



## Market Systems Development Working Group

### Minutes for 11th & 12th June 2019, Vienna

23<sup>rd</sup> July 2019

#### Participants

- ADA: Susi Thiard-Laforet (Co-Chair)
- SDC: Andrea Inglin (Co-Chair)
- DCED Secretariat: Mike Albu
- DCED Secretariat: Isabelle Gore
- DCED Secretariat: Lucrecia Bertelli
- DFAT: Julie Delforce
- DFID: Alessandra Lustrati
- Gatsby Africa: Georgina Duffin
- Gatsby Africa: Justin Highstead
- GIZ: Janna Post
- ILO: Gun Eriksson Skoog
- ILO Steve Hartrich
- Ireland DFA: Neil Gannon (Wed)
- ITC: Anders Aeroe
- JICA: Toru Homma
- Mastercard Fn: Nafis Muntasir
- NORAD: Mehrnaz Rafat (Wed)
- Sida: Elisabet Montgomery
- UNIDO: Ali Badarneh
- UNIDO: Noriko Takahashi
- USAID: Rana El Hattab

#### Tuesday 11th June, WG Agenda – Part One

1. Welcome / Introductions (new members) 14:00
2. Review of progress 2018/19 & clarification of 2019/20 workplan 14:15
  - Workstream 1:** Maintenance of the BEAM Exchange
  - Workstream 2:** Strengthening the evidence base
  - Workstream 3 (3.1 & 3.2):** Strengthening capacity building system for MSD
  - Workstream 4:** MSD & current /emerging development challenges
3. Joint session (with BE WG) on Economic Transformation 17:00

#### Wednesday 12<sup>th</sup> June

4. **Workshop: Introduction to MSD** 09:15

#### WG Agenda – Part Two

5. Continuation clarification of 2019/20 workplan 13:30
  - Workstream 5:** Communications strategy for MSD WG
  - Presentation by DevLearn: MSD distance learning
  - Workstream 3 (3.3):** Building members' capacity to use MSD 14:30
6. Wrap-Up, next steps and future meetings 16:00

## Minutes from Tuesday 11th June

### 1) Welcome / introductions

Most members present already knew each other. Alessandra Lustrati from DFID introduced herself, standing in for Andy Gartside. Ali Badarneh from UNIDO, introduced his colleague Noriko Takahashi observing. The Minutes of the teleconference in April have been circulated, and are now [posted on the DCED website](#).

### 2) Review 2018/19 progress, clarifications to 2019/2020 Workplan

#### Workstream 1 [H2.1] Maintenance of the BEAM Exchange website

##### 1.1 Engagement with the MSD Community

Mike presented annual data about the BEAM Exchange website's usage and engagement as a learning platform over the last 12 months. Members expressed satisfaction with continued increases in average number of visitors, engaged frequently-returning visitors, resource downloads and contributions to BEAM. All indicators exceed workplan targets. Anders requested Secretariat to disaggregate by 'user type' (e.g. donors, implementers). **Action: Isabelle** said this would be possible for Webinar participants by modifying the registration form.

##### 1.2 Providing MSD information

Isabelle presented key facts about volumes of new information, resources and events that were disseminated via the BEAM Exchange website in 2018/19.

The WG discussed the medium-term need to migrate the BEAM Exchange from the current Django digital platform to a more popular and up-to-date technology (e.g. WordPress). The costs of this are still being researched. The WG agreed to remove the provisional budget line from Work Plan pending clarity on feasibility and timing of any such migration.

**Action: Secretariat** to explore costs before next WG meeting

No other changes were proposed for how Secretariat delivers this workstream.

#### Workstream 2 [H2.2] Strengthening the evidence-base for MSD

##### 2.1 Evidence communications pack

Mike described progress on MSD communications pack – including completion of slide deck and accompanying 'speaker notes' for Case 1, Katalyst, Seeds of Change.

**Action: Secretariat** will continue progressively over next few months; with target to complete first six (of 12) by September and then decide if more cases are needed.

Nafis requested Secretariat to look into translations of slides & notes (e.g. French, Spanish).

**Action: Mike** to organise translation with members' help

The WG confirmed their desire to see ‘the book’, i.e. the longer (7 – 8 page) case studies published (e.g. for use as valuable training materials) after an appropriate level of editing, and noted budget allocated for this in WorkPlan 2019/20.

**Action:** Mike to identify suitable editor to undertake this work before next WG meeting

## **2.2 BEAM Evidence map**

[Task Team: Georgina D, Steve H, Alessandra L]

Mike reported, and WG expressed satisfaction with publication of the [BEAM Evidence Review 2019](#), previously circulated.

The WG discussed and Mike clarified the intention to commission a further ‘gathering and screening’ of Evidence documents in early 2020, with the intention of publishing the next Review in 2020. A budget has been allocated for this in the 2019/20 Workplan.

Members requested that the Secretariat should investigate what complementary research other organisations are doing; and that the next and future reviews should zoom in on a particular topic or theme. A task team (led by Georgina and Steve) was created to steer this.

**Action:** Mike to liaise with task team

## **2.3 Field-testing tools for measuring systemic change**

[Task Team: Rana E-H]

Rana gave the WG an update on the likely interests in collaborating with DCED / BEAM of new USAID learning programme on Market System Programming (MSP) starting 2019.

**Action:** Mike and Rana will update the WG on progress

# **Workstream 3 [H2.3] Strengthening the capacity-building system for MSD**

## **3.1 MSD Competency Framework**

[Task Team: led by the Secretariat]

Mike described encouraging progress with field-testing of the MSD Competency Framework, which aims to improve recruitment processes and encourage investment in training, mentoring and coaching.

A [BEAM Webinar](#) to share what has been learned and outline next steps will take place on 25<sup>th</sup> July. The webinar will be recorded and available on the BEAM website.

**Action:** All MSD WG members to please participate.

## **3.2 Procurement practices in MSD programmes**

[Task Team: led by the Secretariat]

Mike outlined again, and the WG approved the ideas for a managers’ handbook that emerged from the ‘Procurement & Compliance’ session at the MSD Symposium in April.

**Action:** Mike Klassen will begin research interviews shortly.

## Workstream 4 [H2.4] MSD and current / emerging development challenges

### 4.1 MSD and the youth employment / demographic challenge in Africa

[Task Team: Nafis M, Steve H, Gatsby, UNIDO]

First wide ranging discussion took place about the nature of the challenge (its scale) and the most useful area for the MSD WG to focus on. We covered issues such as: entrepreneurship 'ecosystems', the impact of new technology (future of work), industrial policy (horizon scanning & forecasting. Several similarities with the 'Economic Transformation study's agenda were noted, and the group discussed if it should link up with 4.3 below.

One member described a major new joint initiative by UNIDO (Peter Wobst) and FAO (Monica ?) which is reflecting a shift from youth-specific to youth-inclusive programmes in agri-business.

**Action: Nafis and Steve** to liaise regarding next steps and draft a way forward for this workstream

### 4.2 MSD and working in conflict-affected environments

[Task Team: Janna P, Elisabet M, Rana EH]

The WG sub-group agreed that purpose is to facility exchange of experiences on implementing MSD programs in fragile and conflict-affected settings (FCAS) and thereby distil challenges and opportunities of the MSD approach in FCAS.

The activities shall include the donor perspective. The intended deliverables would therefore constitute a documentation of the facilitated exchange.

Challenges for the work item activities are seen in the fact that a lot of work has been done on the link between MSD in FCAS. However, the involved working group members see an added value in facilitating exchange and not developing another guideline. Another challenge will be to link to existing work on resilience and the question how humanitarian assistance can be transformed into sustainable/systemic market change.

**Action: Janna, Elisabet, Rana** further define the scope and context of the activity, review existing work, explore different forums for exchange.

### 4.3 MSD and economic transformation

[Task Team: Georgina D, Gun E-S]

In preparation for the joint session that followed, Gun updated members on completion of the MSD WG study (by Ripley & Shamchiyeva) which focuses on 'How MSD can contribute to Economic Transformation'. She expressed strong satisfaction with the final report.

Matt Ripley then presented the findings of MSD study in detail to the MSD WG, and his three main recommendations were discussed ([Presentation here](#)). Key issues raised included:

- need for more focus on (national) innovations systems – as essential factors in determining the long-term resilience of higher-productivity industries
- desirability of further research (e.g. into how existing programmes – not just MSD ones - are working politically)
- need to elaborate how MSD's market system selection criteria could be adapted to give more focus to ET objectives.

Some members emphasised that 'Economic Transformation' is NOT an explicit objective for their agencies, so continued work not a priority for them. However, the WG was generally supportive of a follow up to make the most of Ripley's study, in particular by considering a summary brief or guidance note.

**Action: Secretariat** to publish both studies (MSD and ET) at BEAM Exchange and consider how to disseminate a shorter 'brief' version of the MSD study (e.g. 4 pages).

**Action: Secretariat** add an additional small budget line to WorkPlan for ExCo approval.

**Action: Gun & Georgina** to liaise with BE WG colleagues [Michelle McKenna, Kare Johard] via a series of Skype meetings on additional joint activities (see below)

### 3) Economic Transformation (ET) studies (joint session with BE WG)

The joint session started with presentations from the respective authors of the BE WG and MSD WG commissioned studies:

- Dirk Willem te Veld (ODI): Promoting ET through Business Environment Reform
- Matt Ripley (Impact Management): Promoting ET through MSD
- Stephen Gelb (ODI): Synergies & Complementarities

There followed an engaging discussion of the comparative findings, with many noting the striking convergences between typical MSD programme intervention areas, and the 'targeted complementary activities' that BE Reformers increasingly recognise as necessary for inclusive, job-rich economic development. There was general agreement about the value of continued collaboration between the MSD & BE WGs, with these **topics raised in discussion:**

- Develop **joint Concept Note with common DCED definition of ET** – Including discussions (and definitions?) of inclusive ET and transformational (systemic) change? (agree on contents and who does – small consultancy?)
- Set up **joint ET webpage at DCED website** on ET, upload studies and other relevant material plus links to e.g. ODI, Gatsby etc. – DCED secretariat
- Potential for **joint study on lessons learnt about** how to
  - 1) facilitate change in **rules and government** and
  - 2) address **political economy** constraints to ET (agree process, including review of existing DCED work, framing of study/studies, terminology, how to implement and who does what)
- Discuss and suggest possible complementary activities (apply for funding if needed)

## Minutes from Wednesday 12th June

### 4) Workshop: Introduction to MSD approach

Mike, supported by Matt Ripley, led a morning workshop to provide training / orientation about the principles and practices of the MSD approach. This was attended by approx. 20 participants, partly MSD WG members, and partly other DCED members.

The workshop was organised in three 45 – 60 minute sessions:

- What is the MSD approach?
- How does the MSD approach differ from other forms of PSD?
- What challenges do donors face in adopting the MSD approach?

Feedback from participants was very positive, not only for understanding the MSD approach better, but also for helping members plan how they communicate the approach to their colleagues back home. Several MSD WG members requested that the Secretariat bring this workshop to their head-offices (an MSD road-show!)

**Action: Mike** will make the workshop slides and notes available to members

### 5) Clarifications to 2019/2020 Workplan (continued)

#### Workstream 5 [H2.5] Communications / dissemination strategy for MSD WG

[Task team: Susi T-L, Janna P, Ali B]

Janna presented a simple 'comms strategy' template that GIZ have found useful. It was agreed essential to identify our 'target audiences', prioritise and customise our communications tactics to match their needs.

**Action: Task team** to work on drafting a communications strategy.

#### Workstream 3 [H2.3] Strengthening the capacity-building system for MSD (continued)

##### 3.3 Building members' capacity to use MSD approach

[Task team: Elisabet M, Gun E-S, Rana E-H]

Adam Kessler from DevLearn presented their online MSD distance-learning package (30 mins)

Given past difficulties in coming to a WG decision on this issue, the Chair (Susi) asked members to step back and reconsider (through a participatory exercise) the rationale, needs and expectations of member agencies for an improved capacity development system for donors using/wanting to use MSD. This intense activity produced some clear outcomes / proposals for action.

- i. Improve information sharing about training activities and places available to member agenda staff among ourselves.

**Action: Isabelle** to regularly remind members to share information about their training events for donor staff, which she will circulate among members.

- Raising awareness of the MSD approach with agencies.  
**Action: Mike** embed a plan for this into our 'Communications strategy (WkStream 5) Mike also explained that he would be available to conduct the sort of half-day training / orientation workshop that he delivered in the morning, to member agencies staff whenever WG members are able to convene a suitably large group.
- ii. Share more about how members provide mentoring for staff. The WG also want to consider the value of developing from this a 'mentoring MSD framework' that helps promote this.  
**Action: Isabelle** arrange a BEAM webinar for DFID, SDC and Sida to share experiences.
- iii. Commission an 'introductory MSD distance learning (online) course tailored to member agenda staff needs. The proposal is that the WG procure this as a one-off activity that kick-starts the 'market' for such trainings.  
**Action: Mike** to explore the costs and specification of a suitable package

Some other interesting ideas emerged that the WG agreed to 'park' for consideration at a later date:

- Establishing and monitoring some form of quality standard for MSD training modules aimed at donor staff
- Defining an MSD Competency Framework specifically for donor staff
- Developing FAQs for donor staff on the BEAM Exchange

## 6) Future meetings of the MSD WG

It was agreed the next MSD WG teleconference call should be scheduled for late September / early October 2019.

**Action: Mike** to create a Doodle poll and circulate

The importance and value of a face-to-face meeting in January was discussed. Anders (ITC) offered to provide a venue in Geneva; Janna (GIZ) to also explore options in Bonn / Berlin.

**Action: Andrea / Susi** to decide after poll