Promoting the Green Transformation
With a systemic approach

Isaac Cowan-Gore, ILO
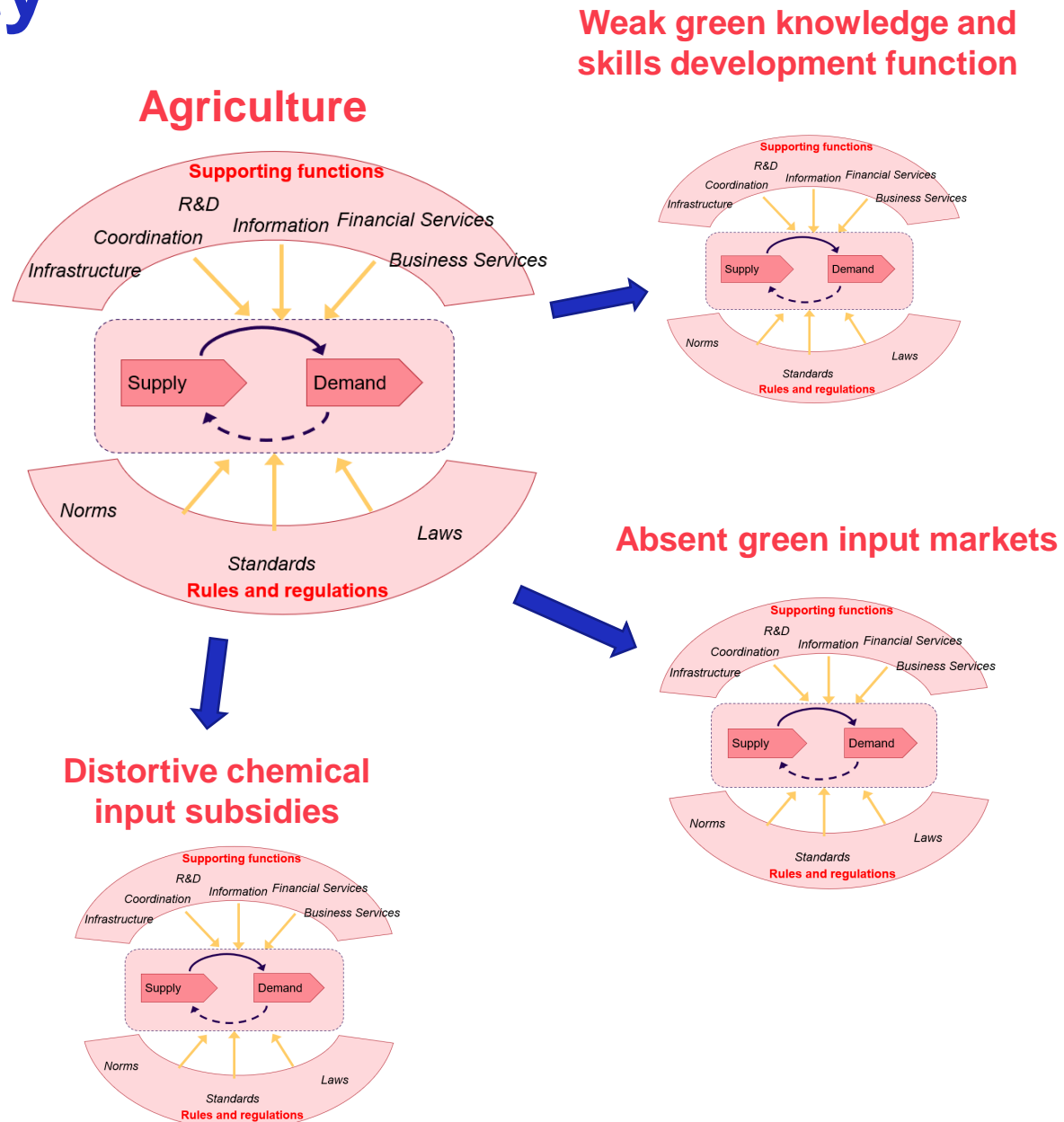
Date: Wednesday / 21 / June / 2023

Why is it important to adopt a systemic approach for the green transformation?

# The nature of the problem
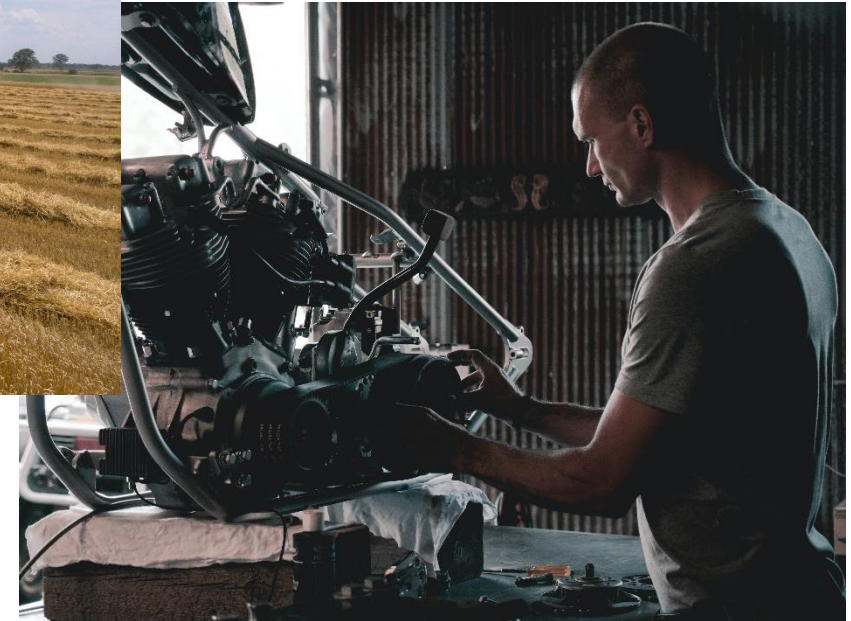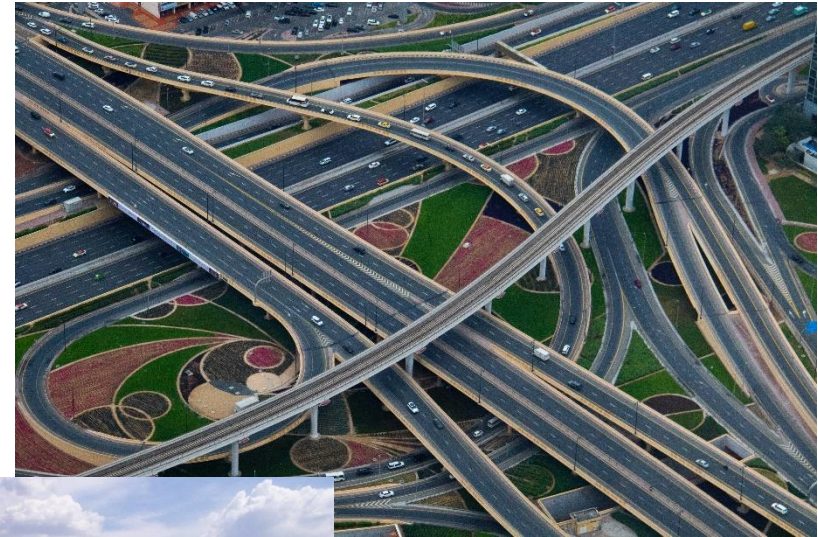
Managing complexity

Recognizing complexity of change in socio-technical systems: That underlying causes of unsustainability are multi-factorial and often hidden in other support systems

Weak green knowledge and skills development function

Agriculture

Distortive chemical input subsidies

Absent green input markets

Managing complexity

**Recognizing inherent uncertainty of outcomes:** Method for experimentation and continuous redefinition of the problem based on evidence

Adjust

Do

Learn

Measure
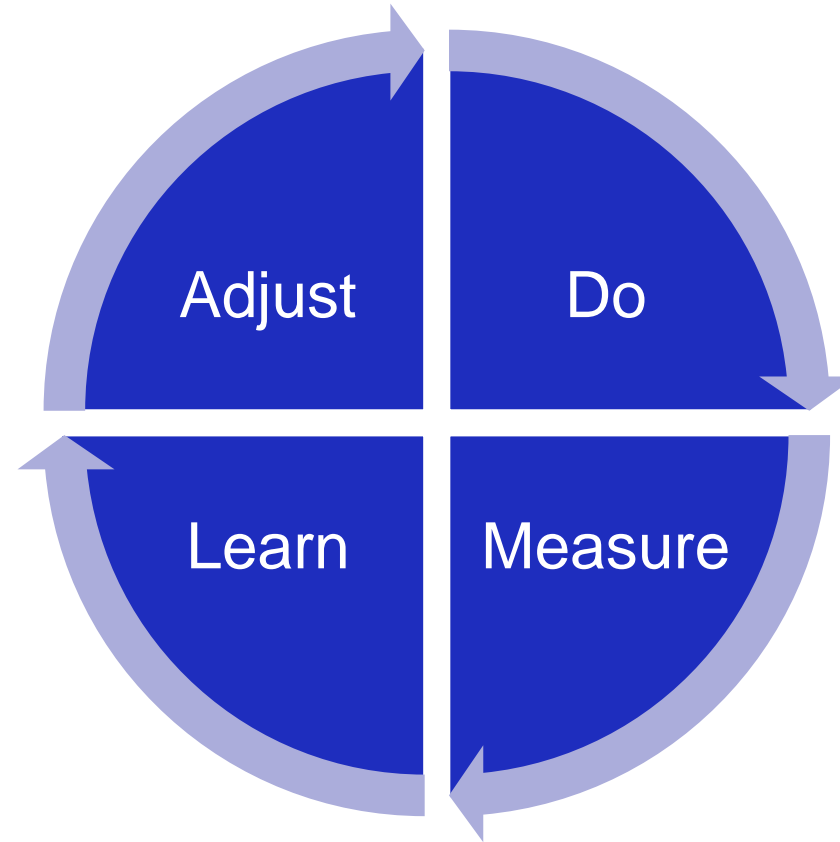
Managing complexity

Recognizing the mechanics of systemic change: Strengthening capacities and incentives for continuous locally driven change while balancing different societal objectives

Social

Economic

Environmental
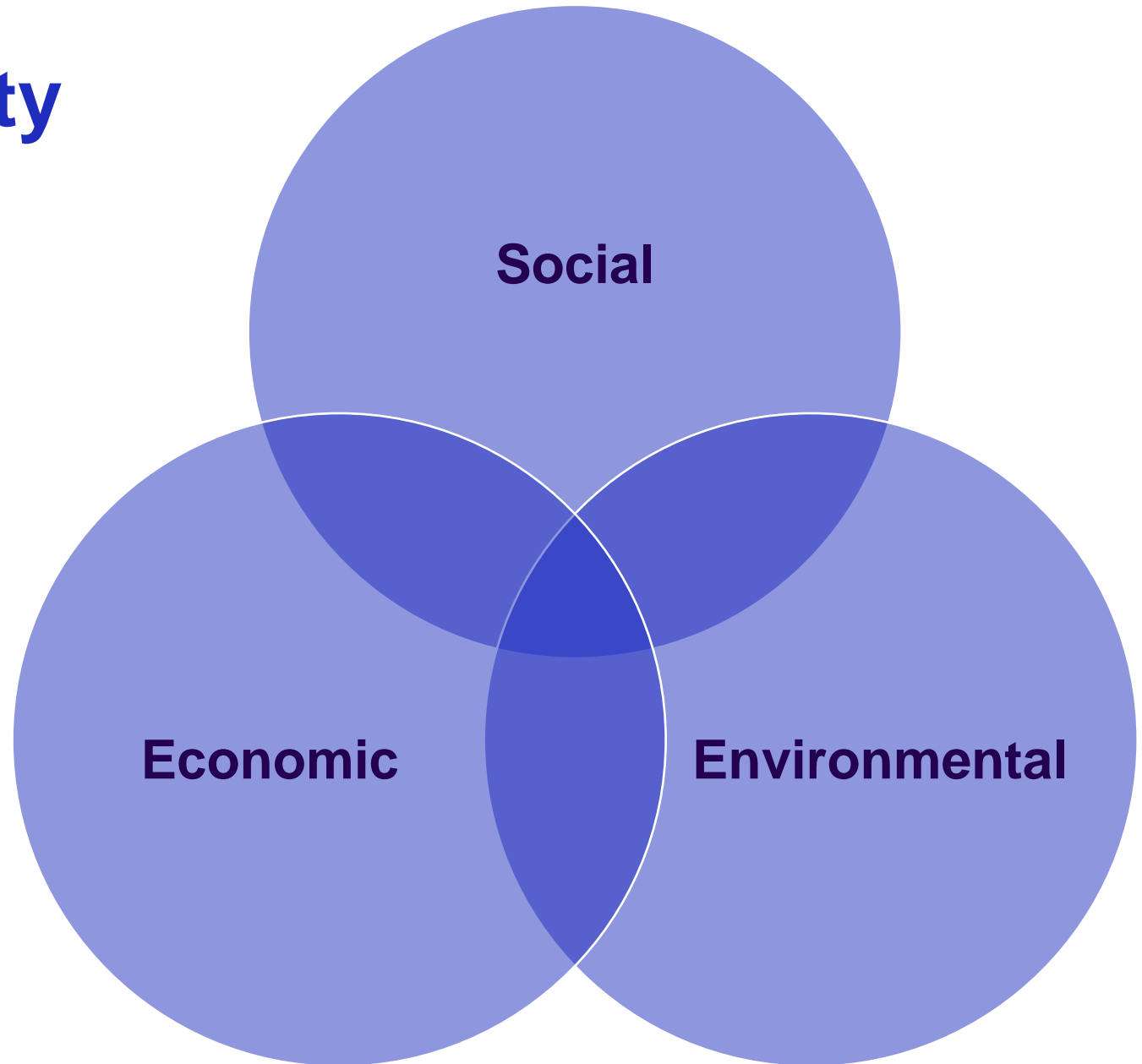
Three things we need to consider for "greening" MSD

Adjusting the fundamental scope of MSD projects

▶ **Targeting value chains for enhanced socio-economic development:** Manageable unit for experimentation and stimulating shared value creation

▶ **BUT environmental change is not value chain specific in nature:** It is dependent on production and consumption methods that span across multiple value chains

→ E.g Musika shifting from end-product value chain focus to cross-cutting green market system focus

Thinking beyond purely "market-driven" mechanisms

▶ **From a market shaping focus:** Where there is established supply that we can help expand and better meet end market demand

▶ **To a market creating focus**: Thin markets for green practices, technologies and inputs warrant market creation efforts

→ Thinking strategically about early adoption beyond purely "market-driven" mechanisms including e.g. ZGJP looking outside "traditional markets" and e.g. Elan shaping social norms
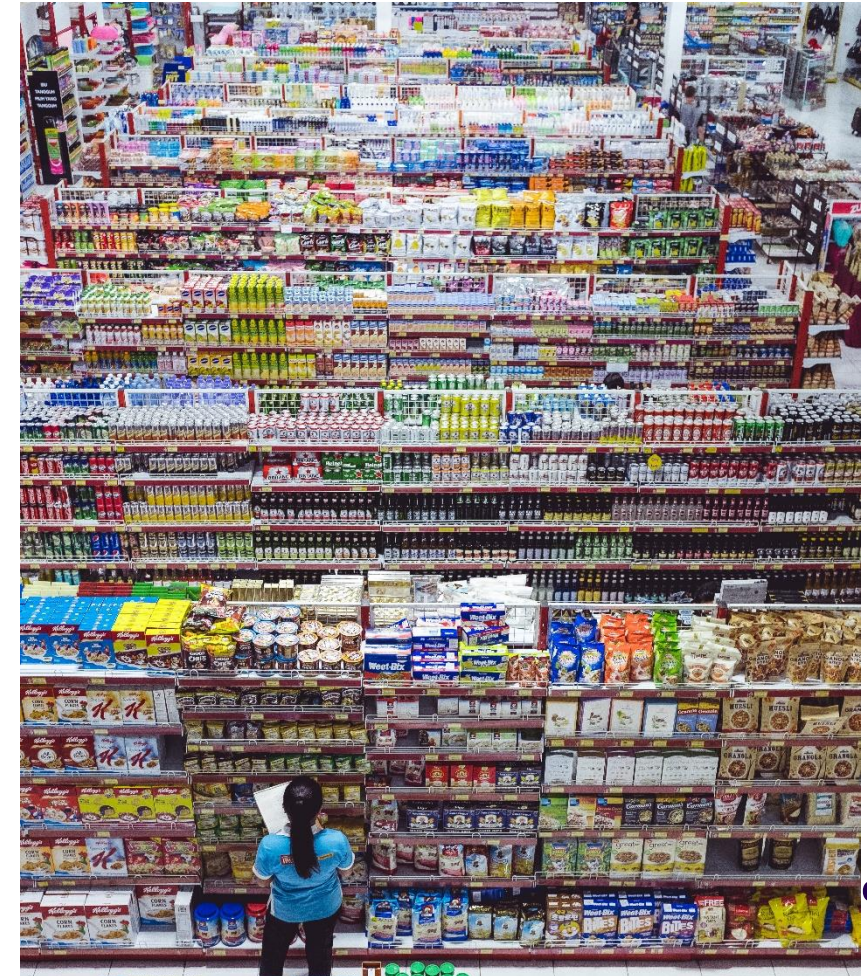
Acknowledging the limits of the business case

▶ **From unearthing and showcasing the business case:** New BMs to tap into economic and social (and environmental impact) overlap

▶ **To fundamentally strengthening the business case:** Adjusting market incentives through public policy mechanisms often disregard by MSD projects

→E.g. Ecovecindarios/M4R from informal to public waste collection and sorting for enhancing market maturity and EE conditions

▶ ilo.org

Recap of things to consider

▶ **Adjusting the scope of MSD programming**

▶ **Thinking beyond purely "market-driven" mechanisms**

▶ **Acknowledging the limits of the business case**

More info at:
www.ilo.org/sci

Feel free to contact us at:
cowan-gore@ilo.org or sci@ilo.org

Resources

Market Systems Development and the Environment: A Strategic and Operational Guidance Note

Market Systems Development and a Just Transition: Learnings from an ILO experience in Tanzania

Environmental Sustainability in Market Systems and Value Chain Development for Decent Work — A short guide for analysis and intervention design

Sector Selection and Rapid Market Assessment for Addressing Environmental Sustainability in Value Chain Development — Template for criteria and guiding questions

Thank you!

More info at www.ilo.org/sci

Feel free to contact us at: cowan-gore@ilo.org or sci@ilo.org

What's coming up

▶ **Why it is important to adopt a systemic approach for the green transformation**

▶ **3 things you need to consider for "greening" MSD**