

## Market Systems Development Working Group

Monday 16<sup>th</sup> June 2025, ITC, Geneva

### Minutes

#### Participants

##### Chair

Karen Kimami (Gatsby Africa)

##### Members attending

Alan Duggan (FMO)

Alex Kucharski (BII)

Anette Andersson (Sida)

Cormac Quinn (FCDO)

Giang Duong (FAO)

Isaac Cowan-Gore (ILO)

Joes de Natris (NL MoFA)

Kristin O'Planick

Marleen van Ruijven (MoFA)

Merten Sievers (ILO)

Michaela Kuhn (ITC)

Nic van der Jagt (IKEA)

Pascal Fabing (LuxDev)

Rob Skidmore (ITC)

Shuya Mizuno (JICA)

Steven Geiger (SDC)

Susanne Thiard-Laforet (ADA)

Takafumi Ueda (JICA)

Valerie Donzel (SECO)

##### DCED Secretariat

Mike Albu, Isabelle Gore

##### Apologies in advance

David Neven (FAO)

Elisabet Montgomery (Sida)

Guy Redding (MFAT NZ)

Lidwien Sol (MoFA)

Pauline Baars (CBI)

Rana Fakhoury (UNIDO)

Steve Hartrich (ILO)

Tom Sanderson (FCDO)

Urkaly Isaev (IFC)

Mike Klassen (DCED)

#### AGENDA

##### 1. Welcome & introductions

##### 2. Current workstream activity updates

- Publication of new MSD team leadership brief
- Salvaging of popular MSD resources
- Publication of ISF Advisors new case-studies for Gatsby Africa

##### 3. Workstream 3.1 Building government capacity for sector transformation:

*Discuss Gatsby Africa's latest proposals*

##### 4. Workstream 3.2 Support for applications of MSD4E Landscape tools

*Information about support available from Ambit Strategy in 2025/6*

##### 5. Workstream 3.3 Beyond 'Greening MSD'

*Discuss ideas for taking forward the work on systems thinking for green objectives*

##### 6. Workstream 3.5 Trade facilitation with the MSD approach: activity plans

*Focus in on terms of reference for further work on using MSD for trade facilitation*

##### 7. Member agency updates

##### 8. Member priorities for DCED Global Seminar in June 2026

##### 9. Closing remarks, ideas for next WG Meeting

Papers can be found at: <https://sites.google.com/beamexchange.org/msdwg/jun-25>

## 1. Welcome & introductions

Co-Chair Karen (**Gatsby Africa**) welcomed all to the 38th meeting of MSD Working Group. No changes were proposed to the minutes of the previous meeting, which were therefore approved.

⇒ [Minutes of MSD WG meeting \(31st March 2025\)](#)

As this was a rare in-person meeting, with several new faces, including observers from other Working Groups, some productive time was spent making introductions and connections.

## 2. Current workstream activity updates

### Workstream 2.1: MSD Team Leadership

Mike K (**DCED Secretariat**) kicked off with an update about the recently published guidance and materials related to the [MSD Team Leadership Competencies Framework](#) on the BEAM Exchange, and a new policy brief [What support do Team Leaders need to thrive?](#). These much anticipated outputs are the product of the leadership clinics conducted in 2024.

### Workstream 2.1: Salvaging popular MSD resources (and translations)

Isabelle (**DCED Secretariat**) next updated members about the on-going work to salvage, repair links and re-publish important resources about MSD on the BEAM Exchange. Over 150 resources have been identified and are in the process of being screened and links checked for re-publication.

She also reported excellent progress in delivery of the key MSD resource translations, from the three consultants (Arabic, Spanish and French) contracted by IFC. After checking we expect to publish these on BEAM during July.

### Workstream 3.1: Publication of ISF Advisors new case-studies for Gatsby Africa

Karen (**Gatsby Africa**) shared a short [presentation \(see here\)](#) about the case-studies recently completed by ISF Advisors. These describe the lessons from engagement with sector transformation in the Aquaculture and Tea industries in East Africa.

## 3. Workstream 3.1 Building government capacity for sector transformation:

Members moved on to discuss activity plans and proposals for the year ahead – as summarised in the [MSD WG section](#) of the DCED's Annual Plan for 2025/6.

First up, Karen (**Gatsby Africa**) presented their [proposal for activities \(Workstream 3.1\)](#) focussed on building government capabilities for sector transformation. The objective is to improve how funders and implementers engage with governments in driving long-term structural transformation — moving beyond short-term project logic toward systemic, adaptive and politically aware support. Karen's proposal has already received support from GIZ (not present), and several more members in the room expressed enthusiasm for the ideas. These included Takafumi (**JICA**), Merten (**ILO**), Nic (**IKEA Foundation**), Kristin, Pascal (**LuxDev**).

Merten (**ILO**) spoke out highly relevant previous studies ([such as this](#)) and the potential for this to topic to contribute other WG interests, such as trade facilitation and systemic approaches to the 'Rules' aspect of market systems. Nick (**IKEA**) was pleased that the political economy dimension is getting a high profile – building on the thinking-and-working-politically ([TWP](#)) community and literature. Pascal (**LuxDev**) was encouraged by the level of ambition, and the potential synergies with the BER Working Group.

⇒ All members interested to participate in developing ToRs to liaise with Karen (**Gatsby**)

#### 4. Workstream 3.2 Support for applications of MSD4E Landscape tools

Mike A (**DCED Secretariat**) introduced the consultant (Justin van Rhyn) recently re-contracted by IFC to deliver the next phase of our MSD4E activity. Justin present the offer and [invitation to members](#) who want to take advantage of his tailored support over the next 8 months to learn from the MSD4E Landscape Assessment through interactive webinars, internal round-tables and executive briefings. His [presentation can be viewed here](#).

Pascal (**LuxDev**) shared his appreciation that this work is now underway. Alan (**FMO**) expressed interest from his agency, as did Steve (**SDC**).

⇒ All members interested to work with Justin to liaise with Mike K (**Secretariat**)

#### 5. Workstream 3.3 Beyond 'Greening MSD'

Mike A (**DCED Secretariat**) summarised the ideas and previous work (e.g. [Greening MSD in Agriculture](#)) that provides a background to the inclusion of this item in the Workplan for 2025/6 again.

Isaac (**ILO**) also noted that ILO had just published a think-piece '[What is not green about MSD?](#)' that explore three important considerations for agencies concerned with this agenda. He challenged the caricature that the MSD approach is not engaged with policy issues and the roles of governments – arguing that there is much to offer in the complex 'just transition' space.

Kristen (**former USAID**) flagged up the Green Avengers network, and the new 'Green MSD' guidance from Tom Hilton that connects market systems approaches with the conservation sector (on BEAM Exchange shortly).

Merten (**ILO**) announced two relevant ILO events: [Green Futures](#) in early September (in Maputo) and **MSD for Just Transition** on 30-31<sup>st</sup> October (in Geneva) and invited members to share info / participate in both. He hoped that following these events, an appropriate scope of work for the DCED MSD WG might be clearer.

Mike K (**DCED Secretariat**) observed that existing conversations (e.g. Green Avengers) are dominated by implementers. There is still a lack of conversations and clear framing from Donors – e.g. about setting their priorities. Kristen endorsed this. Karen (**Gatsby Africa**) illustrated this by reference to dilemmas about trade-offs in growing job-rich sectors such as garment-making.

Nic (**IKEA**) spoke about the need in the philanthropic sector for practical examples about how to do better environmentally-sound programming in a systemic way.

Steve (**SDC**) welcomed the opportunity to include more greening guidance in the new edition of the MSD Operational Guide that SDC plan to fund – as well as thinking about the value of systemic thinking in other green economy fields.

With time running out, Nic (**IKEA**), Anette (**Sida**), Steve (**SDC**), Merten & Isaac (**ILO**) all indicated their desire to continue the conversation here in a more focused task-team.

## 6. Workstream 3.5 Trade facilitation with the MSD approach: activity plans

Malin (**NL MoFA**) began this item by reminding members of the findings of our 2024 study [International Trade & MSD](#). Merten (**ILO**) noted several actors in the MSD WG (e.g. ILO, ITC, MoFA NL, CBI) are interested in trade and job creation and a systemic lens – for example including the roles of different public actors and institutions.

He noted that the tricky part is clarifying what DCED's influence in this space might be. It may be to think through how current MSD programming can tie in better with trade facilitation initiatives. It would not be helpful to critique conventional trade facilitation work for not being 'systemic'. So instead, we might harvest more examples (cases) in aid-for-trade space where systemic effects have been observed, and explore the underlying reasons for that. This links back to PDIA, and perhaps also to the industrial policy agenda.

Rob (**ITC**) pointed out to many in the aid-for-trade world, the term 'trade facilitation' has a very narrow meaning, just resolving issues with customs in particular.

Takafumi (**JICA**) contrasted this with the mindset of MSD / PSD practitioners who clearly understand the development need is addressing issues all along export-orientated value chains, starting with agricultural production. Other members agreed, but we need to be careful about the language we use going forward.

Joes (**MoFA NL**) suggested that a conversation about the relationship / similarities between 'non-tariff barriers' and other types of 'market failure' could be productive.

Marleen (**MoFA NL**) wanted to explore the potential relationship between this and Workstream 3.1 activity discussed earlier.

Kristin (**formerly USAID**) recounted some valuable past lessons from a similarly cross-disciplinary collaboration between market systems and nutrition experts. They arranged for people to sit together and draft a statement about convergences and tensions in terminology. She said it was "a deeply meaningful exercise, and only once they got past that could they figure out programmatic implications".

Marleen (**MoFA NL**) asked if there are enough members here interested to take this strand forward?

Rob (**ITC**) said he'd be happy to part of a group that follows up on the original piece. Merten (**ILO**) also expressed 'low-key' interest on behalf of Steve H.

## 7. Member agency updates

### USAID

Kristin (**formerly USAID**) explained that she'd be speaking to more general issues about USAID's demise during the Thematic Day tomorrow. Specifically re MSD, she said many people are holding their breath, so it is vital for all of us to communicate loudly and clearly that the MSD approach is not going to 'go away'. She also said she could not be more grateful that the BEAM Exchange is helping to save USAID's intellectual capital. She hoped some of the small consulting entities that have specialised in the MSD approach would find more engagement with DCED members here.

### FAO

Giang (**FAO**) explained that FAO been undertaking efforts to integrate more multi-sectoral and multi-disciplinary work in its programmes. However, operationalizing a systemic approach remains

compromised by various factors. In 2024 FAO has started implementing Programmatic Impact through Systems Approaches (PISA), funded by Sida, which aims to enhance the sustainability and scale of the impacts of FAO work at country level through promoting a more systems-based approach to designing and implementing projects. Giang saw potential for linking PISA with the MSD4E learning initiative mentioned earlier. One type of activities under PISA is to organize webinars to support an internal community of practice on systems approaches to field projects.

#### FCDO

Cormac (**FCDO**) updated members about recent sudden and severe cuts (from 0.5% to 0.3% GNI) for UK Aid, which has necessitated a re-organisation of the agency's whole architecture. Economic growth remains a high policy priority, alongside global health, humanitarian response and security. Support for **BII** will continue to aim to mobilise investment and financial sector deepening in Africa, albeit probably at a smaller scale.

Currently programmes are being consolidated into wrappers linked to a number of 'centres of excellence' e.g. most relevant for DCED is one for Green & Inclusive Growth. (aka the GIG CoE); another related to Aid-for-Trade and trade negotiations. Hopefully by October, the focus of each of these CoEs will become much clearer.

#### NL MoFA

Marleen (**NL MoFA**) reminded members that the Netherlands will still have a caretaker government until well into the autumn. Development cooperation programme was approved but with significant cuts and changes in priorities. The three major priorities are Trade & Economy, Stability and Migration. Various themes under this include food generation, water, health and humanitarian aid, and security. Good news is that support continues for adopting systemic approaches.

#### SDC

Steven (**SDC**) assured members the agency is still committed to the MSD approach in private sector development. To this end, he announced SDC will (with least \$15,000 additional support from ILO) provide up to \$100,000 over next two years to comprehensively revise and update the 2015 [MSD Operational Guide](#).

SDC will also support the [Markets in Crises](#) community of practice for 18 months, to maintain the platform and provide bridge funding until longer term income is secured.

Finally, the third in a series of five learning clinics on systemic approaches for SDC staff takes place in June in the MENA region, with staff encouraged to compare conventional and MSD orientated programmes.

#### JICA

Takafumi (**JICA**) reflected that until recently JICA worked only in partnership with governments – particularly in SE Asia - meaning it has been hard to engage colleagues in DCED WGs. But this may be shifting. Recently a senior vice-president queried why JICA did not work directly with the private sector. Marleen (**NL MoFA**) highlighted Dutch collaboration with JICA in Ghana, for example with market analyses of food-value-chains.

#### LuxDev

Pascal (**LuxDev**) explained that, in contrast to so many, LuxDev budget is increasing – now to 1% of GNI. One key priority and aid-condition is human rights – this creates some uncertainty as political events can quickly affect the agency's ability to work in some regions (e.g. in W. Africa). The other is

that aid goes as directly as possible to poorest communities and households. Hence links with local firms, economic activities and services.

## ITC

Rob (**ITC**) mentioned that this is a year of strategic review for ITC – with shifts towards a mindset of transformation and systemic change likely. There will be more attention on bottom-up activities, including using MSD approaches and adaptive management.

ITC's largest funder is EU, and represent a big gap in the MSD field, but they have examples now.

Countervailing pressures include the demand for shorter-time project timeframes, and to demonstrate 'two-way' benefits. Something we should talk more about.

Susi (**ADA**) raised the question of how to influence (especially local) EU delegations to understand and adopt systemic approaches. Rob (**ITC**) suggested using practical examples of other EU projects, alongside building personal relationships. Michaela (**ITC**) also emphasised relationship building, showing impact and regular patient dialogue. Pascal (**LuxDev**) mentioned a very accessible EU policy note that provides good messages about systemic approaches, but is not widely known. Alan (**FMO**) recommended flagging linkages if possible to the priorities of the EU Global Gateway.

⇒ Mike A (**Secretariat**) to track down and circulate this EU policy note

## Sida

Anette (**Sida**) noted that the agency is still committed to the MSD approach and its institutionalisation in their work. Training of new colleagues continues. The new Swedish government's political priorities include trade and private sector development, albeit with more focus on Swedish firms and benefits for Sweden. But Sida remains part a movement seeking to see systemic and long-term results.

Increasingly, there is more of a coherent country-based focus in Sida's strategy. The number of countries Sida works with is being reduced.

## 8. Member priorities for DCED Global Seminar in June 2026

Mike A (**DCED Secretariat**) emphasised that planning for another Global Seminar, combined with the DCED Annual Meeting, is in early stages, with uncertainty about the venue. He asked members to consider their priorities over the next few days, and make a note of any hot topics they would like to share.

⇒ All Members to share their thoughts about thematic priorities with the Secretariat

Pascal (**LuxDev**) suggested that the agenda of the new Finance WG would be important, and perhaps more generally the necessity of 'doing more – with less'!

## 9. Closing remarks, ideas for next WG Meeting

Karen (**Gatsby Africa**) invited members to share priorities for the agenda of the next (online) MSD WG meeting in September. It was expected that some clearer proposals from the Trade and Green workstreams may have emerged by then.

⇒ Mike A (**Secretariat**) to circulate a diary poll among members to identify the best date for next MSD WG meeting