



ACDI/VOCA is at the forefront of defining and applying systems thinking to market development. We analyze market systems and identify leverage points for change within an evolving but clearly defined strategy to make these systems more **competitive, inclusive, and resilient**. Our inclusive market systems approach to development embraces the complex interrelationships of value chains and economic, social, and political systems as well as the underlying norms, networks, and patterns that shape behaviors and social outcomes. We use adaptive management and stakeholder-led processes to improve conditions and incentives for markets to work better for poor and marginalized populations.

## OUR INCLUSIVE MARKET SYSTEMS APPROACH

### *1. Analyzes the Causes—Not Symptoms—of Poor Market Performance*

We analyze the roles, relationships, and resources as well as the formal and informal rules to determine the root causes of poor performance.

### *2. Identifies a Strategy and Leverage Points for Systems Changes*

We co-develop with stakeholders an evidence-based vision for better performing markets and a strategy for changes with regularly refined leverage points.

### *3. Facilitates Participatory, Iterative Design and Implementation*

We place stakeholders and market actors in the driver's seat, employing a range of facilitation tactics and partnerships with innovators capable of influencing change and accelerating wide-scale adoption.

### *4. Applies Complexity-Aware Methods to Monitor, Evaluate, Learn, and Adapt*

Beyond performance indicators, we apply mixed methods to measure and understand broader system changes, assess project attribution, and capture indirect impact. Our Collaborating, Learning, and Adapting (CLA) processes maximize applied learning and inform adapt-drop-scale decisions.

### *5. Aligns Technical Approach with Operational Practice*

We align our technical approach with operations—from human resource systems to grant and subcontract funding—using customized tools and processes.

## HIGHLIGHTING OUR APPROACH

### HONDURAS



### BANGLADESH



### GHANA



### KYRGYZ REPUBLIC



#### Honduras

Our groundbreaking Transforming Market Systems Activity embeds systems thinking into all aspects. Funded by the United States Agency for International Development (USAID), it targets agricultural and nonagricultural subsectors with the most potential to change system dynamics in ways that improve market performance and reduce incentives for Hondurans to migrate. To identify these subsectors, we used participatory, iterative systems mapping, stakeholder workshops, and diverse formative analyses covering market systems, the political economy, network, gender and social inclusion, and entrepreneurship ecosystem mapping. We apply a custom systems health diagnostic within a monitoring, evaluation, and learning (MEL) framework and emphasize CLA through staff culture building, a flexible Partnership and Innovation Fund, and the use of pilot-refine-scale phasing and sentinel indicators for faster adaptation.

#### Bangladesh

Our USAID/Bangladesh Feed the Future Rice and Diversified Crops Activity incentivizes market actors to invest and scale inclusive business models that catalyze market system changes, which increase incomes and improve food security and nutrition. The Activity will reach 500,000 farmers with new and improved products, services, or market linkages by expanding production and procurement in target zones by 50 percent. Successful models are scaled up through co-financing and facilitating the copying and crowding in of market actors.

#### Ghana

Our Feed the Future Ghana Agricultural Development and Value Chain Enhancement II Project has facilitated \$4.2 million in private investment and transformed trade in Ghana's maize, rice, and soybean value chains by developing 400 outgrower businesses through a viable business model. This model is now replicating independently.

#### Global

ACDI/VOCA led the influential Leveraging Economic Opportunities Project, a \$21 million contract that supported USAID market systems programming. We developed an inclusive market systems framework and oversaw a complex set of learning streams including market facilitation, systems MEL, sustainable poverty escapes and resilience, scaling in agriculture, and women's economic empowerment. We continue to advance learning and application through the USAID-funded Energy Opportunities for Agriculture and Food Security project in sub-Saharan Africa, the Feed the Future Advancing Women's Empowerment program globally, and more.

#### Kyrgyz Republic

The USAID Enterprise Competitiveness Project in the Kyrgyz Republic helps create transformative partnerships in sectors with promising enterprises, financial institutions, business advisory services, and enabling environment actors. The project leverages an investor network to mobilize capital, support market linkages through co-investment, and apply an accelerator program and start-up challenge fund for women and youth-owned enterprises. It builds upon the USAID Agro Horizon Project, which leveraged \$28.6 million in investment to help the agricultural industry adapt to a rapidly changing competitive landscape, increasing farmers' sales by 107 percent and off-farm enterprise sales by \$4.7 million.

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