

FY2023 PIRS Template for SIMR

Title	Value of private sector resources leveraged by the USG to support U.S. Foreign Assistance Objectives
Indicator Number	PSE-4
Status	Edited
Working Group	PSE
Indicator Type	Output
Reporting Type	Integer
SPS Category	Cross-Cutting Indicators
SPS Area	Private Sector Engagement
SPS Element	
Justification	This indicator is linked to USAID's Private Sector Engagement (PSE) Policy, the DOS-USAID Joint Strategic Plan, and USAID Country Development and Cooperation Strategies. This indicator will be used to monitor implementation of the USAID PSE Policy, a finding from The Office of Inspector General's Audit on the USAID PSE Policy.
Definition	<p>This indicator measures the quantity of private sector resources leveraged by the USG for the reporting year.</p> <p>Leverage refers to all reasonably quantifiable non-USAID resources, including cash and in-kind resources and exclusive of cost-share, which are expected to be applied to a program that advances U.S. Foreign Assistance Objectives. The resources must be inputs to a USAID activity for implementation purposes. In addition, in order to count as leverage, contribution or application of the resources must be reasonably attributable to actual engagement with the USG, or the prospect of such engagement, in regard to the activity in question. If the resources in question would have been contributed regardless of any engagement with the USG, the resources are not being levered and would not be considered leverage.</p> <p>The private sector is defined as "For-profit, commercial entities and their affiliated foundations;</p>

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financial institutions, investors and intermediaries; business associations and cooperatives; micro, small, medium and large enterprises that operate in the formal and informal sectors; American, local, regional, and multinational businesses; and For-profit approaches that generate sustainable income (e.g., a venture fund run by a non-governmental organization (NGO) or a social enterprise)” (See USAID’s Private Sector Engagement Policy: https://www.usaid.gov/sites/default/files/documents/1865/usaidd_psepolicy_final.pdf).

“Resources” are defined as any private sector funding, financing, or in-kind contribution committed to a USAID activity’s implementation. A cash contribution is a transfer of funding from the entity to a wholly separate entity to pay for goods, services or other matters that will be used to implement activities under the collaboration or a transfer of funding to be used in making loans or equity investments under a collaboration. Internal transfers of funding, such as a transfer of funding to subsidiaries or salary payments to employees, do not count as cash contributions. In-kind contributions are contributions other than cash to support a USAID activity implementation.

Resources should be reported in US Dollars using the exchange rate when the contract or agreement is signed by all relevant parties. Resources must be contributed during the reporting period to be counted toward this indicator (i.e., resources must be annualized if reporting on a multi-year contribution). In-kind resources are recorded at market value in USD. All resources must be applied as inputs to the USAID activity in question. Count resources as leveraged when they are committed to achieving the implementation of a USAID activity.

Examples of in-kind contributions that USAID might consider as leverage include:

- Commodities such as drugs, foodstuffs, or equipment
- Value of time donated by organization employees whose work and expertise are necessary to a project and beyond time that would be spent on such matters as part of their regular duties.
- Value of salaries for internal staff specifically hired for and because of the collaboration

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	<p>co-created with USAID, and whose work is fully dedicated to that collaboration.</p> <ul style="list-style-type: none"> • Use of training or other purpose-specific facilities necessary to a program's implementation • Technology, communications, and capital assets • Intellectual property rights • Licenses <p>Several types of resources DO NOT count toward the private sector leverage requirement. For example:</p> <ul style="list-style-type: none"> • Forgone profit or foregone revenue • Price discounts • Commitments to buy or pay a price premium for products or services generated because of activities conducted via the proposed collaboration • Commitments to purchase or actual purchase of certificates, carbon credits or other such items • Value of brand, reputation, convening power or "good will" • General overhead costs for an organization that are not directly and uniquely associated with the collaboration in question • Resources that are outcomes of the collaboration (unless those resources are later contributed to collaboration activities as inputs to the implementation of those activities). <p>Examples of financing that may count towards the leverage requirement:</p> <p>Select financing funds may count as USAID leverage. To be included, the resources must be applied as inputs to the USAID activity in question. For example, if an entity supplies capital to be used for equity investments, the value of that capital may be counted as leverage. However, only funds committed through direct transactional tools (e.g., loans, loan guarantees, and equity) should be counted as leverage. Returns generated by that capital, or increases in income resulting from the investments, would not be eligible to count as leverage unless those returns, or</p>
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increases were later applied to the pertinent program as inputs to further activity implementation. Note: While the prospective or expected income or returns resulting from activity implementation are often an important value proposition and a key consideration when the USG elects to take part in and support a proposed collaboration, such resources can only be counted as leverage once they are used as inputs to activity implementation. (Note: count the re-invested funds only once they are applied to the USAID program activity.)

If funding intended for lending or equity investments is going to count as leverage, it must be identified early and provide a basis for partners to reasonably rely upon such funding in the design and implementation of activities under the proposed collaboration. USAID recognizes such funding may be applied, loaned or invested in tranches over the course of the collaboration, but should be identified from the outset, incorporated in the design and serve as an input to implementation.

If financing by the U.S. International Development Finance Corporation (DFC) is sponsored by a USAID mission or operating unit and meets the above criteria, it may be counted towards the leverage requirement.

Cost-share funding should not be counted as leverage. Cost-share is defined in 22 CFR 200.306 and ADS 303.3.10 and “refers to the resources a recipient contributes to the total cost of an agreement. Cost share becomes a condition of an award when it is part of the approved award budget. Cost-share is binding and auditable under an award agreement; leverage is not. Under any given collaboration, for any given partner, leverage and cost-share are typically mutually exclusive. If personnel time is counted as an organization’s cost-share contribution, it typically cannot be counted as that organization’s leverage contribution.

There are four disaggregates associated with this indicator:

1. U.S. Foreign Assistance Objective(s) Addressed: This refers to strategic, development, and humanitarian assistance objectives as identified in the Department of State-USAID Joint Strategic

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	<p>Plan and USAID Country Development and Cooperation Strategies. <i>Count all objectives that apply under this disaggregate.</i></p> <p>2. Resource Type: This refers to whether the contribution was made in cash (including most financing), as a loan or loan guarantee, or in-kind. <i>Count all resource types that apply under this disaggregate.</i></p> <p>3. Source of Private Sector Resources: The source of the private sector resources leveraged includes financial institutions, corporations, or foundations. <i>Count all sources of private sector resources that apply under this disaggregate.</i></p> <p>4. Origin of Private Sector Resources Leveraged: This disaggregate refers to the location of the headquarters of the private sector enterprise(s) committing resources to support U.S. Foreign Assistance Objectives. <i>Count all that apply under this disaggregate.</i></p>
Long Term Linkages	This indicator is linked to USAID's Private Sector Engagement (PSE) Policy, the DOS-USAID Joint Strategic Plan, and USAID Country Development and Cooperation Strategies. It captures the breadth of private sector engagement to advance U.S. foreign assistance objectives.
Use Of Indicator	This is an Agency-wide cross-cutting indicator that applies to all sectors and standardized program areas. This indicator will be used to monitor implementation of the USAID PSE Policy, a finding from The Office of Inspector General's Audit on the USAID PSE Policy.
Data Source	Operating Units and Implementing Partners records
FA.Gov (Indicator)	Yes
APP/APR	No
HQ Assigned OUs	<p><i>Afghanistan</i></p> <p><i>Africa Union</i></p> <p><i>Albania</i></p> <p><i>Angola</i></p> <p><i>Armenia</i></p>

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	<i>Azerbaijan</i>
	<i>Bangladesh</i>
	<i>Barbados and Eastern Caribbean</i>
	<i>Belarus</i>
	<i>Benin</i>
	<i>Bosnia and Herzegovina</i>
	<i>Botswana</i>
	<i>Brazil</i>
	<i>Burkina Faso</i>
	<i>Burma</i>
	<i>Cambodia</i>
	<i>Cameroon</i>
	<i>Central African Republic</i>
	<i>Central Asia Regional</i>
	<i>China</i>
	<i>Colombia</i>
	<i>Cote d'Ivoire</i>
	<i>Democratic Republic of the Congo</i>
	<i>Djibouti</i>
	<i>Dominican Republic</i>
	<i>Ecuador</i>
	<i>Egypt</i>
	<i>El Salvador</i>
	<i>Ethiopia</i>
	<i>Europe & Eurasia Regional</i>
	<i>Georgia</i>
	<i>Ghana</i>
	<i>Guatemala</i>
	<i>Guinea</i>

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	<i>Haiti</i>
	<i>Honduras</i>
	<i>India</i>
	<i>Indonesia</i>
	<i>Iraq</i>
	<i>Jamaica</i>
	<i>Jordan</i>
	<i>Kenya</i>
	<i>Kosovo</i>
	<i>Laos</i>
	<i>Lebanon</i>
	<i>Liberia</i>
	<i>Madagascar</i>
	<i>Malawi</i>
	<i>Maldives</i>
	<i>Mali</i>
	<i>Mexico</i>
	<i>Moldova</i>
	<i>Mongolia</i>
	<i>Morocco</i>
	<i>Mozambique</i>
	<i>Namibia</i>
	<i>Nepal</i>
	<i>Nigeria</i>
	<i>North Macedonia</i>
	<i>Pacific Island Regional</i>
	<i>Pakistan</i>
	<i>Papua New Guinea</i>
	<i>Paraguay</i>

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	<i>Peru</i>
	<i>Philippines</i>
	<i>Republic of the Congo</i>
	<i>Rwanda</i>
	<i>Senegal</i>
	<i>Serbia</i>
	<i>Sierra Leone</i>
	<i>Somalia</i>
	<i>South Africa</i>
	<i>South Sudan</i>
	<i>Sri Lanka</i>
	<i>State East Asia and Pacific Regional</i>
	<i>Sudan</i>
	<i>Tajikistan</i>
	<i>Tanzania</i>
	<i>Thailand</i>
	<i>Timor-Leste</i>
	<i>Tunisia</i>
	<i>Uganda</i>
	<i>Ukraine</i>
	<i>USAID Africa Regional</i>
	<i>USAID Asia Regional</i>
	<i>USAID Bureau for Democracy, Development, and Innovation (DDI)</i>
	<i>USAID Bureau for Humanitarian Assistance (HA)</i>
	<i>USAID Bureau for Resilience and Food Security</i>
	<i>USAID Caribbean Development Program</i>
	<i>USAID Central Africa Regional</i>
	<i>USAID Central America Regional</i>
	<i>USAID East Africa Regional</i>

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	<i>USAID Global Health (GH)</i> <i>USAID Latin America and Caribbean Regional</i> <i>USAID Middle East Regional (MER)</i> <i>USAID Policy, Planning and Learning (PPL)</i> <i>USAID Regional Development Mission-Asia (RDM/A)</i> <i>USAID Sahel Regional Program</i> <i>USAID South America Regional</i> <i>USAID South Asia Regional</i> <i>USAID Southern Africa Regional</i> <i>USAID West Africa Regional</i> <i>Uzbekistan</i> <i>Vietnam</i> <i>West Bank and Gaza</i> <i>Zambia</i>
Other SPS Linkages	
Explanation	

Indicator Owner	Name	Bureau and Office	Agency	POC Email	
	Tatiana Pulido	DDI/PSE	USAID	tpulido@usaid.gov	
	PSE Hub Evidence Learning and Data Team	DDI/PSE	USAID	pse.eld@usaid.gov	
	Disaggregate Title	Disaggregate number	Status	Reporting Type	FA.Gov
	Resource type: <ul style="list-style-type: none"> Cash In-kind 		New	Integer/Number	No

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	<ul style="list-style-type: none"> • Loan guarantee • Loan 				
	Origin of private sector resources leveraged: <ul style="list-style-type: none"> • US-Based • Host Country-Based • Third-Country-Based • Other 		New	Integer/Number	No
	Source of private sector resources leveraged: <ul style="list-style-type: none"> • Financial institutions & intermediaries (e.g., banks, credit unions, investment funds) • Corporations • Foundations (including corporate foundations) • Other 			Integer/Number	
	U.S. Foreign Assistance Objective(s) Addressed: <ul style="list-style-type: none"> • Peace and Security • Democracy and Governance • Health • Education • Economic Growth • Climate Change 		New	Integer/Number	No

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	<ul style="list-style-type: none">• Environment• Food Security, Nutrition• Resilience• Water, Hygiene, and Sanitation• Other				
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