



CASH BASED INTERVENTIONS  
TECHNICAL WORKING GROUP

# JOINT MARKET ASSESSMENT REPORT





## Executive Summary

This report assesses the feasibility of implementing Cash and Voucher Assistance (CVA), specifically Multipurpose Cash Assistance (MPCA), to support individuals impacted by the recent earthquake. The evaluation focuses on the availability of items, price increases, access to shops, and acceptance of cash and credit cards in the affected areas.

The market assessment reveals that essential items remain relatively available despite localized challenges caused by the earthquake. While price increases have occurred, they have primarily affected non-essential goods, while essential commodities have remained stable. Most shops have resumed operations, indicating reasonable accessibility for affected individuals. Cash remains widely accepted, making it a suitable payment method for CVA, although credit card acceptance is limited.

Overall, the analysis suggests that implementing MPCA as part of Cash and Voucher Assistance is feasible in the earthquake-affected areas. The market assessment provides an optimistic outlook, indicating that CVA can effectively support the impacted population. Although there is an optimistic outlook for the feasibility of CVA in the earthquake-affected areas, it is important to note that cash partners are advised to conduct their own in-depth analysis in the specific area of focus and with their targeted community. This ensures that CVA aligns with the unique needs and circumstances of the affected population and helps achieve the desired project outcomes. It is crucial not to oversimplify and generalize the conclusion of cash feasibility, as there may be specific variations and nuances in different areas.







## INTRODUCTION

On February 6, 2023, two major earthquakes with the epicenter of Kahramanmaraş happened in Türkiye's South-East Anatolia and Eastern Mediterranean region and 11 provinces are declared as earthquake affected zone. Infrastructure, shelters, market conditions, financial service providers and livelihoods opportunities have been disrupted as a result of the earthquake, called for immediate action from humanitarian actors in support of the GoT to provide in-kind assistance and services. As situation evolved in these cities, partners observed that need for cash assistance has increased on the side residents and local economy, especially in the current context in which the need for cash assistance has increased compared to the in-kind distribution needs, which were higher during the immediate aftermath of the earthquakes.

The purpose of the Joint Market Assessment (JMA) is to gain a comprehensive understanding of the market conditions in districts severely damaged by the earthquake. It aims collaboratively to assess the extent to which markets are normalizing and becoming functional again. Given the increasing involvement of various partners in the implementation of MPCA, there is a growing need to conduct market assessments and gather additional market-related information.

Two workshops were held with the participation of interested CBI TWG members to determine the geographical coverage of the practice and develop a vendor survey. The JMA covers heavily affected districts as identified in Multi-Sector Initial Rapid Needs Assessment (MIRA) including Gaziantep (Islahiye, Nurdağı), Hatay (Antakya, Samandağ, Kırıkhan), Kahramanmaraş (Dulkadiroğlu, Nurhak) and Malatya (Doğanşehir). Once the questionnaire was finalized and the geographical coverage was defined, several trainings for enumerators both in Turkish and English was provided between 18-23 May.

The survey was finalized with the participation of **CONCERN, GOAL, IOM, ORANGE, SENED, UNHCR, WFP**, and support of Save the Children. The data collection process for the First Round was completed on 31 May. A summary overview of preliminary findings was presented in CBI TWG Meeting on 7 July and a more detailed sharing of results took place on June 14.

Dashboard of the Joint Market Assessment May 2023 is accessible through this link.

# METHODOLOGY



Within the scope of the JMA, after indicating the districts that they can work enumerators from eight participating agencies conducted surveys in all the severely affected districts. Overall, 1200 interviews were conducted, however, during data cleaning process incomplete and incoherent ones were eliminated since remaining 1143 interviews provided a reliable basis for evaluation.

Since the earthquake did not affect all settlements equally, it was acknowledged during the preparatory stage that the number of operational vendors available for interviews would vary considerably in each settlement. Therefore, the minimum number of vendors to be interviewed in each settlement was not predetermined. Consequently, in the field study, enumerators were instructed to assess the condition of the settlement by conducting interviews with a sufficient number of vendors, if there were enough vendors available, in order to determine the market situation. In provinces where the number of operational vendors was low, the number of interviews conducted was relatively low as well. However, it can be stated that in most settlements, a sufficient number of surveys were conducted to generate reliable data.

## LIMITATIONS

As the first limitation of this practice, **subjectivity of answers** prevail now that vendors answered the questions about the impact of earthquake and current market situation from their own perception. Checking questions like sales, item availability and supply situation etc. were also included in the survey for triangulation and to minimize misinterpretation of data. Moreover, some questions do not have **comprehensive follow-ups** due to time constraints to keep the survey easy to answer given the fact that customers continue to arrive in the markets.

Secondly, some provinces were covered by only one agency and some agencies focused heavily on certain provinces and **enumerators' bias** might have affected the results. Furthermore, it shall be noted that explorative studies have **5% of error margin** including this practice. Lastly, data was **only collected from vendors** meaning that customer perspective is lacking throughout the practice. With these limitations are noted, this practice provides beneficial information to partners who plans to conduct CVA programmes in the EQ-affected provinces.



# OVERVIEW

The JMA aims to unfold three crucial points; whether markets are functioning, whether items are available assuming cash is provided, whether there are supply problems experienced due to the EQ and whether there are dramatic price increases which might decrease the desired positive impact through cash and voucher assistances. Overall, 1143 interviews were conducted in 8 provinces, 31 districts and 218 neighbourhoods. Number of interviews per province and district can be seen in the Annex A.



## FOUR DIFFERENT TYPES OF VENDORS

# 1136 VENDORS SURVEYED



**Sectoral breakdown of the vendors** demonstrates that the study included a significant variety of shops, the ones having substantial share are as following; 637 Food, 247 Hygiene, 218 Clothing, 155 Households NFI, with communications, education, shelter/construction, pharmacy, tobacco/liqueur shops and service providers such as hairdresser and retailers. As indicated by the figures shared, a vendor can operate under multiple industry sectors.

The interviews were conducted in **four different types of vendors**; local independent shops (887 interviews), local chain shops (154), national chain shops (82) and bazaar stands (13).

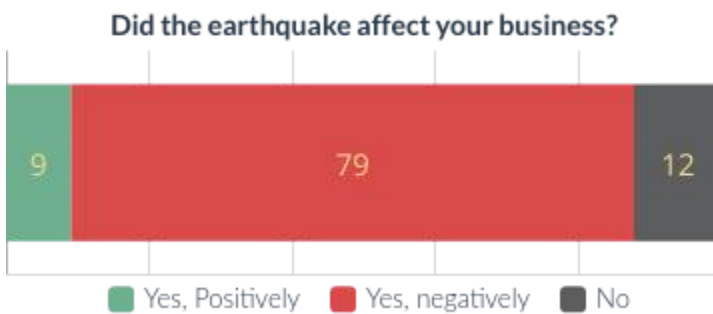


# MARKETS UNDER REVIEW



## EFFECT OF EQ ON BUSINESS

Vendors were asked “Did the earthquake affect your business?” and almost 79% observed a negative effect while 9% observing positive effect and 12% observing no effect at all. The statistical percentage of vendors that reported negative impact of earthquake are high; however, following questions about availability of key items, supply, and access of customers indicate that vendors might have had a negative bias while responding to this question (to be explored further in coming chapters). The vendors that reported positive impact are assumed to benefit from being the few vendors in their settlements; hence inevitably increasing their sales.



Graph 1. Earthquake's Effect on Business

Many people are now living in tents or containers and demand has significantly decreased.

Vendor in Adiyaman

The impact of the earthquake on markets varies across provinces. **Adiyaman** experienced a severe negative impact, with **93%** of respondents reporting such, while **Malatya** also suffered significantly, with **87%** reporting a negative impact. The high percentage of vendors reporting negative effects in these provinces can be easily justified given the severity of the earthquake's impact. In contrast, in **Hatay**, another province heavily affected by the earthquake, only **60%** of respondents indicated being negatively affected. Similarly, in **Antakya** district, only **56%** of vendors reported a negative effect.

This study attempts to explain this situation that vendors witnessing both loss of life and property may perceive their situation more positively, because they survived the EQ, did not lose their source of livelihoods and can continue to provide services to their fellow citizens. As the study methodologically only focused on operation shops, reported impact came out relatively less negative in this province in comparison to other severely impacted ones. It shall also be noted **that the number of completed interviews are relatively lower in Hatay (65)** when compared to its size because the number of functional shops is lower than other provinces. Moreover, anecdotal data collected during the survey reveals that vendors had noted that they experience and observe severe social and psychological negative impacts after earthquake. The table below shows the responses of the provinces.

Considering the diverse impact of the earthquake in each province and the varying perspectives of vendors within their local contexts, it is crucial to avoid oversimplification or generalization when analyzing the effect of the earthquake across the impacted provinces.


When analyzing **the impact of earthquakes on different sectors**, it becomes evident that retail shops in areas such as shelter/construction, food and hygiene, pharmaceuticals, and electronics experience a negative impact that is roughly in line with the average. However, there is an exception to this general pattern when it comes to textile retailers. A significant 85% of **clothing/textile sectors** reported a higher negative impact. This effect can possibly be attributed to the availability of clothing through humanitarian aid, as well as clothing being considered a flexible commodity by households.

In contrast, **service providers** such as hairdressers/beauticians, accessory retailers, cafes, and restaurants face a more severe impact compared to retailers. This finding further confirms the anticipated negative impact of earthquakes on vendors that offer flexible goods and services.

Provinces	Yes, negatively	Yes, positively	No Change	Avarage %
<b>Adiyaman</b>	93	5	2	97
<b>Şanlıurfa</b>	75	6	19	53
<b>Malatya</b>	87	10	3	66
<b>Gaziantep</b>	76	12	12	59
<b>Adana</b>	49	15	36	81
<b>Hatay</b>	60	21	19	47
<b>Kanramanmaraş</b>	75	13	12	49
<b>Kilis</b>	47	11	42	46

In terms of shop types, local independent shops were found to be the most severely affected, with **81% reporting negative impacts** from the EQ. However, a small percentage (**7%**) of local independent shops actually **experienced positive effects**, likely due to being **the only remaining unaffected shops in their neighbourhoods**. In contrast, national chain shops were comparatively less affected, **with 62% reporting negative impacts**. Local chain shops fell in between, recording a **lower percentage of negative effects at 74%**.

In summary, despite encountering certain challenges and barriers, **markets are functioning in the severely affected provinces by the EQ**. CBI TWG highlight the importance of providing **Multi-purpose Cash Assistance (MPCA)** as a means of facilitating rapid recovery in these areas. By opting for MPCA instead of in-kind humanitarian aid, support can be extended to local independent shops and regional chain shops that may lack the support mechanism available to national chain shops. MPCA has the added benefit of injecting **cash liquidity** into the region and enhancing the **purchasing power** of customers, contributing to the overall recovery efforts.



**MPCA**

Cash interventions are feasible and preferred to boost the recovery of markets and purchasing power

## EFFECT OF THE EQ AND AVAILABILITY OF KEY ITEMS

Vendors were queried about the availability of key items and possible reasons behind any changes availability, aiming shifting market dynamics.. When vendors were asked **“Has availability for key items you sell changed noticeably compared to before EQ”**, responses revealed that 50% reported no change, 45% observed a negative change, and 5% noted a positive change. A breakdown of the observed effects by provinces is provided in the table below.

Provinces	Yes, negatively	Yes, positively	No Change
Adiyaman	67	8	25
Şanlıurfa	36	6	58
Malatya	55	2	43
Gaziantep	42	5	53
Adana	1	0	99
Hatay	40	2	59
Kahramanmaraş	27	4	69
Kilis	42	5	53

Comparing the effects of perceived negative effects of earthquake on businesses, and reported change in availability of key items, there is no strong correlation between the responses. This difference can be explained by the objectivity of the latter question when compared to perceived impact of the EQ on their business. In general, the percentage marks a decrease for this question in relation with the first question but still has higher share compared to 5% perceiving a positive change. This positive impact might be deriving from the vendor becoming only functional market in the region and there is a relative abundance in the supply due to limited number of buyers.



In **Adiyaman**, vendors reported a significant impact on their business, with 93% experiencing adverse effects, **while 67% experienced availability issues for key items**. Vendors in Adiyaman faced significant challenges in accessing the key items they sell, which further contributes to the overall negative effect. Conversely, vendors in **Adana** experienced the least negative impact in terms of availability for key items, with only **1% reporting such issues**. Adana has received migrants from EQ affected areas and remains largely unaffected in terms of availability of key items. In **Hatay 59% of the vendors**, and in **Kahramanmaraş 69% of the vendors**, indicated **no change** in the availability of key items



*...“The goods are unavailable or warehouses are waiting for the price of the goods to increase before they release them into the market”...*

*Vendor in Islahiye, Gaziantep*

#### The perceived reasons for the change in availability of key items are as follows:

- **Fewer/No suppliers after the earthquake (280):** This factor suggests that the earthquake led to a reduction in the number of available suppliers, which subsequently affected the availability of key items.
- **Higher inflation/Increased costs (216):** Vendors noted that inflation and rising costs have played a significant role in the change in availability. These factors contribute to higher prices and potentially limited supply.
- **Absence of demand/Lack of customers (215):** Vendors observed a decline in demand due to absence of customers, which consequently affected the availability of key items. Reduced demand can impact the willingness of suppliers to stock and deliver items.
- **Transporters/Logistics service providers affected by the earthquake (208):** The earthquake's impact on transporters and logistics service providers resulted in disruptions to the supply chain, leading to availability issues for key items.
- **Absence of demand/Lack of purchasing power (153):** Vendors also highlighted that the lack of purchasing power among customers was a significant factor affecting availability. This factor is closely related to the need for cash assistance, as it can enhance customers' purchasing power and stimulate demand

These reasons, namely fewer/no suppliers, higher inflation/increased costs, absence of demand/lack of customers, earthquake-affected transporters/logistics service providers, and absence of demand/lack of purchasing power, were prominent factors perceived by vendors to contribute to the availability issues of key items.

CBI TWG realizes that there are some reasons effecting availability for the key items which are independent variables and cannot be intervened with MPCA and other modalities of cash and voucher assistance (CVA). However, some of the observed reasons effecting availability of key items such as absence of demand due to lack of customers and lack of purchasing power, transporters/logistics service providers affected by the earthquake and high competitiveness can be positively amended with MPCA. Enumerators' notes further mention opportunistic behaviours, the effect of in-kind aid, and the closure of shops for a long time after the EQ as other prominent reason for change in prices and availability for key items.

These supply gaps have potential to improve when cash is injected into the market as part of the targeted outcomes of organizations. However, it is essential for organizations to consider the issue of access avoid creating further access barriers. By addressing these concerns and ensuring the availability of cash assistance, the availability of key items in Adiyaman can potentially be positively influenced, bridging the gap between supply and demand.

Sector-based analysis of availability for key items demonstrates that Food (36%), Hygiene (35%) and especially Stationary/Education (26%) sectors experience less negative effect in terms of availability of key items, pinpointing the fact that key items are relatively available for goods under these sectors. Household NFI (46%) and Clothing (45%) sectors experience negative effect on the average while vendors of Shelter/Construction sector reported relatively higher unavailability with 53%.

In terms of availability of key items situation per sectors may vary slightly. sectoral in-kind and cash assistance should be programmed and distributed after conducting detailed market analysis and availability analysis for key items because mid- and long- term challenges might be experienced due to changing production patterns at the EQ affected provinces. Based on the analysis of the data, it can be interpreted that there are no significant issues regarding the access to key items in the market across provinces. Consequently, use of CVA will enable individuals to access the goods they may needs. In this context, MPCA is suggested for all provinces by CBI TWG.

## SUPPLY SITUATION

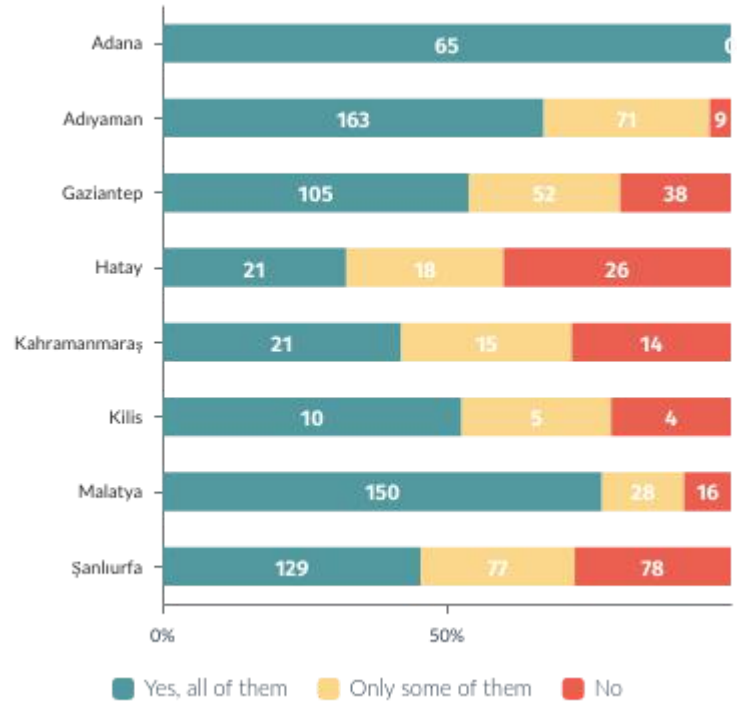
Vendors were asked about their supplier types and whether the suppliers are in the EQ zone or they are located in other provinces to explore possible interruptions in supply chain. Vendors stated their type of suppliers as following; local wholesalers (824), regional logistics suppliers/depots (305), directly from producers/farmers (131), wholesale market hall (64) and producer/manufacturer (14) and others, respectively. Most of the vendors have all of their suppliers located in the same district/province (664), important share of the vendors has some suppliers located in the same district/province (266) and a smaller part have suppliers located in different district/province (185). Of the suppliers located in a different district/province than the responding vendor, 111 of them are located in Istanbul, 100 in Gaziantep, 53 in Hatay and in other various provinces in Türkiye such as Konya, Ankara, Bursa, Denizli and Mersin.

Comparing the effects of perceived negative effects of earthquake on businesses, and reported change in availability of key items, there is no strong correlation between the responses. This difference can be explained by the objectivity of the latter question when compared to perceived impact of the EQ on their business. In general, the percentage marks a decrease for this question in relation with the first question but still has higher share compared to 5% perceiving a positive change. This positive impact might be deriving from the vendor becoming only functional market in the region and there is a relative abundance in the supply due to limited number of buyers.

Vendors providing services i.e. cafes, hairdressers heavily rely on suppliers within their own district or province. In specific sectors such as electronics, stationary, shelter materials, pharmaceuticals, and clothing, vendors reported that a majority of their goods are procured from suppliers located within their own district or province. On the other hand, vendors dealing with household/NFI items, food, and hygiene have a higher dependence on suppliers outside of their district and province. However, due to the diverse range of products they trade, these vendors also rely significantly on local suppliers for their goods.

Current findings of availability of key items, combined with the information about suppliers reveal that vendors in the area experience some negative impacts to a limited extend; however, they can operate effectively. As expected, vendors do not rely on one type of supplier nor one location for their

Are the suppliers in the EQ zone or located in other provinces?



supply chain, which in turn has given them chance adapt the sever impact of the earthquake. In this context, **supplier data analysis do not contradict with the advocacy of CBI TWG on use of CVA in the area to alleviate the negative impact of the earthquake on individuals.**

“Because main storehouse in Kahramanmaraş was demolished due to the EQ, we supply from our warehouse in Malatya.”

Vendor in Kahramanmaraş, Elbistan



Considering the potential impact of the earthquake on local production patterns, it can be inferred that there might be indications of disruptions or challenges in the supply chain for vendors who heavily rely on local wholesalers and regional depots in the medium term. This could include issues such as limited availability, delays in delivery, or changes in product availability. In the future, some items might be hard to supply due to aforementioned reasons especially considering supply is mostly provided from suppliers in the EQ region and production might be affected. However, further analysis and investigation would be necessary to fully assess the extent of the impact and the specific implications for each vendor's supply chain. This study is short of gathering enough data to support this speculative proposition of a negative mid-term impact.

## PAYMENT MODALITY

Vendors were asked about the payment modalities they accept and the problems they are facing to shed light on convenient and feasible transfer methods and modalities for prospective CVAs. Results indicate that **almost all the vendors accept cash (99.39%)** as a payment method. The enumerators were consulted to address the remaining small percentage of vendors who did not accept cash. It should be noted that the limited number of vendors in our dataset who do not accept cash is not indicative of a surveying error. Further investigation revealed that some vendors exclusively accept credit card payments. However, it is important to highlight that the number of such vendors is not substantial.



*...“Cash assistance can give people some flexibility and freedom, because they lack capacity for stocking (in-kind goods) since they live in tents or containers.”...*

*Vendor in Hatay, Hassa*

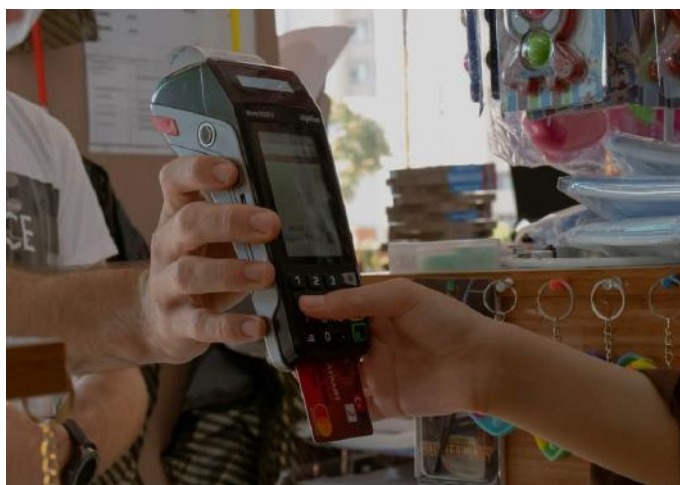


CASH

Majority of vendors accept cash for the payment

Use of credit cards are very common across several sectors, almost 71% of the vendors accept credit and debit cards in their shops. **Adana (77%), Adiyaman (82%), Gaziantep (73.5), Hatay (83%) and Kahramanmaraş (90%)** can be evaluated as **credit/debit card friendly provinces** and their average acceptance of credit/debit cards is almost 80%. On the contrary, **Malatya (63%), Şanlıurfa (59%)** has relatively lower level of credit/debit card acceptance for payments. **Kilis (44%)** stands out from the rest of the cities with significantly lower acceptance of credit/debit card acceptance.

The frequent reasons for not accepting credit cards are customer preferences, high transaction fees, connectivity issues (no/poor internet), cash flow considerations, vendor preferences and slow processing of payments. Vendors might not be willing to accept credit/debit cards because acquiring the POS machines, paying monthly fees, and enduring transaction commissions can be expensive for shops with small volume of transactions. Some of the vendors lost their POS machines during the EQ or the machines are severely damaged, and they might be unwilling to endure further costs to replace those. Moreover, considering their increasing cash flow needs, vendors might prefer cash in hand rather than wait for the return of payments from the banks. This practice revealed that one reason for not using credit cards/debit cards is the preference of customers and vendors for religious reasons. It shall be noted that some types of shops that were interviewed have limitations such as bazaar stands, which should not be expected to have the capacity to provide credit card/debit card payment infrastructure.



The problems encountered by the vendors who accept credit cards include but not limited to connectivity issues (no/poor internet), slow processing of payments, hardware malfunctions (POS machines damaged/old), power/battery issues and system errors/software glitches, respectively.

Although the use of credit cards/debit cards appears feasible across several provinces and districts, an important **takeaway for cash actors** to consider is that individuals can benefit more effectively from Multi-Purpose Cash Assistance (MPCA) and not solely rely on restricted cash modalities that depend on the use of plastic cards but does not allow withdrawal of cash itself. The chosen financial service provider and cash modality should take into account the cultural profile of the individuals as well as the feasibility of the modality itself in the market.

It should also be noted that cash is not only provided for accessing goods in the markets; it can also be used for rent payments, communication fees, school payments, etc., thereby promoting better living conditions in severely affected districts. Therefore, the Cash-Based Interventions Technical Working Group (CBI TWG) strongly advocates for cash actors to consider cash modalities that would enable the withdrawal of cash from ATMs (banks and PTT) and banks. For prospective Cash and Voucher Assistance (CVA) programs, modalities that enable beneficiaries to withdraw the transfer amount and use it as cash in hand can be preferred in the planning and programming phases.

An important takeaway for development and recovery partners is to note that small and medium-sized enterprises (SMEs) can be supported with targeted assistance regarding POS machines and connectivity issues, which can contribute significantly to their growth and recovery. For prospective CVA programmes, modalities that enable beneficiaries to withdraw the transfer amount and use it as cash in hand can be preferred in the planning and programming phases.

“There is internet connection, but there are also infrastructure problems with phone lines”

Vendor in Gaziantep, Islahiye

## BARRIERS AND ACCESSIBILITY

This practice aimed to investigate the barriers that different groups may face in accessing markets in the earthquake-affected provinces. The methodology primarily focuses on understanding the barriers and market access situation from the vendors' perspectives. It should be noted that vendors only provided comments on the groups they are aware of or considered important to highlight, which might exclude other groups they may not be aware of or choose not to emphasize. To ensure the identification and resolution of market access issues for specific groups, cash actors are advised to conduct further in-depth data collection and analysis with their target groups. This will help explore their unique perspectives and uncover the challenges they encounter in accessing markets.

By incorporating the perspectives of these groups, cash actors can develop more inclusive and effective interventions to address their specific needs.

Vendors were asked about the specific groups that might be experiencing problems while reaching their shops and the possible barriers. 81% of the respondents indicated no such barriers and accessibility problems observed by them. Vendors answered positively to this question perceives distance/transportation and broken roads as the top barriers affecting the shop's accessibility. The closure of numerous businesses, particularly in smaller districts within the region, may have resulted in an increased need to travel longer distances to access certain goods and services in the area. The findings of this study support this proposition. Enumerators also noted that some shops are rather abandoned in favor of locations with easier physical access due to damaged roads, the interruption in transportation infrastructure, and people's changing locations (to temporary settlements or different provinces).

Other significant barriers highlighted by vendors include safety concerns and structural damage in buildings. Customers may feel unsafe visiting damaged buildings or may be reluctant to travel long distances for shopping due to safety concerns. Vendors have identified people with disabilities and the elderly as groups facing difficulties in accessing their shops. It should be noted that even before the earthquake, many shops were not designed to be disability-friendly or elderly-friendly. When combined with the physical challenges posed by the earthquake, some shops have become inaccessible to these two groups across various sectors.

They also mentioned challenges for women and girls, men and boys, as well as foreigners/refugees. Small number of vendors highlighted the access difficulties



of people living in rural areas and mentioned the limited resources of students which do not have the resources to access all markets.

The overall findings regarding barriers and accessibility are in favour of use of cash and voucher assistance for several beneficiary groups in the earthquake-affected provinces, based on few percentages of vendors reporting access barriers.

While providing cash to groups of people who are experiencing hardships and barriers while reaching to shops, CBI TWG advises organizations to consider complementary programs and account for top-ups for additional expenses in their transfer amounts such as transportation.

An important takeaway for development and recovery partners can be that several SMEs suffer from lack of effective transportation which may be alleviated by collaborating with and supporting municipalities for recovery and enhancement of transportation networks. Another important takeaway is a rather complex issue of perception and actual state of structural safety, which can be addressed by providing support for retrofitting and renovation of structures which are certified as safe to continue inhabiting.

KEY TAKEAWAY

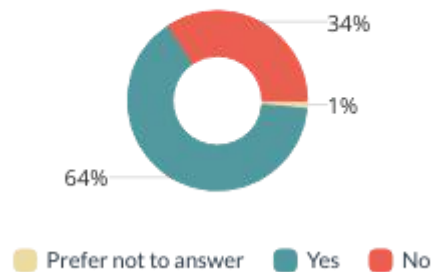
**Enhancing transportation networks and supporting safe building renovations are crucial for SMEs' transportation needs and community safety, urging development and recovery partners to prioritize these initiatives.**

## PRICE CHANGE

The objective of this section was to gain insights into the price situation in districts severely impacted by the earthquake. Vendors were asked if they have noticed any significant price changes in the key items they sell. Additionally, they were inquired about the reasons behind these substantial price fluctuations, the potential effects of in-kind humanitarian aid on their business and pricing, and the specific item categories experiencing drastic

This section aimed to identify the most notable and impactful price changes reported by vendors. It is important to note that the intention was to highlight specific items and the reasons behind the price increases rather than provide generalized percentage increases for each item in the respective sector. By focusing on the items that have been most affected by price changes and understanding the underlying factors, readers can gain valuable insights into the key market dynamics and factors influencing the markets the

Have you observed any significant price changes of some of the basic items after the earthquake?



Responding to the question of “have you observed significant price changes to any of the basic items after earthquake?” 65% of the respondents reported observing drastic price changes, 34% not observing drastic price changes. Approximately 1% of the respondents preferred not to respond to the question. The average price change reported by vendors is around 62%.

The average price change reported by vendors is around 62%. The notable price fluctuations were attributed to various factors, including the impact of inflation (580), price speculation or opportunistic behaviour by sellers (225), higher production costs (183), increased transportation costs (176), disruption in the supply chain (82), increased demand (56), change in currency rates (53), and other reasons. The impact of inflation immensely felt by all vendors across the severely affected districts, while instance of price speculation and opportunistic behaviour were particularly observed in Malatya, Adiyaman and Adana. Vendors in these provinces even requested measures to prevent such issues.

The item categories that have undergone significant price changes include, but are not limited to, stationery (106%), food (groceries) (102%) and pharmaceuticals (92%). Furthermore, specific sub-sectors experienced even more pronounced price fluctuations, such as footwear (113%), fresh vegetables (109%) and fresh fruits (95%). In spite of being reported to see relatively lower increase in their prices, food groups such as bakery products, dairy and preserves (canned goods) also have seen price increases around 50%. In another significantly important sector to individuals who have lost their household belongings, household NFIs have seen an increase around 56%; under this category, kitchen appliances are reported to see a price increase around 67% and overall appliances 55%. Supporting the partner observations in several cities, infant care items have seen a significant increase around 76%, rendering vulnerable households with infants challenged in terms of meeting the basic needs for baby and childcare. In the category of hygiene items, which includes cleaning supplies, personal care items and sanitary items, significant increase of items averaged 52%.

Combining the information gathered on availability of items, this practice reveals that several items are available in the market, but purchasing power of customers must have decreased resulting from increased prices of basic items. It should be explored separately through another in-depth study with individuals if these significant increases in food category are leading to negative coping mechanisms such as buying food on debt, decreasing food consumption; increase in stationary items resulting in taking kids from school due to increasing school expenses and child labour.



*Normally, while mass sales only experienced on holidays, now those sales happen outside of holidays since customers shop with the provided cash assistances.*

*Vendor in Gaziantep, Şahinbey*

*“any support is good for the neighborhood even with NFI support people can use their money to prioritize their other needs*

*Vendor in Hatay, Antakya*

Regarding the impact of in-kind humanitarian aid, the majority of respondents (66%) do not observe any noticeable effect, while 14% reported a negative impact and 17% experienced a positive impact. However, upon further inquiry on open ended questions regarding the impact of humanitarian assistance on businesses; enumerators noticed that although vendors initially indicated no impact, there was actually some impact, albeit not significant enough to substantially impact their business. Nonetheless, a few vendors expressed concerns that continued reliance on in-kind aid might lead to their closure of business. To mitigate potential mid- and long-term negative effects on vendors, organizations should consider transitioning to cash assistance from provision of in-kind assistance. In support of this, vendors highlighted the positive effects of cash assistance, emphasizing that it enhances customers' purchasing power. On the other hand, some vendors appreciated the humanitarian assistance in any modality, and cited that the household that received in-kind had the opportunity to spend their existing cash to their other pressing needs.

In summary, impact of inflation is strongly felt in the districts severely affected by the EQ. Organizations planning or currently implementing CVA programmes in the region should maintain a degree of flexibility in their transfer amounts, in accordance with the agreement with donors, to ensure effective assistance. Additionally, the transfer amounts should be updated more frequently than once a year to keep up with the evolving economic conditions.

It is crucial to address price speculation and opportunistic behaviours, as they can significantly impact market prices, particularly when there are limited market options available. Regular and frequent price monitoring should be conducted, as prices can fluctuate rapidly following aid distributions.

Fundamental reference points, such as Minimum Expenditure Basket (MEB) calculations, should also be recalculated at more regular intervals to accurately reflecting the changing economic circumstances.

Organizations planning or currently implementing sectoral cash assistance should carefully consider their outcome expectations, particularly in food sector where prices have experiences drastic changes. Adjustments and adaptations may be necessary to ensure the desired impact and effectiveness of the assistance provided





## CONCLUSION

Based on the in-depth analysis of the availability of items, price increases, access to shops, and acceptance of cash and credit cards, the overall feasibility of implementing MPCA as part of Cash and Voucher Assistance in response to the earthquake is favorable. While localized challenges exist, the market assessment provides an optimistic outlook, suggesting that CVA can effectively support individuals affected by the disaster. Implementing MPCA would allow for swift, flexible, and accessible assistance, ensuring that the needs of the impacted population are addressed efficiently.



## ANNEX A. BREAKDOWN OF INTERVIEWS BY PROVINCES

Province	Districts	Number of Interviews	Total
<b>Adana</b>			<b>67</b>
	Seyhan	35	
	Yüreğir	20	
	Karataş	9	
	Çukurova	3	
<b>Adıyaman</b>			<b>246</b>
	Centrum (Merkez)	240	
	Besni	4	
	Blank	2	
<b>Gaziantep</b>			<b>202</b>
	Şahinbey	53	
	Islahiye	49	
	Nurdağı	33	
	Nizip	32	
	Şehitkamil	30	
	Blank	5	
<b>Hatay</b>			<b>65</b>
	Iskenderun	30	
	Antakya	26	
	Hassa	8	
	Defne	1	
<b>Kahramanmaraş</b>			<b>52</b>
	Elbistan	28	
	Pazarcık	9	
	Dulkadiroğlu	6	
	Nurhak	5	
	Türkoğlu	4	
<b>Kilis</b>			<b>19</b>
	Centrum (Merkez)	19	
<b>Malatya</b>			<b>205</b>
	Yeşilyurt	94	
	Battalgazi	42	
	Akçadağ	37	
	Doğanşehir	27	
	Blank	5	
<b>Şanlıurfa</b>			<b>287</b>
	Haliliye	122	
	Eyyubiye	86	
	Karaköprü	62	
	Ceylanpınar	9	
	Viranşehir	7	
	Blank	1	
			<b>GRAND TOTAL = 1143</b>