

## Market Systems Development Working Group

### Minutes of Teleconference 5<sup>th</sup> December 2017

13<sup>th</sup> December 2017

#### Participants

Andrea Inglin (SDC)(Co-Chair)

Mike Albu (BEAM Exchange)

Francesca Brown (DFID)

Gun Eriksson-Skoog (Sida)

Lindsay Wallace (MasterCard Foundation)

Ali Badarneh (UNIDO)

Kristin O'Planick (USAID)

Nick Wilson (DCED Secretariat)

Susanne Thiard-Laforet (ADA)(Co-Chair)

Jim Tanburn (DCED Secretariat)

Mehraz Rafat (NORAD)

Stefanie Springorum (GIZ)

Nafis Mutasir (MasterCard Foundation)

Steve Hartrich (ILO)

Neil Satchwell Smith (Gatsby Foundation)

**Apologies** Julie Delforce (DFAT) – who submitted comments by email in advance

#### Agenda

- 1) Introduction by co-chairs
- 2) Presentation of results from survey of WG members by Mike Albu
- 3) DCED-BEAM Seminar, 21 - 22 February 2018 in Nairobi
- 4) MSD Working Group Meeting, February 2018
- 5) AOB

#### Introduction by co-chair

1. Andrea (SDC) opened the meeting by briefly explaining the WG's origins including DFID & SDC's support for the BEAM Exchange. She introduced Susanne (ADA) as co-chair. Susanne described some background to ADA's membership of the DCED, her interest in the WG and that she was looking forward to co-chairing. The chairs invited members to contact them at any time.
2. Members agreed that DCED may record the meeting for convenience of minute-taking and will share a private link to recording for benefit of members unable to attend.

#### Presentation of results from survey of WG member priorities

3. Mike (BEAM) introduced the report (previously shared with WG) on 'Priorities of the MSD working group' which summarises the results of his one-to-one conversations with members during November 2017.
4. He began by briefly summarising the findings of the first two interview questions about:
  - Main trends in PSD strategies in agencies, which relate to the market systems approach
  - Internal perceptions of the market systems approach within agencies
5. Mike then proceeded to present the main findings, organised into 13 priority 'proposals' under headings on five slides, and invited comments from WG members which precipitated the conversations recorded here.

## Slide 1 - Evidence

### Advancing the Evidence Agenda

1. Call for and seeking out further contributions to the Evidence Map; supplemented by a further evidence review in 2018 [low effort].
2. Advocate for, and actively supporting efforts to improve the quality of evidence documents published by the MSD community, so more achieve BEAM's inclusion criteria [medium effort].
3. Present a coherent picture for how the BEAM Evidence Map and the DCED's existing Evidence Framework for private sector development complement each other [medium effort].
4. Support the MSD WG members to understand and use evidence in their respective agencies to influence the policy conversations about future PSD strategies [high effort].

6. **Francesca (DFID)** found report very helpful. Internally DFID have a long way to go in convincing people on usefulness of MSD. So supports prioritisation of evidence work.
7. **Gun (SIDA)** noted that Sida's MSD practice emerged organically without enough evidence of successes and results from own programmes. So very meaningful and useful to have stronger evidence base. Activity 4 would be most important to Sida: can BEAM make results / evidence more accessible, particularly to time-poor donor staff and others?
8. **Kristin (USAID)** echoed Gun's comments: evidence agenda is the most important thing from USAID's perspective e.g. to convince new US administration. But also noted need to translate evidence into the right messaging for different audiences: e.g. currently "MSD as the most nuanced and localised form of private sector engagement" would carry well in USA.
9. **Lindsay (MCF)**, albeit later in call, also indicated strong support for this agenda
10. **Neil (Gatsby)**: Evidence is so important. Making it a priority is key: BEAM & DCED are well placed. But need to be realistic about time required to do it well. Focus on quality. Also vital to link MSD with other priorities such as 'economic transformation, the jobs deficit, industrialisation, urbanisation and climate-change'. BEAM should demonstrate relevance of MSD to these bigger agendas: support WG members to pool thinking and produce products to achieve this.
11. A brief conversation about clearly defining MSD took place. **Mehraz (NORAD)**: Asked for clarification of which 'subsets' of PSD can be considered as MSD, and **Mike** referred members to introduction of M4P Operational Guide <https://beamexchange.org/resources/167/> **Andrea & Susanne (as chairs)** agreed to put discussion and definition of MSD on the agenda for the next WG meeting in Feb.

## Slide 2: Capacity building

### Practical support for MSD programme – capacity building

5. Short MSD orientation / training days for WG members' staff in HQs  
[low - medium effort]
6. Support regional MSD learning networks in South Asia, Africa, Latin America  
[medium effort]
7. Deliver specific peer-learning workshop events in the field  
[high effort]

12. **Gun (SIDA)**: noted SIDA's strong wish for support and Mike's list helps better identify what colleagues need. Short-term training is in high demand (given staff turn-over), but other activities also high interest so hard to prioritise.
13. **Kristin (USAID)**: noting also comments from **Julie (DFAT)** sent by email: what about 'online self-taught modules'? Kristin has seen a very strong response within USAID to weekly 'distance learning' modules she is delivering (experimentally) soon. These may offer useful learning for DCED/BEAM.
14. Kristin also agreed with Julie's suggestion of support for an Asian learning network (e.g. Burma /Myanmar). And asked can BEAM put together generic training materials as a basis for orientation workshops that could be used by others? This would be a huge help.

## Slide 3 – Programme design & procurement

### Practical support MSD programme – design & procurement

8. Provide agency-generic guidance (perhaps 'tips and techniques') about good practice in design, specification of tenders, and the mechanics of effective procurement processes for MSD programmes  
[low effort].
9. Create and moderate a 'recommended consultants' list to support agencies in the above – especially for initial programme design  
[low effort]

15. **Kristin (USAID)**: asked to add evaluation tasks to the scope of the proposed consultant list. Note: DCED already has a list of [results measurement consultants](#)
16. **Gun (SIDA)**: asked can BEAM offer a stronger help desk function? DCED Secretariat already does some of this. More support or expanded support would be good. **Mike** concurred, suggested need to assess volume of support required by WG.
17. **Lindsay (MCF)**: we are keen to support and develop local consultants. Need for diversity. Flagged up risk of focussing on usual suspects. **Andrea (SDC)** agreed.

#### Slide 4a: Youth employment and decent work

### Using MSD for youth employment and decent work

10. Produce a 'Good practice for using MSA in urban environments' guidance note / briefing, based on knowledge and experience to date  
[medium effort]

18. **Steve (ILO)**: from ILO perspective this is highly relevant – we can use a lot of the recent research that ILO Lab has done already to help donors. This will be discussed in Nairobi seminar. Some members asked to see documents, and Steve recommended this 6 page briefing <https://beamexchange.org/resources/1017/>
19. **Lindsay (MCF)**: also noted MasterCard Foundation are hosting the DCED's 2018 annual meeting, and youth employment will be a major theme.

#### Slide 4b: Economic transformation agenda

### Sector-wide & industry strategy for transformational growth

11. Commission research that looks at fundamental indicators of long-run (systemic) success as per ODI's [Supporting Economic Transformation](#) agenda. One tangible objective might be to create an Index of government performance in supporting sector development  
[high effort]

20. **Stefanie (GIZ)**: confirmed that GIZ would be very interested in economic transformation and industrial policy. **Gun (SIDA)** would also like to work on this topic, albeit as a longer-term project. **Kristin (USAID)** agreed: this topic is key to why market systems dev matters, although not sure about creating an index. **Francesca (DFID)** thought this topic would be great for the Nairobi discussion
21. **Julie (DFAT)** (commented by email in advance) that DFAT worried this agenda might be lifting the gaze too high (i.e. too ambitious). **Lindsay (MCF)** also wondered if it links to the Evidence agenda, drawing on results of long-standing MSD programmes (like FSD Kenya) Need to make sure all is connected.
22. **Neil (Gatsby)**: explained that transformational change at sector / industry level is right at the heart of what Gatsby do. They think a lot about how to engage with governments and industry, and are keen to engage with WG. Not sure about the index deliverable. But DFID has done a lot of work on this (e.g. ODI research) and Gatsby are looking to build on this.

## Slide 5: Humanitarian – private sector development nexus

### The humanitarian – private sector development nexus

12. Research / investigate opportunities for greater policy convergence and operational coherence between humanitarian and PSD efforts in fragile & conflict-affected states - using the market systems perspective as the conceptual bridge between disciplines [high effort]

### Integrating MSD with WEE and Climate-change agendas

13. Liaise with WEE and Green Growth Working Groups to discuss what activities would add value to their initiatives [medium effort]

23. **Francesca (DFID)** already noted her pleasure at seeing reference to this because there is high demand in DFID for programmes in fragile states and crisis situations.
24. **Steve (ILO)**: shared that ILO works a lot with UNHCR, to encourage a more market-orientated approach to refugee support. A starting point for discussion might be the ILO Guide to Market-based Livelihood Intervention for Refugees [http://www.ilo.org/empent/areas/value-chain-development-vcd/WCMS\\_550036/lang--en/index.htm](http://www.ilo.org/empent/areas/value-chain-development-vcd/WCMS_550036/lang--en/index.htm)
25. **Gun (Sida)**: referred also to a broader role for MSD in conflict-affected environments, such as the potential to contribute to stability/peace-building. Acknowledging the work of other networks (e.g. SEEP, [Markets-in-crisis](#)) she would be keen to discuss what DCED's role might be.
26. **Kristin (USAID)**: noted that USAID's OFDA dept has huge experience of attempts to integrate MSD principles in disaster response (with mixed results). She sees a powerful convergence between political economy / governance practitioners and MSD community. Bridging the two (e.g. in the resilience agenda) would be vital for MSD to stay relevant to dominant priorities of donors like USAID.

## DCED-BEAM Seminar, 21 - 22 February 2018 in Nairobi

### MSD Working Group Meeting, February 2018

27. **Susi (chair)** proposed that the WG meet in Nairobi on **Monday 19<sup>th</sup> Feb.** morning (all day?). She asked who will be attending. Almost all present indicated they will (or would be substituted by a colleague (GIZ)). Only Kristin (USAID), Lindsay (MCF) said not, and Ali (UNIDO) will confirm later. **Andrea (SDC)** will arrange with Swiss Embassy for a location, to accommodate up to 20 people.
28. **Jim (DCED)**, noting that organisation of the DCED-BEAM seminar is well advanced, reported that there has been more demand for places than there is space: with 100+ applications turned down. Kindly asked WG members who have not yet registered and want to come, to do so urgently.
29. **Susi and Andrea (co-chairs)** will work together on next WG agenda, with first draft to be shared by mid/end January. Priorities will be defining MSD for the WG, and developing a work-plan for the first year of operation. **Gun (Sida)** suggested to also consider longer term strategy, with a

number of work-streams, including addressing longer term issues e.g. like item 11 on transformational growth

30. **Andrea (Chair)** noting that time was running out, invited members to submit further comments by email, as **Julie (DFAT)** did. **Mike** was keen for members to share in particular their views on how wide they envisage the remit of the WG to be.
31. **Stefanie (GIZ)** wanted to understand the modalities of MSD WG: does it differ from other WGs? **Andrea (SDC)** confirmed that the BEAM team has funding for at least 2 years, and said issues about resources and modalities would be on the agenda in February. **Lindsay (MCF)** noted that financial support to the WG from MasterCard Foundation is also close to being finalised.
32. **Mike (BEAM)** asked if members would mind indicating (e.g. via a Doodle poll mechanism) which of the 13 activities are highest priorities, in advance of the Feb meeting. Some (Gun, Susi and Andrea) thought that a survey now would be premature: they felt this should happen during or after the Nairobi meeting. Others (Stefanie, Francesca, Lindsay) disagreed: feeling that it might be effective to have some prior indications of members priorities. The issue was not resolved.
33. **Gun:** observing that we are a big group with diverse issues. In Nairobi we might want to think about separating out into focus areas / sub-groups. And focus agenda on the bigger issues.

#### AOB

34. **Gun (Sida):** FYI, in January, Sida are starting an internal learning evaluation to examine how SIDA has managed programmes that use the markets systems approach. WG members might be contacted for reference and comparisons. Sida may also share lessons learned at various points in the process.
35. **Andrea (Chair):** Thanked everyone for the lively discussion. She also made a final appeal to everyone to confirm whether or not attending the next WG meeting on **Monday 19<sup>th</sup> February** in Nairobi.