Market Systems Development Working Group

MINUTES

Weds 8th Feb 2023 at 08:00 ET / 13:00 UK / 14:00 CET

WG Members present

Chairs	Members	Apologies
Andrea Inglin (SDC)	Arjun Bhoopal (Gatsby Africa)	Isabelle Gore (DCED)
Susanne Thiard-Laforet (ADA)	David Neven (FAO)	Margot Lobbezoo (CBI)
	Elisabet Montgomery (Sida)	Naho Aizu (JICA)
DCED Secretariat	Ellie Horrocks (Gatsby Africa)	Rana Fakhoury (UNIDO)
Mike Albu	Gun Eriksson Skoog (Sida)	Tristan Armstrong (DFAT)
Mike Klassen	Kristin O'Planick (USAID)	Yan Chen (GIZ)
Jim Tanburn	Pascal Fabing (LuxDev)	Urkaly Isaev (IFC)
Ella Duffy	Pauline Baars (CBI)	
	Robert Skidmore (ITC)	
	Steve Hartrich (ILO)	
	Zajlen Zabbar (ITC)	

AGENDA

1. **Welcome & introductions**   Chairs   5 min
    Welcome to members; approval of previous minutes

2. **Agency updates**
    All members are welcome to brief colleagues on latest news   ALL   20 min

3. **Workstream activity update**   25 min

    1.3   Team Leader competencies knowledge clinics   Mike K

    3.1   Bridging the Gap (PSD & Dev Finance)   Arjun

    3.2   Youth Employment   Pascal

    3.3   Greening MSD   Mike A (for Yan)

    3.4   MSD in FCAS   Elisabet

4. **Rotating the Chair**
    Nominations of members to consider taking the WG Chair   Chairs   15 min

5. **Proposing Workstream activities for 2023/24 Work Plan**   Chairs   15 min

6. **Date** for next WG meeting & AOB   Susi   5 min

1. Welcome & introductions

   The co-Chairs Susi (**ADA**) and Andrea (**SDC**) welcomed all to the 26th meeting of the MSD Working Group. No changes were proposed to the December meeting minutes which were therefore approved.

2. Agency updates

   Andrea invited the group members to share a brief report on news in their agencies.

   Kristin (**USAID**) talked about the struggles that arise when agencies come under high-level political pressure to respond to major crises – how this leads to an 'unlearning' of good practice. One bright spot is that two of USAID MSP's major ex-post evaluations of MSD programmes (in Senegal and Ghana) are in the pipeline, forthcoming soon.

   Elisabet (**Sida**) reported that the new Swedish Government aims to combine development cooperation with international trade. This is an opportunity, increasing attention to PSD and MSD. The fit with systems approaches is still evolving, but it feels like Sida is in a good place. Funding is being diverted to Ukraine, and the challenge (according to Gun) is still with economic development in fragile settings.

   David (**FAO**) said FAO is integrating MSD approaches into its value-chain development methodology – that is being applied in 12 ACP countries. An updated VCD guide - with resilience dimensions - is in development, as is a new guide on 'conflict-sensitive VCD' to be released in next few weeks. He highlighted a new programme in collaboration with UNIDO called ASTA (Agrifood System Transformation Accelerator) will be launched in Qatar at the UN's LDC5 conference in March. ASTA aims to promote policy-coherence on agrifood systems work throughout the UN system.

   Rob (**ITC**) explained that ITC is relatively new to MSD but is building new trade-for-jobs collaborations with ILO (the SCI) and RECONOMY (a Helvetas programme in E. Europe & Balkans.) They will be gradually 'nudging' the MSD approach into their existing Sida-funded work on apparel in north Africa and construction in Iraq. Meanwhile, Zajlen (**ITC**) is working on raising awareness & understanding of MSD approach within ITC.

   Steve (**ILO**) said the SCI (system change initiative) is now working on how to measure job-quality better, with guidance available by year-end. Also interested in integrating MSD approaches with a stronger environment focus. Since SCI only launched this year, recruitment and on-boarding challenges are a big focus.

   Pascal (**LuxDev**) reported that their new CEO's strategic vision is focussed on local economic development and is kindling renewed interest in systemic approaches. Some major scoping studies are now being prepared in Senegal and other locations.

   Arjun (**Gatsby Africa**) said the agency is focussing intensively on engagement with other donors in East Africa. They are planning some donor round-tables to discuss how to drive sector transformation in the region. Linked to this, are conversations on development finance (e.g. with NORAD).
   Gatsby are also working on engagement with governments: e.g. translating the Gatsby approach and also develop and testing a 'how-to' guide to build government capabilities for sector selection and devising smart industrial policy tools.

   Pauline (**CBI**) explained that CBI is moving beyond a few individual projects towards an agency-wide adoption of market systemic principles. So a small working group is looking at institutionalisation of MSD within CBI, including how to reconcile this with CBI's funding instruments.

   Gun (**Sida**) noted some interesting recent conversations between Dutch MoFA, Sida and EU Commission about a new Team Europe Initiative on youth employment, skills development and TVET using a sectoral systemic approach.

   Mike (**DCED**) drew members attention to a very accessible new guide on Systems Thinking & Practice published by and for FCDO staff & partners.

Andrea (**SDC**) noted that the merging of SDC's regional and thematic departments still takes up a lot of energy in the agency. But encouragingly systemic change is on the agenda, more broadly than just the MSD approach.

3. Workstream activity update

1.3 Team Leader competencies knowledge clinics

Mike K (**DCED**) reported to members on progress with the well-attended current series of 'clinics' looking at team leadership issues. The first two workshops looked at structural and cultural issues in programmes and teams. The third workshop (on 7th Feb) focussed on leadership career trajectories and staff development.   Kristin (**USAID**) is one of the process facilitators, and she related some of the conversational highlights to members; summarising the process as 'super interesting'.

Gun (**Sida**) reflected that while this workstream (& others) includes an objective of producing written outputs, it also creates intrinsic value through the learning processes: the opportunities grasped and the knowledge generated through engagement and dialogue.

3.1 PSD & development finance

Arjun (**GatsbyAfrica**) noted that this latest phase of the workstream is also about putting previously codified knowledge (i.e. the Bridging the Gap report) into practice and to influence policy.   Arjun explained the work has now been tendered, and three applications received.

The objective of the work is to support programme design, piloting recommendations from the report to support better linkages between MSD programmes and development finance / investment actors. **Gatsby Africa** and **BII** are keen to reach out to DCED members to facilitate this, and asked ACTION Mike to call a focussed meeting to discuss ways to engage more DCED members.

Rob (**ITC**) said they'd like to contribute their insights based on recent experience.

3.2 Rough Guide to youth employment

Pascal (**LuxDev**) updated members on the consultant's progress in disseminating and promoting uptake of the Rough Guide.   He mentioned the BEAM blog, the webinar in November (54 attendees, 185 subsequent views) and the guide has been downloaded over 600 times already.

Targeted presentations delivered to ILO, and LuxDev (planned). ACTION: ALL to note that invitations are still open for other DCED agencies to receive a targeted presentation (Andrea said **SDC** is keen). Finally production of a short promotional animation is underway

3.3 Greening MSD guidance

Mike (**DCED**) spoke on behalf of Yan (**GIZ**) who was unable to attend. He explained that a final draft of the guidance was received in January. However, the DCED task team and other peer reviewers who saw the draft, felt that some further work is needed to give clearer structure and improve signposting within the document. Elisabet (**Sida**) agreed that the work contains some good material, but needs better packaging.

3.4 MSD in FCAS learning groups

Elisabet (**Sida**) explained that work with the facilitating consultant (Karri Byrne) is now well underway. The three member agencies mainly involved (**Sida**, **USAID**, & **ILO** with UNHCR) have each formed internal working groups bringing together colleagues from humanitarian and market development departments to discuss working together more effectively in fragile & conflict affected settings. A joint launch event will be held on Weds 15th Feb, to which ACTION: ALL members are invited to listen and contribute.

Gun (**Sida**) flagged that this workstream will continue into DCED Workplan 2023/24, and other members are welcome to join in.

4. Rotating the Chair

Susi (**ADA**) explained to members that they now have two nominations to replace her and Andrea (**SDC**) as the MSD WG chairs. The volunteers are waiting for approval from their agency, but Susi expects to be able to make an official hand-over announcement soon.

5. Proposing Workstream activities for 2023/24 Work Plan

Andrea (**SDC**) asked the ACTION: ALL task-teams and members to explain which of the current workstreams will continue into 2023/24. And to start thinking about future candidate workstreams.

- Workstream 3.1 PSD & Dev Finance is planned to continue into 2024
- Workstream 3.2 Rough Guide to Youth Employment will be completed by June. However Pascal (LuxDev) and Andrea (SDC) are interested in continuing with work linking MSD with the TVET field.
- Workstream 3.3 Greening MSD is already planned to have a second phase in 2023 / 24
- Workstream 3.4 MSD in FCAS will extend into 2023/24.

Susi (**ADA**) suggested that the MSD WG also maintains a cross-cutting theme or strategy around WG communications: for example documenting the methods and insights we have gained in co-creating knowledge, promoting and communicating outputs. Gun (**Sida**) supported this.

Andrea (**SDC**) suggested we look at creating a 'system thinkers' self-help group – to provide peer-support among DCED members who are struggling with challenges such as defining system change and measuring it. Gun (**Sida**) said this is an excellent idea, and we might do more in collaboration with the Results Measurement WG to look at tools for measuring changes in behaviour, norms and practices. Kristin (**USAID**) noted that the MSP activity has been doing work in this area recently.

6. **Date** for next WG meeting & AOB

Susi (**ADA**) thanks members for their participation and enthusiastic conversation.

Action ALL: please note that the date for the next MSD WG meeting will be **Monday 27th March**. By this date, we should have a draft Work Plan for 2023/24 to discuss.