

# INCLUSIVE MARKETS FOR COMMUNITIES (M4C)

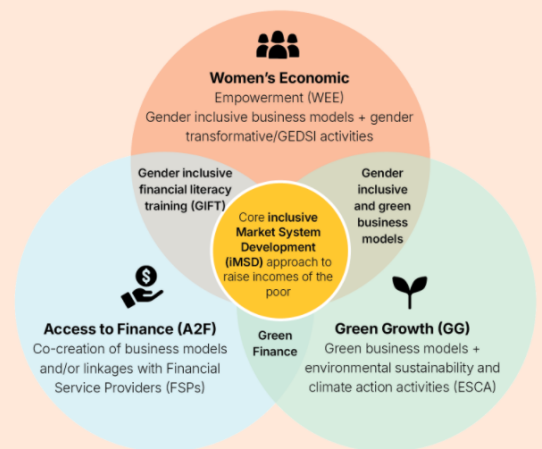
## THE ISSUES AND GLOBAL CHALLENGE

An estimated **575 million people** will be living in extreme poverty by 2030. There is a USD 4.2 trillion annual shortfall for the Sustainable Development Goals – up from USD 2.7 trillion before the pandemic due to climate, conflict, COVID-19, and widening global inequality. People living in poverty face lack of income generation opportunities and market access. Climate change and environment degradation threatens the livelihoods around the world. Women are disproportionately impacted by both poverty and gender equality. Traditional aid alone cannot solve these systemic issues—we need **market-driven solutions** that create lasting change.

## THE M4C MODEL

The **Inclusive Markets for Communities (M4C)** model helps marginal poor families raise incomes and provide better for their children. To this end, we adopt a green and gender responsive inclusive Markets Systems Development (iMSD) approach. This aims to capitalise on opportunities for inclusive and green growth, while ensuring the poor benefit – especially women and other vulnerable groups. We partner with private sector and public actors on new and greener products, services, opportunities and jobs for the poor. We also work with women and men so that they can better understand and participate in economic markets.

HOUSEHOLDS, INCLUDING WOMEN AND VULNERABLE GROUPS, HAVE IMPROVED ECONOMIC EMPOWERMENT AND RESILIENCE FOR THE WELL BEING OF THEIR CHILDREN



Mindset and behaviour change (commercial → social incentives)

## CORE APPROACH

**INCLUSIVE MARKETS SYSTEMS DEVELOPMENT (iMSD)** is the core approach for income generation. Key features are outlined below:

- **Diagnose & Fix Systemic Barriers:** Identifies root causes of market dysfunction.
- **De-risking Innovation for Scale:** Pilot-test new models centred on 'shared value' with private and public actors, which can be scaled over time.
- **Adaptive management:** Results based monitoring to refine strategies in implementation.
- **Crowd-in Investment:** Proven pilots can attract private or public investment over time.
- **Skills development for households:** Build capacity for households and communities in key areas like gender inclusive financial literacy, entrepreneurship and climate adaptation.
- **Exit strategy from the outset:** Sustainability is key to the program.

# PROGRAM COMPONENTS

The model offers a program framework with flexibility to prioritise impact priorities given their donor, context and problem analysis. All projects will have a focus on income generation; access to finance; Gender Equality, Disability and Social Inclusion (GEDSI); and Environmental Sustainability and Climate Action (ESCA). However, there are options to prioritise the financial services sector, women's economic empowerment and green growth.

**ACCESS TO FINANCE:** WV promotes a context-driven approach to promote household income, resilience and spending on child well-being. Program options include:

- World Vision's Savings for Transformation (S4T) or linkages with Financial Service Providers (FSPs);
- Partnerships with FSPs to design new financial products, including climate products (e.g. climate insurance, recovery lending), and products for women.

**GREEN GROWTH:** WV's approach combines green value chains and business models, with climate and environment activities for communities. We aim to incentivise new business models to:

- Mitigate climate and environmental risks (e.g. drought or flood resistant seeds);
- Reduce the negative impact of economic activities on the environment (e.g. biofertilizer, reducing food loss and wastage, circular economy interventions);
- Capitalise on green growth opportunities centred on shared value (e.g. tree nursery entrepreneurship, climate smart irrigation technology, solar powered energy transition etc)

**WOMEN'S ECONOMIC EMPOWERMENT:** WV's approach combines gender inclusive business models with gender transformative approaches addressing unequal gender relations and harmful social norms. Our approach promotes:

- Income generation, jobs, and access to new opportunities, products and services for women;
- Agency through our [Gender Inclusive Financial Literacy Training \(GIFT\)](#), which increases financial capabilities, while promoting women's decision making on income and child well-being;
- Community behaviour change activities that increase support for women as economic actors.



## A CASE STUDY

According to a 2022 [meta-analysis](#), across 10 countries, our USD 46 million programming with iMSD and WEE has boosted incomes, attracted private investment, empowered women, and improved children's lives. Successful green growth projects had clear commercial incentives.

In Indonesia, the [More Income Generated for Poor Families in Indonesia \(MORINGA\)](#) project (2017–2022):

- Generated \$4.1 million in private sector investment
- Delivered \$6.3 million in new income for 9,640 families
- Achieved a 2.8x return on every dollar invested

Supported by the Australian NGO Cooperation Program (ANCP), we worked with businesses, government and the community in this project. Partners like PT Syngenta introduced a new sales agent model to improve access to hybrid maize seed. In North Moluccas, MORINGA partnered with Bio Konversi Indonesia on bio-fertiliser, to promote the circular economy and increase the supply of natural fertilisers benefitting the environment.

## PROVEN IMPACT

Based on an evidence review of

**\$46m**

in programs across 10 countries

2.8x Return on Investment in Indonesia, leveraging

**\$4.1m**

in private-sector funding.

**x3**

incomes for 20,000 households in [Bangladesh](#), with changes in women's agency and child nutrition

## SUSTAINABLE DEVELOPMENT GOALS



## CONTACT

For more information, stay connected with the **World Vision Global Centre Livelihoods team** ([livelihoods@wvi.org](mailto:livelihoods@wvi.org)), **World Vision Australia Economic Development team** ([ausoconomicdevelopment@worldvision.com.au](mailto:ausoconomicdevelopment@worldvision.com.au)), or visit **WV Central**.