

CARE INTERNATIONAL UK/MENA RMU

Resilient Market Systems (RMS)

Workshop Report and an Emerging Framework

CARE UK/ MENA RMU

5/24/2016



A photo of some of the workshop participants taken on the last day of the Cairo Workshop

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Background:

The last six years have witnessed significant **political, security, humanitarian, climate,**¹ **demographic,** and **social** changes and trends (see *Insights Paper: Key MENA Regional Trend and Demographics* by CARE RMU, 2015). Some of these changes have led many countries in MENA to experience turmoil/wars, including in Yemen, Syria, and Iraq. Some are locked in chronic crises with recurring spikes in violence (e.g. West Bank and Gaza - ‘WBG’) whilst other countries are feeling the brunt of the crisis as a result of hosting refugees (e.g. in Lebanon where more than 25% of residents are Syrian refugees). This political crisis is also accompanied by a **significant youth bulge** (see *WEE Pathways in CARE MENA Social and Gender Justice Framework 2015 - 2030*), a high urbanization rate, **more fluid social norms and culture, displacement and refugee crisis,** and **shifting market dynamics and systems,** to name a few.

Why are Resilient Market Systems Important in MENA?

In the MENA² region, there are several interwoven crises, crippling infrastructures, economies and livelihoods. This document will not seek to list out all these crises (several other publications as well as some CARE internal reports can be referenced instead³). As highlighted in the workshop, there is significant destruction in many countries in MENA and it is crucial for CARE and other aid organizations to **understand that this destruction goes beyond the production side of the market system.** Based on evidence gathered by CARE in MENA, Market Systems in MENA are majorly affected by the following:

- 1) **Destruction of critical infrastructure and productive capacities** at the 1) production side, including farms, production units, etc.; 2) market and selling points where consumers can buy/get products; 3) processing capacities at the private sector; and) other necessary infrastructure which can paralyze how a market system functions, including the damage caused to the energy and water sectors. As the accompanying document on *Value Chain Development (in MENA) in Crisis Contexts* illustrates:

“...under destruction, damage and insecurity that have taken place in Yemen, Syria, and Palestine, the productive sectors of these countries have diminished greatly...during the pre-uprising, Syria saw a significant agricultural and livestock sector with 15.5 million sheep and 2.0 million goats, mid 2014, this had fallen by at least 40%. Their poultry sector, which was a mainly private sector investment, has lost almost 70% of its production.”

- **Displacement/ influx:** displacement or migration of value chain participants, leading to significant changes throughout the market system.
- **Skills:** some peoples’ skills have **become irrelevant** due to displacement and loss of work opportunities.
- **Institutions:** governmental institutions are weakened, broken down, or they cannot absorb the shock, reducing access to services and items.
- **Private Sector:** distortion of private sector actors; small enterprises experience loss of property rights; etc.
- **Gender Based Violence (GBV)** increases.
- **Social norms and gender roles are in rapid flux.**

¹ It is further estimated that an additional 80–100 million people will be exposed by 2025 to water stress (see *Insights Paper: Key MENA Regional Trend and Demographics* by CARE RMU, 2015).

² CARE’s presence in MENA includes resources in the following countries: Lebanon, Yemen, Egypt, Caucasus, West Bank and Gaza, Morocco, Iraq, Jordan, and Turkey.

³ See accompanying document by CARE on Value Chain Development in Fragile and Crisis Contexts, and CARE report on “Women, Work and War”

It is important to note that formal and informal market rules, regulations, and restrictions that are sometimes based on **conflict governance**, largely influence market systems in MENA especially where there is crisis. The weaknesses in MENA market systems also have a deliberate planned policy/power aspect due to the ongoing man-made conflict. Similarly the informal social cultural roles limit women's ability to expand/diversify/etc. their market systems.

Due to all of the above, **production and transaction costs are significantly raised due to insecurity and destruction**. Sometimes, costs of material and services also become high in hosting countries for both refugees and hosting populations. The crisis is also accompanied by the loss of export opportunities and the loss of people's access (availability, economic access, quality) to key items (food, health, water, etc.). It is important to note that market systems development is not just about improving livelihoods but also about improving peoples' access to products, including material and inputs such as food, health material, water, etc. This is also important to consider when choosing certain value chains and market systems in crisis contexts.

Knowing the multifaceted issues and destruction, as a result of the crisis (let alone the major trends that are facing the region with or without the crisis), the solutions to improving people's livelihoods and products require a more systemic and holistic understanding of the various affected components of market systems, knowing that more destruction is also probable. As such, the resilience of the market system to absorb, adapt, and transform in the face of existing or new shocks is a necessity to integrate. With all of the destruction comes the responsibility and potential for CARE and other actors in the field to invest more deliberately in interventions that might provide the opportunity to build back better coping mechanisms, for citizens made most vulnerable by the crises in MENA.

And, suffice to say, for CARE's presence in the MENA region to continue to address the multiplicity of crises and complexities which exist there, it was paramount that the issues of *resilience* and *market systems* were prioritised last year and, in March 2016, at a regional workshop hosted in Cairo, to examine ways in which CARE could play a more proactive role in increasing resilience – both for displaced and vulnerable population groups, as well as for the market systems to which MENA countries and their economies and societies are beholden.

Objective of this Report:

The objective of this report is to provide **key discussion points** as well as **CARE's emerging thinking as a result of the workshop**, building on the previous knowledge products (see a list below), the invaluable discussion points during the workshop, and the experts' opinions from across the CARE world. This briefing document houses the learnings and recommendations from the Cairo event. It is important to clarify that this is not a conclusion of CARE's thinking in relation to RMS thinking but **rather a step towards finalizing a more solid framework for Resilient Market Systems**.

Knowledge Products and Documents that have informed CARE's thinking in relation RMS in the Cairo Workshop:

- CARE International's Women Economic Empowerment Program Strategy, CARE UK, 2015.
- CARE MENA's Social and Gender Justice Framework (SGJF), including CARE MENA's Economic Empowerment Challenges and Pathways, CARE RMU, 2015.
- Value Chain Development in Fragile and Crisis Contexts, which pulled local and international evidence in relation to resilient value chains and market systems, CARE RMU, 2015.
- Market Systems for Resilience (The LEO Report #6), USAID, 2015.
- Women, Work & War: Syrian women and the struggle to survive five years of conflict, CARE RMU, 2015.

Workshop Participants:

The workshop modeled the “network of peers” aspiration of CARE Global as it was possible because of the partnership between CARE UK (as the Global WEE Platform Lead), experts from across CI (C-USA, C-Canada, C-Norway), and CARE MENA’s RMU and COs’ practitioners. Workshop participants were indeed the most important asset that has played a role in evolving CARE’s thinking in relation to RMS. *See Annex I for a list of workshop participants.*

How does CARE define what a Market System is?

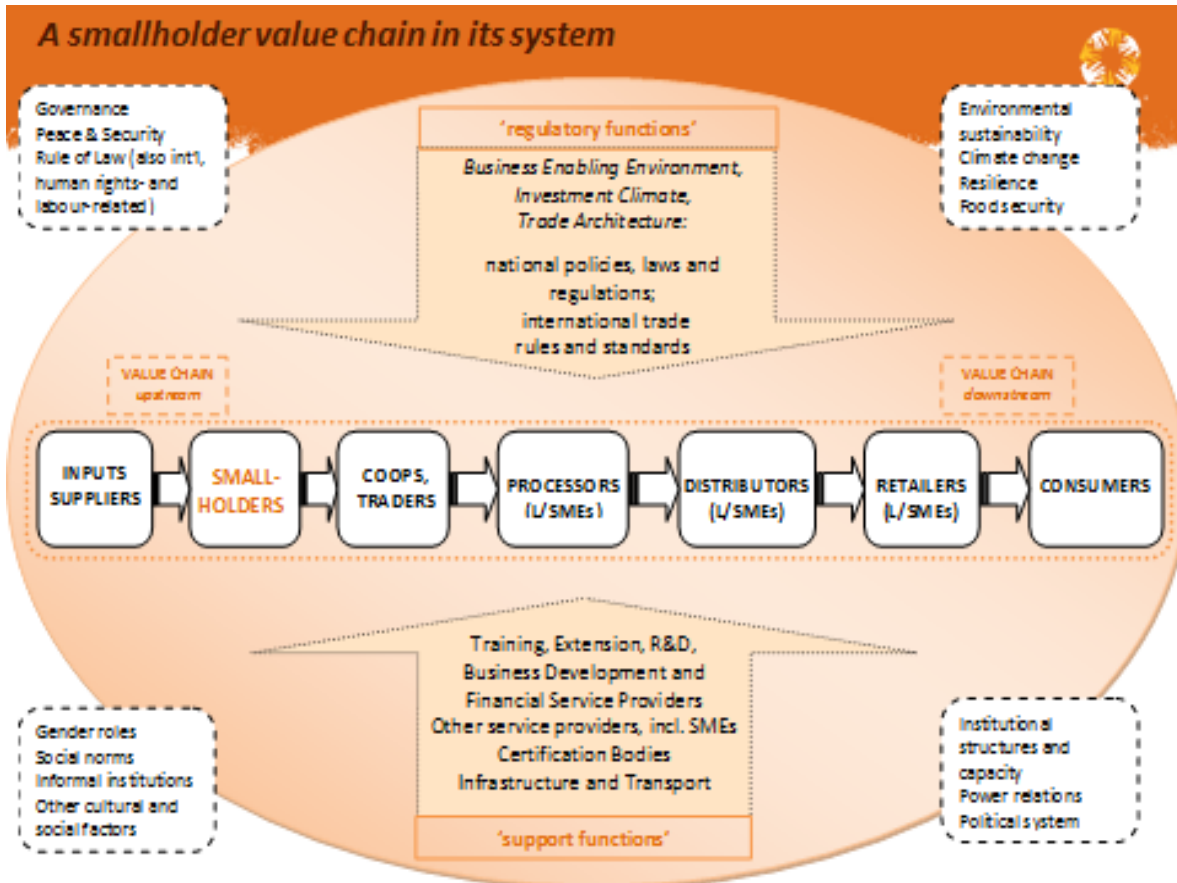
Before listing the insights that came out as a result of the RMS workshop in Cairo, it is important to establish a definition for a **Market System**. What is known as a “Value⁴ Chain” is depicted along the **horizontal sections** from “inputs supply” downstream to the “buyers” section.

A value chain encompasses the full range of activities and services by market actors required to bring a product or service from its conception to end use and beyond.

A value chain is a way of viewing the activities of enterprises **not as isolated actors but as units linked to local, national, and international consumers through market systems**. Value chains include producers, processors, input suppliers, exporters, and retailers and encompass the interrelationships of these enterprises.

⁴ The ‘value’ is typically unevenly shared by the different value chain actors: smallholder producers, for example, receiving far less net profit on their sale than all the other actors who, in turn, sell the product up the chain.

A Market System, however, **incorporates a value chain at its heart, and also comprises a variety of enabling (or disabling) factors or issues:** social norms, which is crucial for CARE in MENA to consider as this has been identified as root cause of injustice against women, governance issues, environmental controls, political systems, and many others. Here is an illustration of a Market System:



Source: CARE International UK, April 2014

The Absorption, Adaptation and Transformation tool used in the Workshop:

The exercise in Cairo workshop, of examining different crises in MENA, was structured around using a very useful market resilience tool developed by USAID as part of their “Leveraging Economic Opportunities” initiative and detailed in USAID Leo Report #6 (Jan. 2015).⁵

The tool looks at three aspects of resilience: **absorption**; **adaptation** and **transformation** (AAT) – explained in the Box below. Critical to each approach is the **capacity to change vulnerability to shocks**. During the workshop, the experts and practitioners used this tool to analyse the relevance of these capacities, but also which were more suited to being leveraged either before, during, or after a crisis takes place, as will be discussed later.

Core to this tool and resilient market systems overall is that “**Resilience programming** shifts the focus of addressing shocks from **meeting immediate needs, to strengthening capacities to meet longer-term development objectives in the face of shocks**. Capacity underpins resilience.” Three key capacities for resilience have been adapted here for market systems resilience:

***Absorptive capacity** is the ability to mitigate or resist the impact of shocks and maintain stability without negative impact on the basic needs of the household or the function of the market system. Absorptive capacity requires effective coping strategies;*

***Adaptive capacity** is the ability of households or the market system to learn and adjust to shocks and stresses through incremental changes, to maintain flexibility, and to take advantage of new opportunities that arise from change;*

***Transformative capacity** is the ability to fundamentally change the structure of the system if the previous system is no longer sustainable as a result of severe shocks. It requires functional inclusive governance systems able to facilitate changes to the primary system structure. Transformative capacity is more complex than the other capacities.*

In practice all three capacities are utilized concurrently, as different actors and different levels of aggregation in the system may use all three capacities to build/maintain resilience at any time.

⁵ Copy of LEO#6 accompanies this Briefing

Emerging RMS Thinking: Guiding Principles and Strategies/ Approaches

Some of the emerging 'Guiding Principles' for Resilient Market Systems that came strong as a result of the workshop included the following:

Guiding Principles:

I. Core to Resilience: building capacities and meeting longer term objectives in the face of shocks.

In almost all of the discussions during the workshops, it was evident that CARE and other actors must look at the longer terms needs of vulnerable groups and market systems. Building capacities to absorb, adapt, and transform in the face of shocks is essential and comes in many forms from the individual to the market system level, engaging with, and including, the various system actors, especially the private sector and other types of supporting institutions. Central to the definition of resilience as highlighted in the Box above is the realization that absorptive capacities are sometimes NOT enough, especially in cases where a substantial change has happened and people must change their full economic profile - an example of which could be a Syrian female farmer who moved to an urban refugee camp in Jordan, without the ability to leverage her farming skills.

II. Market Systems are non-static and are very dynamic (can also be described as highly volatile in parts of MENA):

Market Systems are affected by various political, climatic, demographic, economic, etc., trends and issues. **Understanding how a market system functions in crisis contexts is the minimum requirement** and should be integrated in the analysis stage of livelihood projects. Market Systems are a set of eco-system issues, structures, organisations, relationships, power holders, decision makers, etc. CARE and partners must consider how to engage, leverage, influence and intervene with as many aspects as possible (or at least with what we might deem as the most impactful ones) if we are to truly help bring about change through a lens of resilience.

III. Contrary to Common Perception: improving market systems does NOT equal to improving the whole economic system!

In the first day of the workshop, we overcame some confusion about the fact that improving a market system does not equate to also improving the whole economic system. While they are both interrelated, a market system can be a commodity based system, two examples of which are: developing or improving the wheat market system for Southern Syrians; improving the sheep and goat dairy market system in northern of West Bank; etc. Improving a market system can also aim at tackling certain (clustered) constraint(s)/opportunities which can have an impact on many commodities, an example of which is: recovery of, or the development of, alternative energy supplies products, impacting many actors, commodities, and potentially sectors. This 'clustering of constraints and solutions' is also an opportunity to diversify sectors where CARE can multiply impact with a resilience lens!

A practitioner note: If people are to better cope with disruptions, face crisis of any kind, then we will fall short if **we solely focus on any one aspect of the full Market System**. This would only resolve any one issue at a time, and not take into account the relationship between each aspect. That said, this **does not necessarily mean that CARE and other actors are to work on each part of the system at once but rather focus on the systemic bottlenecks and constraints which can have a systemic impact with a resilience lens.**

IV. RMSs need to be understood in the context and nature of the crisis.

In MENA, each crisis type has its own specific constraints, opportunities, trends, and market attributes. CARE has identified at least three types of crisis that should be taken into account along with how these contexts differ and require some unique programming, including: 1) refugee crisis in hosting countries (refugee crisis in Jordan and Lebanon); 2) countries involved in wars (inside Syria, Yemen); and then chronic crisis that also deals with recurring spikes in violence and wars (e.g. in WBG). That said, practitioners should be careful in drawing hard-lines and conclusions about the boundaries between these contexts and types of crisis.

For each of the mentioned three crisis types, thorough exercises and discussions began with describing the contexts and issues CARE is seeking to address. Teams then used the “AAT” tool to stimulate ideas around how CARE intervenes in the future to increase Resilience (pre-crisis, during, and post crisis). *See Annex II for the ‘notes’ of the various discussions in relation to each type of crisis along with some examples and interventions of how to address resilience.*

Interestingly, the Cairo workshop has uncovered different views and reference points for what ‘pre’, ‘during a crisis’, and ‘post crisis’ mean. For instance, does the pre-crisis mean before the Occupation started in WBG (i.e. 70 years ago) or is it at times of relative stability where ‘during’ is when a spike in violence happens? What does pre-crisis mean for female Syrian women in South of Syria? Is it now, anticipating that she might face a more severe crisis, or does ‘pre-crisis’ indicate a time before the war erupted in Syria? While there is no right answer, as this this can be analysed differently and for different reasons/objectives, the long term reference point (before the initial crisis began whether that is the occupation or the war in Syria) is important to keep in mind as this tells a lot about the starting point and also the potential. This, however, will become harder and harder as the crisis is prolonged.

V. Market systems are complex and dynamic, and approaches should seek a holistic understanding of the system, including a strong gender analysis.

This is also where market system knowledge products (market system analysis) are crucial. Organizations currently tend to do a fair analysis of value chains though this is sometimes done without ensuring good understanding or integrating key market system components such as: **conflict sensitivity analysis**; the political or war economy; **do no harm analysis**; **climate change issues**; value chain and market **governance**; how does a market system affect both refugees and hosting; etc.

Most importantly, market systems analysis should **integrate a very strong gender analysis throughout the value chain, and look beyond highlighting the same old issues of social norms and culture** as will be discussed in the Gender Transformative Market Systems section below. This ‘deeper gendered analysis’ is essential to produce impact and guarantee that women are included in the market system, beyond what they are sometimes locked into at the **production side only, and in low-value added activities that are normally unpaid or invisible**. This gender analysis should also look deeper into social and economic roles and how the same are affected by the crisis, especially due to the destruction of infrastructure, which leads households to suffer from lack of access to water, health, education, and so on. It was evident that due to the destruction of energy and water resources, women became more burdened with bringing water from far, or having to cook using wood when energy supplies are not available. In addition, and in many cases, men – as a result of the crisis – did not stay as the sole breadwinners, putting more economic responsibilities on women.

Other key principles: that came strong from the workshop include the following:

- Sensitivity to the conflict, power and crisis dynamics must be core to CARE’s approach to operate ethically and responsibly in crisis;

- Crisis can sometimes represent opportunities and we should be able to spot and leverage them;
- Women are vulnerable actors during a crisis and protect/do no harm should be a key principle;
- CARE must also work with men and boys to promote new different roles for women.

Emerging Strategies and Approaches for CARE in MENA:

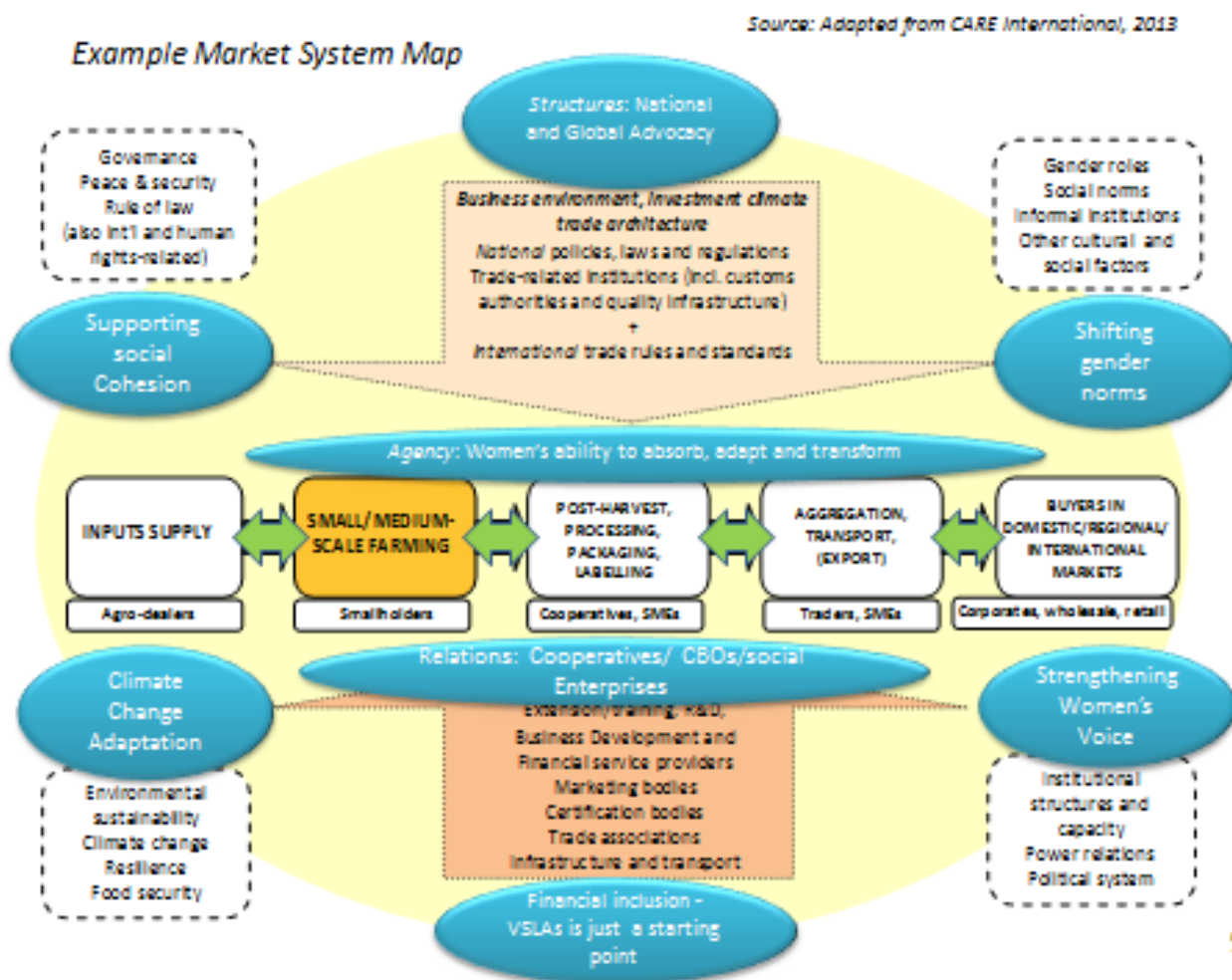
There were also some emerging resilient market system strategies and approaches discussed, including (but not limited to) the following:

- **Advocacy as a transformative tool:** From all of the groups' work (i.e. examining the different types of crisis) and secondary research, **advocacy came up as a 'transformative' tool that is necessary for removing and mitigating underlying causes of shocks and vulnerabilities.** This is also important for achieving multiplied and systemic impact. Advocacy needs to be much more integrated, especially at the first level:
 - o **First level: evidenced based market system advocacy,** in order for the market system to be more inclusive and resilient. Humanitarian and development actors in MENA can play a much more impactful role in influencing market system actors as well as other stakeholders (donors, INGOs, private sector, women organizations, etc.) to improve the resilience, inclusiveness, and effectiveness of a market system, with a gender transformative lens.
 - o **Second and higher level advocacy** in relation to international humanitarian law, political solutions to the crisis, women's economic equality, cross border solutions to refugees' rights, etc., which CARE is currently doing, including tackling opportunities in relation to refugees' permits.
- **Financial inclusion through and beyond Village Savings and Loan Associations (VSLAs)** (to include working with financial systems to re-introduce financial products to individuals, groups, SMEs, etc.). In the face of political and non-political shocks, financial inclusion enables individuals and groups to re-establish themselves, whether in the same or in a different economic profile. Though this is easier said than done, CARE needs to ensure that they look at financial access as a system to enable individuals, groups, and market system actors reestablish themselves to recover, adapt, or transform. This does not just require VSLAs but also looking at the ability of financial actors to resume their services and provide financial (including insurance), solutions in the market system.
- **Diversifying based on the economic risk profile of vulnerable groups is necessary to consider.** What this necessitates (and this should be context specific) is that practitioners and more importantly local market system actors must **understand the risk profile** of their income generating activities. That said, there is sometimes a tension between diversification to mitigate the risk and efficiency. The degree we want the communities and market systems to be in depends on many factors, including the risk profile, the opportunities, the type of shock, actors' capacities, the market system, risk appetite, etc.
- **Entrepreneurship skills development at various levels** whether at the backyard level or at the SMEs/value chain/market system level, entrepreneurship development must consider the new or the shifting market dynamics and opportunities, and how to navigate and tap into them. Entrepreneurship is particularly a key transformative skill as it helps groups and individuals navigate any new or existing market opportunities (even after a crisis happens) and tap into them. Of course a key lesson learned is that not all people have an entrepreneurial aptitude and not all vulnerable groups are fit for entrepreneurship development!

- **Supporting social cohesion through different interventions**, enabling more resilience and protection/growth for both host populations and refugees. Indeed, there are ways where market systems are developed by, and can work better for, both host groups and refugees. An example could be developing a market system that provides job opportunities for Syrian refugee-farmers while also leveraging their skills for the growth of Jordanian agribusinesses. Other examples could be opening spaces for healthy dialogue and conflict mitigation between refugees and hosting as opposed to contributing to creating more frustration, unhealthy competition on job opportunities, etc.
- **How we deliver aid in emergencies can sometimes strengthen or disrupt/undermine local market systems and actors.** CARE and other actors should push for – wherever possible – market oriented relief (e.g. vouchers that work with local value chain actors and markets, as opposed to replacing them with temporary and NGO-led structures and functions). There is global evidence that some practices of aid organizations can sometimes undermine the capacity and role of local and existing market actors, including the private sector. Market system actors should be supported and (I)NGOs should always be reminded NOT to become a part of the market system, but rather a facilitator to its actors and components.
- **Market System Governance:** a core aspect of any market system is the relationship and cooperation between the various actors (inputs suppliers, producers, middle-men, buyers, consumers), and functions of the of the market system. In the case of shocks, these relationships are sometimes broken and can easily become non-functioning, politicized, monopolized, etc. In some cases – who controls and benefits from what shifts leading to more inequity. The ‘facilitative’ role of CARE and other aid organizations in MENA is important while also integrating inclusive governance. Inclusive governance should also help support the market system, and its actors, to be able to address risks and tap into opportunities, based on the new realities which could be destruction, shifting market dynamics, loss of energy sources, etc.
- **Supporting and developing collectives** (cooperatives, CBOs, and sometimes community wide social enterprises). This has been proven to be a strong approach in improving resilience not just for vulnerable groups, but also strengthening market systems, as collectives are usually much more sustainable socio-economic entities and actors in the face of shocks. It was also evident that collectives are easier and are more feasible to be linked with other market system actors as opposed to individuals only.⁶ Noteworthy to say here, is that there is growing evidence by CARE and other partners that supporting women in groups was much more impactful, especially in the agriculture sector. Women groups were perceived to be more feasible – economically (as collectives enable better economy of scale for women as opposed to the current scattered manner of production, processing, and selling) and culturally where women’s mobility and engagement in non-traditional economic activities are more socially-accepted by communities in some parts of MENA.
- **Private sector engagement/development is a necessary component to integrate or consider for sustainable and resilient market systems!** In all of the discussion groups, the role of the private sector was mentioned as a core principle. The private sector is the

⁶ Though this is a strong lesson learned, this should NOT be taken as a rule and as an automatic solution. MENA practitioners need to be aware of the existing dynamics that the cooperative/collective plays in their community as well as the type of linkage they have with their members and non-members. In some parts of MENA, it was evident that there needs to be intensive governance and reform work with some collectives so that they are fairer to their members and communities.

backbone of the economy/market systems and the sustainable generator of employment. The private sector is also a key influential actor in the whole market system. It is important to note that this is an area that requires more attention from aid organizations in the future.



9

Example of where and how CARE intervenes in a market system

Gender Transformative Market Systems

For each of these crisis contexts, CARE teams made clear rationale during the event about the need to focus on women for the sake of both market systems and our impact group (which is predominantly women). **It is the combination of gender transformative approaches and a sound economic solution that results in women's economic empowerment. To sustain this change at scale, we have to work with markets – making markets work for poor, marginalised and vulnerable women.** As evidenced by the various knowledge products developed by CARE and others, women are made more vulnerable than men during and after crisis. Women often end up with greater economic responsibility for the household, yet they are often less well equipped economically than men. Women are considered as economic 'shock absorbers' in conflicts, disasters, climate change and economic crises.

What we also know from our experience and documented evidence is that **crises can transform gender dynamics** and can cause gender norms to be more fluid, which pose a threat and an **opportunity/entry point for gender transformative programming**. However, CARE and other actors need to be intentional in their design, implementation, and follow-up to ensure gender transformative programming, as this has some implications on staffing and capacities, project implementation, M&E, and learning. It requires more effort for integrated designs, combining solid gender analysis with robust market system solutions.

To improve the resilience and growth of a market system and to empower women economically, the following strategies/approaches were identified and need to be further developed:

- Integrating strong gendered market system analysis – see *Guiding Principle V* above.
- Engaging men and boys to protect women from backlashes and change social norms and culture. This must be further developed in MENA as without it, there will be no sustainable shift in social norms, nor will there be reduction in risk for women to engage better economically or politically.
- Gender action plans can/should include solid strategies for advancing women's role to be more visible and in higher value-added activities. Women are sometimes stuck at the household level and their role is not visible beyond the household/backyard production level. In the workshop, it was also discussed how some economic **activities can lead to more harm**⁷ than benefit to women, putting the urgency on CARE, which strives to advance its focus on women, to move towards the responsive/transformational phase.
- Some strategies and approaches that have been highlighted by the various teams include the following (some of the examples below are being implemented/tested in MENA countries):
 - o Joining forces, especially with women's organizations, coalitions, and movements, **advancing protection in crisis towards women's empowerment**;
 - o Agency development, including women's absorption, adaptation, and transformational capacities. This includes their **life** skills (communication, negotiation, etc.), **business and entrepreneurship**, and **technical/vocational** skills. There are many knowledge products in MENA that support the same;
 - o Role modelling where successful women (could be women economic leaders, women entrepreneurs, etc.) are identified and promoted to challenge longstanding perceptions about women's role that it is only at the household level;
 - o Developing or engaging with **women collectives** and supporting their coalitions to tackle wider and root causes of women's inequity.
 - o Last but not least, advocacy efforts to change some of the underlying causes of inequity such as inheritance rights in MENA, which is affecting women's access to finance and decision making over their income.

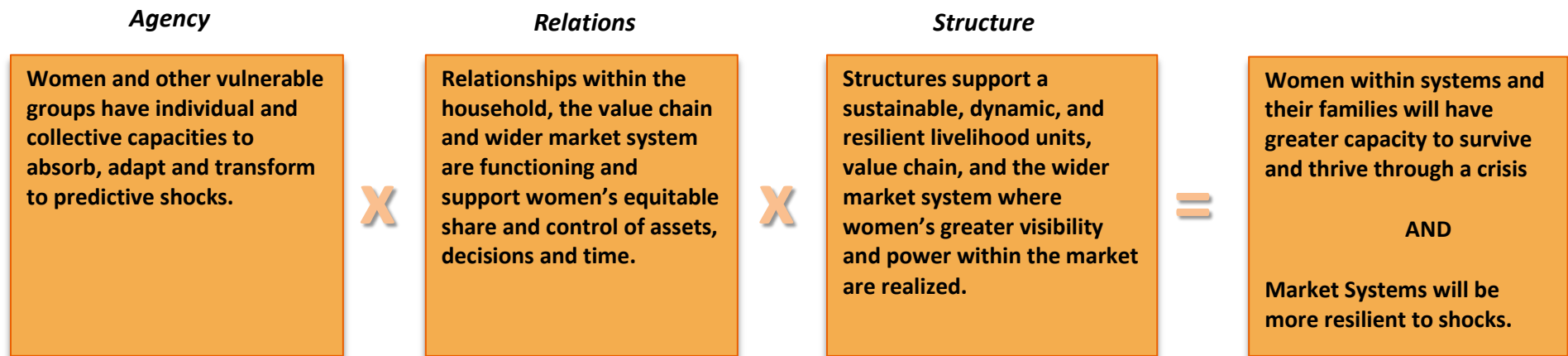
The above is not a complete list but rather a few examples.

There needs to be a deeper look at how CARE can advance its practices to gender transformational market systems, not just in terms of technical approaches but also in terms of communication, impact measurement, branding, etc.

⁷ The team reflected on how some programs can produce some harm. Below are some examples of how: Increase risk of GBV and community backlash; increase the burden on women; no male engagement; no wider analysis or knowledge of context; increase women's liabilities; reinforcing gender norms, an example of which is poor economic programming, leading women to fail and strengthening the stereotype women as unsuccessful entrepreneurs; no due diligence or understanding the risk that faces women; no gender specific indicators where team are not being able to assess where women are in the Continuum (blind/harmful, sensitive, responsive/transformational).

Emerging Hypothesis for Resilient Market Systems at CARE International

As the workshop concluded the group designed a working hypothesis shaped from our discussions, and this hypothesis will continue to be referred to and tested across the confederation, as the work underway (outside MENA also) to develop a more consistent approach to Resilient Market Systems is put into motion.



Recommendations for CARE in MENA:

Where is MENA in relation to Market System's Thinking? CARE in MENA has implemented many value chain development projects, including in crisis contexts. CARE MENA is also gearing up for a much higher livelihood portfolio inside Syria. CARE in MENA has also gained and learned invaluable lessons since 1948, including how to program in crisis contexts. With all of the knowledge in the room (i.e. during the workshop), the existing and tested knowledge products, etc., there is a consensus that CARE and other actors in MENA need to 1) engage better and more holistically (or systemically) in market systems; 2) better integrate resilience at the value chain and market system level; 3) strongly integrate and more importantly institutionalize gender transformative programming; etc.

In order to evolve CARE MENA's Resilient Market System approaches, workshop participants, including MENA COs' practitioners, stressed the need for CARE MENA to advance its programming and capacities to tackle more market system types of projects. There is also a crucial role for CARE to influence other organizations in MENA to **evolve their 'livelihood strengthening culture'** that is mostly limited at the production side only, which is just **one part of the market system**, to more systemic development with a resilience lens.

This also means that CARE in MENA will develop, interact with, and influence **more diverse actors, including the private sector**. Advocacy, which has been identified as a transformative tool at the market system and international level, how to measure and track resilience, how to conduct gender and market system analysis, how to program based on Resilient Market System's thinking, etc., are all key recommendations for CARE and others in MENA, noting that CARE in MENA is starting from a strong foundation – a foundation that is also supporting and informing the global Resilient Market System's strategy.

Annexes:

Annex I: List of Workshop Participants

| CO/CI | Names | Position Title |
|---------------------|--------------------------|--|
| C-UK | Tim Bishop | Women's Economic Empowerment and Private Sector Engagement Specialist – Asia Pacific |
| | Gianluca Nardi | Senior Women's Economic Empowerment Advisor |
| | Paul-André Wilton | Conflict Policy Advisor |
| | Christine Svarer | Head of Women Economic Empowerment, CARE UK |
| External Consultant | Waleed Rauf | Independent Consultant |
| MENA RMU | Anan Kittana | Regional Economic Empowerment Director, MENA |
| | Ayesha Kariapper | Director - Regional Impact and Change Management, MENA |
| C-USA | Elly Kaganzi | Senior Technical Advisor- Markets and Livelihoods |
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Annex II: Different types of crisis have their own unique constraints and opportunities in relation to RMS

During the workshop in Cairo, teams discussed how the region's types of crises could benefit from CARE's interventions in terms of increasing resilience – at the individual level all the way up to the level of the Market System. As mentioned before, three specific crises were examined during the workshop as follows: WBG, as a chronic crisis with spikes in violence or wars; inside Syria - and potentially inside Yemen – where intense challenges exist for internally displaced people; and then, thirdly, looking at and refugees and their livelihoods and rights in hosting countries - in Jordan and potentially in Lebanon (more info on each can be found, below).

(The following is just the meeting minutes of the discussions based on the crisis type. The summary of the below has already been captured in the body of the report. The following specific information is to be better organized and clustered in more meaningful categories and order)

WBG Crisis

To begin with, discussion centred around the context in WBG where CARE focuses on serving female, young Palestinians, affected by the different shocks, disruptions and crises that have unfolded in the country.

These include the following: internal conflict; significant dependency on imported inputs; more GBV (during crises); more restrictions on women's movement due to risk; poor inheritance rights; 75% youth contemplating leaving the country; destruction of production assets; disruption to value chains; poor property rights for women; restricted movements of people, services, products; floods/drought (seasonal); loss of lives/property; women working more collectively.

These were some of the ideas then formed about appropriate 'Resilient Market System' types of interventions in WBG (not a comprehensive list but rather a few examples of interventions):

| Resilience | Pre | During | Post |
|-------------------|--|---|--|
| Absorb | Disaster Risk Recovery (DRR) interventions; Preparedness | Emergency response to save lives and satisfy vulnerable groups' immediate needs (though this should not be done in a way that disrupts markets and actors). Supporting or working with coops/CBO groups and community wide social enterprises; climate change techniques (eg water harvesting systems; climate | Smart transition from and sometimes joint emergency response, early recovery, rehabilitation and |

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| | pre-stocking. | tolerant seeds; networking and facilitating actors in the value chain and market system; etc. | development (applying transitional approaches). |
| Adapt | | Networking/facilitation of different parts of the market system/value chain and its actors; engaging in market systems beyond the type of area the income generation activity is in; diversify farmers'/CBOs' products to reduce their risk profiles; increase independence on imported inputs from outside of the country due to the blockade on Gaza and the chronic restrictions on movement of people and products; supporting communities to produce local inputs produced by seed multiplication banks; diversify segments of markets; facilitate and work in partnerships; etc | |
| Transform | | Diversification of income/sectors at the household/community unity level; entrepreneurship for key actors in the bigger market systems; remove or mitigate the underlying causes of conflict, most of which are related to the political situation and the occupation – global and local advocacy. | |

Refugee Crisis in a Hosting Country (Jordan)

The context here focuses on the livelihoods and income of refugees, forced to leave their countries due to the on-going conflict. Resilient Market Systems also take into account the capacity of the hosting market system(s) to absorb, adapt, and maybe transform to deal with the refugee crisis.

Some of the drivers/issues for people migrating include: insufficient incomes; previous employment skills no longer relevant to the new market systems; and a low assets base. As a conflict crisis unfolds, other issues are striking: fewer and fewer formal jobs are available; high levels of unemployment are experienced; limited allowable work sectors; food insecurity; no legal working rights; and uncertain status in country.

After a conflict crisis, still further complexities and issues need to be factored in, such as: the psychosocial trauma caused to citizens; no access to financing; broken institutions (justice); and hostility between host populations and refugees.

Using the AAT Tool, then some opportunities for CARE to advance on were as follows (the list below reflects a few interventions and not a comprehensive list):

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| Resilience | Pre | During | Post |
|------------|--|--|--|
| Absorb | UN refugee convention signed; Minimum standards for retailers/processors in fragile states. | Psychosocial plus trauma support; emergency cash for living costs without disrupting markets; promote sharing risk and costs between the different actors in the VC; investing in joint community assets to demonstrate benefits to host community; minimum wage legislation enforced; etc. | Aid players fund cost of education and training of settled refugees |
| Adapt | Literacy and education levels high amongst Syrians; export opportunities by Syrians in their country prior to the crisis; etc. | Vocational training and skills development to diversify and evolve refugees skills to be relevant to the host market system(s); information services delivered by volunteers; innovative business models; etc. Supporting government actors in providing conversion and upgrading courses for skilled Syrians to enter Jordanian market system(s); market linkages activities – bazaars, marketing activities, etc.; support market systems to benefit and combine between both host populations and refugees in VC development; business development service providers created/supported (leverage the capacities of successful Syrians); create VSLA to support new and existing businesses; lending from informal networks – Syrian investments; re-establish informal businesses; etc.. | Re-establish businesses (formal – food production in new markets) inside Syria; Rebuild market systems and value chains with a resilience lens inside Syria (build back better). Support formal financial institutions to re-introduce their products to refugees inside Syria; financial sector creates services for refugee populations. |
| Transform | | Favorable terms of trade; government open forum – employment rights for skilled workers; facilitate registration and distribution of work permits – cheaper, accessible, legally clear; employment creation targets for host and refugee pops; entrepreneurial skills; market research on changing | New businesses created/developed to support reconstruction and recovery of Syria; |

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|--|--|--|--|
| | | consumer trends; international investment leveraged – underwrite insurance and investment; government links investment to job creation; training vocational – new skills; etc. | Online peer-to-peer investment platforms for countries in Syria; leveraging broader social capital to support business investment. |
|--|--|--|--|

Inside Syria Crisis

Prior to the conflict arising in Syria, the country had a centralized economy, with the Government controlling trade, prices, and support services.

The private sector did not take its role (to the fullest) in being the backbone of the economy and the provider of productive services as most services were subsidised/ controlled by the government.

There was a good level of infrastructure and services, and a high level of subsidies. Following the conflict, change and disruption was widespread: a large number of IDPs; a need to share their lands; tension between host people and IDPs; disrupted extension serviced; no irrigation systems; child marriage and child labor; the introduction of a much more extreme Sharia Law; more segregation for women; a high percentage of women became bread winners (and men are not the sole-breadwinners in the family); disrupted input supplies; disrupted productive infrastructure and processing facilities; no access to export markets; no basic services; no longer subsidies; reduced access to land and disruption of tenure rights; international sanctions imposed; increased dependence on humanitarian aid; etc.

Some of the negative coping strategies include engaging in the military, child labour and child marriage.

It is important to note that some informal markets are working and are becoming the norm; informal money transfers; smuggling through Jordan; etc.

| Resilience | Pre | During | Post |
|------------|-----|---|------|
| Absorb | | Humanitarian aid, noting that inside Syria is probably and already beyond the absorption phase. | |

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| Adapt | <p>Emergency response: Use of food vouchers; conditional cash transfers for the fuel (for transportation, irrigation etc); monetization of food aid. This is opposed to direct aid delivery, which sometimes disrupt markets/value chains/local actors.</p> <p>Some resilient market systems interventions: Developing entrepreneurial skills; providing start-up capital; VSLAs; enabling access to extension services; supporting women's groups, Community Centres for psychosocial, recreation activities/ support for women; Community Action Plans to re-establish basic services, infrastructure; women become bread winners (sometimes temporary); supporting home based income generating activities for women but moving this beyond to more viable/value-added/visible economic roles; etc.</p> <p>Supporting innovations such as hydroponic cultivations; biogas production as alternative energy; using mobile technologies, partnering with mobile companies</p> <p>Build on existing skills if possible;</p> <p>Building and supportive existing collectives (cooperatives, CBOs, etc.); diversify and sometimes include support for crops that are less sensitive to water and to transportation (e.g. potatoes which require less water consumption and have a much more shelf life than other commodities); consider crops with a shorter production cycle/less inputs/ food crops; etc.</p> | |
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