GFSS Technical Guidance
Objective 1: Inclusive and Sustainable Agricultural-Led Economic Growth

This is one of 18 technical guidance documents for implementing the U.S. Government's Global Food Security Strategy. The entire set of documents can be found at www.feedthefuture.gov and www.agrilinks.org.

Introduction

The mandate of the U.S. Government's Global Food Security Strategy (GFSS) builds on the ambitions, lessons learned, and successes of Feed the Future's first six years: in addition to focusing investments in specific geographic areas, it commits the U.S. Government (USG) and implementing partners to contribute to partner countries' national goals for reducing poverty, hunger, and malnutrition, including through facilitation of inclusive agriculture-led growth and transformation across the country and supporting that growth in a way that builds sustainable agriculture and food systems.

In development contexts, agricultural growth has been shown to be the most effective growth for reducing poverty through direct and indirect pathways.[1] It generates income and demand for locally produced goods and services and also makes food more affordable. The poor are especially well positioned to benefit from both of these effects. Inclusive agricultural growth seeks to emphasize the benefits of investment and productivity gains in ways that target low-income people in particular, thus leading to gains in terms of reductions in poverty and undernutrition and gains in resilience.

Principles Guiding Program Design and USG Engagement

Vision/Endpoint: Aim for agricultural growth that is inclusive and sustainable: Facilitating inclusive and sustainable agricultural growth lifts people out of extreme poverty and hunger, giving them the ability to move beyond subsistence and engage in their local, national, and/or global economies. All partners and collaborators need to focus their efforts towards this objective.

Partnering and leveraging to catalyze systemic change and productivity growth: Feed the Future resources alone cannot achieve the outputs and outcomes required to accelerate agricultural growth, but they can catalyze a much wider array of actors and investments which together can affect the systemic changes needed to increase the growth rate.[2] Only by leveraging a range of public and private actors can the investments, policy changes, productivity gains, and market connections required for faster growth be achieved.

Productivity gains are essential to inclusive agricultural growth: Productivity gains come from many sources — higher yields, resource use efficiency, market efficiency, and value addition are especially important in agriculture and food systems. The key to driving growth is building linkages that span producers, transporters, processors, and others to meet market demand. In many countries, yields must be increased in order to fuel the value chain. However, yield gains can only support economic growth when the market system is well-functioning. Thus it is essential that the program analysis and planning encompass the full value chain and underlying market system. A focus on systems and national growth should not divert from the fundamental fact that agricultural growth is the growth in value and productivity of farm, livestock, and fish output.

Facilitative approaches are essential to sustainability: Feed the Future partners should enter the market only as a last resort with a clear exit strategy. Programs are most effective and sustainable when interventions facilitate the actions of others rather than directly delivering services or serving as market

actors themselves. However, in some contexts programs may need to provide services for a defined period in order to build capacities for the poor to engage in markets or to demonstrate new approaches. Project support for these mechanisms should be phased out during the project cycle.

Markets and consumer demand matter: Seldom can farm level productivity and output increase in sustainable ways without market demand providing signals and incentives back to the farm regarding what consumers or intermediaries are willing to buy.

Focus where the return and impact are greatest: It is critically important that choice of value chains, markets, and geographies (at country plan stage) and choice of approach and intervention (at design stage) be made based on highest potential impact,[3] including ability to leverage or catalyze significant additional resources and partners to achieve that impact.

Scale matters: Project level interventions need a pathway to scale which is sustainable. Commercial pathways that consider incentives and consumer demand at multiple points along value chains and through related market systems are essential to economic growth.[4] In particular, many of the inclusion benefits of agricultural growth depend on scale, including employment generation, other economic linkages, and more affordable food.

Take advantage of innovations: Agricultural growth significantly depends on innovation to drive productivity and investment. Opportunities for including innovative technologies and approaches abound in food security investments. Improved crop varieties, animal health, better information on soil and water management and other production practices, mechanization, post-harvest storage, market information, digital services, and food technologies all offer new means to grow returns, reduce risks, and increase investment.

Optimizing economic inclusion: Depending on the programmatic goal and context, it may be appropriate to work directly with typically marginalized groups or to work with systems and partners, including large farms or firms. In the latter case, there should be a clear, evidence-based causal pathway for how program success will create opportunities for target groups. This could be done via complementary activities or interventions aimed at building their capacity to enter markets. For example, partnering with large agricultural firms may open new markets that either create employment for landless persons, women, or youth or expand smallholders' range of buyers.

Terminology

Agricultural Transformation: A process that encompasses a range of economic activities that go beyond subsistence agricultural production,[5] in which agricultural growth generates an increasing portion of economic output and employment in non-agriculture sectors. Broader than agricultural sector growth, transformation includes more specialized market oriented systems, including delivery of farm inputs, reduction of post-harvest losses, value addition, marketing, processing and storage of product, and the secondary employment and income effects on a wide range of goods and services across diverse sectors of the economy.

Inclusive Agricultural Growth: The GFSS, through Feed the Future, measures agricultural growth by combining the GDP definition of agriculture (value of farm level output) with the value of those off-farm manufacturing and service sub-sectors directly related to agriculture (e.g. storage, processing, marketing).[6] Inclusive agricultural growth aims for economic gains that are more equitable, especially for the poor, including marginalized groups.[7] This stems from the recognition that women, men, youth, and the marginalized are impacted differently by poverty, food insecurity, and malnutrition and by various

food security interventions. The aim is to ensure growth benefits large numbers of poor people and generates sufficient economic opportunity for lower income and marginalized groups to significantly reduce poverty.[8]

Sustainability: Within the context of this Objective, this concept refers to transformative change at the systems level to create the conditions where assistance is no longer needed.[9] In addition, agricultural-led economic growth must be sustainable from an environment and natural resources perspective as well as economically and socially sustainable.[10]

Market Systems[11]: A market systems orientation implies that all interventions be designed with market demand in mind but also that such systems accommodate multiple input and output value chains that complement each other. Thus a market systems approach, like a production systems approach, goes beyond a single commodity or value chain and seeks to harness and foster complementarity and momentum that more efficiently link producers to market actors (service providers, aggregators, transporters, and processors) to consumers. In aggregate, profit incentive and improved policy help improve predictability and transparency, attracting additional investment and strengthened market systems.

Value chain[12]: One way in which actors organize themselves within market systems. Value chains refer to the actors and functions connected by a series of value-addition transactions from production to consumption of particular goods and services. A value chain for dairy, for instance, may include input suppliers, farmers, processors, traders, wholesalers and national retailers selling into end markets. Value chains depend, in turn, on support services, such as veterinary, cold chain, and financial services. They are also shaped by the broader enabling environment in which they operate, such as policies regulating safety standards and social and cultural norms that affect access to resources.

Employment (or job): Any activity that generates actual or imputed income (monetary or in-kind, formal or informal). It includes employers, wage and salaried workers (employees), and self-employed workers. The self-employed group includes contributing family workers.

Household Enterprises[13]: Informal family operations in the nonfarm sectors that draw only on family labor.

Entrepreneurship[14]: Starting and/or managing a business enterprise, whether formal or informal, referring specifically to growth-oriented businesses (firms) that employ others outside the entrepreneur's family.

Catalytic: Affecting, influencing, or leveraging changes that generate partnerships, investment, policy change, capacity strengthening, and/or market deepening (greater levels of resources and commitments by other stakeholders) towards inclusive and sustainable agricultural-led growth, resilience, and nutrition.

Facilitative approach: Facilitation is an approach to project implementation that minimizes direct provision of goods and services and focuses instead on catalyzing behaviors, relationships, and performance as a way to support local systems.[15]

Designing Interventions

The GFSS reaffirms the Feed the Future premise of inclusive agricultural growth with the expectation that programs and policies explicitly target **inclusive** and **sustainable agriculture-led growth**. Four intermediate results (IRs) are described in the GFSS (see below), but they are not mutually exclusive. It is likely that many activities contributing to Objective 1 will do so through multiple pathways, with results

occurring simultaneously across more than one IR. Under this objective, we would expect to see few activities only contributing to one IR. That is due to the closely integrated nature of the four IRs in contributing to inclusive, sustainable agricultural-led growth. Six cross-cutting intermediate results (CCIRs) are also important to consider and to varying degrees, cut across and inform all four IRs under Objective 1 in the GFSS results framework.

Country-specific programming that supports region-wide, market-wide, or country-wide inclusive and sustainable agricultural-led economic growth should be tailored to specific country conditions, potentials, and country-led priorities. Therefore, a rigorous analysis of the country context, including the enabling environment, is the first step in this process. Experience in Feed the Future's first phase, for example, led the program in Burma to focus on the major policy reforms needed for a dynamic agriculture sector alongside specific value chain facilitation activities, while the program in Bangladesh, a country with functioning markets but significant farm level productivity needs, focused on expanding farm level adoption of more productive technologies. In Senegal, where off-farm value chain functions constrained trade as well as farm level adoption, the focus was on intermediate parts of the value chain, end consumers, and farm level productivity and quality to meet those needs.

Objective 1's four supporting IRs convey critical aspects of the inclusive growth process described above. Conceptually, they span profitability and efficient production (integrally related in IR1), market access and efficiency (markets and trade-IR2), human initiative and investment (employment/entrepreneurship-IR3), and resilient growth (productivity gains-IR4). Detailed GFSS technical guidance is either available or planned for IRs 2, 3, and 4. These should be used, as appropriate, with other, more specific GFSS technical guidance (e.g., gender, trade, policy), as well as with the illustrative programming approaches that span the four IRs and six CCIRs already contained in the GFSS.[16]

Programming in Practice: Influencing Ethiopia's national agricultural investment plan guides USAID and other donor resource allocations and priorities to reduce poverty and increase resilience. USAID's engagement in Ethiopia has combined Food for Peace and Feed the Future resources for some time. USAID and Ethiopian government approaches to Food for Peace — to meet near term needs while also investing in community resilience and productivity — were adopted by the Ethiopian government as one of four cornerstone national programs in its agricultural investment plan under the African Union's Common African Agricultural Development Program. Because that plan was high quality and well-grounded in government, community, and USAID experience, it guided both Ethiopian government and donor budget allocations for agriculture with sufficient coherence to rapidly accelerate Ethiopia's agricultural growth rate, reduce rural poverty, and increase community and individual resilience. One additional outcome is that the most recent, severe weather induced El Nino food crisis in Ethiopia has demonstrated that individuals who benefitted from investments in resilience have been able to withstand the current crisis much better than others.[17]

<u>IR1: Strengthened inclusive agriculture systems that are productive and profitable</u>

Support and facilitate host governments in their commitments to: fiscal support, enabling environment for investment, and agricultural risk management. Support countries to commit increased amounts of spending on agriculture. For example, African countries with early sustained commitments to agriculture-led growth under the African Union Common African Agricultural Development Program (CAADP) demonstrate double or triple the progress in agricultural productivity, economic growth, and declining malnutrition than countries that have not prioritized agriculture.[18] Inclusive policy dialogue, formulation, and implementation by key host country actors, as well as provision of resources to build and improve the capacity of key stakeholders in policy dialogue offer important entry points. Active participation in rigorous mutual accountability mechanisms, such as government-organized, inclusive, evidence-based joint sector reviews of program, policy, and investment performance, are essential. Governments can have a catalyzing role in market development and more effectively marshal limited resources by learning to utilize market-mediated instruments and private

sector channels to carry out agricultural development and resilience agendas. In addition, strengthening food safety systems, at both national and regional levels, has been fundamental to add value, reduce risk and disease burden, and contribute to improving nutrition and health. Countries must be able to comply with international standards if they are to enter the global agri-food system, as well as protect the safety of domestic food supplies.

Programming in Practice: Burma investment in policy change gives smallholder farmers the right to grow higher value crops and lowers fish prices. Emerging from decades of dictatorship in which the military saw agriculture as a top down enterprise for the purposes of maintaining domestic rice production, it was unclear whether impending policy decisions would recognize the critical role of smallholder farmers, private small and medium sized enterprises (SMEs), and major investment capital. With smallholders being provided no autonomy (and almost no new technology), they were told by the military what to grow on land over which they had few rights and no control. USG's investments provided farmers and value chain actors with greater technology choices to begin to increase productivity while also devoting probably the highest proportion of resources, and USG interagency influence, of any Feed the Future country to policy evidence and policy change. Evidence, dialogue, and capacity building in land, inputs, investment, and productivity policy and in the development of evidence and state-civil society policy dialogue were hallmarks of the program, in partnership with a wide range of other actors who brought both global credibility and significant resources to these tasks. The result was that when the first openly democratic election in half a century took place, the new government considered and is now implementing many of the policy recommendations of donors, civil society, and others; for example, providing farmers the right to put fish ponds on their land and opening up the transport sector so that a wide range of agricultural commodities can go throughout the country at lower cost, thereby lowering consumer prices, such as for fish protein.

Strengthen capacity of key actors, institutions, and processes that align with and support the highest priority changes to develop more functional agricultural and food systems. Understand that capacity-strengthening needs[19] in the agri-food systems of countries are extensive and cannot all be met even in the medium term. It is, therefore, important to assess and prioritize the greatest capacity opportunities and constraints related to agricultural systems change, in both public and private sectors, and target resources towards addressing them.[20]

Leverage private sector investments. Facilitate changes in relationships and behaviors across market systems to help firms and farmers take better advantage of opportunities emerging through agricultural transformation, such as generating additional opportunities for poor households as producers, service-providers, or workers.[21] Addressing the most intractable economic growth challenges requires collective action between public and private sectors to leverage the required skills, assets, technologies, and resources to achieve sustainable development. Private sector investment is fundamental to enhancing and sustaining growth and scale.

Support and strengthen resilient production systems. Understand the drivers of vulnerability and differing constituency or community exposures to risk, and actively work to mitigate risk and increase capacities — at the individual, household, community, and national level — to manage and recover from shocks. Investments must strengthen resilience in the face of shocks, stresses, and environmental degradation to ensure households that escape poverty do not slide back, erasing gains. Effective risk management approaches can decrease exposure to, and impacts of, agricultural-related risks, such as weather, food price variability, and other market risks, and therefore increase food access and availability.

<u>IR2: Strengthened and expanded access to markets and trade:</u>
Strengthen markets via an inclusive market systems approach.[22] This approach emphasizes facilitation of local systems to develop the capacity of local actors and enable them to respond effectively to market opportunities while managing shocks and stresses. The approach also stipulates the importance of addressing systemic constraints that can unleash growth in multiple value chains (with the expectation

that country plans will include some programming in priority value chains) as well as leveraging the interconnections between value chains and among actors in order to efficiently address identified systemic constraints.

Programming in Practice: Senegal investment in market and seed systems, on farm productivity, and linking value chain actors with existing sources of finance transforms rice sector. The Senegal Feed the Future program made the choice to focus on staple rice by introducing improved seed varieties which doubled rice yields and farmer margins. The project facilitated widespread seed dissemination through a series of steps — using public-private partnerships to renovate rural seed testing labs (quality), establishing seed multiplication demo plots strategically spread across the zone to showcase the best technologies and practices while earning farmer income from sale of certified seeds (access), and promoting private seed sector development to ensure market-based supply of seed (continuity). However, to truly capitalize on an improved seed, farmers needed access to fertilizer and training in good agricultural practices. The implementing partner facilitated links between existing financial institutions (without the project becoming the financier) and rice mills/processors, who, in turn expanded access for farmers to inputs under contract agreements, with the mills and processors financing smallholders directly. Local producer networks — farmer or water user associations, cooperatives, or community-based organizations — received modest technical support via a formal memorandum of understanding to provide training and extension with the provision that they would maintain geo-referenced production data, which eventually served as collateral for bank lending. Over time, production volumes grew and quality standards were consistently achieved as mills in the Valley soon became known in urban markets for their branded aromatic rice, now consistently competitive in both quality and price with imports. Profits, in turn, have been invested in upgraded mill facilities, grain warehouses, and mechanization. Originally skeptical, the government is now very engaged in reviewing policy reforms to support sector growth and has committed to scaling rice production for subsistence farmers in the south using many of Senegal Feed the Future's approaches.

Target increasing efficiency, stability, and transparency in national and cross-border agricultural trade.[23] Agricultural trade can raise producer incomes, lower the cost of food for consumers, create employment opportunities, and lead to more diversified diets. Strengthening and expanding access to markets and trade under the GFSS will require greater coordination across the USG, strategic leveraging of investments, a focus on capacity building, and addressing enabling environment constraints. To prioritize activities, consider a roadmap based on: strengthening domestic marketplaces; promoting sanitary and phytosanitary (SPS) standards; decreasing the use of tariff and nontariff barriers; and improving border management. Link trade-related outcomes to increased agricultural growth, as well the strategic objectives of resilience and nutrition.

IR3: Increased employment and entrepreneurship[24]

Agricultural transformation, as part of a broader structural transformation process, contributes to poverty reduction by shifting resources and labor flows from less to more productive activities in the economy. As individual farms shift away from production for subsistence towards production for markets, or as the transfer of labor and capital shifts from traditional activities to more market oriented activities, productivity and incomes increase. This creates a multiplier effect in economies.

Inclusive agricultural transformation results in increased income earning opportunities and growth along value chains, from input suppliers to producers, processors, and retailers — including for women, youth, the landless poor, and other marginalized groups. In addition, multiplier effects create employment opportunities outside agriculture, in rural areas, market towns, and urban areas. With higher incomes, people can build up savings and assets that help them manage complex risks, diversify their diets, secure essential health care and education, and invest in small businesses and commercial activities, further benefitting the local and national economy

To raise incomes and expand employment opportunities, the relevance of both supply- and demand-side interventions needs to be assessed. Supply side interventions are designed to improve the qualifications of

actual and prospective labor force participants in order to raise earnings. It is equally important, however, to address the demand for labor to ensure that jobs are available. Without expansion of economically sustainable demand for labor, supply side interventions will be faced with limitations on the number of jobs. Factors affecting labor demand, and ultimately how many jobs there are, are outside the control of, and largely unaffected by the skills of, labor force participants. Demand-side interventions that determine both demand for labor and affect labor productivity need to be designed to address factors outside the control of the labor force participants.

Examples of labor demand-side interventions include:

- making available lending facilities, partial credit guarantees, and other mechanisms to improve access to finance for SMEs
- improving policies that shape the incentives for private sector investment and govern labor market, trade flows, rural infrastructure, and taxation, among others.

Examples of labor supply-side interventions include:

- selective technical and business skills training for agribusiness managers and their employees, including for SMEs
- training in non-cognitive (transferable) skills, such as social and communication, and character traits, such as self-confidence, allow people to navigate their environment, work well with others, perform well, and achieve their goals. This is especially important for youth and women.
- strengthening organizational agility, so that tertiary education and training organizations can stay at the forefront of innovation and more nimbly respond to changing labor market needs to provide relevant, "just in time" skills training.

IR4: Increased sustainable productivity, particularly through climate-smart approaches[25]

Improving productivity is necessary to feed a growing and increasingly urbanized population and to provide safe and nutritious food that is affordable to all. Agricultural productivity growth, broadly considered, is an increase in the value of outputs relative to inputs. Outcomes need to be maintainable over time, after project assistance has ended, which requires financial, environmental, and social sustainability.

Productivity gains can be achieved by increasing yield (quantity of harvest per unit area or per animal), production (quantity of harvest or livestock/livestock products off-take available for consumption or sale), value of production (how much the production is worth), resource-use efficiency (water, fertilizer, fuel), or market efficiency; by reducing input costs (e.g., labor, land, seeds, mechanization, animal health services),or postharvest losses; or through value addition anywhere in the food system.

Programming in Practice: Feed the Future investments in food staple crop productivity in Kenya and Honduras free up resources for farm investment in higher value crops. Through the Feed the Future Kenya Agricultural Value Chain Enterprises (KAVES) activity the U.S. Government made the choice to focus on the relatively low value staple crop (maize) in addition to the higher value horticulture and dairy chains. Although it was assumed that smallholders would not "farm their way out of poverty" with higher maize yields, increased yields permitted them to meet their household food security needs with less land and labor. The average maize yield increased by more than 50 percent since 2013. Increased grains, in turn, allowed farmers to allocate more resources to higher value horticulture and dairy production. In 2016, farmers benefiting from this activity sold 317 million liters of milk valued at USD 120.5 million and 705,393 MT of horticultural products valued at USD 120.8 million. The gross margin for dairy producers increased by 32 percent in a year. Given the ubiquity of maize farming across the country, increased maize productivity can liberate significant land and labor for higher value production which helps contribute to faster inclusive agricultural growth as it is the land and labor of smallholder farmers that are most impacted by this productivity gain. Similar farmer decision-making (devoting more land and labor to higher value crops only if productivity in the basic grain staple, maize, is improved) led to similar approaches in the Honduras Feed the Future value chain programs.

A key consideration is a system-wide assessment of the environmental conditions (including the state of soil and water conditions) and changing weather, availability of needed inputs, delivery channels for those inputs, access to finance (including credit, savings, and insurance), tenure, markets, traders and knowledge capacity. Particular attention to sustainable improvements in the functioning of seed systems to ensure a continued stream of high quality yield-enhancing technologies is often appropriate. In many areas where the U.S. Government works, crop and livestock yields — one component of agricultural productivity are low. Efforts to improve yields are key for meeting food demands of a growing population but, on their own, they can leave smallholder producers who are purchasing inputs poorer than before, especially if the yield increase is short-term in nature. The multiple components of sustainable productivity need to be considered. Project design needs to address the pushes and the pulls along input and output value chains to ensure profitability and sustainability.

Additional Resources

For additional information on this GFSS technical guidance document, contact ftfguidance@usaid.gov.

Other resources:
Visit https://feedthefuture.gov/lp/guidance-and-tools-global-food-security-programs to find the Feed the Future interagency Policy Guide
USAID Leveraging Economic Opportunities (LEO) briefs,
Springfield Centre (2015), The Operational Guide for the Making Markets Work for the Poor (M4P) Approach, 2nd edition
Microlinks FIELD Report No.18 for a detailed list of programs with an inclusive focus.
Scaling up resources
Resources on local systems and on civil society engagement in agriculture: Local systems framework, and the civil society action plan
IFAD/World Bank Rural Youth Employment paper prepared for the 2017 G20.
http://www.bmz.de/de/zentrales_downloadarchiv/g20/Rural_Youth_Employment_-_WB-IFAD-Synthesis_Study_DWG.pdf

References

[1] See Christiaensen, Luc, Lionel Demery, and JesperKuhl, "The (Evolving) Role of Agriculture in Poverty Reduction: An Empirical Perspective," United Nations University/World Institute for Development Economics Research, Working Paper 2010/36, April 2010; Lipton, Michael, "Income from Work: The Food-Population-Resource Crisis in the 'Short Africa,'" Address prepared for the ceremony awarding the Leontief Prize for Advancing the Frontiers of Economic Thought, April 3, 2011, awarded by the Center for Global Development and Environment (GDAE), Tufts University, Medford, MA. http://www.ase.tufts.edu/gdae/about_us/leontief/LiptonLeontiefPrizeComments.pdf; Dorosh, Paul and James Thurlow, "Can Cities or Towns Drive African Development," *Worl Development, Vol. 63, pp. 113-123, 2013;* Dorosh, Paul and James Thurlow, *Beyond Agriculture vs. NonAgriculture*, IRPRI: Discussion Paper 01392, December 2014; Uganda Poverty Assessment 2016 http://pubdocs.worldbank.org/en/381951474255092375/pdf/Uganda-Poverty-Assessment-Report-2016.pdf,

[2] The broad range of actors includes private investors, other development partners, civil society, and local/national governments and intergovernmental bodies. For example, in terms of leveraging one set of partners – governmental and intergovernmental actors -- USAID and other development partners, in supporting and aligning with country priorities developed within the African Union parameters for the Common African Agricultural Development Program (CAADP) have helped leverage increased host government fiscal resources and policy commitments with clear correlation with significant growth and nutrition trends, per the table below (from Benin, Sam, *Impacts of CAADP on Africa's Agricultural-Led Development*, IFPRI, 2016).

	Early CAADP Adopters	Non-CAADP Adopters
Growth Rate	5.9-6.6%	2.0-2.1%
GDP growth p.c.	4.3%	2.2%
Malnutrition (Rate of decline)	3.1%	1.2%

[3] See U.S. Government Global Food Security Strategy Technical Guidance on *Market Systems and Value Chains*

[4]Synthesis Report: Review of Successful Scaling of Agricultural Technologies: https://agrilinks.org/library/synthesis-report-review-successful-scaling-agricultural-technologies; see Market Systems, Finance, and Private Sector Engagement Technical Guidance.
[5]Staatz, John. 1998. *What is Agricultural Transformation?* Michigan State University
[6] See the GFSS indicator titled "Agricultural GDP Plus" (the plus referring to the ex-farm value addition functions)
[7]USAID's working definition of Inclusive Development (and the ADS 201 Additional Help document for Inclusive Development) is: "A key pillar of USAID's approach is inclusive development. Every person, regardless of identity, is instrumental in the transformation of their own societies and their inclusion throughout the development process leads to better outcomes. USAID promotes a nondiscriminatory, inclusive, and integrated development approach that ensures that all people including those who face discrimination and thus may have limited access to a country's benefits, legal protections, or social participation are fully included and can actively participate in and benefit from development processes and activities."
[8]*Vision for Ending Extreme Poverty*, p. 10. https://www.usaid.gov/sites/default/files/documents/1870/Vision-XP_508c_1.21.16.pdf presented at USAID side event during the U.N. General Assembly meetings, Sept. 2015.
[9]*U.S. Government Global Food Security Strategy*, p. 42.
[10] See in particular guidance on IR 4, Sustainable Productivity.
[11] See U.S. Government Global Food Security Strategy Technical Guidance on *Market Systems and Value Chains*
[12] See U.S. Government Global Food Security Strategy Technical Guidance on *Market Systems and Value Chains*
[13] See U.S. Government Global Food Security Strategy Technical Guidance on *Employment and Entrepreneurship*
[14] See U.S. Government Global Food Security Strategy Technical Guidance on *Employment and Entrepreneurship*
[15] USAID Local Systems: A Framework for Supporting Sustained Development (2014) https://www.usaid.gov/sites/default/files/documents/1870/LocalSystemsFramework.pdf
[16] GFSS, pp. 13-16 and pp. 23-32.
[17] USAID. (2017). Resilience in the face of drought in Ethiopia: New evidence. See https://www.usaid.gov/sites/default/files/documents/1867/USAID-Fact-Sheet-Resilience-Evidence-April-2017.pdf
[18]Benin, Sam, *Impacts of CAADP on Africa's Agricultural-Led Development*, IFPRI, 2016
[19] See forthcoming GFSS technical guidance on Capacity Development.
[20] A number of existing methodologies, including through international organizations, such as the OIE- World Animal Health Organization—are useful in identifying and prioritizing capacity strengthening needs. See the FAO Common Framework on Capacity Development for Agricultural Innovation Systems at http://www.fao.org/in-action/tropical-agriculture-platform/commonframework/en/, as well as the GFSS Technical Guidance on Capacity Development.
[21] See: USAID LEO A Framework for Inclusive Market System Development; Visit https://feedthefuture.gov/lp/guidance-and-tools-global-food-security-programs for the [link to Market Systems guidance and Private Sector Engagement guidance. The Feed the Future Learning Agenda Literature Review: Expanded Markets, Value Chains, and Increased Investment (Feed the Future FEEDBACK, USAID, 2013) synthesizes evaluation findings on the outcomes of value chain activities.
Partnering for Innovation, From Smallholders to Shareholders, A Guide to Optimizing Partnerships with the Private Sector for Smallholder Impact, http://www.partneringforinnovation.org/docs/Fintrac_PIModels_Toolkit_14Oct14_fin_web.pdf
[22] See: The Market Systems (Value Chain) Approach: https://www.microlinks.org/sites/default/files/resource/files/The_Market_Systems_Approach_0.pdf; Visit https://feedthefuture.gov/lp/guidance-and-tools-global-food-security-programs for the Market Systems and Value Chains Technical Guidance; 1.1. Overview of the Value Chain Approach: https://www.microlinks.org/good-practice-center/value-chain-wiki/overview-value-chain-approach
[23]Visit https://feedthefuture.gov/lp/guidance-and-tools-global-food-security-programs for the Agricultural Trade Technical Guidance
[24] A technical guidance on employment will be available. Also see Including Wage Labor in Value Chain Analysis, USAID LEO
[25] This IR also contributes to Objective 2, Resilience