What results did the MSD approach deliver? A review of the latest evidence

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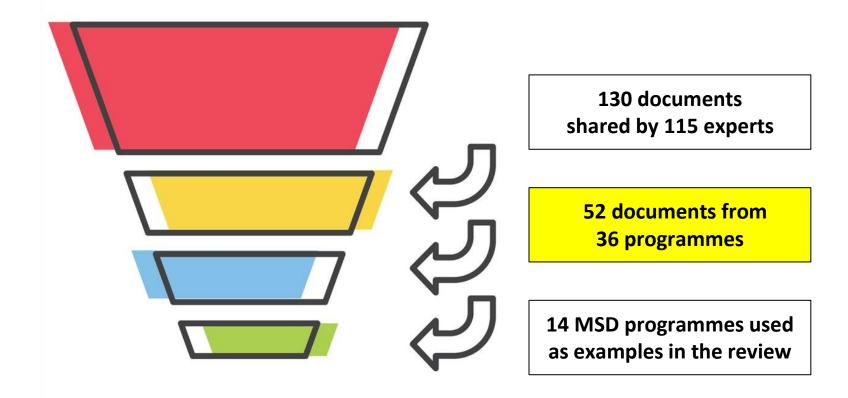
The Donor Committee for Enterprise Development



>Background

What we reviewed and main challenges

What did we review?



How did we select? BEAM Selection Criteria

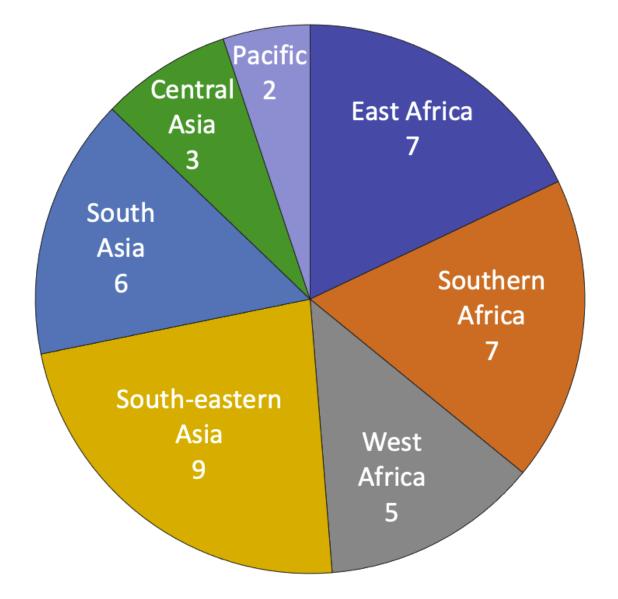
Minimum Criteria

- Relevance
- Language
- Currency
- Accessibility

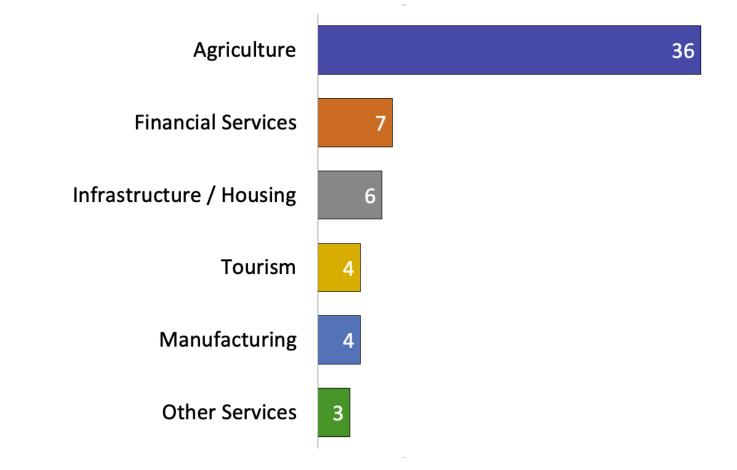
High Confidence Criteria

- Transparency
- Credibility
- Cogency

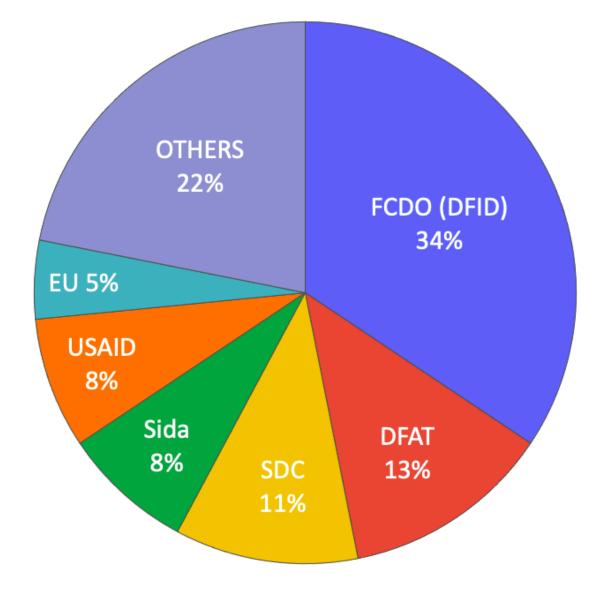
Geographic distribution



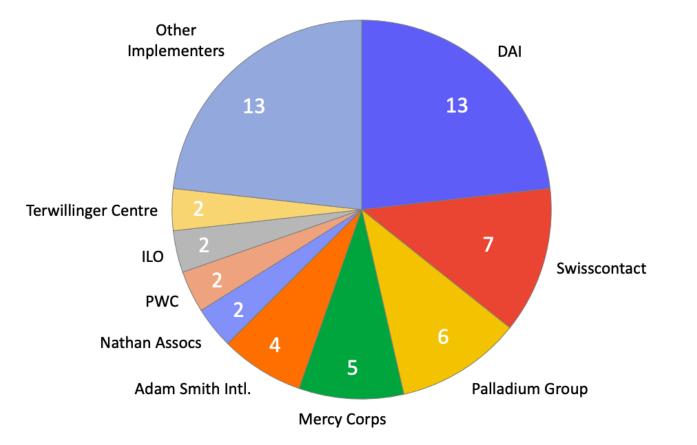
Sectoral focus



Donors funding the evidence



Implementers that generated the evidence

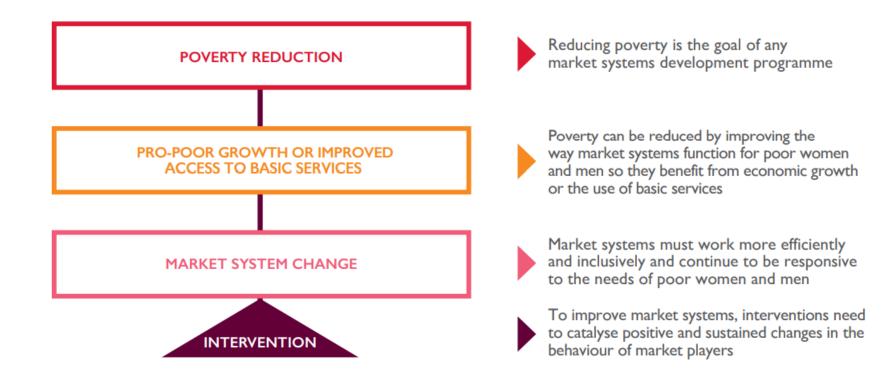


Challenges

- Independence
- Moving targets
- Selection bias
- Spillovers
- Unintended effects



Structure of the evidence



Evidence about poverty reduction: incomes

Programme	Period	Country	Headline: Increases in income & jobs
ALCP	2008-17	Georgia	• US\$ 34.7m in additional sales for 403,000 farming households
AVC	2013-19	Bangladesh	 US\$ 117m in increased income for 307,000 households 111,700 full-time equivalent jobs created
Ghana MADE	2013-20	Ghana	• US\$ 87m additional net income for 95,000 farmers
GROW	2014-20	Liberia	• US\$ 8.0m net attributable income gain for 29,100 h/holds
IMSAR	2018-19	Rwanda	• US\$ 1.9m increased income for 35,000 rural h/holds
InovAgro	2015-20	Mozambique	• US\$ 18m net attributable income increase for 34,900 smallholders
MADE	2013-20	Nigeria	• US\$ 59m increased attributable income for 300,000 households
MDF	2011-19	Multiple	• US\$ 112m in increased income for 242,000 adults
R2J	2015-18	Afghanistan	 US\$ 2.1m of additional rural income 48,800 improved jobs
RLDP	2005-15	Tanzania	• US\$ 41m of additional income for 627,000 households

Evidence about poverty reduction: effectiveness

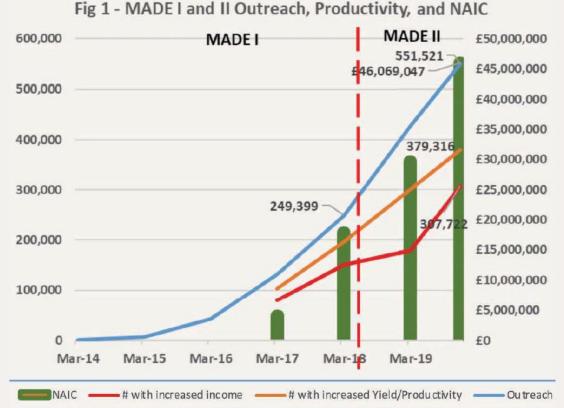
Programme	Country	Costs	Additional Income	Beneficiaries	Ratio of income benefits to costs
ALCP	Georgia	\$ 8.8m	\$ 34.7m	403,000	3.9
AVC	Bangladesh	\$ 34m	\$ 117m	307,000	3.4
InovAgro	Mozambique	\$ 20 m	\$ 18 m	35,000	0.9
MDF	Asia: multi-country	\$ 48m	\$ 112m	242,000	2.3
R2J	Afghanistan	\$ 7.5m	\$ 2.1m	49,000	0.3
RLDP	Tanzania	\$ 8m	\$ 40m	627,000	5.0
TOTAL		\$ 126m	\$ 324m	1,663,000	2.6

Evidence about poverty reduction: gender equity

Programme	Country	Women Beneficiaries %	
Alliances / ALCP	Georgia	54%	
AVC (financial services)	Bangladesh	43%	
Ghana MADE	Ghana	45%	
GRAISEA	Multi-country	45%	
GROW	Liberia	54%	
HIPSTER	Ethiopia	87%	
IMSAR	Rwanda	42%	
KAVES	Kenya	53%	
MADE Nigeria	Nigeria	46%	
MDF	Multi-country	44%	
PMDP	Palestine	46%	
Propcom Mai-karfi	Nigeria	22%	
RLDP	Tanzania	36%	
Samarth – NMDP	Nepal	48% - 65%	
Yapasa	Zambia	23%	

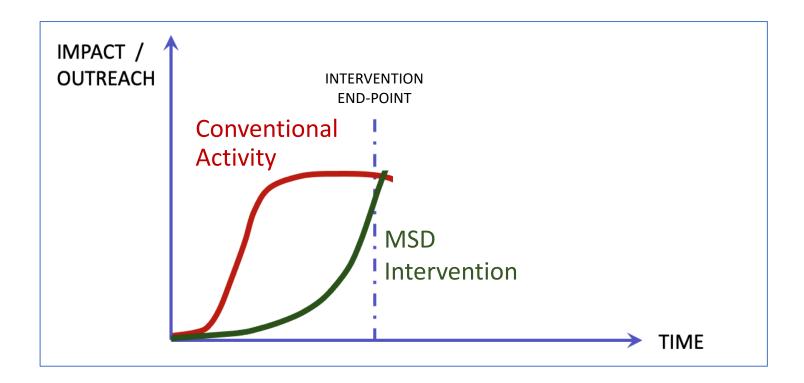
Evidence about poverty reduction

MSD Impact Case 3: MADE in Nigeria



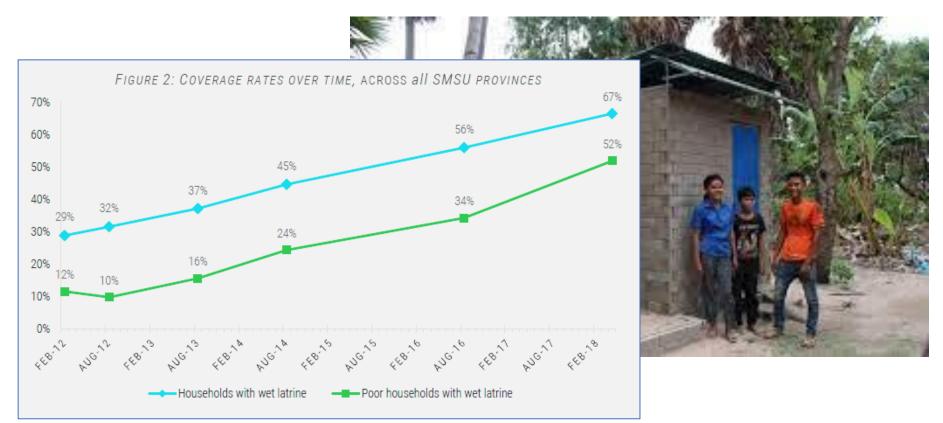


Evidence about poverty reduction: sustained impact



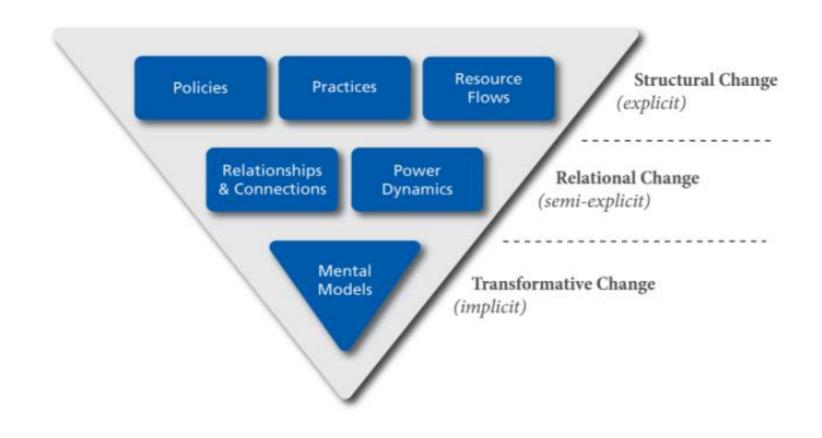
Evidence about pro-poor growth & access to services

MSD Impact Case 6: SMSU in Cambodia



Evidence about market system change

Shifting the conditions that are holding problems in place



Evidence about market system change

Market System Change - Policy Case 1: Hipster in Ethiopia

...building effective markets for industrial labour services in textile sector: recruitment, job-matching, skills development

... was adopted effectively as GoE national policy for development of industrial parks in 2017

... benefited 30,000 workers, 87% women by 2020



Evidence about market system change

Market System Change - Practices Case 4: Ghana MADE

... establishing better practices & financing for agriinputs & services through an advanced out-grower model

... formalised planning, investment, contracting, input delivery, training & aggregation



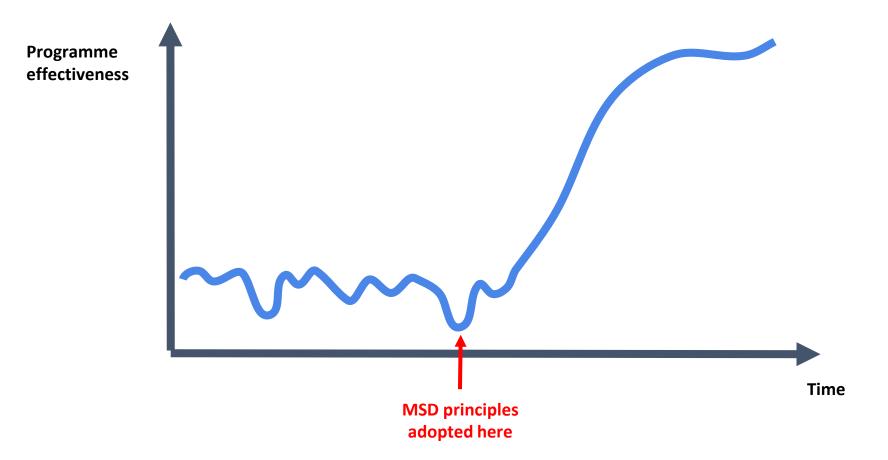
... resulted in a sustainable business model with 500 farm enterprise advisors supporting and servicing 136,000 farmers

Insights & Reflections (Chapter 7)

- Adoption of relevant indicators
- Quasi-experimental methods
- Complementary lenses
- MSD portfolio reviews
- Ex-post evaluations

- The importance of MSD principles
- Adaptive management &
 - donor relationships
- Methodological clarity
- The DCED Standard

MSD principles and practices matter



Competencies

- Relationship building
- Learning & Knowledge Sharing
- Systematic Experimentation
- Co-creation with market actors

Adaptive management and donor relationships

- Quality of relationship
- Awareness of challenges associated with MSD
- Adaptive management
- Experimentation
- Staff capacity
- Co-creation

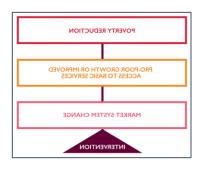
Positive signals from the donors

"Support and incentivise a culture of experimentation and active learning" (Sida)

"Strengthen institutional understanding of the MSD approach and build [capabilities for staff] to engage with [...] MSD programmes" (DFAT)

Methodological clarity

• Wide adoption of:







- 'Theory-based evaluation' and 'mixed methods'
- Only 40% of evaluations were clear about methods

> Conclusions (Chapter 8)

- Programmes using MSD are reducing poverty at scale
- MSD is supporting sustained pro-poor growth and access to services
- MSD programmes are facilitating systemic change
- MSD competencies and adaptive management remain crucial success factors
- Clarity about how to track and measure systemic change is emerging