Market Assessment and Analysis Training

Antakya, Turkey
22-23 October 2015
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All training resources are stored here under Training Materials:

Dropbox link: https://www.dropbox.com/sh/t44bfyivqctdtqt/AABf4QaVRt2EzXKPv2q8LTXea
Background

This report summarises the main objectives, outcomes and recommendations from a two day market assessment and analysis training that took place in Antakya, Turkey on 22 and 23 October 2015.

Following a learning needs analysis conducted with CBR-TWG members, market assessment was identified as an urgent training requirement. Facilitation was led by a food security and livelihood expert with 20 years’ experience in emergency response, cash based responses and market assessment including in Syria (Damascus and Al Hasakah), Lebanon, Afghanistan, Nepal and the Philippines. The training was well attended by Syrian and international personnel from a wide range of INGOs implementing cross-border activities from Gaziantep and Antakya.

Antakya was chosen as the training location enabling a practical session using market assessment tools in the local market which is in close proximity to the training venue. Furthermore the population in Antakya are largely bi-lingual with Arabic making it possible for Syrian staff to test the assessment tools first hand.

Training objectives

✓ To share experiences across agencies and learn from each other
  - What works best? What needs to be improved? What can be coordinated?
✓ Review of the current Market Assessment Tools
  - Importance, identifying appropriate tools relevant for the Syrian context
✓ To know the key elements of Market Analysis
  - Prices, Quantities, Trader Capacity, Commodity Market Chain
✓ How Market Analysis Can Inform the Project Cycle
  - Preparedness, Response, Monitoring, Early Recovery
✓ To conduct an actual Market Assessment, practice analysis and present findings and recommendations

Summary of Outcomes

1. A range of technical and operational staff are competent in conducting a rapid market assessment forming a strong evidence base for emergency response analysis
2. Participants understand the differences between the various methods of market assessment (RAM, EMMA, MIFIRA)
3. Participants are equipped to recommend the use of market assessment and analysis to inform programming decisions
Session breakdown

Day 1

1. **INGO Market Assessment Sharing of Experience, Lessons Learnt and Best Practice Presentations**

   The presentations introduced a range of relevant topics, including the need for preparedness prior to a shock as seen in the NSRF, understanding the quality of commodities included in the SMEB and the importance of price monitoring for programme evaluation. The presentations all highlighted that organisations are adapting market assessment tools to meet their requirements. One organization presented on their use of the EMMA. Commonly the organisations conducted the market assessments on the assumption that CTP (cash or vouchers) would be used rather than conducting the analysis to provide evidence for in-kind assistance.

2. **Market Analysis Overview and Global Trends in Cash Transfer Programming**

   - **Definition, Objectives, Why Conduct Market Analysis, Global trends in CTP and Market Analyses, and Snapshot: Project Cycle Management**

   To understand market assessment and analysis it is important to understand that markets are at the centre of a community and are intrinsically linked to crises and emergency response.

   - The term ‘market’ refers to a system of actors, institutions and policies that influence the production and consumption of goods and services.
   - The ‘marketplace’ is the physical location of shops where trading takes place.

   Market analysis is not a new phenomenon in emergency programmes but has received increasing attention since the emergence of cash transfer programming. **Market based programming** is important for a range of response actions, including in-kind distributions which risk having a detrimental effect on local markets when not appropriately assessed and integrated. Market based programming ensures emergency responses ‘do no harm’ to local economies and the livelihoods of market actors.

   Figure 1 maps the spectrum of market based programming. Currently in Syria, responses are concentrated on ‘market integrated relief’. Market strengthening activities are most relevant in early recovery programming and has some relevance in Syria alongside agriculture and livelihood programmes.

   With this in mind, the three main objectives of market analysis are:
   1. Do no harm
   2. Increase efficiency and effectiveness of response through reducing international procurement
3. Strengthen interventions using the knowledge and capacity of local communities and institutions

**Market Based Programming**

- **Market Integrated Relief**
  - Objective: meeting basic needs (food security, etc.)
  - Activities:
    - In kind distributions
    - Local and regional food purchase
    - Cash and vouchers
    - Seed fairs

- **Indirect Support through Markets**
  - Objective: meet basic needs through temporary interventions that restore markets
  - Activities:
    - Targeted support to market actors (grants, loans, transport subsidies, temporary storage)
    - Support to supply

- **Market Strengthening and Development**
  - Objective: economic recovery, improvement in incomes and livelihoods
  - Activities:
    - Support to productive and sustainable agriculture
    - Employment creation
    - Financial services
    - Supply and value chains
    - Productive assets
    - Enterprise development

*Figure 1: Spectrum of Market Based Programming*

**Global Context and CTP**

- The first instance of cash transfer programming took place during the 1870 – 1871 Franco Prussian war, when ICRC provided cash and in-kind assistance to wounded soldiers in Basle. In recent years however its gained acceptance compared to in-kind, even the discussions still happening at NGO, UN and donor level is that we still need to do more to take “cash to scale”
- During the 2004 tsunami, NGOs piloted lots of different types of cash based interventions
- In order to gather lessons learnt from the 2004 tsunami the **Cash Learning Partnership** was founded by Oxfam, Save the Children and the British Red Cross
- 2009-2013: $692m to $1.5b spent on cashed based interventions: whilst the figures seem big, this represents 1.5 to 3% of the total aid during the period. Difference in figure comes from the source, the first one is from financial tracking services, whilst the second from the Cash Atlas (which highlights some of the issues that we still have in measuring CTP). More information about the CaLP and the Cash Atlas can be found here: [http://www.cashlearning.org](http://www.cashlearning.org)

**Global Donor Perspectives**

- USAID: is increasingly moving towards cash and vouchers, through the Food for Peace Programme, the Emergency Food Security programme. OFDA are more reluctant but will consider vouchers for NFIs alongside a food programme.
- ECHO: Used to have a limit of €100,000 for funding NGOs doing unconditional cash transfers. But in 2015 they published the 10 common principles. There is now no limit on unconditional cash transfers and ECHO encourage the use of CTP.
• WFP: which is all about the large scale cash pipeline has even embraced the change (probably partly out of survivalism)
• DfID: had set itself targets for increasing the use of CTP and has doubled its use between 2009 and 2014. DFID RRF proposals and DFID CHASE funding is now asking “why not cash”, in line with ECHO approach
• But it’s not all rosy in the world of CTP. With the big Syria appeals, Gaza appeals, regions in which there are particular concerns over the risk of funding terrorism, the British Bankers Association and the Charity Commission put pressure on the DEC to increase their due diligence and compliance processes. DEC came up with a Due Diligence Charter, which was about recognising the increased risks involved in CTP.

3. Market Assessment Tools and CTP in the Project Management Cycle

| Situation and Response Analysis, Levels of Market Analysis, Review of Market Assessments Tools and Timing; RAM, Decision Tree Process |

**Cash Based Response – the Project Management Cycle**
Cash based responses rely on, and contribute to, strong project management. At each stage in the project cycle assessment, analysis, evaluation and reviewing project plans are essential.

**Situation and Response Analysis Framework**
Market assessment forms an important part of the situation analysis following the needs assessment. A strong market assessment is essential to preparing an appropriate response analysis by informing the assistance modality possibilities. Conducting a market assessment does not mean the programme will inevitably use cash transfer programming; the market assessment may confirm that CTP is not appropriate and provide an evidence base for continuing with in kind distribution of commodities.

*Figure 2: Situation and Response Analysis Framework*

**Remember:** Market assessment tells you the situation the market is in, not the final response plan.
**Levels of Market Analysis**

Market analysis can be conducted at the micro, meso and macro level. Currently market assessments taking place through CBR members in Syria concentrate on the micro (local) level with traders and households. Information collected at the micro level, e.g. price monitoring, can contribute to meso and even macro level analysis when combined across geographic areas.

![Levels of Market Analysis Tools and Guidance](image)

**Micro**: individual units, such as households and traders

**Meso**: value chains, for example, or specific sectoral issues within markets.

**Macro**: focuses on the broader economy at the national and global level

**Main Challenges to Understanding Markets**

Market system is **COMPLEX**.

- Almost every commodity/service has a different origin and movement from producer to consumer
- Different infrastructures, inputs and market support
- Market environment for each commodity influenced by policy/ regulations/trends
- Impact of the forecasted crisis for one commodity/service can be very different from one to another

**Key questions to ask in market analysis are:**

1. Are the markets functioning normally?
2. Are the required items available sufficiently and in acceptable prices?
3. Are the traders able and willing to adapt to increased demands?
4. Are the markets competitive?
5. Who are the market players and financial service providers?
**Market Assessment Tools – what to use when?**

There are numerous market assessment tools with their own benefits and challenges so it can sometimes be difficult to understand which one is most relevant when.

- Pre-Crises Market Mapping and Analysis (PCMMA)
- Rapid Assessment for Markets (RAM)
- Emergency Market Mapping and Assessment (EMMA)
- MIFIRA (Market Information and Food Insecurity Response Analysis)
- WFP – Market Analysis tools and Trader Surveys
- Household Economy Approach (HEA)
- Market Analysis Guidance (MAG)
- Labour Market Assessment
- Value chain and Pro-poor approach
- Structure–Conduct–Performance (SCP)
- Agency-created market assessments

![Figure 4: Market Assessment Tools throughout the Project Cycle](image)

Each tool speaks to different stages in the project cycle and no single tool covers all concerns and all stages. The challenge is not to create one tool that is applicable to all situations at all times, but to understand how to get past the limitations of existing tools, and how to re-apply them at different stages to arrive at a more comprehensive understanding.

**Minimum Requirements for Market Analysis**

- Checklists, tips, guidance on what to collect in market assessment
- Not assessment or analytical tool, use in conjunction with tools
- Focuses on 4 thematic areas:
  - scope of assessment
  - analysis
  - data collection
  - monitoring & ensuring data validity
4. Rapid Assessments for Markets - RAM

https://www.icrc.org/eng/resources/documents/publication/p4199.htm

The RAM tool has been developed by IFRC in 2014 for use by humanitarian practitioners with limited market expertise and limited time to conduct an in depth market assessment. The tool is ideal for use in the first few days after a shock, for example in situations where there is rapid displacement and was therefore chosen as the most appropriate methodology for inside Syria at the current time.

The RAM provides a step by step approach to gathering information, conducting a market assessment and analysing the data following the assessment.

Market Analysis does not tell you to choose CTP over In-kind.

Market Analysis advocates for GOOD ANALYSIS for the most appropriate decision and intervention: whether to go for CTP, in-kind or even both.
Day 2

1. Outdoor adventure! Actual Market Site Assessment

To provide participants with experience of using the RAM tools the group conducted a market assessment in Antakya based on secondary data from real events that recently took place in Syria. Having reviewed Step 1 and tools 1-7 on day one, the assessment teams were able to concentrate on tools 8 and 9 for data collection. Although the situation in Antakya is normal with a well-functioning market, the teams experienced challenges in data collection including some that will be common to conducting a genuine assessment, for example;

1. Language barriers and acceptance in the local community
2. Refusal from vendors to take the time to answer questions
3. Suspicion of the use of the data and why it is being collected

![Figure 6: Participants Conducting a Market Assessment](image)

2. Market Analysis: Decision Process

Following the market assessment, teams used the decision tree to analyse the data and inform a response plan.

![Figure 7: Example of a Modality Decision Tree by CaLP](image)
3. Group Presentations of Market Analyses

Based on two case studies of recent events in Syria, the teams used their market assessment data and decision tree analysis to inform response options. Strikingly, despite using the same case studies a diverse range of response options were identified by the different teams.

Wrap Up and Recommendations for Future Use

- The participants have shown they are able to analyse primary data to encourage evidence based response decisions for both in kind and CTP. They must continue to include evidence from field market assessments in discussions with donors and management.

- Organisations are encouraged to roll out market assessment training to field staff

- CBR-TWG will map market assessments and coordinate assessment activities where possible

- Further training will be provided on the CTP project management cycle and monitoring.
Annexes

About the CBR-TWG in Northern Syria
The CBR-TWG is a forum of technical professionals established in early 2014 dedicated to support the humanitarian community develop and scale up effective cash based programming in Northern Syria throughout the different phases of the humanitarian response (relief, recovery and resilience). It is mandated to be a technical working group for cash and voucher programming in Syria, non-sector specific, developing harmonised standards, technical coordination, and capturing and sharing learning.

The CBR-TWG coordinator is currently hosted by Save the Children and funded by the Department of International Development (DFID). Meetings are held in Antakya and Gaziantep alternately, for both the main group and technical sub-groups focusing on specific topics as required. INGOs and national NGOs are regular members of the working group, with donors attending on an ad hoc basis.
### Agenda

**Day 1, October 22 Thursday**

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<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>830-915</td>
<td>Registration and coffee</td>
<td>Jen</td>
</tr>
<tr>
<td>915-930</td>
<td>Introductions</td>
<td>Jen</td>
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<tr>
<td>930-940</td>
<td>CBWG Objectives</td>
<td>Jen</td>
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<tr>
<td>940-1000</td>
<td>Expectations and Workshop Objectives</td>
<td>Isabel</td>
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<tr>
<td>1000-1100</td>
<td>INGO Market Assessment Sharing of Experience, Lessons Learnt and Best Practice Presentations</td>
<td>Jen/Isabel</td>
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<tr>
<td>1100-1115</td>
<td>Coffee Break</td>
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<tr>
<td>1115-1245</td>
<td>CTP: Definitions, Global trends, CTP Project Cycle Management, CTP Preparedness, Situation Analysis and Response Analysis</td>
<td>Isabel</td>
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<tr>
<td></td>
<td>Group Exercises</td>
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<td>1245-130</td>
<td>Lunch Break</td>
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<tr>
<td>130-300</td>
<td>Market Assessments: Introduction, importance, review and appropriateness of tools and methodologies for Syria context (Pre-Crisis, During Emergency, Post-Emergency/Early Recovery) with group exercises</td>
<td>Isabel/Jen</td>
</tr>
<tr>
<td></td>
<td>Tools and Methodology Review: PCCMA, EMMA, MIFIRA, RAM, MAG, Market Surveillance and Price Monitoring, Minimum Requirements for Market Analysis in Emergencies (MRs)</td>
<td>Isabel/Jen</td>
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<tr>
<td></td>
<td>Market Analysis and Decision Tree Process</td>
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<tr>
<td>300-315</td>
<td>Coffee Break</td>
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<tr>
<td>315-500</td>
<td>Continuation...</td>
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<tr>
<td>500-530</td>
<td>Market Assessment Case Study</td>
<td>Isabel/Jen</td>
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**Day 2, October 23 Friday**

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<thead>
<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>800-815</td>
<td>Registration and coffee</td>
<td>Jen</td>
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<tr>
<td>815-830</td>
<td>Review of Day 1</td>
<td>Isabel/Jen</td>
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<tr>
<td>830-930</td>
<td>Market Assessment Case Study Clarification</td>
<td>Isabel/Jen</td>
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<tr>
<td>930-1200</td>
<td>Actual Market Assessment</td>
<td>Participants</td>
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<tr>
<td>1200-1230</td>
<td>Presentation Preparation</td>
<td>Participants</td>
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<tr>
<td>1230-1330</td>
<td>Continue presentation preparation and Working Lunch</td>
<td>Participants</td>
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<tr>
<td>1330-300</td>
<td>Presentation and Panel Review</td>
<td>Panel</td>
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<tr>
<td>300-400</td>
<td>Plenary Presentation and Closing</td>
<td>All</td>
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</tbody>
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### Glossary of terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td><strong>Multi-purpose cash grant</strong></td>
<td><strong>Multi-purpose cash-based assistance</strong> can be a transfer (either delivered in several tranches regular or as an ad-hoc payment) corresponding to the amount of money that a household needs to cover, fully or partially, their basic needs that the local market and available services are able to meet appropriately and effectively. Multi-purpose transfers demand <strong>greater coordination</strong> between humanitarian actors and donors to assess needs and to translate this <strong>into a single monetary value</strong>, the Minimum Expenditure Basket (MEB). Realistically, humanitarian assistance will contribute to this figure. Beneficiaries will be faced with the need to prioritise how best to use the assistance received so as to ensure that their basic needs are covered.</td>
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</table>
| **Unconditional cash grant** | **Unconditional assistance** is given to beneficiaries or households without the recipient having to do anything in return. It can be provided to meet immediate needs and/or build assets to safeguard against future shocks and stresses and increase resilience. Unconditional assistance may be more beneficial in terms of encouraging a speedy recovery, is easier to implement and may favour a shift from the need to monitor compliance with conditionality to a focus on monitoring the impact of assistance.  

**Unconditional cash transfers** are calculated by each organization individually and may be on the basis of a particular requirement, e.g. winterization or a food basket, and the grant is recommended for use on that outcome. The beneficiary can make the final decision about the use of the grant. |
| **Conditional cash grant** | A cash grant whereby the recipient has to fulfill certain conditions, e.g. send children to school, plant seeds, build foundations for a house, demobilize.  

A cash transfer conditional upon the beneficiary (a) providing a service of some kind (e.g. work); or (b) using a service e.g. attending a school or health clinic; or (c) spending the transfer on an agreed commodity or type of commodity. Conditions that may be attached to cash transfers can be categorized as (a) qualifying conditions, and (b) use conditions:  

1. **Qualifying Conditions**  
This type of conditional transfer is one given **after** recipients have performed some task or activity as a condition of receiving the cash transfer. Common qualifying conditions include:  
   - Performing some work, often public works or the creation of community assets, but can include other work such as work in the beneficiaries’ own garden.  
   - enrolling children in school or having them vaccinated.  
   - Undergoing some form of training.  

2. **Use Conditions**  
The agency puts conditions on how cash is spent. Common conditions include requiring the money to be spent on: |
- Food items
- Services such as educational expenses (e.g. school fees, school uniforms, books, etc.) or transport to a health center
- Shelter materials or works (e.g. materials for rebuilding a house).

| **Vouchers** | Vouchers are by definition restricted and can be in the form of paper, a token or an electronic card. They are redeemable with preselected vendors, services (e.g. transport to health centers) or in ‘fairs’ created by the agency. The terms vouchers, stamps or coupons are often used interchangeably.  
Vouchers are exchanged for a set quantity or value of goods, denominated either as a cash voucher or commodity voucher.  
Vouchers cannot be partly exchanged in return for cash change. The full value of the voucher must be used at the same time, or the beneficiary forfeits the remaining allocation. |
| **Voucher – value** | **Value voucher** i.e. exchanged up to a certain value (e.g. $15 worth of maize) |
| **Voucher – commodity** | **Commodity voucher** i.e. exchanged for predetermined commodities or services (e.g. 5 kg maize; milling of 5kg of maize). |
| **In kind** | The provision of goods and services to communities through which access is made available without the use of cash or vouchers. E.g. distribution of hygiene kits or food baskets. |