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POLICY BRIEF

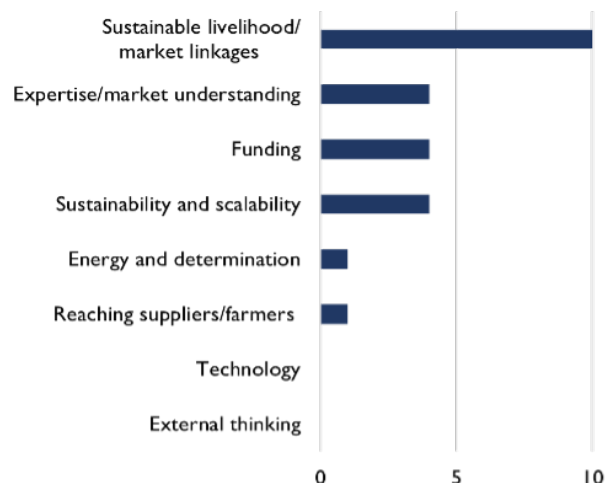
# HEARTH Private Sector Engagement

## *The Case for Working with the Private Sector on Multisectoral Conservation Programs*

PHOTO CREDIT: USAID ILRG

### The Value-Add of the Private Sector Towards Conservation Goals

The private sector provides a wide range of additional value to multisectoral conservation programming (Figure 1). This includes increased engagement of communities in sustainable livelihood activities, enhanced market and technical expertise related to sustainable production techniques, additional funding, and increased long-term sustainability and scalability of activities. In the agricultural sector, private sector partners enable programs to reach a wider network of farmer organizations, reach consumers for education, and access price premiums as technology adoption incentives. Supporting communities to develop alternative or diversified income sources can reduce pressure on natural resource dependence. In addition, partnerships between the United States Agency for International Development (USAID) and larger private sector partners strengthen legitimacy on both sides.



**Figure 1:** Value-add of Private Sector Most Mentioned by Non-Private Sector Partners

## Motivations of the Private Sector to Engage in Conservation

While USAID and its traditional implementation partners, such as conservation non-governmental organizations (NGOs), tend to view private companies as motivated largely by profit, private sector partners cite a wide range of other motivations for companies to engage in conservation projects. These include **stability** (lending stability, reputational benefits working in poor business regulatory environments, and facilitating operations in remote areas with poor governance); **altruism** (the pursuit of social and environmental goals); and **asymmetry** (intent to leverage the private sector ecosystem to gain a competitive advantage over resources/competitors) (Figure 2). Private sector respondents perceive that profit and environmental and social objectives are not antagonistic to each other. These objectives can also be integral to companies' competitiveness by fostering innovation to develop specialty products.

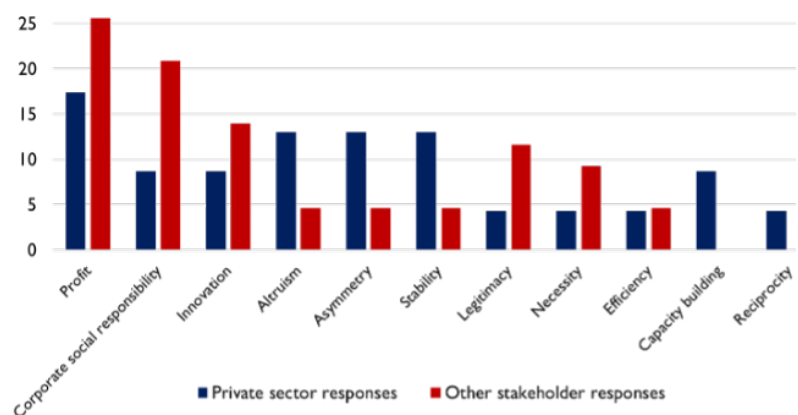
## Potential of HEARTH's Multisectoral Impact (1+1=3)

Respondents agree that the potential impact of public-private partnerships is greater than what each sector can achieve alone. The [USAID Global Development Alliance](#) mechanism doubles program funding, and each partner adds unique value to multisectoral programming, enabling programs to address conservation more effectively through a landscape approach, while enlarging activity impact to improve community livelihood and health outcomes. However, the ability of activities to reach the maximum impact hinges on the success of the partnerships, which according to HEARTH stakeholders, rely on the alignment between partners in five key areas: interests, operations, values and mission, program expectations, and trust and communication. Through co-creation and adaptive management, USAID implementers and private sector partners can both ensure continued alignment and mutual benefits.

## ABOUT THIS RESEARCH

USAID's Health, Ecosystems, and Agriculture for Resilient, Thriving Societies (HEARTH) activity portfolio engages private sector partners to collaboratively implement integrated sustainable development activities that conserve high-biodiversity landscapes and improve the well-being and prosperity of communities that depend on these landscapes.

In 2023, to build on the knowledge of [USAID's Private Sector Engagement \(PSE\) Hub](#) and understand stakeholder perspectives on private sector collaboration, USAID initiated research that included a series of interviews with 30 HEARTH stakeholders across USAID Washington (9) and Missions (7), private sector partners (6), and other traditional implementing partners (8) associated with 11 HEARTH activities. The interviews covered topics ranging from partners' motivation to engage in public-private partnerships; the added-value of cross-sectoral stakeholders during implementation; enabling conditions and barriers to successful partnerships; and feedback on USAID's co-creation process. The research team coded the interviews according to the [PSE framework](#) and partnership [dictionary](#) developed by Long-term Assistance and Services for Research (LASER) Partners for University-Led Solutions Engine (PULSE) for USAID's PSE Hub. USAID will hold a second round of interviews in 2025 to gather further insights on program implementation.



**Figure 2:** Percentage of Respondents Referencing Private Sector Motivating Values for Partnership