

USAID cuts lead to private sector initiative. By Helen Murphy, *Devex Newswire*, 2 Oct 2025

From cuts to scale

When [USAID](#) pulled out of a major health electrification program in Africa, most thought the effort was doomed. But in Tanzania, one project not only survived — it's **now the backbone of a private sector push to electrify 50,000 clinics** across 10 countries.

At Devex Impact House during UNGA80, Zola Intelligence CEO Bill Lenihan recalled [how a local win in Tanzania proved the model's potential](#). When the Health Electrification and Telecommunication Alliance collapsed, U.S. engineering and construction firm [Bechtel](#) stepped in with Zola to take it private. “In a perverse way, the decline of USAID was **the catalyst that was needed in order to drive private investment** into what we're doing,” Lenihan said.

Nancy Pfund, founder of DBL Partners, said persistence and trust were key: “There’s just a pattern of trust building and experimentation that led you to this ability to scale.”

But Lenihan warned that emerging markets face steep hurdles: “What’s the biggest impediment to emerging market investment? **It’s currency risk.**”

María Fernanda Espinosa, former U.N. General Assembly president, welcomed the surge of private capital into renewable energy and food systems but urged accountability. “We really need to have proper tracking mechanisms, to have proper accounting, especially in the climate space,” she said. “We need a common cause and a vision of where we’re going.”

Read: [How a USAID exit sparked a private drive to power Africa’s health clinics](#)