

## Systemic Change (MSD/M4P) Terminologies

| Terminology                         | DEZA  | Source  |
|-------------------------------------|---|---|
| <b>Embedded transaction/service</b> | A good or service that is not paid for directly but is included or hidden within an exchange of another good or service that is paid for.   | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>Externalities</b>                | Spill-over effects impacting on parties that did not choose to be affected by them. These can be costs or benefits.   | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>Facilitation</b>                 | The temporary actions of a facilitator to bring about system-level changes and develop market systems for the benefit of the poor.  | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>Green Growth</b>                 | Though a number of definitions exist, at heart Green Growth is economic growth that is environmentally sustainable. While economic growth is necessary for increased employment and poverty reduction, further environmental goals include the mitigation of climate change, adaptation to climate change, the reduction of other pollutants, and a reversal of biodiversity loss and growing fresh water scarcity. To tackle these challenges, the active participation of the private sector is needed, as firms reduce or change their resource use, minimize waste, | <a href="http://www.enterprise-development.org/wp-content/uploads/DCEDIndicatorHarmonizationApr16.pdf">http://www.enterprise-development.org/wp-content/uploads/DCEDIndicatorHarmonizationApr16.pdf</a>   |

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|   | develop new environmentally friendly products and services, and increase demand for such products and services. Meeting these needs will be a challenge, but for many enterprises in the developing world, it also presents an opportunity. In fact investment in greening our economies is already a source of growth for many, while DCED members are increasingly active in promoting private sector contributions to Green Growth.   |  |
| <b>Institutions</b>                                 | Structures and mechanisms of social, political and economic order and cooperation, either formal or informal, which shape the incentives, capacities and therefore behaviors/practices of market players.  | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a>  |
| <b>Local economic development</b>                   | LED is a process that seeks to transform the way economic and political decisions are taken at the local level. The objective is to improve the living conditions of the local society in an inclusive manner. It takes place through organized negotiation processes, between local actors from the civil society and the public and private sectors that address the different challenges faced by the territory. Through consultation, LED tries to make a more efficient and sustainable use of existing and potentially available resources, aspires to build socio-economic opportunities (such as the creation of employment and income) and works to strengthen good local governance. | <a href="https://www.shareweb.ch/site/EI/Pages/PSD/Topics/Local-Economic-Development.aspx">https://www.shareweb.ch/site/EI/Pages/PSD/Topics/Local-Economic-Development.aspx</a><br><a href="https://www.shareweb.ch/site/EI/Documents/PSD/Topics/Local%20Economic%20Development/Argumentation%20and%20Reference%20Paper%20on%20Local%20Economic%20Development.pdf">https://www.shareweb.ch/site/EI/Documents/PSD/Topics/Local%20Economic%20Development/Argumentation%20and%20Reference%20Paper%20on%20Local%20Economic%20Development.pdf</a> |
| <b>Making Markets Work for the Poor (M4P) / MSD</b> | In simple terms M4P (MSD) can be seen as comprising three elements which can add value to private sector concepts and approaches like value chain analysis, clusters and networks, enabling environment or local economic development: <ul style="list-style-type: none"> <li>•A world view or rationale for thinking about poverty reduction.</li> <li>•A framework for understanding the market systems in which the poor exist.</li> <li>•Guidance for intervention practices.</li> </ul>   | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a>  |

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| <b>Market</b>              | A set of arrangements by which buyers and sellers are in contact to exchange goods or services; the interaction of demand and supply.  | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>Market distortion</b>   | When the intervention of an external agent creates perverse incentives among market players contrary to what is required for such players to uphold and build upon pro-poor changes. | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>MSD</b>                 | see M4P  | -   |
| <b>Pro-poor</b>            | A development outcome (eg improved growth or basic service access) the benefits of which impact upon the poor more than the less poor.   | <a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a> |
| <b>Results Measurement</b> | The process of estimating a programmer's impact on enterprises, poverty reduction and/or other development goals.  | <a href="https://www.shareweb.ch/site/EI/Documents/PSD/Topics/Value%20Chain%20Development/Why%20have%20a%20standard%20for%20measuring%20results%20(en).pdf">https://www.shareweb.ch/site/EI/Documents/PSD/Topics/Value%20Chain%20Development/Why%20have%20a%20standard%20for%20measuring%20results%20(en).pdf</a>                 |

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| <b>Theory of Change</b>                 | <p>Is a narrative of the programmer's strategic framework explaining the series of cause-and-effect changes following intervention activity. This represents the programmer's vision of how market systems will be functioning in the future, the pro-poor outcomes it results in and the anticipated poverty reduction impact.</p>  | <p><a href="https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf">https://www.shareweb.ch/site/EI/Documents/HowTo/SDC%20-%20Operational%20Guide%20for%20the%20M4P%20Approach%20-%20Second%20Edition%20-%202014%20-%20en.pdf</a></p>  |
| <b>Value Chain development approach</b> | <p>"Value Chain" refers to a PSD approach around value chain interventions, targeted work within an agricultural, manufacturing or services value chain to extend or improve productive operations and generate social benefits: poverty reduction, income and employment generation, economic growth, environmental performance, gender equity and other development goals.</p> | <p><a href="http://www.enterprise-development.org/wp-content/uploads/DCEDIndicatorHarmonizationApr16.pdf">http://www.enterprise-development.org/wp-content/uploads/DCEDIndicatorHarmonizationApr16.pdf</a></p>  |
| <b>Women's Economic Empowerment</b>     | <p>Different publications on the topic can be found on the gender website on e+i Shareweb.</p>   | <p><a href="https://www.shareweb.ch/site/EI/Pages/Content/featured-profile.aspx?item1=Genderand:">https://www.shareweb.ch/site/EI/Pages/Content/featured-profile.aspx?item1=Genderand:</a><br/> <a href="https://www.shareweb.ch/site/EI/Documents/Events/2016-02%20Seminar/Parte%201%20Genero/Glossary%20Sustainable%20Development.pdf">https://www.shareweb.ch/site/EI/Documents/Events/2016-02%20Seminar/Parte%201%20Genero/Glossary%20Sustainable%20Development.pdf</a></p> |