

Minimum Standard for Market Analysis (MISMA)



Acknowledgements

This document was originally written in 2016 by Helene Juillard (Independent Consultant) under the technical guidance and coordination of Isabelle Pelly (Technical Coordinator, CALP Network), with funding from the Swiss government. CALP updated the MISMA in 2018, to include updated hyperlinks and references to new documents and tools such as the Sphere Handbook 2018. This latest version follows a light-touch revision completed in October 2023 by Edward Fraser (Independent Consultant) under the supervision of Kate Hart (Head of Policy, Evidence & Learning, CALP Network) and a temporary Internal Task Team comprised of five CALP staff (Abdoulaye Hamidou, Greg Rodwell, Holly Welcome Radice, Kate Hart and Lynn Yoshikawa), with funding from the Swedish government (SIDA). The latest revision was informed by consultation with several agencies and individuals, including Corrie Sissons (Catholic Relief Services), Alexandre Gachoud (International Committee of the Red Cross), Helene Juillard (Independent Consultant), Chris Paci (REACH Initiative) and Shoshana Hecker (Trickle Up). It has also benefited from the experience shared by the representatives of the other Humanitarian Standards Partners (HSP) including Sphere Standards (Sphere), Core Humanitarian Standards (CHS), Minimum Standards for Child Protection in Humanitarian Action (CPMS), Humanitarian Inclusion Standards for Older People and People with Disabilities (HIS), Minimum Standards for Camp Management (MSCM), Minimum Standards for Education: Preparedness, Response and Recovery (MSE), Minimum Economic Recovery Standards (MERS), the Livestock Emergency Guidelines and Standards (LEGS) and Standards for Supporting Crop-Related Livelihoods in Emergencies (SEADS).

A previous version of the Minimum Standard for Market Analysis, published in 2013 under the name Minimum Requirements for Market Analysis, was written by Lois Austin and Sebastien Chessex¹, and built upon CALP research in market analysis².

APRIL 2024

Cover Photo: Anastasiia, a primary school teacher, was forced to leave Melitopol, Zaporizhzhia on February 25, 2022. They now rely on humanitarian aid from WFP and her teaching job, which she hopes to resume online in the next academic year. WFP's multi-purpose cash programme empowers displaced individuals in Ukraine to purchase essential items, covering needs like accommodation, food, medicines and hygiene products. ©Edmond Khoury/WFP. July 2022

1 Austin, L., & Chessex, S. (2013). *The Minimum Requirements for Market Analysis in Emergencies*. CALP.

2 Sivakumaran, S. (2011). *Market analysis in emergencies*. CALP.

Table of contents

Acknowledgements	2
The Minimum Standard at a Glance	5
List of Abbreviations	6
Key Terms	7
Introduction	8
Purpose and scope	9
Target audience	9
How to use the MISMA	10
When to use the MISMA	10
Conforming with the MISMA	10
Dissemination and communication	11
The MISMA: A Humanitarian Standards Partner	12
Key Action 1: Scope	15
Steps	15
Key indicators	15
Guidance notes	16
What to avoid	18
Key Action 2: Market Analysis Team	19
Steps	19
Key indicators	19
Guidance notes	19
What to avoid	20
Key Action 3: Data Collection	21
Steps	21
Key indicators	21
Guidance notes	21
What to avoid	25
Key Action 4: Analysis	26
Steps	26
Key indicators	26
Guidance notes	26
What to avoid	28

Key action 5: Market Monitoring	29
Steps	29
Key indicators	29
Guidance notes	29
What to avoid	31
Annexes	32
Annex 1: Market analysis checklist	32
Annex 2: Existing market analysis and assessment tools in emergencies	35
Annex 3: Programme decisions and guiding questions	36
Annex 4: Bibliography	37

LIST OF FIGURES AND TABLES

Figure 1: The standard, key actions (KA) and indicators	5
Figure 2: Market based programming framework	9
Figure 3: The Humanitarian Standards Partnership	12
Figure 4: A framework for market analysis	16
Table 1: Types and sources of information required for market assessment	13
Table 2: Collecting the appropriate data from the relevant market stakeholders	17
Table 3: Data collection methods	23
Table 4: Criteria to determine the level of analysis	24
Table 5: Suggested market indicators per modality	27
Table A1: MISMA key action checklist	32
Table A2: Comparison of humanitarian market analysis tools	35
Table A3: Questions for programme-related decisions	36

The Minimum Standard at a Glance

Figure 1: The standard, key actions (KA) and indicators

Standard	Market analysis is a key component of response analysis; it informs the design and implementation of appropriate interventions using and supporting local markets.	
KA 1	Scope: Define the analytical and geographic scope of the analysis	<ul style="list-style-type: none"> • The market analysis is conducted as part of a response analysis or contingency planning exercise. • The market analysis is driven by clear objectives and key questions within a delineated scope. • The market analysis includes an assessment of overall market access and functionality. • The selection of critical markets is driven primarily by identified household needs and vulnerabilities. • The different needs, strengths and vulnerabilities of all target groups inform the scope of the analysis.
KA 2	Market analysis team: Build a competent, knowledgeable and diverse team for data collection and analysis	<ul style="list-style-type: none"> • Different team members have complementary skills and knowledge relevant to the collection and analysis of market-related data. • The team is sufficient in number, relative to the scope of the analysis, and where possible, appropriately balanced in its constitution, with respect to gender and people with disabilities. • Each team member has clear terms of reference, with defined roles and responsibilities, and a system is in place to hold them accountable for its fulfilment.
KA 3	Data collection: Use data collection methods and information sources of sufficient quality and quantity	<ul style="list-style-type: none"> • Data is drawn from multiple relevant sources, indicative of the different market stakeholders. • The methods used to collect data are participatory and sensitive to the biases of informants and interest groups. • The methods used do not put the security of those conducting or responding to the survey at risk.
KA 4	Analysis: Use market analysis to inform programme design and achieve programme objectives	<ul style="list-style-type: none"> • The level of analysis is adequately defined based on the information needed, the resources available and the risk that the intended response will harm the market. • Data is interpreted within its level of representation. • The data used for the analysis is triangulated and draws on multiple sources. • Programme design decisions are based on the findings of the market analysis.
KA 5	Market monitoring: Use market monitoring to review assessment findings and enable programme adaptations when needed	<ul style="list-style-type: none"> • The programme monitoring framework includes market-related indicators that, at a minimum, capture the price and volume of transactions. • Market monitoring is planned, organized and budgeted for. • Market monitoring contributes to the follow-up of interventions' achievements. • Programmatic changes are made, when required, on the basis of market monitoring findings.

List of Abbreviations

CFW	Cash for Work
CPMS	Child Protection Minimum Standards
CVA	Cash and Voucher Assistance
EMMA	Emergency Market Mapping and Analysis
EWS	Early Warning System
FEWSNET	Famine Early Warning System Network
KA	Key Action
HSP	Humanitarian Standards Partnership
LEGS	Livestock in Emergencies Guidance and Standards
MAG	Market Assessment Guidance
MBP	Market-Based Programming
MERS	Minimum Economic Recovery Standards
MiC	Markets in Crisis
MISMA	Minimum Standard for Market Analysis
MSCM	Minimum Standards for Camp Management
MSE	Minimum Standards for Education in Emergencies
MSD	Market Systems Development
MSMA	Multi-Sectoral Market Analysis
PCMA	Pre-Crisis Market Analysis (previously PCMMA)
RAM	Rapid Assessment for Markets Guidance
SEADS	Standards for Supporting Crop-Related Livelihoods in Emergencies

Key Terms³

Cash and Voucher Assistance (CVA): refers to the direct provision of cash transfers and/or vouchers for goods or services to individuals, households, or group/community recipients. In the context of humanitarian response, CVA excludes payments to governments or other state actors, remittances, service provider stipends, microfinance and other forms of savings and loans. The terms 'cash' or 'cash assistance' should be used when referring specifically to cash transfers only (i.e., avoid using 'cash' or 'cash assistance' when referring to cash and vouchers collectively). CVA has several synonyms (e.g., Cash-Based Interventions and Cash-Based Assistance), but Cash and Voucher Assistance is the recommended term.

Market: refers to any formal or informal system or group of market actors (not necessarily a physical space) in which buyers and sellers exchange goods, labour, currency, or services for cash or other goods. The word 'market' can simply mean the place in which goods or services are exchanged. Markets are sometimes defined by forces of supply and demand rather than geographical location, e.g., 'imported cereals make up 40% of the market'.

Market analysis: refers to the process of analyzing and understanding the key features and characteristics of a market system or marketplace based on the data collected during the assessment. The information can be used to formulate predictions about how prices, availability, and access will develop in future, and to inform decisions about whether or how to intervene.

Market assessment: refers to a diagnostic process that identifies current, recent, and pre-crisis market conditions and trends; supply and demand for goods and services; the characteristics and bottlenecks of supply and value chains; the impacts of crisis on markets; the viability of various income-generating opportunities, occupations, and business development; and the extent of access and barriers for crisis-affected populations.

Market-based programming (MBP): refers to any type of humanitarian or development programme, in any sector, that uses, supports or develops local markets. It involves implementing interventions to meet immediate humanitarian or longer-term recovery needs, in a way which does not undermine existing economic relationships and activities, to facilitate economic recovery and ensure lasting impact. The most common form of market-based programming is Cash and Voucher Assistance (CVA), but many other types of direct and indirect interventions can be planned to support market actors or systems.

Supply, value or market chain: refers to the entire process of making and selling goods, including every stage from the supply of materials to manufacturing, to distribution and sale. A supply chain can be contained in a single location or spread across a wider geographic area. It can be very simple (for example local egg production) or quite complex involving many firms and crossing international borders. The use of the term 'supply chain' in most humanitarian market analysis focuses strongly on the market actors involved, the linkages between them, and how these linkages might have changed or ruptured over time, for example due to a shock. Steps such as product design, marketing, consumer support, etc. that feature heavily in value chains are largely irrelevant to most market analysis in acute humanitarian crises.

Market system: refers to the complex web of people, trading structures, and rules that determine how particular goods or services are produced, accessed, and exchanged. It can be thought of as a network of market actors supported by various forms of infrastructure and services, interacting within the context of rules and norms that shape the business environment. Different goods and services all have unique 'market systems', although they are often interconnected (where they share the same set of enabling environment / rules / norms and business / support services).

Modality: refers to the form of assistance – e.g., cash transfer, vouchers, in-kind, service delivery, or a combination (modalities). This can include both direct transfers to household level, and assistance provided at a more general or community level, for example health services and WASH infrastructure.

³ From CALP Glossary (2023) [Glossary of Terms - The CALP Network](#).

Introduction

Most of the world's population, including those affected by humanitarian crises, **rely on markets to access the products and services they need**, as well as pursue subsistence, wage-employment, self-employment or other livelihood opportunities. This proportion will likely only grow considering increasing urbanization⁴.

In the humanitarian sector, market-based programming (**MBP is increasingly becoming a routine option**). Historically, this was largely due to the increased uptake of Cash and Voucher Assistance (CVA), whether as multi-purpose cash (MPC) or sectoral cash. However, there is growing recognition of the relevance of the full spectrum of MBP, including not just market use, but also market support and change programming, for the effective and sustainable achievement of humanitarian outcomes. As a result, humanitarian organizations have progressively focused on understanding markets to determine the most appropriate response strategy and programming approaches.

Such organizations are recognizing both their role as market actors and the negative or positive impacts they can have on markets and the people that rely upon them. As such, humanitarian responses should, first and foremost, **avoid harming local market systems** upon which people rely. Then, as well as more traditional market use programming, organizations can support or even change markets, bridging the gaps between short-term relief interventions and medium- to long-term market system development (MSD) initiatives, including those involving the development of markets for new commodities or services. To do so, **humanitarian responses need to be informed by market analysis**, hence why this is increasingly considered a key element of response analysis.

Market analysis supports the design of MBP, as captured in **Figure 2**. MBP can include:

- **Using** the market to deliver humanitarian assistance, typically via CVA or in-kind;
- **Supporting** the market system to improve access and functionality; and/or
- **Changing** the market system to ensure sustained availability of quality products and services for all.

MBP can be **implemented at any stage of humanitarian action**, whether pre- or post-crisis, from the first phase of an emergency to the early recovery stage or during more protracted crises. MBP is not a sector as such, but rather a cross-cutting approach that consists of working through, supporting and/or changing market systems, engaging with the actors and factors that comprise them, to improve the lives of disaster-affected populations.

Market analysis should **aim to identify appropriate and effective MBP**, namely programmes using, supporting and changing markets designed with a focus on how to ensure people have access to functional markets that are critical to meeting their basic needs and recovering from shocks.

THE MINIMUM STANDARD

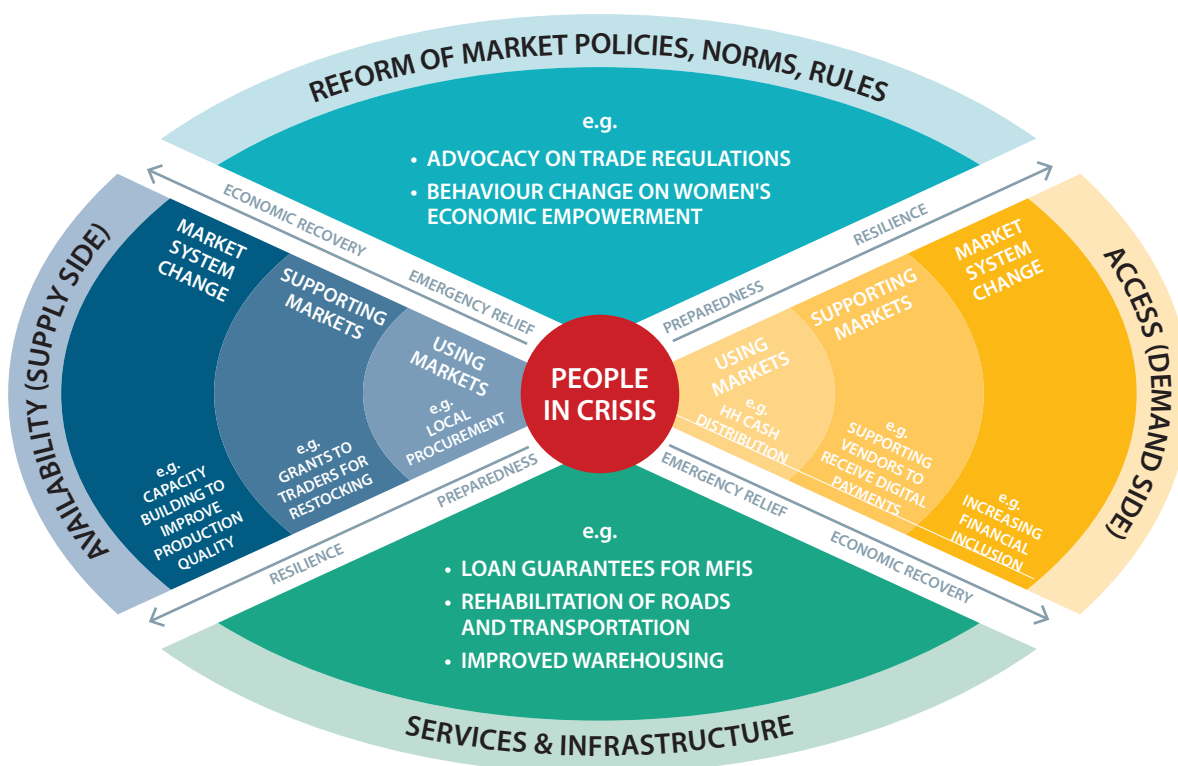
Market analysis is a key component of response analysis that informs the design and implementation of appropriate interventions using, supporting and changing local market systems.

The MISMA establishes the standard that must be met in any market analysis exercise to ensure the quality of humanitarian response and associated contingency plans. It is built on the principle that **market analysis should have a broad scope** that is not limited to a particular choice of modality.

⁴ More than half of the global population lives in urban areas, up from around one-third in 1950 and projected to increase to around two-thirds in 2050. (United Nations, 2023).

At the very least, it supports market analysis that **prevents responses from doing harm to local markets** and people that depend upon them. It also supports market analysis that catalyzes, where feasible and appropriate, a wide range of programming options beyond just market use, across sectors and delivery modalities.

Figure 2: Market-Based Programming Framework⁵



PURPOSE AND SCOPE

With growing recognition of the importance of market analysis in the humanitarian sector, a **plethora of tools and guidance** has been developed to support such exercises. While this has provided an opportunity to reflect on the evolution of the practice, it has also left practitioners wondering which tools to choose and what makes for a good quality market analysis.

The objective of the MISMA is, therefore, to **guide the work of humanitarian practitioners across and beyond sectors** and to ensure that, irrespective of the tool used, the key standard of market analysis is being met. By **supporting high-quality market analysis**, the MISMA intends to contribute to improving response analysis and programme implementation.

The MISMA is a **market-specific standard** and does not comprehensively cover response analysis, design and implementation (for which users should refer to other humanitarian standards). While this document provides practical steps and guidance on what needs to be done, it is **not a 'how to' tool** and, therefore, does not provide users with a step-by-step process for conducting market analysis. It also seeks to be **neutral with respect to the resources, guidance and tools** available to support the conduct of market analysis.

TARGET AUDIENCE

The MISMA is intended for humanitarian practitioners, as well as others working in humanitarian response, that are considering using market analysis exercises in various sectors and/or in support of multi-sectoral programming. It has been developed and revised in such a way that it is accessible to and **relevant for non-market specialist practitioners** who already possess assessment and analytical skills.

5 MiC Group (2022) Market-Based Programming Framework – contact: marketsincrisis-admin@dgroups.org

HOW TO USE THE MISMA

The MISMA is one standard, supported by five key actions (KA), indicators and guidance notes.

- Each **key action (KA)** consists of **practical steps and what to avoid** in the implementation of the action. Considering that a market analysis is iterative in nature, the order in which they are presented does not follow a strict sequence.
- The **key indicators** are to be used as ‘signals’ that show whether the key action has been completed. They provide a way of measuring and communicating the processes and results of key actions.
- The **guidance notes** include specific points to consider when carrying out the key actions in different situations, types of crises and various market systems. They provide guidance on tackling practical difficulties, benchmarks or advice on important issues. They may also include critical issues relating to the actions or indicators, describing dilemmas, controversies, or gaps in current knowledge.

WHEN TO USE THE MISMA

Market analysis should be **part of response analysis** irrespective of the envisioned response approach or modality. The MISMA is applicable to all market analysis exercises informing responses that address needs and recovery in one or multiple sectors.

The MISMA is designed for use in **disaster contexts** and is applicable to both man-made and natural disasters, rapid- and slow-onset situations, and rural and urban environments. Aligned with the Sphere definition of humanitarian response⁶, the MISMA is relevant to responses all along the MBP framework (**Figure 2**), from **preparedness and emergency relief to early recovery and resilience**.

The MISMA is applicable in conjunction with crisis-related market analysis tools or approaches, whether in **post- or pre-crisis situations**. These include, but are not limited to⁷:

- [Emergency Market Mapping and Analysis \(EMMA\)](#);
- [Pre-Crisis Market Analysis \(PCMA\)](#);
- [Rapid Assessment of Markets \(RAM\)](#);
- [Market Assessment Guidance \(MAG\)](#);
- [48-hour tool](#);
- [Operational Guidance and Toolkit for Multipurpose Cash Grants](#);
- [Multi-Sector Market Assessment Guidance and Toolkit \(MSMA\)](#);
- [Market Support Interventions in Humanitarian Contexts – A Tip Sheet](#);
- [MARKit: Market Monitoring, Analysis and Response Kit – 2nd Edition](#);
- [Safe Cash Toolkit: Collecting and Using Data to Make Cash Programs Safe](#); and
- [CVA Programme Quality Toolbox – Market Assessment](#).

CONFORMING WITH THE MISMA

The MISMA is a **voluntary and self-regulatory** standard. As with the [Sphere Standards](#), complying with the MISMA does not mean implementing all the key actions and always meeting the key indicators.

Difficulties accessing the affected populations or marketplaces, lack of engagement by the authorities or traders, and/or the lack of infrastructure or services to ensure the feasibility of the most appropriate response option can sometimes make standards impossible to meet. What is appropriate and feasible **depends on the context**. It may not always be possible to implement and use the results of a market analysis to trigger market support or change interventions.

⁶ The Sphere handbook defines humanitarian activities as those that meet the urgent survival needs of disaster-affected populations. This phase can range from a few days or weeks to many months and even years, particularly in contexts involving protracted insecurity and displacement. It is, therefore, impossible to assign a particular timeframe to the usefulness of the Sphere standards.

⁷ All of these tools are accessible on the CALP website at [Library – The CALP Network](#).

For cases in which the standard cannot be met, the MISMA recommends the same approach as the Sphere Standards, namely humanitarian agencies should:

- Describe in their market assessment reports, or alternatively in their situation analysis documents, the gap between the relevant indicators and the ones achieved in practice;
- Explain the reasons for this and what needs to be changed;
- Assess the negative implications for the local markets and affected population; and
- Take appropriate mitigating actions to minimize the harm caused by these implications.

By committing to the above steps, agencies can demonstrate that they are **conforming with the philosophy of Sphere and the MISMA**, even if they cannot meet the standards set out in this document.

COLLABORATION, DISSEMINATION AND COMMUNICATION

It is encouraged to undertake **coordinated and even collaborative** market analysis. Market analysis can be implemented by a single organization or as a joint exercise by several organizations. The latter can improve cost-effectiveness by pooling resources and avoiding duplication and ensure wider ownership and utility of the findings. Sectoral coordination groups or inter-agency working groups should be used as a platform to organize collaborative market analysis.

The **timely dissemination and communication** of an evidence-based market analysis report is a key element of the market analysis process. It should be communicated both internally within organizations and externally to other parties who may be interested in, or affected by, the analysis results. This is a critical step that should be planned for from the start of an intervention to ensure that end users and decision-makers are aware of the analysis and its implications for programming and can act on the information. Appropriate communication and dissemination should stimulate the design of a broad range of programmes that use, support and change markets.

Depending on the scope of a market analysis, **in-country or regional coordination platforms** such as the clusters, the Cash Working Group, or the inter-cluster mechanisms can be used to organize collaborative analyses and share market analysis information. In addition, the [MiC Community of Practice](#) and the [Emergency Market Mapping and Analysis – Reports Page](#) provide sharing platforms at global level.



Market produce in downtown Amman.
© Tina Abu Hanna/NRC, February 2023.

MISMA: A Humanitarian Standards Partner

The MISMA forms part of the [Humanitarian Standards Partnership \(HSP\)](#). The HSP, which grew out of the Sphere Companionship model, promotes complementarity and coherence among technical standards. It draws together the 'why', 'how' and 'what' of humanitarian work, and encompasses:

- the **Humanitarian Charter**, providing the ethical and legal backdrop to humanitarian response;
- the **Protection Principles**, which set out how to protect people from violence, avoid causing harm, ensure access to impartial assistance and assist with recovery from abuse;
- the **Core Humanitarian Standard**, which describes the essential elements of accountable, effective and high quality humanitarian action; and
- the **Minimum Standards**, which provide universal benchmarks for assistance in shelter and settlement; water, sanitation and hygiene promotion; food security and nutrition; health; education; child protection; age and disability inclusion; livestock; economic recovery and market analysis; crops; and camp management.

As with the Sphere Standards, the MISMA is built upon **evidence and expert opinions**. It represents a consensus on best practices in humanitarian response.

The MISMA links directly to the [Sphere Appendix 'Delivering assistance through markets'](#). It is also referenced in relevant technical standards across the Sphere handbook.

Furthermore, the **MISMA mirrors the Core Humanitarian Standards**, as it places affected communities at the heart of market analysis. Under the MISMA, market analyses should aim to understand how communities access and interact with markets, as opposed to solely focusing on market functionality.

Due to the multi-sectoral nature of market analysis, the five MISMA **key actions are applicable across all the technical sectors** captured under the HSP, as shown in **Figure 3** and explained in more detail in **Table 1**.

Figure 3: The Humanitarian Standards Partnership



Table 1: Summary of market-related content and complementarities with other HSP standards

Standard	Market-Related Content & Complementarities with the MISMA
<p><u>Minimum Standards for Child Protection in Humanitarian Action (CPMS)</u></p>	<p>The CPMS refers to the markets in several respects, for example under Pillar 2: Standards on Child Protection risks, it highlights market areas as potential locations for CP helpdesks or screening points to support key multisectoral actors. Under Pillar 4: Standards to Work Across Sectors, with specific respect to mainstreaming CP in the Food Security and Livelihoods Sectors, it is recommended to assess physical safety risks for children accessing markets, as well as collaborate with MBP actors to conduct labour, market and value chain analyses.</p> <p>The CPMS can support the importance of considering and engaging with children and youth as specific groups (with unique needs, rights and risks) in the conduct of market analysis, as well as promoting the centrality of (child) protection in MBP more broadly. Analysis might be leveraged to improve understanding of markets for child labour, informal childcare or formal childcare service provision in each context with an eye to mitigating associated protection risks for children and their caregivers.</p>
<p><u>Humanitarian Inclusion Standards for Older People and People with Disabilities (HIS)</u></p>	<p>The HIS refers to markets in various ways, including under the Key Inclusion Standard which advocates for equitable access to CVA by ensuring older people and people with disabilities can reach markets and factoring in additional costs they may incur into transfer values. It also draws a link between the nature and extent of vulnerability to food insecurity and dependence on single local markets, as well as encouraging shelter responses to prioritize proximity to local markets.</p> <p>The HIS can support ensuring that any market analysis has an inclusion lens, embedding un- or under-represented voices in the process. In particular, in addition to reducing barriers to participatory data collection, data should be suitably disaggregated, at minimum by sex, age and disability cohorts. A further consideration would be the analysis of markets related to sex, age and disability appropriate products and accessible services to inform appropriate market-based responses.</p>
<p><u>Livestock Emergency Guidelines and Standards (LEGS)</u></p>	<p>The LEGS makes 339 references to markets, covering a broad array of topics including: (i) the importance of understanding the impact of crisis and subsequent interventions on livestock and related product/service markets, given the importance of livestock-related livelihoods as a source of income for affected communities; (ii) identifying key market actors and engaging them throughout the programme cycle from analysis to exit; (iii) undertaking analysis to determine the appropriate modality of resource transfer for provision of inputs; (iv) supporting local markets through a livelihoods-based approach, alongside traditional market use initiatives, in pursuit of more sustainable outcomes.</p> <p>The LEGS can support market analysis to mitigate risks of typical/traditional emergency livestock responses undermining local market systems and monitoring the impacts (negative or positive) on local markets of the use of CVA for livestock distribution. Specific subject areas noted for further exploration were the livestock offtake and veterinary services market systems, not least given their importance to livestock farmers in times of crises.</p>
<p><u>Minimum Economic Recovery Standards (MERS)</u></p>	<p>The MERS is perhaps the most proximate of the HSP standards to the MISMA, not least as it includes six specific standards on Assessment and Analysis. It is, therefore, especially important to consider complementarities and distinctions between the MISMA and MERS. One important distinction is that the MISMA focuses exclusively on humanitarian settings and humanitarian practitioners as a target audience, whereas the MERS is more oriented towards early recovery and longer-term market systems development (MSD). It is recognized that this is a simplistic distinction that fails to do justice to the complexity and uniqueness of the contexts in which we work. However, it is still considered a useful distinction to support those attempting to decide which standard is most suitable for their purpose.</p> <p>The second is that the MERS extends well beyond analysis, including not just core standards, but other standards on Enterprise and MSD, Asset Distribution, Financial Services and Employment.</p>

	<p>The MERS goes into greater detail regarding the implementation of economic recovery activities and includes household economies and broader economic constraints within market analysis. As such, when looking at economic recovery more broadly, for example dealing with financial services or labour markets, the MISMA should be used in conjunction with the MERS.</p> <p>It is clear that both the MISMA and MERS are built on the principle that market analysis should increase the quality of response and limit potential harm. The primary content of both is aligned and both can be used across the spectrum from preparedness to early recovery. In particular, when designing MBPs that aim at livelihoods and enterprise support, job creation or financial services, practitioners should use the corresponding MERS chapters as guiding standards in addition to the MISMA.</p>
<p><u>Minimum Standards for Camp Management (MSCM)</u></p>	<p>The MSCM highlights restrictive access to markets as one among several reasons why displaced people choose to find refuge in alternative collective sites or preferring non-formal camp environments. It notes that many displaced people prefer not to live in planned camps due to concerns over poor access to markets and livelihood opportunities. With respect to analysis, the MSCM specifies local market actors as a key stakeholder group to be informed and consulted with respect to camp governance structures (Standard 2.4). Other references include the links between high population densities at marketplaces increasing the risk of Gender-Based Violence (GBV) and other protection risks (Standard 3.1) and the importance of providing information on markets to camp residents (Standard 4.2).</p> <p>The MSCM can support adapting and applying the MISMA across the full range of CCCM contexts, e.g., planned versus spontaneous camps, open versus closed camps.</p>
<p><u>Minimum Standards for Education: Preparedness, Response and Recovery (MSE)</u></p>	<p>The MSE references markets within its foundational standards with specific respect to understanding education-related labour market conditions and traditions when designing appropriate, sustainable responses, to avoid setting precedents that cannot be maintained (Domain 1). Under Domain 3 (Teaching & Learning), the MSE emphasises that the analysis of labour markets will better ensure that programmes are relevant and that the skills learned by training participants are useful. Lastly, Domain 4 (Teachers and Other Educational Personnel) notes the importance of taking into account market forces when determining compensation for teachers and other education personnel.</p> <p>The MSE can support including market analysis within broader response analysis for any intervention related to the provision of education services, including by both public and private actors.</p>
<p><u>Standards for Supporting Crop-Related Livelihoods in Emergencies (SEADS)</u></p>	<p>The SEADS makes 221 references to markets, covering a broad array of topics including: (i) MBPs, such as facilitating access to markets or supporting market infrastructure, as a critical part of a livelihoods-based approach to crop-related crisis response; (ii) feasibility assessments and response analyses including consideration of access to and functionality of crop-related market systems before, during or after a crisis; (iii) market monitoring to track changes in price and availability arising from a MBP intervention; (iv) the importance of coordination to avoid harming local crop-related market systems; and (v) beneficial effects on quality, price and accountability of MBPs that stimulate competition between crop-related market vendors.</p> <p>The SEADS can support both understanding and supporting local crop-related market systems across all stages of crisis response, with market analysis playing a key role in designing appropriate and sustainable responses.</p>

Key Action 1: Scope

DEFINE THE ANALYTICAL AND GEOGRAPHIC SCOPE OF THE ANALYSIS

Market analysis is an essential component of response analysis and should inform responses across sectors and delivery modalities. It is also a critical element of contingency planning and preparedness. The main objectives of market analysis are three-fold:

- To **limit the risk** of interventions causing a negative effect on local markets and those that rely upon them;
- To **increase the efficiency, effectiveness and equity** of programme responses by promoting dignity and boosting the local economy; and
- To strengthen interventions by identifying **new ways to support or change** existing market systems.

It is critical to ensure there is a logical sequence between:

- Defining market analysis **objectives**;
- Setting out the **key analytical questions**; and
- Specifying the **type of actions to be informed** by the analysis.

This sequence constitutes the analytical scope of the market analysis process.

Once the analytical scope has been set, organizations should then consider the geographical scope, including the identification of specific marketplaces and key market actors to be included in the analysis process.



STEPS

- Identify how market analysis will support programme-related decisions; define your analytical objectives accordingly.
- Determine the key questions or issues that could influence programme-related decisions that you want to address through market analysis.
- Choose the critical market systems, or key commodities and services, that you want to assess, prioritizing ones that are central to meeting households' basic and/or recovery needs, including the pursuit of livelihood opportunities.
- Identify which critical market linkages and market actors have been adversely affected by the emergency or will likely be affected by future emergencies.
- Focus on the key market actors, linkages and relationships that are crucial to the target group in meeting their needs, whether directly or indirectly.
- Delineate the geographical scope of the analysis to include the area and market actors directly affected by the emergency, as well as those that will be critical for market recovery.
- Ensure the scope of your market analysis is inclusive of all the different groups that your agency would want to target.



KEY INDICATORS

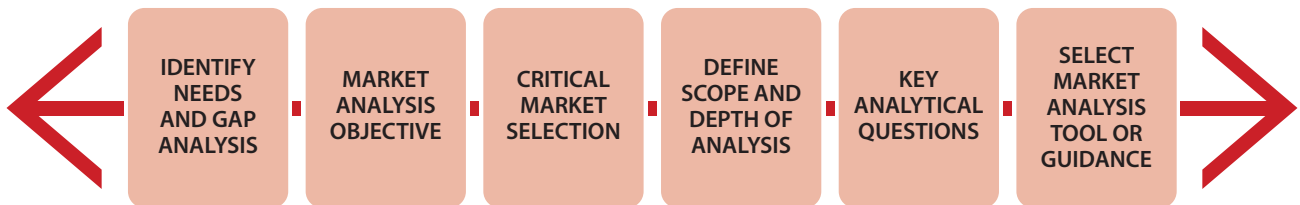
- › The market analysis is conducted as part of a response analysis or contingency planning exercise.
- › The market analysis is driven by clear objectives and key questions within a delineated scope.
- › The market analysis includes an assessment of overall market access and functionality.
- › The selection of critical markets is driven primarily by identified household needs and vulnerabilities.
- › The different needs, strengths and vulnerabilities of all target groups inform the scope of the analysis.



GUIDANCE NOTES

At the onset of a market analysis, several steps need to be undertaken. This process is iterative, namely several steps can happen at the same time and you will likely need to go back and forth between the different steps. See the proposed sequence in **Figure 4**. However, it is also valid to note that the scope, extent of iteration and ultimate quality of the analysis will likely be determined, at least in part, by available resources, timeframe and staff capacities.

Figure 4: A framework for market analysis



Source: CALP Market Analysis Tool Training

Establish objectives: Market analysis should be used to inform programme decisions related to:

- The most appropriate modality for emergency response;
- The relevance of supporting or changing the local market: (i) after the crisis to promote recovery and/or using the local market to deliver the response; or (ii) prior to the crisis to strengthen market access and/or functionality, so that it can better withstand shocks; and
- Indicators to integrate into monitoring and early warning systems to pre-empt upcoming crises.

Selecting critical market systems and places that are critical for the coverage of basic and recovery needs of your target group. In addition, select those that are: (i) likely to be affected by an anticipated crisis or have already been badly affected by a crisis; and (ii) aligned with your organization's response objective⁸.

Critical market systems capture not only the market chain, but also the environment, rules and norms that influence market access and functionality and support services and infrastructure upon which the market depends. Market systems often abide by the same rules and regulations and may have some services in common. Therefore, understanding market functionality as a whole is the starting point for more specific market analysis.

Where possible, take informal or 'black' markets into account to create a complete picture of the market and consider all key linkages.

Develop key analytical questions: The key questions in the analysis represent the fundamental issues that need to be addressed before taking a programme decision. The analysis required to respond to the key questions will vary between situations. However, regardless of the type of programme decisions to be informed and the key questions, the market analysis will aim to collect information about supply and demand, market integration, market competition and different groups' access to the market.

Keep in mind that the answer to some key questions may be self-evident or may have already been researched by other organizations. For instance, if the area of intervention is at the crossroads of several trade routes and has not been affected by the emergency, there may not be a need to carry out in-depth research on market integration.

Reviewing existing secondary data and literature can support the prioritization of key questions. Refer to **Table 2** for examples of secondary sources to consider, both during scoping and eventual data collection.

⁸ Adapted from Juillard, H. (2016) Pre Crisis Market Analysis (PCMA). IRC.

Table 2: Types and sources of information required for market analysis

Type of information	Specific information requirements	Potential sources
Pre-existing country-specific contextual information		
Data on the context	Resources on the general political economy, economic structure and outlook, in order to better understand the broader picture, including pre-crisis market trends.	Papers from various agencies, e.g., globally publicly available sources such as the Economist Intelligence Unit , nationally available sources from government or private actors, including Bureaux of Commerce.
Economic data	Supply sources, quantities, prices.	Government or private actors, FAO Food Price Index , FEWSNET , national statistics, commodity indexes.
Pre-existing market information	Market mapping and market functionality.	National statistics agencies, inter-governmental agencies, private commodity information sources, UN, NGO or other marketplace monitoring products (e.g., Pre-Crisis Market Map and Assessment or PCMA carried out in non-crisis situations).
Current situational information available		
Impact of the crisis on context	The type and scale of the crisis; and damage to infrastructure, services and existing livelihoods.	Situational reports, logistics assessments, consultations with sector specialists and logistics departments.
Impact of the crisis on markets	The main impediments that block trade, and the markets that support livelihoods; financial services, telecoms services, or other critical business services existing; the extent to which they have been affected and their capacity to recover.	Joint Market Monitoring Initiative (JMMI) reports, logistics assessments, consultations with sector specialists and logistics department, other agencies, and private sector contacts.
Needs assessments/ gap analysis	The way people meet a particular need before and after the crisis; change in access to that good/service and rationale for that change; necessity to pay for that need and, if appropriate, price; and willingness to pay for that need now.	Previous PCMA , WFP's Vulnerability Analysis and Mapping (VAM) , Household Economy Assessment (HEA) outcome analysis, and UN Disasters Assessment and Coordination (UNDAC) assessments.
Other planned interventions	Other organizations' market assessments and responses.	Cluster meetings and situation reports.

Adapted from CALP (2015) *Annex 1 of the Multipurpose Cash Grant Toolkit: Multi-Sector Market Assessment (MSMA)*. In: CALP (2015) [Operational Guidance and Toolkit for Multipurpose Cash Grants](#). [Online] CALP.

Identify key market actors: When delineating the geographical scope of the analysis and selecting marketplaces to assess, consider key market actors with trade relations with the affected area, and market actors that are likely to be affected by any potential response.

Be aware that markets can take different shapes depending on the context: these can be outdoor marketplaces, retail outlets, small grocery stores or even digital/online locations where people purchase goods and/or services.

Know where to stop: When determining how far up the market chain the analysis should go, start with an appraisal of markets at a micro-level (i.e., markets directly used by the target population). Work backwards until you reach the point at which markets are fully functioning, and potential programme responses are unlikely to be a source of additional stress on the market. If the situation is very volatile, limit the level of analysis but increase the frequency at which new data is collected to test the main findings and assumptions. The level of analysis should be proportional to the risk a programme poses to the local market.

Ensure inclusiveness: To ensure that the needs of different target groups are adequately captured and addressed in the response, your market analysis should consider how gender, age, ethnicity or disability impact physical, financial and social access to markets. Some of your key questions can focus on these dimensions, for example:

- How does access to critical market systems differ for men and women in times of crisis and non-crisis?
- How do people with disabilities access critical market systems in crisis and non-crisis times?
- Do male and female traders have similar access to inputs or opportunities to participate in the market chain?
- Can traders from specific ethnic groups access credit facilities?



WHAT TO AVOID

Predetermining or unduly favouring a specific outcome when determining the scope of your market analysis. For example, do not assume CVA to be an optimal response option from the outset, as this may lead you to ignore potential support or change interventions.

Relying too heavily on older data that has been gathered long before a project starts to inform the project design. However, consider using this information as a baseline or as secondary data to include in your analysis.



Youlka, a mother hosting a refugee in her home, utilizes cash provided by WFP at the Dapaong market in the Savannah and Kara regions. WFP, with support from the European Union through ECHO, is enhancing emergency food assistance for over 30,000 individuals affected by the Sahel security crisis in northern Togo's Savanes regions.
© Richard Mbouet/WFP. April 2023

Key Action 2: Market Analysis Team

BUILD A COMPETENT, KNOWLEDGEABLE AND DIVERSE TEAM FOR DATA COLLECTION AND ANALYSIS

The capacity and diversity of the market analysis team is one of the key determining factors for the quality of your market analysis and, in turn, the uptake of its results. It is important that the team be diverse in its constitution, in both horizontal (departmental, sector) and vertical (levels of seniority) respects, as well as demographically.

This section assumes that your organization has sufficient internal capacities to form such a team. However, it is recognized that this will not always be so, not least for often resource-strapped local organizations. In which case, either relevant capacities should be sought externally, such as collaborating with other organizations with complementary capacities, or the scope of analysis will likely have to be limited such that it remains feasible.

Further guidance in this respect can be found in the MERS under [Standard 1 Enterprise and Market Development Standards](#), namely 'Send market systems staff immediately after a crisis'. It is relevant to note, however, that it is not always necessary, feasible or appropriate to internationally deploy a market systems expert, especially if such expertise is already available locally.



STEPS

- Ensure that the market analysis team has sufficient contextual, technical and market-specific knowledge to be adept at both collecting and understanding market-related data, as well as using it to analyze market access and functionality.
- Define and hold team members accountable against clear terms of reference, including precise roles and responsibilities, for all those involved, especially the individual(s) responsible for coordinating the process.



KEY INDICATORS

- › Different team members have complementary skills and knowledge relevant to the collection and analysis of market-related data.
- › The team is sufficient in number, relative to the scope of the analysis, and where possible, appropriately balanced in its constitution, in particular with respect to gender and people with disabilities.
- › Each team member has clear terms of reference, with defined roles and responsibilities, and a system is in place to hold them accountable for its fulfilment.



GUIDANCE NOTES

Clear allocation of roles and responsibilities: When establishing the analysis team, be clear about what they are expected to achieve and put in place a commensurate system of accountability. Market analysis does not necessarily involve large numbers of people, but all roles and responsibilities need to be clearly defined from the outset. These might include, but are certainly not limited to, data collection, data interpretation or, critically, ultimate responsibility for design decisions based on analysis outcomes.

The process for allocating roles and responsibilities typically varies between organizations, as well as between contexts and even different market analysis exercises. In short, there is no single formula for success. However, it is likely that

the overall responsibility for the market analysis, as an integral component of the response analysis, will lie with the programme team, whereas other departments or teams, such as logistics or monitoring and evaluation, may oversee subsequent market monitoring. The key is for the definition of roles and responsibilities to be discussed, agreed and documented in advance of the process, based on sound logic and supported by a system of accountability.

Establish a diverse, skilled and knowledgeable team: Consider staff's technical experience, knowledge, languages and demographic characteristics, including gender. Ensure there is at least one member of the team who is familiar with the affected community and possesses extensive knowledge of relevant local markets. Also, ensure your team includes at least one person with experience of undertaking market analysis.

Members of logistics, finance, security and programme departments of the organization(s) often serve as members of the market analysis team:

- Logistics or supply chain teams, in particular, may have an in-depth understanding of market access and functionality, as well as key market actors and factors;
- Finance teams may be adept at supporting the analysis financial service markets or identifying particular financial service providers (FSPs) for CVA delivery or participation in market support programmes;
- Security teams will likely possess expertise on related barriers to market access, as well as help support the safe conduct of the analysis itself; and
- Programme teams may have an overview of the target group's priority needs and access to the related market systems.

Finally, involving a wide range of team members in the exercise can help promote greater market awareness throughout your organization's departments and hierarchy, as well as improve the quality of analysis results.

WHAT TO AVOID

A material imbalance between the analytical and geographic scope of the analysis and the capacities of your team, in terms of number and competence.

Assuming that a lack of internal capacity necessarily means limiting the scope of analysis, or not proceeding with analysis at all, when it may be possible, even preferable, to collaborate with other organizations with complementary capacities.



Mohammad Omar is a project participant of NRC's digital cash initiative in Maiwand district of Kandahar province in Afghanistan. Mohammad Omar enthusiastically shows his e-card.
© Maisam Shafiey/NRC. January 2024.

Key Action 3: Data Collection

USE DATA COLLECTION METHODS AND INFORMATION SOURCES OF SUFFICIENT QUALITY AND QUANTITY

Data collection is a critical step in the market analysis process, as data provides the basis for the analysis. For a high-quality market analysis, it is more important to have a small quantity of good data than large amounts of poor and unreliable data. Equally, it is important to be transparent as the accuracy or reliability of the data upon which key programming decisions are being made.



STEPS

- Identify existing reliable secondary data and map information gaps.
- Collect primary data to fill these gaps, using tools that incorporate considerations of differences between respective demographic groups.
- Ensure that data extends to all relevant geographical locations in the market system, as per your scope.
- Collect data from all relevant stakeholders in a culturally appropriate manner.
- Make sure that the data collected allows you to identify changes in trends that are/will be due to the emergency, response and/or seasonality.
- Coordinate data collection with other actors to avoid duplication and leverage existing market expertise.
- Ensure that there is sufficient time for analysis and writing up.



KEY INDICATORS

- › Data is drawn from multiple relevant sources, indicative of the different market stakeholders.
- › The methods used to collect data are participatory and sensitive to the biases of informants and interest groups.
- › The methods used do not put the security of those conducting or responding to the survey at risk.



GUIDANCE NOTES

Qualitative and quantitative information: Focus on both the qualitative and quantitative information that you need to answer your key analytical question(s). This information should come first from a secondary data review, and then from primary data collection. Keep in mind the principles of optimal ignorance and appropriate imprecision: disregard non-essential or unnecessary details and be satisfied with estimates if they allow you to answer your analytical question(s).

Dedicate sufficient time and resources to the secondary data review: Every market analysis should begin by reviewing the existing secondary information, rather than attempting to collect primary data first. Relying on what already exists saves time and resources and allows you to focus on the added value of the market analysis you are undertaking⁹.

9 Adapted from Juillard, H. (2016) Pre Crisis Market Analysis (PCMA). IRC.

Prioritize the resources available for data collection: Data collection can take up a significant amount of resources, and there will never be sufficient time and resources to follow every lead. When faced with time constraints, the key is to identify and focus on the main actors. They may not be immediately identifiable, but the first round of data collection should strive to pinpoint the actors that play a key role in the market, rather than amassing large quantities of data.

When drafting the analysis plan, make sure that time is allocated at the end of each day during the data collection period to reflect on the data gathered and analyze it. Also, ensure some time for analysis and write up at the end of the data collection process.

Identify where to look for what: As previously discussed, secondary data collection should be done first to inform the primary data collection. **Table 2** (under KA 1) outlines the types of data that may be found during the secondary review phase.

Identify what to collect from whom: **Table 3** outlines the types of data that may be relevant to collect from different market stakeholders during primary data collection. Some of this information may already be available in secondary data sources or through other assessments, such as household needs assessments. It may not be necessary, feasible or appropriate to gather all this information to answer your key analytical questions. Equally, it is not an exhaustive list, so other data may be relevant for the purposes of analysis. In short, this table should be considered as guidance rather than a definitive list. For examples of minimum information requirements, refer to [BHA's Modality Decision Tool for Humanitarian Assistance](#), [CRS's Minimum Market Information Guide](#) or [IRC's Market Information Framework](#).

Sample the traders and marketplaces: Ensure that you speak to a diverse range of market actors that are linked to different levels of the marketplace, supply chain and broader system. For example, speak to local producers who sell their goods at the local market, as well as local producers who sell their goods to traders – note that the affected population may also be market actors. Be sure to survey a range of actors looking for diversity in gender, abilities, and ethnicities, for example. When a given category of market participants is limited in number (e.g. wholesalers), aim to speak to all or as many of them as possible to ensure appropriate data saturation. The level of the market chain where there are fewest actors is often where there are potential bottlenecks and the biggest risk of non-competitive behaviour.

IDENTIFYING MARKET STAKEHOLDERS

To identify key actors, look for those with the biggest market share, represent the most vulnerable link in the supply chain, and/or provide the market services that are most needed following an emergency.

Market stakeholders generally include:

- Crisis-affected populations and catchment populations (i.e. the people accessing a given marketplace);
- Market chain actors such as local producers, retailers, local traders, distributors and/or wholesalers;
- Service providers, such as processors, transporters, warehouse owners and/or financial service providers; and
- Regulatory bodies, such as cooperatives, trade unions and/or government representatives.

SELECTING MARKETPLACES

Marketplaces of interest for assessments can include:

- Central markets: large trading markets in urban areas;
- Regional markets: the largest wholesale markets in districts;
- Local markets: smaller marketplaces at village level; and
- Downstream markets: markets that rely on supplies from intervention markets/local market petty traders.

Also consider trade hubs, warehouses and government head offices. The number of places to visit largely depends on the scope and depth of your assessment. When selecting marketplaces, prioritize the less integrated markets, as they are more likely to have lower capacity.

Table 3: Collecting the appropriate data from the relevant market stakeholders

Stakeholder	Information
<p>Crisis-affected population</p>	<ul style="list-style-type: none"> • Income and expenditure levels pre- and post-crisis. • Coping mechanisms pre- and post-disaster (particularly what people do when traders and markets cannot meet their need.). • Immediate and longer-term needs. • Which markets are essential to cover basic needs during crisis and non-crisis times. • Access (physical, financial and social) to markets, including potential barriers pre- and post-crisis. • Distance from markets pre- and post-crisis. • Seasonal differences. • Prices of key commodities pre- and post-crisis. • Quality of the key commodities available in local markets pre- and post-crisis. • Pre- and post-crisis cash transfer mechanisms (e.g., banks, phones). • Labour wages pre- and post-crisis. • Sources of livelihood pre- and post-crisis.
<p>Traders</p>	<ul style="list-style-type: none"> • Volume of trade pre- and post-crisis. • Volume and value of their stock pre- and post-crisis. • Seasonal trade variation, ideally over the last five years. • Availability of commodities pre- and post-crisis. • Supply chains and the effect or potential effect of the crisis. • Government regulations around supply of commodities and market-related restrictions. • Government policies limiting access for humanitarian agencies and/or their ability to collect information or implement programmes. • Prices of key commodities (both when bought and when sold). • Power relations between market actors and potential trader cartels. • Existence of trader groups (positive/negative). • Social, ethnic and political issues among traders. • Market storage capacity. • Access to credit and other financial services, as well as other services to which they have access. • Type of suppliers and type of customers.
<p>Government representatives and regulatory bodies</p>	<ul style="list-style-type: none"> • Formal and informal customs barriers. • Formal and informal taxes and movement permits that raise cost and constrain movement. • Market monitoring systems. • Policies related to markets and trade. • Government stocks (especially food). • Financial institutions and service providers. • Restrictions related to the provision of CVA.
<p>Financial institutions and service providers</p>	<ul style="list-style-type: none"> • Functioning of money transfer systems. • Capacity for increasing the use of such systems. • Current client base and volume of business. • Money flows and investment capacities. • Interest and capacity to partner with humanitarian organizations. • Working capital. • Geographical coverage.



Producers	<ul style="list-style-type: none"> • Ability to provide products and increase production if needed. • Prices. • Seasonality. • Access to buyer markets. • Unions and cooperatives.
------------------	---

Focus on key markets and actors within the geographical scope of the analysis that have distinct characteristics that may influence the market. These should include topographic, demographic (i.e. gender, sexual diversity, age, disability, ethnic/tribal/clan groups), livelihood or other socio-economic characteristics. Also, aim to identify social networks and power brokers that may influence the market and/or any potential response. Organize site visits at different times of day and on different days of the week to ensure that all economic activity and potentially hidden populations are captured during the analysis.

Define data collection tools and methods: Your data collection plan will depend on the depth of the analysis, but it can also be guided by the tools and approaches you select. **Table 4** provides guidance on the characteristics of your data collection methods. For further information on available market analysis tools, and guidance on how to choose between them, refer to **Annex 2**.

Table 4: Data collection methods

Rapid analysis	In-depth analysis
<ul style="list-style-type: none"> • Purposive sampling. • Data saturation (i.e., collecting data from a range of different sites and stakeholders until you start receiving the same information). • Qualitative analysis. • Semi-structured interviews with market stakeholders. • Semi-structured interviews with formal and informal community leaders. • Focus group discussions with community members. • Market mapping. 	<ul style="list-style-type: none"> • Statistically representative sample. • Gap analysis. • Quantitative analysis. • Semi-structured interviews with market stakeholders. • Household questionnaires. • Market mapping.

Agile data collection and processing: As data is being collected, analyze it continuously and identify any gaps that may have to be filled later. Once you identify broad consistencies in the type of answers provided, formulate hypotheses and test them by wording questions in a manner that requires informants to disagree with a statement. For example, if you believe that the interest rate charged by moneylenders has gone up, ask informants: ‘why have moneylenders lowered their interest rates?’

Collect information concerning prices and volumes of relevant commodities as early on and as frequently as possible during the analysis to base your analysis on several data points. Make sure the collection of information concerning prices is conducted in a systematic fashion, using consistent measures of weight and standards of quality. Price monitors should be properly trained and equipped to handle differentiating the quality of relevant products, such as using scales when dealing with packaged goods. Aim to translate local price data into standard units (litre, gram, etc.) on the spot, as local measurements may vary.

Remote data collection: It is often necessary to collect market-related data remotely, for example in hard-to-reach or otherwise inaccessible market locations. This may limit your ability to undertake market observation as a means of collecting qualitative or quantitative data, or triangulate findings from other data collection methods. As such, it is likely that you will need to carry out mobile or other forms of digital data collection, as well as gather additional types

or quantity of information and increase the number of informants to triangulate findings. It may also require that you include related questions in your analytical scope, in particular seeking to understand if the hard-to-reach or inaccessible nature of the location is also influential with respect to market access and functionality. Further guidance on this is available in NRC's [Remote Cash Project Guidance and Toolkit](#).

Keep track of the reliability of your data and consider weighting the findings: This is important for facilitating analysis, and triangulation with secondary data. A simple reliability scale (e.g., 'not reliable', 'moderately reliable', 'highly reliable', and 'reliability cannot be judged based on set criteria') can go a long way in interpreting the findings and highlighting the limitations of data. This is especially relevant if the team that collected the data is not involved in the response analysis.

If the data collection team is involved in the response analysis, a reliability scale can help to mitigate some of the bias associated with interpreting key informant interviews. Because of the personal contact, team members may value the input from their informants more highly than information from other sources (i.e., hearing a trader talk passionately about something can be judged as more important than what is read from a report).

Coordinate data collection and collaborate with other organizations: Divide data collection responsibilities between interested organizations according to organizational capacity, capability and comparative advantage. For instance, international organizations and development actors may have a better understanding of macro-level data and the formulation of national policies, while humanitarian NGOs may be more knowledgeable of the situation at a micro level.


When there is no organization capable of providing full expertise at a macro level, organizations should identify key market participants at higher levels along the market chain as part of their analysis.

WHAT TO AVOID

Speaking only to a limited range of actors in terms of type and demographic and taking answers at face value when they do not seem to match the actual behaviour of a given market participant.

Being too rigid in limiting data collection to focus only on the questions you wish to answer. If the answer to a question raises new and more important issues to be researched, data collection should be adapted accordingly.

Overstretching yourself when collecting data; make sure to reflect on whether the right kind of data is being gathered.



Hanım Yağlıyurt receives cash support to meet her daily needs and uses the ESEN Card at the market within the container city, provided by the Turkish Red Crescent in collaboration with IFRC. Cash assistance has proven instrumental in helping families like Hanım's, who have lost their homes and sources of income, regain stability. The Turkish Red Crescent and IFRC have supported hundreds of thousands of people through financial assistance for immediate essential needs and to revive businesses and safeguard vulnerable individuals. ©Onur Işık Cantürk / IFRC. January 2024.

Key Action 4: Analysis

USE MARKET ANALYSIS TO INFORM PROGRAMME DESIGN AND ACHIEVE PROGRAMME OBJECTIVES

Prior to carrying out the bulk of the data collection, it is necessary to **determine the appropriate level of analysis**. While the objectives of market analysis are determined in part by the programme-related decisions it should inform, the required level of data analysis will depend on criteria such as the context, available resources, relative scale of the intended programme and stage of the humanitarian response. The steps in this section, therefore, focus first on determining the appropriate level of analysis and then on carrying out the actual data analysis. The bulk of data collection typically occurs between these two processes.



STEPS

- Adjust the level of analysis based on the quality of the existing information, time and resources available, and the risk that the intervention will harm the market.
- Prioritize understanding the market environment and its impact on your key market's access and functionality.
- Triangulate data collected from different methods and sources to identify unreliable data and inconsistencies.
- Analyze trends rather than individual data points, taking into account seasonal effects.
- When drawing conclusions, clearly state the assumptions, the type of data on which they are based, and any risks that may be linked to the assumptions.
- Clearly show the link between the analysis, conclusions and the ultimate response recommendations.



KEY INDICATORS

- › The level of analysis is adequately defined based on the information needed, the resources available and the risk that the intended response will harm the market.
- › Data is interpreted within its level of representation.
- › The data used for the analysis is triangulated and draws on multiple sources.
- › Programme design decisions are based on the findings of the market analysis.



GUIDANCE NOTES

Determine the right level of analysis: this should be in accordance with the relative scale of programmes, the risk of harming market systems and the stage of the response. Several potential parameters come into play when developing a sense of the risk of harming the market systems on which people rely. This can make it difficult to specify clear thresholds between high-risk and low-risk programmes and determine the proper balance between the speed and the utility of an assessment. Ultimately, such decisions will depend on the sound judgement of the assessment team.

Thresholds between high-risk and low-risk programmes should reflect local market specificities. However, the level of demand and the relative scale of a potential intervention are some of the key indicators when determining the risk of a

programme having a negative market impact. Relative scale refers to the total value of the planned distribution (of cash or locally procured goods) compared to the size of the relative market.

As a basic principle, assessment teams should seek rigorous answers to key questions when an intervention is expected to increase the total demand for relevant goods by more than 25% in urban areas, or 10% in more remote and rural areas. The threshold is higher in urban areas because urban markets are more likely to be well integrated with external sources of goods and services. The level of analysis used will change neither your objective nor your key questions, but it should support your data collection and analysis, and it could inform the selection of the market assessment tool. **Table 5** provides criteria to determine the right level of analysis.

Table 5: Criteria to determine the level of analysis

Rapid analysis	In-depth analysis
<ul style="list-style-type: none"> • Short intervention time frame/urgent needs • Low relative scale of the planned intervention • Visible abundance/supply in the marketplace • Short/simple supply chains • High trader capacity (finance, networks) • Good information flows in market system • Simple market systems with few actors • Expenditure markets (i.e., for target group) • No obvious market problems/breakages/leakages • Rapidly changing/unstable markets 	<ul style="list-style-type: none"> • Longer intervention timeframe (3+ months) • High relative scale of the planned intervention • Uncertainty about supply • Longer/more complex supply chains • Low trader capacity • Poor/broken information flows, many rumours • Complex market systems with numerous actors • Income markets, including labour market • Obviously disrupted markets • More stable markets

Source: The Cash Learning Partnership (CALP) (2015) *Annex 1 of the Multipurpose Cash Grant Toolkit: Multi-Sector Market Assessment (MSMA)*. In: CALP (2015). [Operational Guidance and Toolkit for Multipurpose Cash Grants](#). [Online] CALP.

Triangulate data and analyze trends and establish causality: Triangulate the collected data to test its validity and identify causality. This should include comparing it with data from other organizations that conduct comparable work, matching findings from primary and secondary data, and comparing answers from actors on the opposite ends of a given transaction. Try to collect first-hand information from a range of traders and consumers. In addition, make sure to cross-check your assumptions with market actors.

Compare trends with pre-crisis/reference data, available data on market reactions to previous similar emergencies, and to general shifts in supply and demand. Consider seasonality and the potential different phases of a crisis, and how they may affect prices. Do not waste time trying to collect statistically sound data; instead, focus on factors that affect key market functions (the signals, drivers, barriers and relationships within the market system), clearly distinguishing between causality of affect and correlation between factors and prices.

Iterative analysis: Mostly due to the dynamic nature of markets, market analysis is an iterative process. Analysis happens incrementally, relying primarily on existing knowledge and secondary data, and is refined as the process goes along. Results of the preliminary analysis, such as changes in market trends, should be used as prompts to investigate fewer observable changes in the markets. For example, price variations could be due to seasonality or a change in a market chain structure or dynamic.

Participative response analysis that draws from documented findings: Consider inviting internal and external people to participate in the response analysis stage. Ideally, they should have different expertise and backgrounds, e.g., market stakeholders, line ministry staff or other organizations’ team members. Joint analysis serves to validate and complement findings, create buy-in for the final results, and it can be a first effort to disseminate findings.

Demonstrate a logical link between the assessment findings/evidence on market performance and capabilities with the conclusions (i.e., the answers to the key analytical questions), which should then inform programme decisions or response recommendations. Use the results of the market analysis to support the design of both market-sensitive and market support interventions as appropriate to the context. Do not limit your response analysis to an assessment of the feasibility of one predetermined response option.

WHAT TO AVOID

Focusing solely on the size of your organization's planned response when determining the relative scale of the humanitarian response. Instead, this should be based on the sum of all planned interventions in the area.

Rushing analysis. If you have time constraints, ensure that you do not over-emphasize data collection and leave insufficient time for analysis involving a sufficiently diverse group of stakeholders in the analytical process.



In December 2022, PMI and IFRC, with support from the Tides Foundation, provided cash assistance to communities affected by the COVID-19 pandemic to aid in livelihood recovery in Indonesia. 1,700 households received cash assistance, with each household receiving 1.3 million rupiahs. © PMI/IFRC. March 2023.

Key Action 5: Market Monitoring

USE MARKET MONITORING TO REVIEW ANALYSIS FINDINGS AND ENABLE PROGRAMME ADAPTATION WHEN NEEDED

Continuous market monitoring is crucial to prolong the relevance of the market analysis exercise, as it allows organizations to adequately cater for the dynamic nature of markets. Market monitoring primarily serves to:

- Ensure the findings from the initial market analysis are up to date and identify areas for further assessment.
- Determine if the value and nature of assistance designed based on the market analysis is still adequate.
- Track whether the quality and availability of goods that target groups access through local markets is at least as good as at the beginning of the programme.
- Contribute to continual assessments of the appropriateness of the chosen modality or approach.
- Track whether the ongoing responses are causing harm to local markets, altering market dynamics or having wider multiplier effect on the local economy.



STEPS

- From the key market analysis findings and response plan, identify which assumptions and outcomes are most uncertain or sensitive to change.
- Define practical measurable indicators for tracking the assumptions and outcomes that are liable to change.
- Determine the frequency with which monitoring should occur by considering the robustness of the initial market analysis, expected market volatility and relative scale of the programme compared to local markets.
- If monitoring reveals market distortions as a result of the intervention, reconsider the design of the programme.
- Regardless of the type of programme, regular monitoring of price and the volume of transactions should be carried out to identify potential issues, such as market distortions, at an early stage.



KEY INDICATORS

- › The programme monitoring framework includes market-related indicators that, at a minimum, capture the price and volume of transactions.
- › Market monitoring is planned, organized and budgeted.
- › Market monitoring contributes to the follow-up of interventions' achievements.
- › Programmatic changes are made, when required, based on market monitoring findings.



GUIDANCE NOTES

Choose adequate market indicators: Focus on the assumptions of the market analysis that have been critical for informing the design of the response, and on response outcomes that present the biggest risk of causing harm to market systems on which people rely. Consider defining indicators with other agencies to avoid duplicating efforts and to allow for conducting a macro level analysis.

When designing indicators to monitor potential market distortions, consider changes in the markets that may render the programme ineffective, as well as the risks that the programme presents for local markets. Indicators should look at variations in a combination of factors, including prices, volumes, the number of key market actors, policies and regulations. **Table 6** suggests some indicators to be included, but these should be contextualized and therefore this list is only meant to be indicative.

Table 6: Suggested market indicators per modality

Modality	Suggested market indicators
Any	<ul style="list-style-type: none"> • Household access (physical, social, financial) to market(s) to purchase key commodities. • Price of key commodities in different types of markets (source markets, central markets, etc.). • Availability of key commodities in different types of markets (source markets, central markets, etc.). • Quality of key commodities in different type of markets (source markets, central markets, etc.). • Power dynamics between traders (cartels, etc.).
In-kind	<ul style="list-style-type: none"> • Price of distributed items. • Availability of distributed items. • Presence of surplus goods in the marketplace (i.e. beneficiaries reselling the distributed goods). • Price of other key commodities. • Number of producers and traders of distributed goods. • Volume of trade of the distributed goods.
Cash transfer, value voucher	<ul style="list-style-type: none"> • Price of the commodities used in deciding the transfer/value voucher amount.
Commodity voucher	<ul style="list-style-type: none"> • Availability and price of the goods covered by the voucher for beneficiaries and non-beneficiaries. • Presence of traders not involved in the voucher scheme.
Cash for Work/ Food for Work	<ul style="list-style-type: none"> • Rate of beneficiaries leaving lower paying but more sustainable work for inclusion in the CFW/FFW. • Availability of workers for traditional daily labour employers. • Daily rate of unskilled labour.

Identify the commodities or services to monitor: The number of commodities or services to monitor will depend on the intervention, the volatility of market and your agency’s capacity to collect, manage and analyze monitoring data. However, you should aim for a maximum of five to six commodities or services per project.

Decide on the adequate frequency for market monitoring: The frequency of market monitoring should depend on the robustness of the initial market assessment, the volatility of the context, and the stage of the project (e.g., data collection may be more frequent earlier on).

In a volatile situation, or when implementing a programme where there is a high risk of negatively impacting markets, price monitoring should occur at least once a month, if access and security allows. Indicators related to overall market functionality can be monitored between once a month and once every six months. Frequent market monitoring can also compensate for the roughness of a rapid analysis that may have been necessary in the initial assessment.

Efficient planning for market monitoring: Before starting to monitor prices, check what has already been done and what other agencies are doing to see how it can inform your own monitoring and reduce the burden on your team(s). Initiate monitoring from the start of the assessment and throughout all stages of the programme cycle, so that it can serve as a reference for subsequent programme stages or future programmes.

Broaden the geographic scope of monitoring beyond the programme response area to keep an eye on source markets. Comparing the evolution of local markets with source markets also provides an indication of which distortions may be due to the programme's impact on the local market and which may be linked to wider shifts in the market system.

Ideally, the same key market actors should be tracked over the entire period. However, ensure that there is an identified reserve pool of traders to monitor in case any from the first round of assessment drop out.

Share the results of your market monitoring: Consider sharing the results both internally with other programme teams and departments within your organization, and externally at country level through a suitable coordination platform.

WHAT TO AVOID

Implementing a response in volatile market conditions without having a contingency plan that addresses significant changes in market conditions.

Drawing broad conclusions on market access and functionality based on price variations alone. In case of unexplained fluctuation or volatility, more in-depth analysis will likely be required to establish root causes and adapt programming accordingly.



With the support of the EU Commission, Mama Alice (not her real name) is one of 100 displaced people who received start-up capital to launch a business in the SW region in Cameroon. She says, "I had lost everything, but today I can save money thanks to my business. I'm happy."

© Patricia Pouhe/NRC, November 2023.

Annex I: Market analysis checklist

The following checklist supports the practical application of the MISMA's key actions and associated steps. Organizations may wish to use this checklist on a regular basis and compare assessments over time to assess the quality of their market analysis.

Table A1: MISMA key action checklist

Steps	Completed? (X or ✓)	Outline of challenges faced
Key action 1: Define the analytical and geographic scope of the analysis		
Identify how market analysis will support programme-related decisions; define your analytical objectives accordingly.		
Determine the key questions or issues that could influence programme-related decisions that you want to address through market analysis.		
Choose the critical market systems, or key commodities and services, that you want to assess, prioritizing ones that are central to meeting households' basic and/or recovery needs, including the pursuit of livelihood opportunities.		
Identify which critical market linkages and market actors have been adversely affected by the emergency or will likely be affected by future emergencies.		
Focus on the key market actors, linkages and relationships that are crucial to the target group in meeting their needs, whether directly or indirectly.		
Delineate the geographical scope of the analysis to include the area and market actors directly affected by the emergency, as well as those that will be critical for market recovery.		
Ensure the scope of your market analysis is inclusive of all the different groups that your agency would want to target.		

Key action 2: Build a competent, knowledgeable and diverse team for data collection and analysis		
Ensure that the market analysis team has sufficient contextual, technical and market-specific knowledge to be adept at both collecting and understanding market-related data, as well as using it to analyze market access and functionality.		
Define and hold team members accountable against clear terms of reference, including precise roles and responsibilities, for all those involved, especially the individual(s) responsible for coordinating the process.		
Key action 3: Use data collection methods and information sources of sufficient quality and quantity		
Identify existing reliable secondary data and map information gaps.		
Collect primary data to fill these gaps, using tools that incorporate considerations of differences between respective demographic groups.		
Ensure that data extends to all relevant geographical locations in the market system, as per your scope.		
Collect data from all relevant stakeholders in a culturally appropriate manner.		
Make sure that the data collected allows you to identify changes in trends that are/will be due to the emergency, response and/or seasonality.		
Coordinate data collection with other actors to avoid duplication and leverage existing market expertise.		
Ensure that there is sufficient time for analysis and writing up.		
Key action 4: Use market analysis to inform programme design and achieve programme objectives		
Adjust the level of analysis based on the quality of the existing information, time and resources available, and the risk that the intervention will harm the market.		
Prioritize understanding the market environment and its impact on your key market's access and functionality.		
Triangulate data collected from different methods and sources to identify unreliable data and inconsistencies.		
Analyze trends rather than individual data points, taking into account seasonal effects.		
When drawing conclusions, clearly state the assumptions, the type of data on which they are based, and any risks that may be linked to the assumptions.		
Clearly show the link between the analysis, conclusions and the ultimate response recommendations.		

Key action 5: Use market monitoring to review assessment findings and enable programme adaptations when needed

From the key market analysis findings and response plan, identify which assumptions and outcomes are most uncertain or sensitive to change.		
Define practical measurable indicators for tracking the assumptions and outcomes that are liable to change.		
Determine the frequency with which monitoring should occur by considering the robustness of the initial market analysis, expected market volatility and relative scale of the programme compared to local markets.		
If monitoring reveals market distortions as a result of the intervention, reconsider the design of the programme.		
Regardless of the type of programme, regular monitoring of price and the volume of transactions should be carried out to identify potential issues, such as market distortions, at an early stage.		



Annex 2: Existing market analysis and assessment tools in emergencies

With the growing recognition of the importance of market analysis in the humanitarian sector, a plethora of tools and guidance has been developed to support such exercises. Table A2 below was adapted from a version originally developed by CALP and IRC to:

- Provide a basic overview of the different market analysis guidance tools that exist; and
- Provide a starting point and support in choosing between tools or combining them to fit the context and project requirements.

All these tools are based on similar principles, so the MISMA is applicable for all.

Please note that there are versions of all these documents in languages other than English, available via the hyperlinks in the top row of the table.

Table A2: Comparison of humanitarian market analysis tools

		<u>PCMA</u>	<u>RAM</u>	<u>MAG</u>	<u>EMMA</u>	<u>MSMA</u>	<u>MARKit 2.0</u>
Type of market information collected	Physical damages		✓	✓	✓	✓	
	Trader capacity	✓	✓	✓	✓	✓	
	Population demand		✓	✓	✓	✓	
	External factors	✓	✓	✓	✓	✓	
	Competition	✓		✓	✓	✓	
	Bottlenecks		✓	✓	✓		
	Actors	✓	✓	✓	✓	✓	✓
	Price	✓	✓	✓	✓	✓	✓
	Number	✓	✓	✓	✓	✓	✓
	Volume	✓	✓	✓	✓	✓	✓
	Integration	✓	✓	✓	✓		
	Key infrastructure	✓	✓	✓	✓	✓	
Methodological factors	Includes data collection forms		✓			✓	✓
	Includes monitoring forms		✓			✓	✓
	Includes information on response options		✓	✓	✓	✓	
	Includes guidance on reporting	✓	✓	✓	✓	✓	

Adapted from CALP (2020) *Comparison of Humanitarian Market Analysis Tools*. In: [Online] [Comparative-Table-of-Market-Analysis-Tools-Final.pdf](https://calpnetwork.org/Comparative-Table-of-Market-Analysis-Tools-Final.pdf) (calpnetwork.org)

Annex 3: Programme decisions and guiding questions

The key questions for the most critical programme decisions are listed below. They are not presented in the order in which they will necessarily be asked.

Table A3: Questions for programme-related decisions

Decision	Key questions
Most appropriate modality for emergency response	<ul style="list-style-type: none"> • Where are the markets for the essential goods – food, non-food items, livelihood support items, and shelter items? • Who provided these goods prior to the crisis? • How do women, men, the disabled and elderly people access those markets? • What is the estimated change in demand generated by the proposed intervention? • Are there restrictions on the movement of goods? • Can local traders meet a change in demand within the necessary deadline without significantly increasing prices? • Are there specific traders that need to be targeted for support? • How have the market infrastructure, market chain and 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?
Relevance of supporting or changing local markets after the crisis	<ul style="list-style-type: none"> • How have the market infrastructure, market chain and market service providers been affected by the crisis? Can those who were providing goods and/or services before the crisis be supported to restart? • How do women, men, older people and people with disability access those markets after the crisis? • What is the estimated change in demand generated by the proposed intervention? • Will local markets absorb the increase in demand generated by the intended response without support? • Will local markets absorb the increase in demand generated by the intended response with some support?
Relevance of supporting or changing local markets before the crisis	<ul style="list-style-type: none"> • Can local markets currently meet the demand for the essential goods being considered? • How do women, men, older people and people with disability currently access those markets? • How will the market infrastructure, market chain and market service providers be affected by the crisis? • What will be the estimated change in demand generated by the proposed intervention? • Will local markets absorb the increase in demand generated by the intended response without support? • Will local markets absorb the increase in demand generated by the intended response with some support?
Indicators to integrate into EWS	<ul style="list-style-type: none"> • What are the market indicators that can be monitored to demonstrate if a slow onset crisis is unfolding?

Annex 4: Bibliography

Age & Disability Consortium (2018) *Humanitarian Inclusion Standards for Older People and People with Disabilities*.

Albu, M. (2010) *Emergency Market Mapping and Assessment (EMMA) toolkit*. Practical Action.

Alliance for Child Protection in Humanitarian Action (2019) *Minimum Standards for Child Protection in Humanitarian Action*.

Austin, L., & Chessex, S. (2013) *The Minimum Requirements for Market Analysis in Emergencies*.

CALP (2015) *Annex 1 of the Multipurpose Cash Grant Toolkit: Multi-Sector Market Assessment (MSMA)*. In: [Online] *Operational Guidance and Toolkit for Multipurpose Cash Grants*.

CALP (2020) *Comparison of Humanitarian Market Analysis Tools*.

CALP (2023) *Glossary*.

CALP (2023) *Programme Quality Toolbox – Market Assessment*.

Camp Management Standards Working Group (2021) *Minimum Standards for Camp Management*.

Food and Agriculture Organization of the United Nations (FAO) (2011) *Developing a Response Analysis Framework for Food Security Emergencies*.

Bureau of Humanitarian Assistance (BHA) (2017) *Modality Decision Tool*. USAID.

Inter-Agency Network for Education in Emergencies (INEE) (2010) *Minimum Standards for Education: Preparedness, Response, Recovery*.

International Red Cross and Red Crescent Movement (2014a) *Rapid Assessment of Markets (RAM)* (2014b). *Market Analysis Guidance (MAG)* (2014c). *EMMA's Impact on Program Decision-Making* (2016). Juillard, H. *Pre-Crisis Market Analysis (PCMA)*.

LEGS (2023) *Livestock Emergency Guidelines and Standards, 3rd edition*. Rugby, UK: Practical Action Publishing

Maxwell, D., Stobaugh, H., Parker, J. & McGlinchy, M. (2013) *Response analysis and response choice in food security crises: a roadmap*. London: ODI.

Market in Crisis (MiC) Group (2022) *Market-Based Programming Framework*.

Norwegian Refugee Council (NRC) (2019) *Remote Cash Project Guidance and Toolkit*.

NRC & UNHCR (2020) *Multi-Sector Market Analysis Guidance and Tools*.

Oxfam (2015) *Emergency Food Security and Livelihoods (EFSL) 48-hour Assessment Tool*.

Sivakumaran, S. (2011) *Market analysis in emergencies*. CALP.

SEADS Project (2023) *Standards for Supporting Crop-Related Livelihoods in Emergencies*.

SEEP Network (2019) *Minimum Economic Recovery Standards (MERS) third edition*.

Sphere Project (2018) *Humanitarian Charter and Minimum Standards in Humanitarian Response, incl. Sphere Appendix 'Delivering assistance through markets'*.

The Humanitarian Standards Partnership (HSP) is a collaboration between standards initiatives to harness evidence, expert opinion and best practice and to use it to improve quality and accountability in humanitarian response.

