

# Private Sector Development and Market Systems

Generating evidence on how business can reduce poverty

**Results in development** 

## **Overview**

We believe that economic poverty is best addressed by improving the functioning of markets in which the poor participate.

To achieve this, Itad is supporting a variety of private sector and market development programmes in developing countries to strengthen the results that they deliver.

Every day, poor men and women participate in markets to meet their needs. Markets that function well help to drive economic growth and bring benefits to people in the following ways:

- as producers, through increased profits, higher sales and improved access to markets;
- as consumers, through better access to products and services, lower prices and wider choice; and
- > as employees, through better job prospects, higher wages and improved working conditions.

Governments and international development agencies increasingly recognise the role they can play in improving economic opportunities, whilst ensuring that their activities do not distort markets in unintended ways.

We work with projects that seek to create wealth and enable the private sector to flourish in a variety of markets, including food and agriculture, infrastructure, manufacturing, and financial services. We support these projects through:

#### Strategic planning

We help those we work with to design their strategies in a way that is based on evidence, is coherent, has clear and measurable objectives, and takes account of the way that a development programme links with the rest of the world.

#### **Monitoring systems**

We help to develop practical ways to measure the effects of market-based development initiatives, providing the information that is needed to learn and adapt from experience.

#### **Evaluation**

We conduct independent studies of the design, implementation and results of on-going or completed private sector development projects. Our evaluations use a mix of rigorous quantitative and qualitative evidence to deliver credible evidence. We deliver our findings in a way that provides pragmatic suggestions on how to improve performance.

#### Training

We transfer skills and knowledge to those we work with – both through formal training and through more informal collaboration.

We particularly support programmes that follow a market systems approach to development (the 'Making Market Systems Work for the Poor' or 'M4P' approach). This approach works to address the underlying constraints that prevent markets from working in the interests of the poor.



### OUR PROJECTS



## Evaluating FoodTrade in East & Southern Africa

Markets for staple foods are fragmented and underperforming throughout the East and Southern African region. Itad is undertaking a five year evaluation of the FoodTrade East and Southern Africa (FoodTrade ESA) programme, which aims to promote trade and private sector investment in staple food crops, including maize and rice.

The programme will increase income levels for food producers and access to food for consumers by addressing some of the causes of failure in staple food markets. It will increase the availability of seed and fertilizer, reduce barriers to cross-border trade, strengthen access to financial services for producers and businesses, and improve policy and regulation.

Itad's evaluation is wide ranging, using a variety of evaluation methodologies, including quasi-experimental impact evaluation, case study analysis, value for money assessment, organisational evaluation of the FoodTrade Programme Management Unit, and sustainability analysis. Our evaluation will provide lessons to improve programme implementation and results and draw wider lessons to inform the design of similar programmes in the future.

To find more about this project visit www.itad.com/projects/evaluation-offoodtrade-east-southern-africa

#### Helping the Private Enterprise Programme Ethiopia (PEPE) to deliver results

Despite consistent economic growth in Ethiopia over the past decade, poverty remains widespread. The UK Department for International Development's Private Enterprise Programme Ethiopia (PEPE) aims to support the development of the private sector and thereby generate employment and increase household incomes for poor people. It is doing this by improving firms' access to finance and addressing market and government failures in textiles, leather and horticulture production. The programme is adopting an M4P approach and is giving particular priority to supporting economic opportunities for women as well as growth that is environmentally sustainable.

Itad is supporting PEPE to generate reliable and timely information to assess its achievements and understand what works. Through this feedback, better decisions will be made and resources will be allocated more efficiently. We are providing a full-time lead monitoring and results measurement expert based in Addis Ababa and a team of shortterm advisors.

To find more about this project visit www.itad.com/projects/private-enterpriseprogramme-ethiopia-pepe

#### Enhancing the impact of the Mobile Money for the Unbanked programme

More than one billion people in developing countries have access to a mobile phone but don't have a formal bank account. Itad is measuring the results of the Mobile Money for the Unbanked (MMU) programme to help improve how it engages with its users.

The programme, which is funded by the Bill and Melinda Gates Foundation, works with mobile phone operators and the financial services industry to provide affordable financial services to people without bank accounts. Itad is conducting an annual survey of people involved in MMU and a more detailed evaluation of MMU initiatives.

To find more about this project visit www.itad.com/projects/evaluating-andenhancing-the-impact-of-the-mobilemoney-for-the-unbanked-programme

#### Developing a monitoring, evaluation and learning system for Digital Jobs Africa

The current pace of job creation in Africa cannot meet the demands of the world's fastest growing youth population. In Sub-Saharan Africa, young people under 25 make up 62 percent of those unemployed and the youth population as a whole is expected to reach 400 million by 2045. Job creation is not keeping up.

The Rockefeller Foundation's Digital Jobs Africa (DJA) Initiative is working across six countries to catalyse sustainable ICT jobs for African youth. The Initiative aims to have an impact both on improving wellbeing of those employed, their families and communities, and also to promote inclusive business practices that will lead to job creation for youth in ICT-enabled sectors.

Itad is leading a consortium that is undertaking monitoring, evaluation and learning for the initiative. This includes the routine reporting of DJA results to Rockefeller's management team; more in-depth learning activities to develop clear findings and evidence-based conclusions; and periodic and independent assessment and review of the DJA Initiative. We are developing technology-enabled reporting system, which will use innovative 'real time' ICT for Change to monitoring and evaluation (M&E) tools such as SMS-based surveying of beneficiary youth across the Initiative.

To find more about this project visit www.itad.com/projects/evaluating-andenhancing-the-impact-of-the-mobilemoney-for-the-unbanked-programme

Itad is helping to address the challenge of generating reliable evidence on how business contributes to poverty reduction in developing countries.

#### CASE STUDY

#### Meeting the challenges of measuring jobs - GEMS Handbook

Nigeria is the second largest economy in Africa and is set to become one of the largest economies in the world by 2020. Against this backdrop, Itad supported the Growth and Employment in States (GEMS) project, an initiative aimed at creating more jobs and encouraging non-oil growth in Nigeria. The project faces a number of challenges in measuring its results. To help, Itad has developed a handbook that provides a framework for capturing and reporting results that is coherent across the project.

#### Developing results for a complex project

Supported by Nigeria's Federal Ministry of Trade and Investment and funded by the World Bank and DFID, GEMS is a large and complex project so by nature has been tricky to measure. Firstly, different market components are implemented by different contractors, with a very wide variety of interventions. Secondly, it makes use of the M4P approach to economic development which has a number of characteristics that challenge traditional results measurement techniques. Finally, the project is being delivered during a time when there are high demands for effective measurement and communication of results and value for money.



Building Blocks for Success. Photo Credit: Ed Hawkesworth/DFID



Ploughing ahead in business. Photo Credit: Ed Hawkesworth/DFID

#### Introducing standards and guidelines

Itad was commissioned by DFID to respond to these challenges and develop a handbook to guide the project implementers towards the best ways in which to measure results across the project. The handbook provides a set of definitions for key terms ('poverty', 'income increase', 'employment' and so on) whose meanings we might think we understand, but which quickly unravel when two sets of results using different methods and measurements are compared. It also provides a set of measurement standards and guidelines for each category of intervention in the project, whether focused on developing skills, introducing new products and services, advocacy, business development services, or business environment reforms.

The handbook provides useful guidance to help GEMS measure its results more rigorously and has been designed to be flexible to individual interventions and contexts.

To find more about this project visit www.itad.com/projects/gems-resultsmeasurement-handbook

#### Other projects

- Monitoring, evaluation and learning for the Nepal Rural Access Programme (RAP)
- Impact assessment of DFID's Legal Advisory Services for Economic Reform (LASER) programme
- Monitoring results of the Business Innovation Facility (BIF)
- M&E support to DFID's Ghana Market Development Programme (MADE)
- > M&E support to the Afghanistan Business Innovation Facility (ABIF)
- > M&E support to the Somaliland Business Fund (SBF)
- M&E support to the Food Retail Industry Challenge Fund (FRICH)
- Synthesis of approaches to evaluation of market development programmes
- Mid-term review of the Malonda Programme, Mozambique
- Monitoring systems support to Musika, Zambia
- Mid-term Review of the Enhanced Integrated Framework (EIF)
- Results measurement and capacity development for TradeMark East Africa (TMEA)
- Evaluation of DFID's West Africa Food Markets programme
- > BEAM Exchange
- Evaluation of DFID's Tanzania Growth Programmes

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Itad's evaluation is contributing to a learning process to improve the delivery of the programme and the results it achieves.