

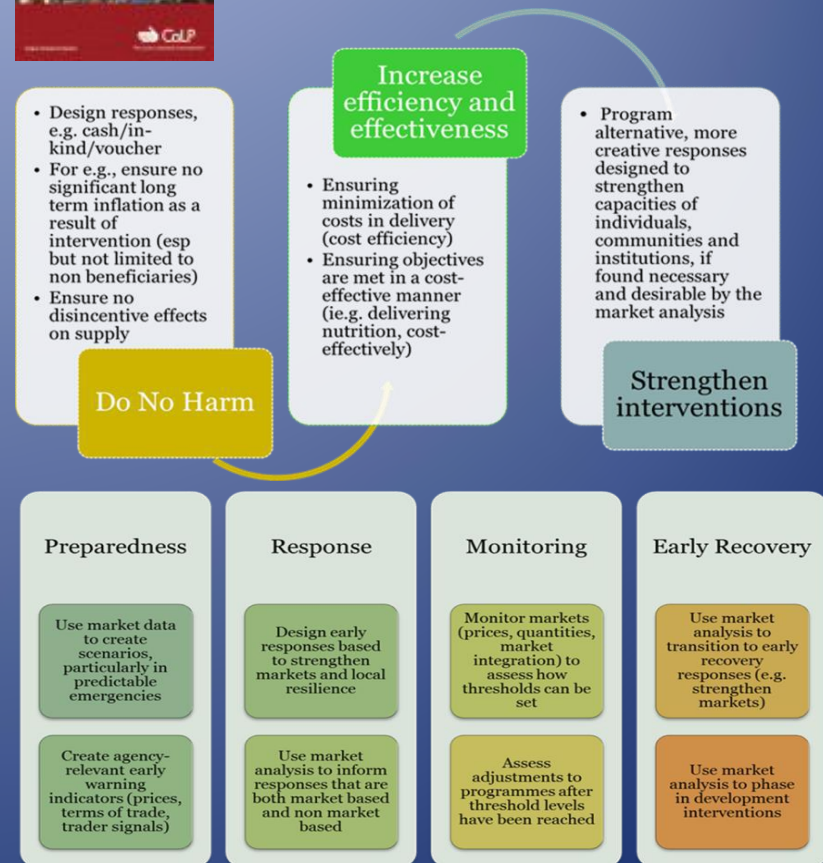


Minimum Requirements for Market Analysis in Emergencies

Background to the Minimum Requirements (MRs)



- CaLP Research on Market Analysis
- Clear objectives for market analysis
- Market analysis and the program cycle



‘What are the minimum requirements for market analysis?’

How to use the MRs?

- Methodology & relation to existing tools

Scope of the assessment

- MR1: The scope and depth of the market assessment enable appropriate programme decisions and are based on identified information needs.

Analysis

- MR2: Market analysis data informs key programme-related decisions and contributes to the selection of appropriate modalities to achieve programme objectives whilst doing no harm.

Data Collection

- MR3: Collection of data is undertaken by competent and knowledgeable teams.
- MR4: data collection systems, procedures and information sources utilised in the market assessment are appropriate and of sufficient quality to allow for the capturing of the dynamic nature of markets.

Monitoring and ensuring data validity

- MR5: Monitoring activities provide a check against initial assessment findings and enable decision-making for potential adaptation of interventions.

Thematic Area



MR



Action points



Tips



Key issues to avoid

Pointer boxes

Practical illustrations

Checklist

- Managers, donors, practitioners

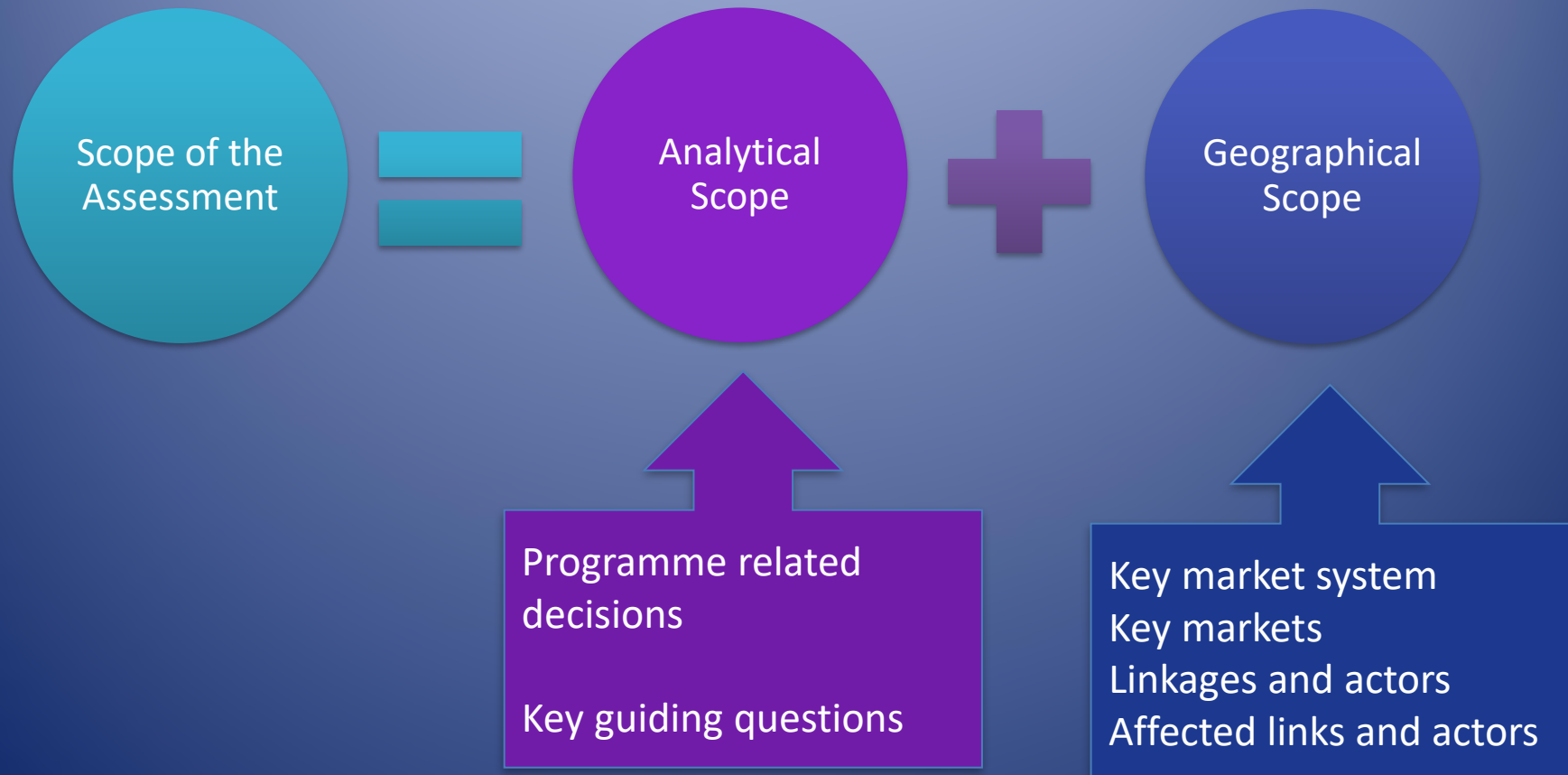
Market assessment essentials

- What if we get it wrong
- Should be part of all needs assessments
- It is an iterative process
- Coordinated effort



Scope of the Assessment

MR 1: The scope and depth of the market assessment enable appropriate programme decisions and are based on identified information needs.



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Key action point 1: Choose the relevant market system(s) you wish to assess and identify the programme-related decisions to be supported

Tip 1	When trying to identify relevant market systems, consider the markets that are central to households' survival and/or livelihoods, those that provide households with the necessary goods and services to meet their essential needs, and those that are central to potential programme response options
Tip 2	Try to limit the number of market systems being assessed to no more a maximum of two in order to avoid being spread too thin.
Tip 3	Review existing secondary data and literature to help identify which key questions need priority attention and which ones may require further research.

Programme related decisions

Determine whether:

1. To implement a cash, voucher, or in-kind intervention



Key questions

1. To implement a labour based intervention (i.e. cash/food for work programme)

1. To procure goods locally

1. Market conditions are favourable for livelihood interventions being considered.

- where are the markets for the essential goods – food, non-food items (nfi), shelter items?
- To what degree are vulnerable households connected to these markets? what is the estimated change in demand generated by the proposed intervention?
- are there restrictions to the movement of goods?
- are local traders able to meet such a change in demand within the necessary deadline without significantly increasing prices?
- Are there specific traders that need to be targeted for support?
- how has the market infrastructure been affected by the crisis?
- how has the supply chain been affected by the crisis?
- how has the value chain been affected by the crisis?
- how have market service providers been affected by the crisis?
- have the dynamics between market participants been altered as a result of the crisis? what innovations have been adopted by key market actors to cope with the emergency?

MR 2: Market analysis data answers key programme-related decisions and contributes to the selection of appropriate modalities to achieve programme objectives whilst doing no harm.

- Defining programme risk
- Key action points:

Δ Demand > 25% for urban
 Δ Demand > 10% for rural

Analysis -> Conclusions -> Recommendations

- What to avoid

- don't focus solely on the size of your organisation's planned response when determining the relative scale of the humanitarian response but rather on the sum of all planned interventions in the relevant area.
- do not rush the analysis. if you have time constraints ensure that you don't overemphasise the data collection and leave insufficient time for the analysis.

MR 3: Collection of data is undertaken by competent and knowledgeable teams.

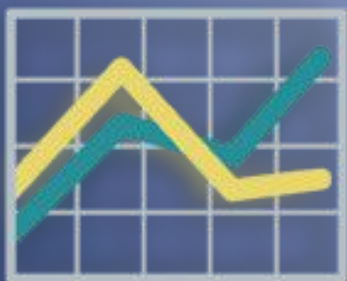
MR 4: Data collection systems and information sources utilised in the market assessment are appropriate and of sufficient quality to allow for the capturing of the dynamic nature of markets.

- Local knowledge, experience, economics
- Key market actors
- Coordination and division of responsibility



Monitoring and ensuring data validity

MR 5: Monitoring activities provide a check against initial assessment findings and enable decision-making for potential adaptation of intervention.



- Frequency is contingent on initial assessment, volatility & risk

- Focus on sensitive assumptions and outcomes

- Reassess assessment and response

Monitoring area

Response
area

Checklists

Minimum Requirement 5: Monitoring activities provide a check against initial assessment findings and enable decision-making for potential adaptation of intervention.			
Key Action Point		Was the MR fulfilled ✓/X	Outline of challenges faced in trying to meet the Minimum Requirement
KAP 19	From the key market analysis findings and the response plan, identify which assumptions and outcomes are most uncertain or sensitive to change.		
KAP 20	Define practical measureable indicators for tracking the assumptions and outcomes which are liable to change.		
KAP 21	Determine the frequency with which the monitoring is to be carried out by considering the robustness of the initial assessment, the expected volatility of the situation and the risk it poses to programmes, markets, and beneficiaries.		
KAP 22	Reassess the validity of the initial assessment and the design of the response if the monitoring reveals further market distortions following the programme response.		
KAP 23	Regardless of the type of programme, systematic price monitoring should be carried out in order to identify market distortions at an early stage.		

Next steps

Summer
2013

- CaLP and participants disseminate the MRs
- Practitioners test them
- Practitioners provide feedback
<http://www.cashlearning.org/what-we-do/minimum-requirements-for-market-analysis-in-emergencies>



Dec 2013

- MRs reviewed

Thematic Area

↳ MR

↳ Action points

↳ Tips



Key issues to avoid

Pointer boxes

Practical illustrations

Checklist