

Gender Equality and Social Inclusion in Market Systems Development: How technical approaches have evolved (Part 2)

This brief builds on <u>Part 1</u> of the series, which traced the evolution of Women's Economic Empowerment (WEE) and Gender Equality and Social Inclusion (GESI) in Market Systems Development (MSD) from pre-2012 through 2020. In this second part, we explore how approaches have continued to evolve from 2020 to the present, reflecting growing ambition, emerging global priorities, and lessons from practice. It draws on publicly available resources. While not exhaustive and recognizing that technical approaches vary based on funder and implementing partner priorities, incentives, and capabilities, this summary highlights key trends, innovations, and challenges shaping the current GESI in MSD landscape.

Introduction

While market systems development (MSD) programs continue to address barriers to participation, voice, and agency, a new generation of strategies is shifting focus toward transforming systems to be more inclusive, sustainable, and resilient. These emerging approaches reflect a deeper understanding of power dynamics, intersectionality, and the need to place inclusion at the center of economic, environmental, and digital transitions.

Inclusion is now increasingly recognized not just as a moral imperative, but as a catalyst for system-level change. Current approaches position diverse actors, women, youth, persons with disabilities, and other historically excluded groups, as agents in reshaping the goals, values, and structures of economic systems.

This shift has been accelerated by:

- The COVID-19 pandemic, which exposed and intensified structural inequalities
- The growing urgency of climate action, just transitions, and investments in care systems
- Rising demand for inclusive digital and financial ecosystems
- Donor and practitioner efforts to link WEE/GESI to resilience, green growth, and innovation
- The global call for more locally led development

Despite important progress, persistent challenges continue to limit the depth and durability of change. Programs have advanced in their technical framing of gender equality and social inclusion (GESI), however, practice often lags behind. In some contexts, there is a tendency to claim GESI integration without critical reflection on the quality, intent, or outcomes. In others, GESI is increasingly seen as counter to politically or economic interests. Yet, from the more than two-decades of experience, it is clear that achieving transformative impact requires greater attention to quality, context, and systems-level dynamics.



Key Shifts in Thinking and Practice (2020 – Present)

From Women-Centered to Inclusive of Diverse Excluded Groups

Early efforts focused on addressing gender-based barriers faced by women, particularly in agriculture and informal sectors. Over time, there has been growing recognition that exclusion is shaped by multiple, intersecting factors including age, disability, ethnicity, displacement, and sexual orientation. As a result, programs are expanding their lens to include youth, people with disabilities, LGBTQIA+ individuals, ethnic minorities, and others facing systemic disadvantage as reflected in the Transforming Market Systems (TMS) Activity (Box 1) and the Strengthening Host and Refugee Populations in Ethiopia (SHARPE) program (Box 2). This shift requires more nuanced diagnostics, tailored intervention strategies, and MEL systems that capture disaggregated outcomes and intersectional barriers. It also demands meaningful participation of diverse groups in program design and decision-making, ensuring that inclusion is not only about access but about voice, relevance, and agency.

Box 1: The USAID/Honduras Transforming Market Systems (TMS) Activity, implemented by ACDI/VOCA from 2018-2025, aimed to address root causes of irregular migration and economic exclusion by strengthening local market systems. It exemplifies the shift from women-centered efforts to a more inclusive approach that embraces the intersecting barriers faced by diverse excluded groups, including youth, returned migrants, rural communities, and LGBTQ+ individuals. Rather than treating inclusion as a siloed concern, TMS embedded it across the program: building local capacity to deliver gender-and inclusion-sensitive services, supporting Afro-descendant, Indigenous, and LGBTQ+ enterprises, and enabling women to enter male-dominated sectors while addressing gender-based violence risks. By integrating inclusion into core market strategies, TMS not only generated 73,000 new jobs, 65% for women and youth, and \$368 million in new earnings, but also demonstrated that inclusive market systems can unlock opportunity at scale and reposition those long excluded as agents of economic transformation.

Box 2: The FCDO-funded Strengthening Host and Refugee Populations in Ethiopia (SHARPE) program (2019-2025) began with a focus on addressing gender-based barriers to poultry markets, particularly for women in refugee and host communities. However, early market insights revealed that exclusion was shaped by intersecting factors such as age, disability, displacement, and household status. In addition, the initial scale of the poultry farms (500 pullets), supported by a large Addis based lead firm was prohibitive for refugees due to the size of contribution and space required. To address this, SHARPE adapted its approach to intentionally support refugees, and particularly women with small scale poultry farms (80 – 100 pullets). The program tailored the business model to reflect diverse needs and engaged local actors to co-create solutions. Refugee poultry farmers were able to run businesses from the household and work alongside a local poultry distribution hub. This inclusive pivot helped improve adoption rates while also embedding more equitable representation in program decision-making, demonstrating how market systems approaches can evolve to recognize and respond to the full spectrum of exclusion.



From Program Integration to System Influence

Programs are moving from internal mainstreaming to influencing the broader enabling environment including policies, market norms, and investment logic as illustrated by the GREAT program (Box 3). This shift means leveraging evidence and coalitions to influence rules, standards, and incentive structures beyond the program footprint.

Box 3: The Aus4Equality|GREAT program In north-west Vietnam, implemented by Cowater International in association with the Whitelum Group from 2017 to 2021, helped drive more inclusive growth in the cinnamon sector by working with businesses and provincial stakeholders to strengthen value chains and expand opportunities for ethnic minority women. Through partnerships with firms like Son Ha and Vinasamex, the program supported the shift to organic and Fair Trade-certified production, established women-led producer groups, and introduced peer-based monitoring systems. It also fostered stronger linkages with certifiers, extension services, and local authorities, thereby contributing to improved coordination and more consistent market access. By embedding inclusion into both business practice and sector governance, the program contributed to a more enabling environment for inclusive and sustainable market development.

From Working with Women to Working with Men and Communities

Earlier approaches to GESI often focused narrowly on supporting women's access to resources, markets, and services. While this remains essential, there is growing recognition that transformative change requires engaging the broader ecosystem of relationships and power, particularly men, gatekeepers, and community influencers. Programs are now designing interventions that engage men as allies, address relational dynamics, and facilitate dialogue within households and communities as exemplified by the Nutrition-Sensitive Value Chains project (Box 4). This shift requires intentional strategies to navigate social norms, foster shared understanding, and build inclusive accountability across gender and community roles.

Box 4: World Vision's Nutrition-Sensitive Value Chains (NSVC) implemented between 2017-2023 in northwest Bangladesh, project focused on women's economic empowerment in agriculture. In addition to a gender responsive market assessment, which informed sector intervention strategies in maize and vegetables, NSVC conducted participatory gender analyses to inform the design of gender transformative activities. This revealed that deeply embedded social norms and male control over income generation activities, limiting women's ability to access markets. In response, NSVC integrated gender dialogue sessions for couples, gender inclusive financial literacy, as well as male engagement with community and religious leaders. These activities encouraged the questioning of restrictive norms, encouraging men to support women's participation in farmer groups. This approach, moving beyond working with women to working with entire households and communities, resulted in holistic women's empowerment outcomes. This included women taking on more meaningful roles in agrifood systems, increased time spent by men on care work, and better dietary diversity.



From Social Norms Awareness to Norm Disruption

Programs are designing interventions to shift harmful norms, not just work around them. Norms diagnostics are being used to shape market facilitation. This shift involves partnering with local actors to design facilitation tactics that challenge restrictive beliefs, behaviors, and power structures.

From Inclusion as Compliance to Inclusion as Innovation

Inclusion is being framed as essential to innovation, resilience, and adaptive capacity. Programs are engaging women and excluded groups as innovators and co-creators as illustrated by the Nepal Agriculture Market Development Programme (Box 5). This shift promotes the role of excluded groups as co-creators and recognizes their knowledge and leadership in shaping economic systems.

Box 5: The Nepal Agricultural Market Development Programme (NAMDP) Phase II*, a MSD project funded by SDC and implemented by Swisscontact, began with a GESI-sensitive orientation. Midway through implementation, the program shifted, treating GESI as more than a transversal theme by launching targeted, innovation-driven interventions that placed women at the center of market opportunities. A standout initiative involved a partnership between NAMDP II, a local government, and a women's cooperative in the Eastern hills. The collaboration enabled women entrepreneurs to process fermented leafy greens, a traditional food, into a branded, packaged commodity. Through technical support and collective branding, the intervention created new income opportunities, reduced post-harvest losses, and promoted the region's cuisine. What started as a compliance-driven inclusion effort became a catalyst for innovation, demonstrating how intentional GESI integration can drive transformative change.

*Phase 1: 2016-2020, Phase 2: 2021-2025

From Gender + Market to Gender + Climate + Digital + Care + ...

GESI approaches are no longer confined to market access and participation. They are increasingly integrated into broader systems shaping inclusive livelihoods: climate finance, digital public infrastructure, care economies, and more. This evolution reflects a growing understanding that economic inclusion is inseparable from the systemic transformations underway in climate, technology, infrastructure, investment and care. This shift demands more than cross-sector awareness. It requires joined-up strategies that are capable of navigating and addressing interlinked exclusions such as when digital divides, unpaid care burdens, and climate vulnerabilities intersect. Programs must move beyond siloed diagnostics and adopt systems-level thinking that identifies leverage points across interconnected domains. Delivering on this vision calls for new coalitions, updated tools, and facilitation capacities that are attuned to power dynamics, context, and resilience.

From Project MEL to Contribution to Collective Learning

MEL systems are capturing how programs contribute to systemic change and learning across actors, not just project-level results. This shift means capturing indirect outcomes,



documenting contribution to change, and investing in shared learning platforms and knowledge exchange.

From Standalone to Networked and Multi-Actor Approaches

Programs are working through coalitions, industry bodies, and platforms to embed GESI within broader systems, moving beyond individual projects to field-wide influence as shown by the Cambodia Australia Partnership for Resilient Economic Development Program (Box 6). This shift requires systems mapping, shared agendas, and facilitation capacities that align diverse actors toward inclusive change.

Box 6: Australia's Cambodia Australia Partnership for Resilient Economic Development (CAPRED)* funded by DFAT and implemented by Cowater International, illustrates a shift from standalone interventions to networked, multi-actor approaches that blend policy reform with market systems thinking. At the heart of this strategy is CAPRED's Policy Hub: a convening platform that connects government, private sector, development partners, and CAPRED's field investments across agriculture, energy, and trade. The Hub captures real-time insights and works closely with GEDSI and MERL teams to ensure that evidence and lived experiences, particularly those of women, people with disabilities, and migrant workers, shape national policy priorities. For example, the Hub's collaboration on economic diversification and diaspora engagement generated policy-relevant insights on the barriers faced by returning migrant women, informing reforms on skills recognition and reintegration into decent work. This integrated, evidence-driven model strengthens institutional capacity and policy responsiveness, demonstrating how sustained, multi-actor collaboration can build shared ownership for inclusive and resilient growth.

*2022-2027 with possible 3 year extension

Key challenges ahead

While the field of MSD has made important strides, persistent challenges continue to limit the depth and durability of change. Programs have improved in their technical framing of GESI, but practice often lags behind. In some contexts, there is a growing tendency for programs to claim they are "doing GESI" without critical reflection on the quality, intent, or outcomes of their efforts. At the same time, GESI is increasingly politicized in some settings, with efforts to dilute, sideline, or actively roll back commitments to gender equality and inclusion. To achieve truly transformative impact, more attention is needed to quality, context, and systems-level dynamics along with consistent advocacy to protect and advance GESI gains. Key technical challenges¹ include:

Underdeveloped intersectionality. Many programs still treat women as a
homogenous group, with limited analysis of how overlapping factors such as
disability, age, ethnicity, displacement status, or sexual orientation shape exclusion
and opportunity.

¹ This brief intentionally focuses on technical challenges and opportunities that are within the sphere of influence of practitioners.



- Norm change work is under-resourced and politically sensitive. Interventions to shift social norms are often avoided, short-term, or inadequately funded, despite their importance in addressing structural barriers to inclusion.
- Evidence remains fragmented. While individual programs may collect useful data, there is limited synthesis across contexts to identify what works at scale. Intentional meta-learning is needed to consolidate lessons and inform future programming.
- Need for practical guidance on the 'how'. As the complexity and nuance of
 effective GESI work become clearer and programs face tighter resources there is a
 growing need for practical, actionable tools that go beyond outlining what to do and
 instead support the how of implementation in complex systems. This includes
 guidance on adaptive facilitation, inclusive MEL, and other approaches that can be
 scaled across diverse contexts.
- Risk of regression in fragile or underfunded environments. Gains in WEE and GESI can be reversed in contexts where gender equality is deprioritized or politically contested, underscoring the need for long-term, resilient strategies.

Resource library

The following resource library offers a curated selection of discussion papers, guidance documents, and frameworks that have shaped the evolution of GESI and WEE in MSD.

Discussion papers & case studies

- Best practices in inclusive business: the cinnamon sector (2024)
- Care matters. Taking action on unpaid care and domestic work in ASEAN (2020)
- From risks to rewards: overcoming the impacts of climate change on women in agricultural supply chains (2022)
- How the private sector measures social inclusion and its return on investment: A framework to inform future research (2021)
- Improving access to better jobs for women: How improved business practices can increase staff performance and business outcomes IMSAR Rwanda (2022)
- <u>LIWAY in-depth market systems development case studies: Learnings from the livelihoods improvement for women and youth programme in Ethiopia</u> (2024)
- Market systems development in fragile and conflict-affected situations: lessons for donors and implementers working at the intersection of humanitarian and development responses to the Covid pandemic (2021)
- Meta review of World Vision Australia's economic empowerment programming (2022)
- Textile and apparel production innovations towards more resource-efficient and circular economy (2022)
- <u>Understanding refugee resilience and the inclusion of refugees in markets</u> (2025)
- Youth, women, and market systems development in agriculture and supporting markets (2020)

Guidance, frameworks & tools

- Adapting the agent model to be more inclusive and effective for the agricultural sector: PRISMA Direct Sales Agent research (2021)
- Addressing gender norms to increase financial inclusion (2021)
- Disability inclusion framework & guidance (2020)
- Gender Equality, Youth and Social Inclusion (GEYSI) Integration Manual (2020)
- Sector selection and analysis: Selecting winning sectors for women's economic empowerment (2023)
- Toolkit to address gender-based violence in agriculture and market systems development (2021)
- Women-inclusive return on investment (WI-ROI) framework (2022)