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DRC DANISH REFUGEE COUNCIL

Systems Strengthening and Market Systems Development Learning Brief



Learning across DRC Kenya systems programming

Introduction

DRC Kenya's systems-oriented programming highlights that sustainable refugee self-reliance is achieved when market systems and institutions effectively support both refugees and host communities. Transitioning from direct service delivery to a systems approach has shown promise, especially when private and government actors invest in local functions.

From direct delivery to market facilitation

Sustainable change comes when markets, institutions and communities thrive together.

DIRECT DELIVERY → MARKET FACILITATION → LOCAL OWNERSHIP

- Businesses
- Government Institutions
- Service Providers
- Communities
- Investors

Systems change in action

Examples of market systems working for refugees and host communities.

Uzima Chicken, Dadaab

DRC partnered with Uzima Chicken to transition from direct poultry distribution to a market-based model, subsidising farmers to purchase Sasso chickens while strengthening local supply systems. Uzima trained local sales agents, supported agrovet supply networks and invested in vaccination services, creating opportunities for sustained private-sector engagement.

1,660+ chickens were sold to **174** farmers, demonstrating the potential of market-driven approaches. However, supply reliability, affordability and continued private-sector engagement remain critical to long-term sustainability.

Nemlon Training Institute, Kakuma

Nemlon Training Institute in Kakuma demonstrates how private-sector partnerships can bridge the gap between vocational training and employment. Through a cost-sharing partnership with DRC, the TVETA-registered institute integrates practical training with commercial production, enabling learners to earn income through piece-rate work while developing market-relevant skills.

132 graduates have been certified in technical fields, with apprenticeship opportunities providing additional practical experience. The model demonstrates potential for sustainability through diversified business operations and private investment. However, infrastructure financing, market competition, learner documentation and limited paid internship opportunities remain challenges to expanding employment outcomes.

Lacomp Advisers

Strengthening business support services.

Government Coordination

Aligning with national systems and policies.

Community Finance

Building financial resilience.

What the portfolio is telling us

Six key lessons on what drives durable systems change

Financial inclusion needs institutional change

Documentation and KYC requirements, limited credit histories and suitable products remain key barriers.

Markets need viable supporting services

Access to quality inputs, finance, and reliable markets is critical.

Climate shocks affect market performance

Droughts, floods and disease undermine livelihoods and market stability.

Skills must connect to labour demand

Training should be aligned with employer needs and real job opportunities.

Regulatory barriers matter

Simpler, clearer and faster processes are needed for refugees and host communities.

Dadaab and Kakuma require contextual approaches

Solutions must reflect the unique needs and opportunities of each location.



Challenges and strategic lessons

Key challenges

Donor subsidy dependence

Reliance on donor incentives can distort markets.

Thin markets

Limited demand and purchasing power constrain growth.

Finance & documentation barriers

KYC and other requirements limit access to services.

Weak employment transitions

Training does not always lead to decent work.

Strategic lessons

Invest in actors incentives

Support solutions that motivate market actors to sustain change.

Strengthen institutions and relationships

Build lasting partnerships across sectors.

Combine supply and demand-side change

Address both people's capacities and market barriers.

Measure durable systems change

Track changes that last beyond project support.

Partners

ReDSS Unlocking Protracted Displacement

DCA actalliance

Pastoralist Girls Initiative Empower Girls , Save Communities

RCK Refugee Consortium of Kenya

ROAD Rights Organization for Advocacy & Development

TUPADO Creating Change in Pastoralist Lives

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