

Measuring How Climate Shocks Impact The Resilience of Markets

Building resilience within market ecosystems is at the heart of iDE's approach to ending poverty. To sustain livelihoods, we believe market systems need to be able to withstand, react, and transform in the face of climate change, conflict, COVID-19, and other shocks and stresses.

But to properly understand market resilience, we need to measure it.

That's why in 2020 iDE formally launched the Market System Resilience Index (MSRI), which surveys market actors and attributes a resilience score. As a proponent of market-based development, iDE is a sector leader

when it comes to resilience measurement, having implemented MSRI in Mozambique, Ghana, Ethiopia, Zambia, Nepal and Bangladesh in recent years.

What sets this tool apart is that it is replicable, adaptable, and relatively simple to use by development practitioners. Its practicality for data collection, and flexibility to capture post-shock and long-term development gains make it an essential resilience measurement tool. iDE continues to refine it with a priority on providing actionable insights for iDE's global strategy and other practitioners. **Ultimately, our aim is to set an industry standard for what it truly means to build resilience.**



From Left: Wumbei Yaa, Dokurugu Adamu, Nignan Babai, Dana Taayinyar, Mahamadu Zeliga, Arahamatu Alhassan. Photo J. Meyers, 2022.

Resilience Index Guiding Womens' Livelihood Project

Under the new Her Time To Grow project, funded by Global Affairs Canada, iDE is now using MSRI in the three countries – Zambia, Ethiopia and Ghana – where the project, which will create opportunities for at least 25,000 women, is being rolled out. As part of the project, designed to improve women's access to finance, information and technology, iDE is combining the index with human-centered design principles. Where MSRI finds low levels of

resilience, iDE's Innovation Lab will apply qualitative research methodologies, allowing us to better understand the challenges and adapt our approach where necessary. Although still in the inception stage, we're already seeing that this combination of quantitative and qualitative research and design will help us overcome blindspots and avoid acting on untested assumptions.



Flooding in Nabiganj Upazila. Photo: Mohammed Mijanur Rahman, 2022.

Recommendations For Bangladeshi Nutrition Program

In Bangladesh, iDE used MSRI to measure the resilience of markets in the country's Sylhet region, which was recently affected by widespread flooding, as part of the nutrition- enhancement program, Suchana. iDE found that resilience can be increased by engaging producers' networks and enabling digital tools to share knowledge among farmers.

Essential Oil Makers In Nepal Examined By Index

In Nepal, iDE used MSRI to determine the resilience of essential oil makers, finding they showed high levels of resilience when it came to learning from experience and understanding local environmental conditions, but were less resilient when it came to including women and minorities, or being able to promptly respond to shocks. The findings will inform any of iDE's future essential oils work in Nepal.



Photo of Parbati Khadka by Bimala Rai Colavito.



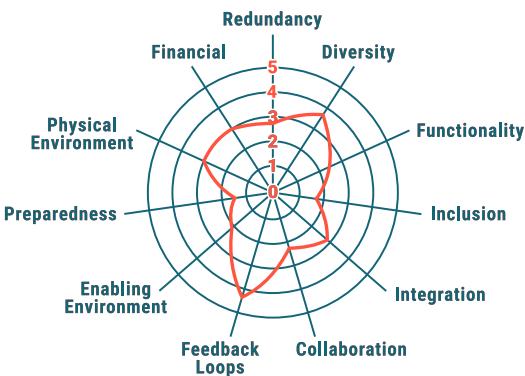
Post cyclone Idai crop damage in Beira Corridor. Photo by iDE, 2019.

Suppliers Showed Resilience To Mozambique Cyclones

In Mozambique, which was impacted by a series of cyclones in 2019, iDE has built MSRI into its post-disaster response efforts. New MSRI surveys, which took place in the Beira Corridor, where the storms made landfall, suggest low participation of women and systematically excluded groups in the market system, little involvement from different groups in relevant market processes, and limited evidence of collaboration among actors across value chains.

How Index Determines Resilience Scores

A market's resilience is measured by examining 11 equally weighted determinants, broken into five principles. Enumerators ask questions concerning these determinants, which are scored on a one through five rubric, depending on a determinant's detected strength, with five being the highest. By grouping these determinants or components of resilience, we are able to see broadly where resilience levels are low or high between households and market actors and thus where we should focus our efforts to improve resilience or learn from what is working.



MSRI Principle	MSRI Determinant	Determinant Definition
1. STRUCTURE OF THE MARKET	1.1 Redundancy	Surplus of market actors performing same functions in market system
	1.2 Diversity	Diversity in market system value chains, and in available market channels
	1.3 Functionality	Flow of goods and services in, out and through market spaces
2. CONNECTIVITY OF THE MARKET	2.1 Inclusion	Participation of women and other systematically excluded groups in system
	2.2 Integration	Different groups' involvement in relevant processes
	2.3 Collaboration	Collaboration among actors of the chain
3. SUPPORT OF THE MARKET	3.1 Feedback loops	Ability to learn from experience through control mechanisms
	3.2 Enabling environment	Transparent market governance is in place
	3.3 Preparedness	Ability of the system to promptly react to disturbances
4. ENVIRONMENT	4.1 Physical environment	Environmental condition of the market area
5. FINANCIAL	5.1 Financial viability of market actors	Financial sustainability of market actors' activities

About iDE

iDE is a non-government organization dedicated to ending poverty. With HQ offices in the US, Canada, and the UK, our work within agriculture, sanitation, climate change resilience, and gender equality, stands out in the international development sector because we don't simply hand out money or commodities. Instead, iDE believes in powering small-scale entrepreneurs and building robust market ecosystems that are financially competitive, resilient to changing climates, and inclusive of systematically excluded people. iDE has 1,300 global staff and offices in 10 developing countries.

More Information

- [The Market Systems Resilience Index: A Multi-Dimensional Tool for Development Practitioners to Assess Resilience at Multiple Levels, Journal of Sustainability](#), September 2021
- ["In Their Words"](#) Video about how iDE is powering Mozambican farmers to recover from cyclones.
- Read about [Sylhet's Resilient Market Ecosystem](#), where MSRI will inform iDE's response to the severe flooding that destroyed livelihoods across the region in the Spring of 2022.
- [Learn how FBAs help farmers in Mozambique recover from climate disasters.](#)

Our Global Footprint



iDE Climate Resilience & Agriculture

Read more on our website: ideglobal.org/msri
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