallholders and their families.

IMPACT



AVC created
110,000
jobs



300,000+
farmers applied new
technologies and
management practices



AVC
partner firms
increased sales
by up to

60%

131%
increase in crop
yields



AVC helped establish the cut flower sector
as a formalized industry in Bangladesh,
growing the market from \$67 million in 2013
to \$150 million in 2018.



PHOTOS COURTESY: USAID BANGLADESH AVC





GLOBAL

EXPANDING THE SAFETY NET

National social transfer programs aim to help those entrenched in extreme poverty. The EC's Advisory Service Social Transfers (ASiST III) Programme is providing on-demand support to partner countries and European Union (EU) delegations in addressing food security through national social transfer schemes. Led by DAI, ASiST III has since 2015:

- Conducted more than 100 assignments and led missions to more than 30 countries in Africa, Asia, and Latin America.
- Designed resilience interventions, social transfer initiatives for pregnant women and infants, and nutrition workshops.
- Advised on the use of cash-transfer safety nets to bridge humanitarian and development initiatives.

These services assist countries and EU delegations to achieve maximum impact while developing graduation plans to move from short-term, emergency transfers to systemic national safety net approaches.

2 ZERO
HUNGER



**Not only did
the team help
Afghans put more
food on their
tables—it helped
make that food
more nutritious.**

NORTHERN AFGHANISTAN

REVIVING AGRICULTURE AND IMPROVING NUTRITION

Originally launched to rebuild Afghanistan’s wheat, high-value crops, and livestock sectors, USAID’s Regional Agricultural Development Program—North (RADP-North), which came to an end in 2019, produced impressive results, including generating \$256 million in additional sales by farmers in wheat and, importantly, other commodities. Not only did the team help Afghans put more food on their tables—it helped make that food more nutritious.

RADP-North trained nearly 20,000 women in nutrition and helped more than 7,700 establish kitchen gardens—vegetable gardens in their yards. Introducing greens, carrots, herbs, and other produce into their families’ diets empowered women to adopt and then disseminate nutrition principles while reducing child diarrhea and anemia.

Surveys showed these women found kitchen gardening enjoyable. Some sold surplus produce at markets to earn income while saving money by growing food themselves. Formerly unproductive land was turned to productive use. Supported by men and community elders, nearly all the women were still maintaining their gardens by the project’s end.

RADP-North worked in the provinces of Badakhshan, Baghlan, Balkh, Jawzjan, Kunduz, and Samangan—home to 5 million people—where drought and conflict in recent decades have sapped the region. It resuscitated the agriculture economy by introducing high-value fruit, nut, and vegetable crops and rejuvenated the struggling livestock sector.



PHOTOS COURTESY: USAID AFGHANISTAN RADP-NORTH

IMPACT

 **\$10.7M**

IN INCREASED VALUE OF LIVESTOCK

achieved by reducing mortality, increasing reproduction, and selling more animal byproducts



\$28M
OF CONFIRMED SALES

and \$20 million in followup orders for dried fruit and nuts achieved through beneficiaries' attendance at tradeshows



\$8.3M
IN INCREASED PROFITS

by partner agribusinesses



nearly
20,000
WOMEN TRAINED IN NUTRITION

7,700

KITCHEN GARDENS ESTABLISHED



3 GOOD HEALTH AND WELL-BEING



Well trained female health workers, including skilled birth attendants, are crucial in Nigeria's efforts to reduce under-5 child mortality.

NIGERIA

SUPPORTING WOMEN HEALTH WORKERS

Northern Nigeria suffers high rates of under-5 child mortality, with up to 90 percent of pregnant women delivering babies without a skilled birth attendant. It is crucial for these women to have female health workers because social norms in many rural communities prohibit women from receiving care from men.

Through its Women for Health (W4H) programme, DFID is increasing the number and capacity of female health workers in northern Nigeria while contributing to women's empowerment and gender equality.

Since 2012, W4H and partners have increased the number and capacity of female health workers in Kano, Katsina, Jigawa, Zamfara, and Yobe states. In a new phase, the programme has since 2018 also covered Borno state, and is adapting the approach for the conflict-affected context in Yobe and Borno. W4H's early achievements in Yobe and Borno include:

- Strengthening the capacity of state ministries of health and health training institutions.
- Training 70 academic staff and 74 nurses and midwives on humanitarian content, including gender-based violence, trauma, and psychosocial and humanitarian health needs in rural communities.
- Establishing a Foundation Year Programme in Borno to build the academic, personal, and social capital of young rural women so they can access professional education.
- Supporting the recruitment of health graduates to work in rural areas.
- Conducting a trauma assessment of female students to inform the integration of mental health and psychosocial support into the programme.

IMPACT



25
HEALTH TRAINING
INSTITUTIONS
STRENGTHENED

including establishing
six new ones—and
supporting them to achieve
accreditation



35
HOUSES BUILT

to accommodate
midwives to support retention
in rural areas



8,792

FEMALE
STUDENTS
ENROLLED

in midwifery,
nursing, and
community health
extension worker
training



2,818 RURAL FEMALE
STUDENTS ENROLLED

in an access course and sponsorship
initiative to achieve the qualifications
needed to enter professional health training



38%
OF THE 1,551 GRADUATES

to date employed and working in rural facilities

4 QUALITY EDUCATION



Helping schools establish cultures of nonviolence, inclusion, and respect is key to improving young Hondurans' access to education.

HONDURAS

SECURING SAFE LEARNING SPACES

Violence in and around schools in Honduras threatens young people and their access to education. To improve attendance, academic performance, and retention, the USAID *Asegurando la Educación* (Securing Education) project is helping 115 schools establish cultures of nonviolence, inclusion, and respect.

Asegurando la Educación is partnering with school leaders, social service agencies, and Honduras' Ministry of Education to improve school conditions in cities with high rates of violence and out-migration: Tegucigalpa, San Pedro Sula, Choloma, and La Ceiba. Accomplishments include:

- Helping develop and launch the Ministry of Education's National Strategy for Prevention and School Safety.
- Training school principals in leadership, conflict resolution, and migration prevention.
- Designing and delivering "Educators for Peace" professional development for 3,000 teachers.
- Designing a sports-based, social-emotional learning program adopted by the Ministry of Education.
- Facilitating 120 university students to serve as in-school fellows, mentors, and implementers of violence prevention activities.

IMPACT



More students remaining in school—

The Safe Learning Spaces initiative increased the number of schools that retain full (initial to final) enrollment from 35 to 52 percent in just one year.



Teachers' outlook improving—

47 percent of teachers report a new understanding, interpretation, and approach to addressing conflict with students; 16 percent expressed improved relations with parents regarding conflict.



Businesses engaged—Local businesses have contributed cash, refreshments, student desks, and even medical screenings, while others have hosted 1,500 students from high-risk neighborhoods to learn about jobs available to graduates.



Improving behavior and academic performance—

87.5 percent of high-risk students completed a pilot cognitive behavioral therapy program that teachers, parents, and students themselves report is improving behaviors and academic performance.

5 GENDER EQUALITY



Women in Afghanistan still face harsh inequalities, despite making remarkable gains.

AFGHANISTAN

WORKING TOWARD GENDER EQUALITY

Women in Afghanistan have made remarkable gains after years of near total oppression, but they still face harsh inequalities. Two USAID programs are helping more Afghan women enter the mainstream—Promote: Women in the Economy (WIE) and Promote: Musharikat.

WIE assists women-owned and women-friendly businesses to improve performance, growth, and sustainability. WIE also helps women age 18 and over to find good jobs while breaking down the barriers to hiring women.

Musharikat established eight political coalitions to fight for women's rights, covering violence and harassment, education, economic opportunity, political participation, access to justice and healthcare, and participation in the peace process.



PHOTOS COURTESY: USAID
AFGHANISTAN PROMOTE PROJECT

IMPACT

76,700



WOMEN REGISTERED FOR VOCATIONAL SERVICES



nearly **300**

YOUNG WOMEN PLACED IN MICROFINANCE AND BANKING TRAINEE PROGRAMS

within six financial institutions in urban centers, opening doors for women borrowers as well



5,000

SCHOLARSHIPS AWARDED TO WOMEN

to train in IT, healthcare, retail, customer service, and other areas



9,600

INTERNS AND APPRENTICES PLACED

in 2,100 host companies across 30 provinces, more than half in healthcare and education—sectors critical to Afghans' wellbeing

13,200

YOUNG WOMEN TRAINED



through WIE's 20-hour Job Readiness Training

54

WOMEN-LED STARTUPS GRADUATED FROM BUSINESS INCUBATION



which have since created 200-plus new jobs



5,900

PEOPLE TRAINED IN ADVOCACY AND WOMEN'S RIGHTS, and awareness raised for 18,000 individuals



Nearly all **109**

BUSINESSES ASSISTED THROUGH WIE'S MBA CORPS ACTIVITY

have reported increased sales, streamlined operations, and expansion



6 CLEAN WATER AND SANITATION



KENYA

BUILDING THE CAPACITY OF WATER AND SANITATION PROVIDERS

USAID's Kenya Integrated Water, Sanitation, and Hygiene Project (KIWASH) aims to help more than 1 million Kenyans gain access to improved WASH, irrigation, and nutrition services. KIWASH is working in nine counties that are taking on responsibility for investment in and oversight of WASH service delivery.

KIWASH partners with water and sanitation service providers (WSPs) to develop bankable business plans, improve operations, and facilitate access to financing, thereby improving their operations and expanding their reach. In parallel, KIWASH's behavior change communication activities are stimulating demand for improved household sanitation, hygiene, and nutrition.



PHOTOS COURTESY: USAID KENYA
KIWASH PROJECT

IMPACT

231



WASH
ENTERPRISES TRAINED

on water sector reforms
and rights to water access,
business planning, technical
operations, basic computer
skills, and strategic
marketing



13
PARTNER WSPS
RECEIVED
TECHNICAL ASSISTANCE

to improve their performance
and ability to qualify for
financing that can expand and
improve water services

**Water,
a human right**



EXTENDED BASIC DRINKING
WATER SERVICES TO

554,000
PEOPLE



Another 94,000
have gained
access to basic
sanitation services,
with 1,147 villages verified
open-defecation free



MOBILIZED

\$17.4M

in new sector funding to
expand the services or increase
the efficiency of WSPs

234



DEMONSTRATION
F FARMS ESTABLISHED

at farmers' homesteads
to showcase various
technologies for adoption
by community members,
and trained 4,400 farmers on
establishing kitchen gardens

78



PUBLIC HEALTH
OFFICERS
TRAINED

to initiate community-led total
sanitation programs



24

WATER RESOURCE USERS
ASSOCIATIONS TRAINED

to understand and plan for effective conservation;
protected 68 springs and planted 153,000 indigenous
trees around water sources

7**AFFORDABLE AND
CLEAN ENERGY**

Business owners have shown they will invest in clean and affordable energy when the incentives are right.

MOROCCO

DRIVING THE TRANSITION TO A GREENER ECONOMY

Business owners have shown they will invest in clean and affordable energy when the incentives are right. In Poland, for example, the Polish Sustainable Energy Financing Facility, funded by the EBRD and implemented by DAI, helped local financial institutions finance 2,000 efficient-energy projects from 2010 to 2017 for 1,900 small firms.

The Morocco Sustainable Energy Financing Facility (MorSEFF) continues the EBRD's mission to create options for investment in clean, affordable, and efficient energy. MorSEFF provides Moroccan lending institutions with funds to on-lend, while DAI's technical assistance team builds the capacity of lending institutions to identify suitable energy efficiency projects to finance.

Small and large businesses across Morocco have seized the opportunity to upgrade or replace their facilities and equipment with efficient and renewable energy products that decrease their facilities' carbon footprints and improve their bottom lines.



IMPACT



€106M

Supported two financial institutions to on-lend €106 million to 260 energy efficiency projects



278 CREDIT OFFICERS AND 50 LOCAL ENGINEERS

trained in energy efficiency financing



SPURRED DEVELOPMENT

of a local production base for energy efficiency and renewable energy technologies



RAISED AWARENESS OF ENERGY EFFICIENCY

in the small and midsize business sector by supporting financial institutions in marketing through industry workshops and events



PHOTOS COURTESY: EBRD MORSEFF PROGRAMME



PALESTINIAN TERRITORIES

FINANCING THE FUTURE

Like most of the West Bank and Gaza, the 32-hangar Gaza Industrial Estate relies heavily on Israeli imports to meet electricity needs. In 2019, a DAI-implemented solar energy financing project for the industrial park was selected for the 2019 World Bank President's Award for Excellence.

The \$11.2 million financing package—comprised of a grant through the World Bank's Finance for Jobs program, a loan from the International Finance Corporation, and political risk insurance from the Multilateral Investment Guarantee Agency—was honored for adopting a collaborative approach and overcoming risks presented by Gaza's legal and operating environment to ensure the project's financial sustainability. The increased energy supply will enable expanded production and the creation of approximately 800 new jobs in food, wood, metals, and other business sectors operating in the park.

The 7-megawatt, 57,000-square-meter rooftop photovoltaic system is scheduled to be operational by year's end. It will mark the largest solar array in the West Bank and Gaza and first privately financed infrastructure project in a decade in Gaza.

8 DECENT WORK AND ECONOMIC GROWTH



PALESTINIAN TERRITORIES

SPURRING ECONOMIC GROWTH

The West Bank and Gaza economy—consisting mostly of family-owned small and medium-sized enterprises—for decades has had to overcome political instability, regional violence, and economic blockades. This adverse environment causes uncertainty and increased investment risk, greatly limiting enterprise development. Two recently completed DAI-led projects in Palestine helped spur the entrepreneurship and job creation needed to promote sustained economic growth, higher levels of productivity, and technological innovation.

Launched in 2011, USAID's Palestine Compete project assisted nearly 1,800 firms in areas such as business planning, access to finance, technology, and marketing. With Compete's assistance, these partner firms delivered striking results, including:



INCREASED
EXPORTS BY
\$254M



LEVERAGED
\$105M
in private sector
investment



INCREASED
SALES BY
\$383M



CREATED
6,900
jobs



PHOTOS COURTESY: USAID PALESTINE COMPETE PROJECT

Funded by DFID and the EC, the Palestinian Market Development Programme (PMDP) launched in 2014 to improve market systems and improve the competitiveness of the Palestinian private sector. Its results included:



884
ENTERPRISES
IN THE WEST BANK
(431) AND GAZA (453)
SUPPORTED,
injecting £7.5 million
worth of grants that
leveraged £5 million in
private investment



HELPED
264
FIRMS GET
BACK TO BUSINESS
AFTER THE 2014
CONFLICT,
employing and sustaining
a net 1,200 workers
even though the general
economic environment
continued to deteriorate

The 884 grantees increased revenues by



£131.26M
AND CREATED NEARLY
3,000
NET JOBS

GRANTEES INTRODUCED
838 NEW OR ENHANCED PRODUCTS



which, along with other market-entry activities, helped them enter or expand into new domestic and export markets where they generated £74 million of attributed sales



PHOTOS COURTESY: USAID PALESTINE COMPETE AND DFID PMDP

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Oman is looking to diversify its economy and reduce dependence on the production and export of fossil fuels.

OMAN

PROMOTING INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION

Over the past decade, the Sultanate of Oman has proven itself to be a leader in the field of “in-country value,” or ICV. Oman defines ICV as value that is retained in-country that can support local business development, develop human capability, and stimulate productivity in the Omani economy: “In short, products made and services provided by skilled Omanis.”

The country’s pioneering work to enhance ICV has heretofore focused on its extensive petroleum and natural gas industry. But today, Oman is looking to diversify its economy and reduce dependence on the production and export of fossil fuels. Under the mandate of the late Sultan Qaboos, Oman is committed to economic diversification and increased employment opportunities for Omanis beyond oil and gas. And the government and private sector are coming together to instill the ethos of ICV across Oman’s entire economy.

In 2019, DAI launched a study on behalf of public and private sector partners in Oman to help develop a comprehensive national strategy that extends and optimizes ICV principles outside of the oil and gas industry. Data is key to the success of this strategy. Currently working in two of 10 target sectors, DAI is engaging with the Government of Oman and private sector stakeholders to develop a methodology that will allow for rigorous data collection and analytical work. We will then integrate this analysis into a recommendation for the National ICV Strategy.

DAI is also partnering with an Omani conglomerate to design and implement its 2020 corporate social investment initiative, which is intended to nurture a passion for science, technology, engineering, art, and mathematics (STEAM) among Omani youth and to support Oman’s next generation of STEAM innovators and leaders. Working with industry-leading technology vendors to create a tailored curriculum, DAI will manage STEAM Centers that serve schools and children throughout the Sultanate.

In 2019, Petroleum Development Oman (PDO) selected DAI to develop the first phase of a multisector in-country value strategy for Oman. Pictured at the signing ceremony in Muscat, Oman, is DAI's Jean Gilson, Senior Vice President for Global Strategy (center), shaking hands with Abdul Amir al Ajmi, PDO's Director for External Affairs and Value Creation.



10 REDUCED INEQUALITIES



ETHIOPIA

CREATING JOBS AND REDUCING INEQUALITY

Enterprise Partners is a DFID project that promotes sustainable and inclusive growth in Ethiopia. It identifies key constraints to job creation and income growth and develops socially and environmentally responsible strategies to tackle these constraints and reduce inequalities in income and opportunity.

The planned impact is to create 45,000 jobs (75 percent for women) and increase incomes for 65,000 poor households.

Among its activities, Enterprise Partners is facilitating access to finance for micro, small, and medium-sized enterprises (MSMEs), directly benefitting 11,000 MSMEs; supporting sustainable cotton and textile production, and linkages with the manufacturing industry; addressing competitiveness challenges in the leather sector; expanding access to improved inputs and good agronomic practices for fruit and vegetable farmers; and addressing labor market constraints in Ethiopia's booming industrial parks.

In its advocacy work, Enterprise Partners has helped to change 10 rules and regulations in favor of access to markets, access to finance, and job creation. It has directly linked 20,000 workers to employment—90 percent of them women—thereby increasing their income, expanding their opportunities, and helping to reduce inequality. Enterprise Partners has facilitated \$21 million in sales and \$245 million in investment by promoting high-value business models premised on corporate social responsibility and better business relations among industry actors and government.

IMPACT



\$21M
in sales and
\$245M
in investment

facilitated by promoting high-value business models premised on corporate social responsibility and better business relations among industry actors and government



10
RULES AND REGULATIONS CHANGED

in favor of access to markets, access to finance, and job creation



20,000

WORKERS



directly linked to employment (90% of them women), increasing their income, expanding their opportunities, and helping to reduce inequality



11,000

MSMES

with access to finance



11 SUSTAINABLE CITIES AND COMMUNITIES



INDONESIA

TACKLING THE SAFE WATER AND SANITATION CHALLENGE IN CITIES

Better management of urban growth will be crucial to guarantee sustainable cities. It is not uncommon for citizens in and around Indonesia's major cities to spend up to two hours a day transporting expensive water to their homes for drinking and cooking. In addition, a lack of sewage and wastewater infrastructure in many densely populated, low-income areas leads to tainted ground and surface water, creating serious health risks from waterborne diseases.

USAID's Indonesia Urban Water, Sanitation and Hygiene—Penyehatan Lingkungan untuk Semua, or Environmental Health for All, (IUWASH PLUS) project and its predecessor, IUWASH, have brought reliable water supply to more than 3 million people and safely managed sanitation services to more 230,000 city dwellers. The IUWASH PLUS team works with civil society groups and local governments to mobilize demand for improved drinking water and sanitation services, as well as to build the capacity of private businesses, utilities, and national programs to provide these services in a fair and sustainable fashion.



PHOTOS COURTESY: USAID
INDONESIA IUWASH PROJECT

IMPACT



More than

183,000
PEOPLE



(37 percent of
them women)
benefitted

from project training and
capacity building activities

Improved sanitation
facilities for

360,000
PEOPLE



Provided basic
sanitation facilities to

27,500
POOR PEOPLE



3,700

INFILTRATION PONDS

built to recharge
groundwater supply and
mitigate the effects of
climate change

REDUCED WATER COSTS
FOR LOW-INCOME
HOUSEHOLDS BY



57%

\$100M

LEVERAGED



from public
budgets and
private partnership
investment to support
water supply and sanitation
services

Strengthened the capacity
of more than

60

LOCAL
GOVERNMENT
INSTITUTIONS



(water supply and
wastewater operators)
to serve vulnerable
populations in 66 cities



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



LIBERIA

PROMOTING RESPONSIBLE FOREST MANAGEMENT

The EU's Forest Law Enforcement, Governance, and Trade (FLEGT) Action Plan was established in 2003 to reduce illegal logging by strengthening sustainable and legal forest management, improving governance, and promoting trade in legal timber.

In West Africa, Liberia contains more than half of the region's remaining rainforest, covering more than 40 percent of the country—some 4.3 million hectares. Support to the implementation of the FLEGT Voluntary Partnership Agreement (FLEGT VPA) has helped to align Liberia's government, private sector, and forest communities around responsible forest management.

Funded by DFID, the EU, and the Norwegian Government, this DAI-led assistance is increasing the value of traded timber products, strengthening forest law enforcement and governance, and promoting more equitable sharing of forest benefits.



PHOTOS COURTESY: DFID FLEGT VPA PROGRAMME

IMPACT



REVISED THE
CODE OF FOREST
HARVESTING
PRACTICES



Enabled the
Forestry
Development
Authority to

DEVELOP ACCURATE
MAPS FOR SUSTAINABLE
RESOURCE
MANAGEMENT



Ensured that
\$1M
OF TAXES
GENERATED
FROM TIMBER
EXTRACTION

was shared with forest
communities through the
re-establishment of the
Benefit Sharing Trust

BUILT CAPACITY
IN THE VPA



and further
transferred its
responsibility from donors
to the Government of
Liberia



ESTABLISHED
THE LIBERIA
TIMBER
ASSOCIATION
SECRETARIAT

to promote private sector
engagement in the VPA



SUPPORTED
PRIVATE
SECTOR
OPERATORS

to understand the
improved regulatory
environment and how
compliance can facilitate
access to European
timber markets

SUPPORTED
LIBERIA'S
FORESTRY
DEVELOPMENT
AUTHORITY



in coordination and
cooperation between
support projects,
stakeholders, and funders

ESTABLISHED
THE NGO
COALITION
SECRETARIAT



to provide civil society
with representation in
the VPA process



PHOTOS COURTESY: DFID FLEGT VPA PROGRAMME

13 CLIMATE ACTION



INDONESIA

PROMOTING RESILIENCE TO CLIMATE CHANGE

Adaptasi Perubahan Iklim dan Ketangguhan (APIK), or Climate Change Adaption and Resilience, marks USAID's first project focusing exclusively on climate change adaptation in Indonesia, the world's fourth-most populous country.

APIK works at the national level and in three provinces—East Java, Southeast Sulawesi, and Maluku—selected because they represent distinct landscapes that are common across Indonesia, specifically a large watershed, coastal areas, and small islands. APIK has developed resilience building strategies in these areas in partnership with government, research institutions, businesses, and communities that may be replicated across the country.

Together, these APIK activities are building the capacity of local communities and the private sector to address climate change and weather-related hazards, and support information for climate and disaster risk management.



PHOTOS COURTESY: DAI STAFF

IMPACT



MORE THAN

100

LAWS, POLICIES,
REGULATIONS, OR
STANDARDS

addressing climate change adaptation formally proposed, adopted, or implemented; more than 110 institutions improved capacity to assess or address climate risks

LEVERAGING
NATIONAL
GOVERNMENT
RESOURCES,

local administrations are investing in coastal protection activities (seawalls and mangrove reforestation), flood early warning systems, improved mapping and use of drone technology, and training and disaster simulations



36,100

PEOPLE SUPPORTED
TO ADAPT TO THE
EFFECTS OF CLIMATE
CHANGE OR BE MORE
RESILIENT TO NATURAL
DISASTERS,

including 13,400 women;
2,700 people using climate
information or implementing
risk-reducing actions
to improve resilience to
climate change



MORE THAN
16,000

PEOPLE TRAINED IN
CLIMATE CHANGE
ADAPTATION OR
DISASTER RISK
REDUCTION AND
WATER RESOURCE
MANAGEMENT,

with 5,500-plus
demonstrating increased
capacity; \$3.6 million
mobilized for climate
change or disaster risk
reduction as supported by
APIK activities



PHOTOS COURTESY: DAI STAFF



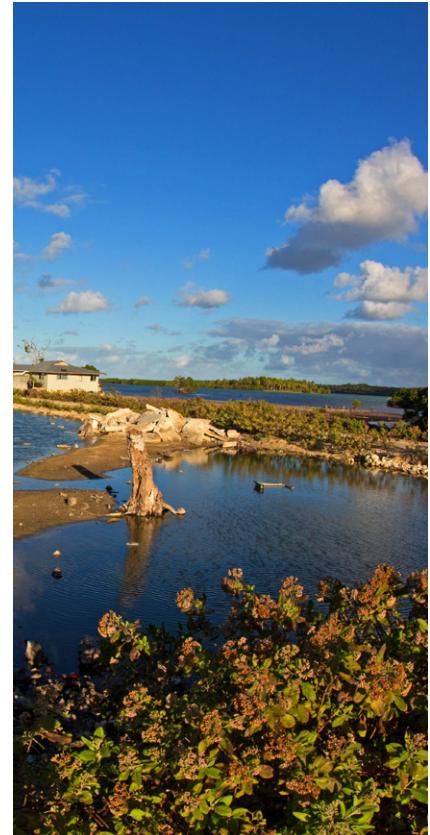
GLOBAL

SUPPORTING RESEARCH IN COASTAL CONSERVATION AND FISHERIES MANAGEMENT

USAID's Biodiversity Results and Integrated Development Gains Enhanced (BRIDGE) program integrates biodiversity conservation into development programming. One aspect of this work is developing approaches to sound coastal conservation in a way that benefits coastal populations. Much of the BRIDGE team's research and advocacy addresses fisheries management. Among the program's recent contributions:

- A report that explores the role of small-scale fisheries in East and West Africa's food security, resilience, and nutrition, and presents potential interventions to improve the livelihoods and food security of hundreds of millions of Africans who depend on wild fish for nourishment and income.
- A political economy analysis—"Advancing Reforms to Promote Sustainable Management of Ghana's Small Pelagic Fisheries"—that identifies the factors driving key actors in Ghana's fishing sector.
- An evidence summary—"Ecosystem-Based Adaptation and Coastal Populations"—that highlights approaches to help coastal populations build resilience to climate change, including by establishing and managing protected areas, effective coastal land-use planning, ecosystem restoration, and sustainable fisheries management.

- An ecosystem-based adaptation case study—“Restoring Coral Reefs in the Face of Climate Change in the Seychelles”—highlighting USAID Southern Africa’s Reef Rescuers project to restore damaged coral reefs and reduce the vulnerability of coastal communities to sea-level rise and extreme weather events.
- Startup assistance for USAID Senegal’s Feed the Future Fisheries, Biodiversity, and Livelihoods program, including a political economy analysis that will help the project think and work in politically sensitive and effective ways.



PHOTOS COURTESY USAID SOUTH PACIFIC ISLANDS COASTAL COMMUNITY ADAPTATION PROJECT

15 LIFE ON LAND



Three years of participatory land use planning have succeeded in placing nearly 500,000 hectares of biologically significant areas under improved management.

PHILIPPINES

PROTECTING ECOSYSTEMS AND THE WILDLIFE THAT DEPEND ON THEM

Home to 1,100 terrestrial vertebrates and 5 percent of the world's flora, the Philippines face mounting pressure from land conversion for agriculture and settlements, illegal harvesting and trafficking, and destructive mining and quarrying. The USAID Protect Wildlife project works with Filipino natural resource management officials to reduce threats to biodiversity, combat poaching, reduce the use of illegally harvested wildlife products, and promote free-flowing ecosystem services across 1.1 million hectares of the Philippines' most biologically significant protected areas.

The centerpiece of the Protect Wildlife strategy is the comprehensive land use plan. With local stakeholders, Protect Wildlife reviews local and national policy, current land-use data, and community mapping to establish formal land-use allocation (zoning) in public and ancestral domain areas. Three years of participatory land use planning have succeeded in placing nearly 500,000 hectares of biologically significant areas under improved management.



◆ Farmers in Bataraza, southern Palawan, Philippines. Bataraza is a municipality in the foothills of the Mt. Mantalingahan Protected Landscape. Covering 120,457 hectares of forest, this protected area serves as the headwater of 33 watersheds home to many endangered species. Protect Wildlife is training indigenous farmers in conservation agriculture, expanding their access to credit, and fostering linkages to market so they won't need to expand their slash-and-burn areas or resort to wildlife poaching to make ends meet.

IMPACT



PAYMENT FOR ECOSYSTEM SERVICES (PES)

Partnering with 85 private sector entities, local governments, and utilities to launch or strengthen PES schemes that provide incentives for farmers or landowners to manage their land more sustainably. To date, project-supported PES schemes have generated more than \$400,000 for conservation and social service initiatives.

CONSERVATION FINANCE



Securing private sector commitments valued at \$7 million to promote environmentally sustainable livelihood opportunities through improved access to credit, organizational development, conservation agriculture training, and stronger access to markets.

UPDATING UNIVERSITY CURRICULA

Enhancing criminology curricula by adding new environmental law and protection coursework to the standard curriculum.



STRONGER ENFORCEMENT

Training and facilitating the deputation of 77 local government and 267 community-based wildlife enforcement officers who enforce zoning regimes and environmental and wildlife law. The project also facilitated passage of 20 new or revised laws and regulations to combat wildlife crimes and strengthen environmental management.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



HONDURAS

STRENGTHENING THE JUSTICE SYSTEM

In Honduras, USAID's Unidos por la Justicia (United for Justice) project is strengthening the justice systems on which communities rely. Unidos-supported community-based policing is rebuilding relationships between law enforcement and people who live in high-crime hotspots. More broadly, the team is helping to improve key operational aspects of the justice system in target cities, with potential for nationwide replication.



PHOTO COURTESY: USAID HONDURAS UNITED FOR JUSTICE PROJECT

ACCESS TO
JUSTICE AND
CIVIL SOCIETY
SUPPORT

23
CSOs
TRAINED

to detect corruption; 48 CSOs to conduct oversight in security, justice, and human rights; and 38 CSOs in crime data analysis and citizen security

INSTITUTIONAL
REFORM

 **REBUILT THE CITIES' REGIONAL INSTITUTIONAL CRIMINAL JUSTICE SUB COMMISSIONS,**
where police, prosecutors, and judges convene to improve local administration of justice

 **625**
VULNERABLE INDIVIDUALS

provided with psychological support and legal counsel via civil society organizations (CSOs) empowered by Unidos

 **SUPPORTED THE ADOPTION OF DIGITAL CASE FILES**

to improve efficiency and transparency in a national criminal justice system that handles 125,000 cases annually

 **INSTALLED FACIAL RECOGNITION AND FINGERPRINT SYSTEMS**

to speed up positive identification

COMMUNITY
POLICING ▼

270

NATIONAL POLICE COMMUNITY ACTIVITIES SUPPORTED

that attracted 44,000 residents of 29 high-crime barrios, and produced a curriculum to be instituted by the National Police Academy



PROTECTING
▼ WOMEN



HELPED THE NATIONAL POLICE DEVELOP A GENDER POLICY



DESIGNED TRAINING TO SUPPORT FEMALE SURVIVORS OF VIOLENCE

now incorporated into National Police Academy coursework

 **UPGRADED SYSTEMS**
at the Ministry of Human Rights, Attorney General's and Public Defender's Offices, and Judicial School

 **FACILITATED A NETWORK OF 215**
volunteers in four cities to advise female victims of violence

17 PARTNERSHIPS FOR THE GOALS



GLOBAL

USHERING IN A NEW ERA OF DEVELOPMENT PARTNERSHIPS

USAID's Center for Development Innovation (CDI) was tasked with sparking international cooperation among businesses, academia, philanthropists, innovators, inventors, and entrepreneurs interested in tackling global development challenges.

In 2014, CDI hired DAI to facilitate such partnerships on behalf of USAID's operating units and help USAID build a strong foundation for a new era of enterprise-driven development and self-reliance.

Under the CDI contract, which came to a close in 2019, DAI succeeded in helping USAID mainstream innovation and inclusivity.



24
USAID
OPERATING UNITS
assisted to create
more inclusive
workstreams,
including by
recruiting new
partners



63
FIRMS
supported to
engage with
USAID—many for
the first time—
and contribute
to the agency's
programming



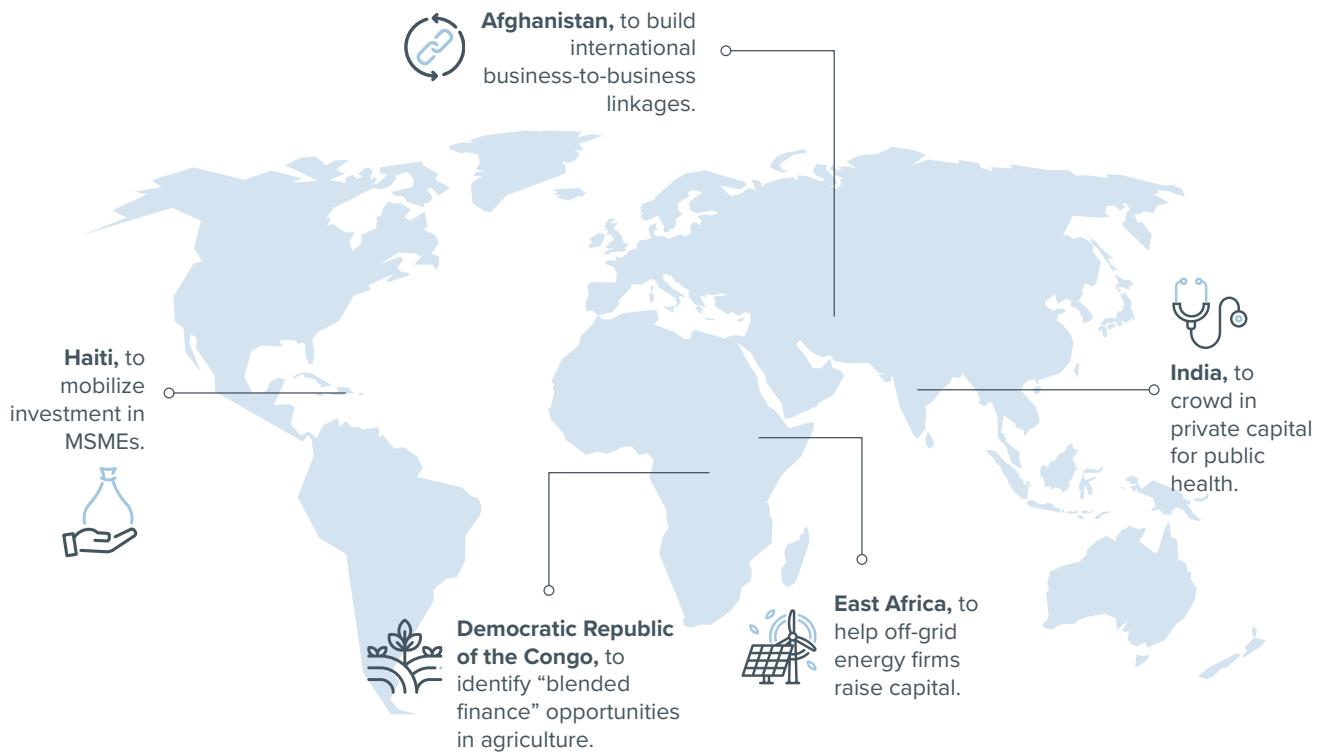
12
CHALLENGE
INITIATIVES
supported,
which attracted
thousands
of entrants
globally with
proposals
to address
literacy,
maternal
health, off-grid
energy, and
other needs

ASSISTED THE U.S. GLOBAL
DEVELOPMENT LAB



to accelerate the work of 26 innovators

In the spirit of SDG 17, the new USAID INVEST initiative was launched to mobilize private capital and align private investment with USAID's sustainable development mission. Implemented by DAI and led by the same DAI/CDI management team, INVEST in its first two years has built a partner network of 200 firms working at the intersection of investment and development. Through INVEST, USAID draws on this pool of technical expertise to execute on investment opportunities around the world, including in:



UN GLOBAL COMPACT

How DAI Embraces the 10 Principles



“If we do not get things right on safeguarding, and ensure the protection of the most vulnerable, then we fail in our ultimate goal to support the world’s poorest and jeopardize all the positive work aid does.”

—Alok Sharma, DFID Secretary of State

DAI'S NEW GLOBAL DIRECTOR OF SAFEGUARDING

In 2019, DAI appointed Sarah Maguire to a newly created position as Global Director of Safeguarding.

Charged with upholding DAI's culture of zero tolerance for sexual abuse and harassment, the Global Director of Safeguarding ensures that DAI staff can readily raise issues of sexual abuse and do so confident in the expectation that DAI will listen with sensitivity and discretion, investigate allegations promptly and fairly, protect the complainant from repercussions or retaliation, and take decisive action to address any wrongdoing.

A qualified barrister and a former Senior Human Rights Adviser for DFID, Maguire is well versed in the issues of safeguarding, sexual abuse, and harassment. She presented on safeguarding at DFID's suppliers conference in September 2019, for example, and contributed substantially to DFID's October 2019 report, *Safeguarding in the Aid Sector*.

Maguire—who has led human rights and justice sector programs for DAI in Kenya, Pakistan, and Sierra Leone—also served as lead author on ActionAid UK's April 2019 positioning paper on violence against women and girls. *The Justice Deficit: A Global Overview* aims to deepen and develop global positions, policy, and advocacy work on violence against women and girls, and offers policy recommendations for national governments and international donors. It focuses on the role played by the justice system in preventing and responding to this prevalent form of human rights abuse.

Safeguarding is of the highest priority for DAI. As DFID Secretary of State Alok Sharma said in introducing his department's October report, "If we do not get things right on safeguarding, and ensure the protection of the most vulnerable, then we fail in our ultimate goal to support the world's poorest and jeopardize all the positive work aid does."



HUMAN RIGHTS

PRINCIPLE 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2:

Make sure that they are not complicit in human rights abuses.

DAI treats all human beings with dignity, fairness, and respect, and upholds these fundamental human rights both in the workplace and through its work in the international development sector. Our commitments to ethical integrity in all phases of our business are laid out in the DAI *Code of Business Conduct and Ethics*, available on dai.com.

DAI is committed to providing an inclusive workplace that embraces and promotes diversity and equal opportunity. For instance, we have in place a Governing Policy on Child Safeguarding Standards that honors the inherent dignity of children and enforces the core principles set forth in USAID's Child Safeguarding Standards and the International Standards for Child Protection.

In addition, DAI is conscious about the choice of our partners globally and engages only with vendors, suppliers, consultants, subcontractors, grantees, and clients who operate in compliance with human rights laws and in accord with DAI's *Code*.

DAI fully supports the prevention and prohibition of human trafficking and forced labor, and complies with U.S. and U.K. government laws and regulations as well as cooperating country laws and regulations around the world to prevent modern slavery, human trafficking, and forced or child labor. This compliance and commitment is also a pre-requisite of any subcontract or partnership into which DAI may enter. Furthermore, our employees and consultants are duty-bound to report any instances of child labor and human trafficking we may encounter in our work across the globe.

Among various project-level initiatives on human rights, DAI was contracted in 2019 to perform the **Final Evaluation of Human Rights Programmes in Georgia** by the European Union, under its Services for the Implementation of External Aid Framework Lot 3: Human Rights, Democracy, and Peace. The evaluation will assess the Support to the Public Defender's Office II, Human Rights for All, and Civil Society Facility projects, which are in turn part of Georgia's National Human Rights Strategy and Action Plan.

For USAID, our **ASEAN Partnership for Regional Optimization with the Political-Security and Socio-Cultural Communities** (PROSPECT) project supported activities in 2019 with the ASEAN Inter-governmental Commission on Human Rights, sponsoring an annual debate competition that encourages youth from across ASEAN to engage with each other and their ASEAN representatives on human rights issues; and with the ASEAN University Network for Human Rights Education, supporting the network to launch its study, *Remapping and Analysis of Human Rights and Peace Education in ASEAN/Southeast Asia*, and identifying opportunities to strengthen human rights education in the region.

In 2019, through USAID's **Honduras Unidos por la Justicia (United for Justice)**, DAI assisted human rights defenders to improve reporting and investigation of human rights violations; provided 25 grants to local organizations to strengthen the rights of vulnerable populations; and supported internships for at-risk youth. Unidos also provides institutional strengthening to the Public Prosecutor's office and the Office of the Special Prosecutor for Human Rights to streamline the handling of human rights cases and is developing web-based tools to support data collection by the Human Rights Observatory. Created by the Ministry of Human Rights, the observatory will function as an early warning system for social conflicts related to civil, cultural, social, economic, environmental, and political rights, especially those of vulnerable groups. Also, Unidos provided training on human rights to 90 business leaders and worked on the development of a human rights policy for businesses.



PHOTOS COURTESY: USAID
HONDURAS UNIDOS PROJECT

MEASURING OUTCOMES

DAI has engaged in no human rights abuses and has no outstanding allegations.

LABOR

PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4:

The elimination of all forms of forced and compulsory labor;

PRINCIPLE 5:

The effective abolition of child labor; and

PRINCIPLE 6:

The elimination of discrimination in respect of employment and occupation.

DAI is wholly owned by its global corporate employees. In 2016, the Global Equity Organization presented DAI with its award for Best Use of a Share Plan in a Private Company, praising DAI for having “raised the bar in achieving its corporate objectives and inclusively engaging its workforce as owners.”

DAI is opposed to all forms of forced and child labor. Among the activities DAI implemented in 2019, the **Market Development in the Niger Delta** project, funded by DFID, is connecting vulnerable populations susceptible to human trafficking in Edo State with desirable jobs at home, and working to reduce the number of Nigerian migrants who get trapped in modern slavery.

For USAID, the ASEAN **PROSPECT** project assisted the ASEAN Commission on the Promotion and Protection of the Rights of Women and Children to develop and launch *Regional Guidelines and Procedures to Address the Needs of Victims of Trafficking* and a complementary *Model Implementation Toolkit for Practitioners* working across ASEAN countries.



PHOTO COURTESY: DAI STAFF



DAI is an equal opportunity/affirmative action employer with a commitment to diversity. All qualified applicants receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. DAI seeks to recruit a diverse workforce and we are committed to maintaining a work environment where all employees feel respected, valued, and free of harassment. The safety and security of our employees and affiliates are our top priorities.

MEASURING OUTCOMES

Every year DAI builds an affirmative action plan that includes the following processes:

Outreach: DAI representatives attend career fairs and establish relationships with universities and community-based organizations to attract qualified female, minority, veteran, and disabled candidates.

Workforce Analysis: DAI compares its workforce composition by race and gender to census data to determine if women and/or minorities are under-represented and develops programs to improve representation of qualified women and minorities.

Personnel Action Analysis: DAI analyzes its hires, promotions, and terminations to determine whether one or more groups are adversely affected by existing processes. Where potential adverse actions are identified, the Human Resources department investigates and recommends corrective action.

Compensation Analysis: DAI conducts a statistical analysis of employee compensation by race and gender, and the Human Resources department recommends corrective action where necessary.

In the United States, DAI's affirmative action plan was most recently audited by the Department of Labor in 2014, with no violations found.

ENVIRONMENT

PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8:

Undertake initiatives to promote greater environmental responsibility; and

PRINCIPLE 9:

Encourage the development and diffusion of environmentally friendly technologies.

DAI is committed to ensuring environmental sustainability and integrating the principles of sustainable development in all its projects. DAI works to support equitable management of biodiversity and ecosystems, improve access to safe water and sanitation, and build climate change resilience and mitigation. DAI is committed to complying with all applicable environmental laws, rules, and regulations.

In 2019, DAI was proud to be awarded projects by a wide range of clients committed to supporting sustainable development and protecting the environment:

- For the EC, DAI was selected to implement its **Technical Assistance for Renewable Natural Resources and Climate Change Response** program in Bhutan.
- In nearby Nepal, DFID contracted DAI to manage its **Renewable Energy Programme**, which is building government capacity to lead the National Small-Scale Renewable Energy Framework.
- The U.K. Foreign and Commonwealth Office awarded DAI a contract to implement its **Mexico Energy Services Programme**, which promotes energy-driven low-carbon growth in Mexico.
- The EBRD selected DAI to manage new **Green Economy Financing Facilities** in Morocco and Tunisia; these facilities oversee credit lines of €160 million and €130 million, respectively, for on-lending to banks and private sector sub-borrowers for investment in technologies and services that support the transition to a green economy.
- For Agence Française de Développement, DAI will help design a project called **Building Regional Resilience through Strengthened Meteorological, Hydrological, and Climate Services** in the Indian Ocean Commission member countries—to be submitted for funding consideration by the Green Climate Fund.
- And for USAID, DAI is implementing the **Peru Combating Environmental Crimes** project to help Peruvian institutions and actors more effectively manage the country's natural resources for future generations.



PHOTO COURTESY: USAID
HONDURAS PROPARQUE PROJECT



PHOTO COURTESY: DAI STAFF



PHOTO COURTESY: DOMINIC CHAVEZ,
INTERNATIONAL FINANCE CORPS

MEASURING OUTCOMES

Since 2016, in its U.S. Government project work, DAI has supported the improvement of 268,000 hectares of land through better natural resource management and through biodiversity and wildlife conservation. Our work has reduced greenhouse gas emissions by more than 35,000 metric tons of CO₂ in the past two years, in addition to mobilizing \$3.25 million in private investment toward greenhouse gas reduction or reversal.

DRIVING ENVIRONMENTAL SUSTAINABILITY BY CERTIFYING LAND RIGHTS IN ETHIOPIA

PHOTO COURTESY DFID LIFT PROJECT

In Ethiopia, DFID's **Land Investment for Transformation** (LIFT) project is improving the incomes of the rural poor by helping to certify their land rights, improving rural land administration, and increasing land productivity.

Crucially, LIFT simultaneously promotes environmental sustainability because a key outcome of better tenure security—evidenced across several countries—is that smallholders with secure stakes in their land are more likely to invest in it, particularly through long-term, more sustainable agricultural investments such as perennial crops and trees, which boost the long-term fertility of the soil. Taking a market systems approach, LIFT accelerates and amplifies the investment-boosting effect of land certification, focusing on three sectors:





Environment and Conservation Agriculture

Too often, agricultural inputs used by Ethiopian smallholders are minimally traceable, poor in quality, and environmentally harmful.

Through a LIFT-facilitated input distribution model, farmers looking to invest in their land are now accessing more environmentally friendly, high-quality, and affordable inputs such as organic fertilizers, biopesticides, biofertilizers, and improved vegetable seeds. The result: productivity increases of 45 percent or more for 40,000 households.

LIFT also promotes good agricultural practices such as integrated soil fertility management, which optimizes nutrient and water use while boosting productivity.



Access to Finance

Using their new land certificate as a guarantee, more than 10,000 households have been able to access credit to invest in their land—achieving average yield increases of 33 percent. Facilitated by LIFT, this newly available credit allows farmers to invest in environmentally friendly inputs, as noted above, replenishing rather than depleting soil nutrients and breaking the cycle of soil depletion.

Many loan clients use their new credit to invest in livestock, an asset that fosters resilience against all types of shocks, including climate shocks. Some farmers are also investing in off-farm businesses and diversifying their income, which also increases their resilience to climate change and other factors. Finally, LIFT's microinsurance product helps farmers mitigate climate risks to their investments, further improving their climate adaptation abilities.



Rural Land Rentals

Equipped with land certificates, landholders can now engage in a formal land rental market with legally recognized contracts and land rental service providers that offer market information and facilitate transactions. The active market leads to a more efficient allocation of land; indeed, land rented out through the formal system shows an average yield increase of 36 percent.

With secure title, approximately 10,000 households have been emboldened to participate in the market for the first time, bringing once fallow or underutilized property into efficient agricultural production, and replenishing soil nutrients through the use of better-grade inputs.



ANTI-CORRUPTION

PRINCIPLE 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

DAI has an uncompromising commitment to ethical behavior. DAI's policies, procedures, and professional management of staff are designed to minimize vulnerability to fraud in financial transactions, reporting results, grant awards, and the procurement of goods and services. DAI holds itself accountable to stringent standards enshrined in the U.K. Bribery Act (UKBA) across all projects and activities.

All DAI staff must complete mandatory annual training on ethics and provide a written certification that they have reviewed, understood, and agree to comply with DAI's Code. DAI has an ethics hotline where staff can anonymously report suspected violations and a strict non-retaliation policy against anyone who makes a good-faith report of ethics or compliance concerns. Additionally, DAI publishes a regular newsletter on ethics quoting encountered and adapted case studies from our collective experiences to enhance our learning across the globe.

DAI's Ethics and Compliance Officers monitor ethical issues and their timely resolution. An analysis of this information is provided to the Global Ethics and Compliance Committee, which responds to changing vulnerabilities and trends through updates to training, communications, policies, and practices. The Chief Ethics and Compliance Officer reports regularly to DAI's Board.

Among DAI's various field activities to combat corruption in 2019 are USAID projects active in Guatemala, Kosovo, Ukraine, and Sri Lanka:

- In **Guatemala**, the Fiscal and Procurement Reform Project has helped the government launch its general registry of government providers (RGAE), which pre-qualifies persons and firms to provide goods, services, and infrastructure to the Government of Guatemala. The RGAE upholds international standards of legal and technical registration, and reduces opportunities for fictitious persons and firms to bid on government contracts. In the first nine months of implementation, the RGAE saw a nearly eight-fold increase in registered providers.
- Similarly, the Transparent, Effective, and Accountable Municipalities (TEAM) Activity helped the Government of **Kosovo** shift in 2019 from manual, paper-based procurement to a fully electronic process. Requiring all companies to submit their bids online brings transparency to public procurement. Previously, citizens, civil society organizations, and watchdog groups had difficulty accessing contracts for public works, services, or goods, but in 2019 TEAM helped the government amend legislation requiring all contracting authorities to publish pdf scans of their contracts on the e-Procurement platform. Today, more than 12,000 public contracts are available to citizens online.

- In 2019, the Financial Sector Transformation project was instrumental in the adoption of two financial sector laws that will have a fundamental impact on anti-corruption efforts in **Ukraine**. The Base Erosion and Profit Shifting law removes loopholes in international tax regulation that allow companies to conceal their profits and avoid taxation through moving them into low-tax countries. The Anti-Money Laundering law introduces a new risk-based approach to combat money laundering, increases penalties and executive discretion to level fines and open investigations, and achieves compatibility with Financial Action Task Force recommendations and European Directives on money laundering. Both laws are expected to be passed by Parliament by the end of 2019.
- In response to the UN Convention against Corruption, the Strengthening Democratic Governance and Accountability Project (SDGAP) worked with **Sri Lanka's** Commission to Investigate Allegations of Bribery or Corruption (CIABOC) to develop a policy that informs the *National Action Plan for Combating Bribery and Corruption*. The consultative process spanned nine months across all nine provinces of Sri Lanka, culminating in a launch of the plan attended by 1,000 senior-level partners. SDGAP also supported CIABOC in drafting a consolidated law addressing bribery, corruption, and asset declaration.

MEASURING OUTCOMES

DAI's Global Ethics and Compliance Database consistently shows timely notification to clients of credible evidence of corruption, bribery, and conflicts of interest, as well as timely closure of investigations. As of December 2019, DAI has confirmed no violations of the UKBA in 2019.

DAI annual ethics and compliance training continues to reach practically all employees around the world. Employee surveys indicate sustained high levels of willingness to report allegations and concerns.



PHOTOS COURTESY:USAID KOSOVO TEAM PROJECT

 In November 2019, USAID Administrator Mark Green (right) visited the Municipality of Pristina Procurement Office in Kosovo to discuss developments in procurement and transparency facilitated by the Agency's Transparent, Effective, and Accountable Municipalities activity, which is implemented by DAI.

SHAPING A MORE LIVABLE WORLD.



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