



OXFAM

PCMMA

**Household Water treatment products and Loan and Credit services for the poor market systems
Eastern Samar, Philippines
October 2015**



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List of abbreviations

4Ps:	Pantawid Pamilyang Pilipino Program
AMLA:	Anti Money Laundering Act
BANAL:	Banahao Livelihood Association
BAWASA:	Barangay Water and Sanitation Association
BFP:	Bureau of Fire Protection
BHW:	Barangay Health Worker
BIR:	Bureau of Internal Revenue
CARD:	Center for Agriculture and Rural Development
CDA:	Cooperative Development Authority
CDF:	Cooperative Development Fund
CFW:	Cash for Work
CLTS:	Community-led Total Sanitation
DENRAO:	Department of Environment and Natural Resources Administrative order
DoH:	Department of Health
DTI:	Department of Trade and Industry
EFSVL:	Emergency Food Security & Vulnerable Livelihoods
EMMA:	Emergency Market Mapping and Analysis
ESAMELCO:	Eastern Samar Electric Cooperative
FDA:	Food and Drugs Administration
GCC:	Giporlos Credit Cooperative
GSEMP:	Guiuan Savers Multipurpose Cooperative
GWD:	Guiuan Water District
HEA:	Household Economy Approach
HWTP:	Household Water Treatment Product
KAP survey:	Knowledge, Attitude and Practices Survey
LMPC:	Lanang Multi-Purpose Cooperative
MFIs:	Micro-Finance Institutions
MLGU:	Municipal Local Government Unit
NATCCO:	National Confederation of Cooperatives
NAWASA:	National Waterworks and Sewerage System
NLB:	New Life Bayanihan
NWTF:	Negros Women for Tomorrow Foundation
OCCI:	Metro Ormoc Community Credit Cooperative Incorporation
PCF:	Philippines Confederation Central Fund Federation
PCMMA:	Pre-Crisis Market Mapping and Analysis
PHATS:	PHilippine Approach to Total Sanitation
PHO:	Provincial Health Office
PNB:	Philippine National Bank
RHU:	Rural Health Unit
RSI:	Rural Sanitary Inspector
SAMICO:	Samar Multi-purpose cooperative
SCCC:	Salcedo Credit Community Cooperative
THCC:	Tindog Hernani Credit Cooperative
WASH:	Water, Sanitation and Hygiene
WB:	World Bank
WSP:	Water Sanitation Program

Section 1 Executive summary

Context of the study:

On November 8, 2013, the Philippines was hit by the strongest typhoon ever recorded, internationally called typhoon Haiyan and named by PAGASA¹ typhoon Yolanda. OXFAM among other agencies and the government of Philippines responded to the humanitarian needs caused by Typhoon Haiyan since November 2013. The typhoon heavily impacted Eastern Visayas Region, particularly the island provinces of Eastern Samar and Leyte, as well as the Western Visayas Region, particularly the provinces of Northern Cebu, Iloilo, Capiz and Aklan. According to OCHA 14.1 million people have been affected; with 4.1 million people displaced; 6,201 people reported dead; and 1,785 people missing². About 1.1 million houses were damaged or destroyed by the typhoon. The typhoon also affected livelihood options of households particularly coconut farming and related labour opportunities.

Emergency response interventions were provided by a number of organisations mostly focusing on various forms of cash and in-kind transfers aimed at meeting food and basic non-food needs; livelihoods recovery and shelter construction and re-building, water and sanitation. The emergency phase of the response ended in June/July 2014 and recovery efforts followed to look at opportunities for restoring livelihoods. Recovery of coconut-based livelihoods is a long-term option, taking five to ten years for coconut trees to re-grow. Alternative and resilient livelihoods have to be found for the affected farmers.

The WASH situation has improved a lot since the typhoon but chronic issues linked to access to safe drinking water remain accurate. While there have been interventions to improve the supply of water to households and the sanitation practices in barangays there is still a need to address the everyday WASH needs of communities. Many households have water points and storage but the only treatment option for the water is boiling as none of the water treatment products distributed as a response to typhoon Haiyan are available in the market place. Many NGOs with support from the DoH have carried out CLTS (Community-led Total Sanitation) programmes in affected communities so the demand for sanitation has increased but little has been done to address the supply of affordable services.

Two in every three families in Eastern Samar are said to be poor. Poverty incidence has significantly increased from 39.4% in 2006 to 59.4% 2012 and remains the highest in the region. Following typhoon Haiyan, Oxfam response in Eastern Samar has transitioned from early recovery to development, with a priority on market based approaches and disaster preparedness programming. In light of this, Oxfam wished to implement a Pre-Crisis Market Mapping and Analysis (PCMMA) which focuses on the understanding of market situations in “normal times” as well as during an emergency, in order to inform livelihoods and WASH programmes development and help Oxfam programmes to focus on preparedness ahead of the next typhoon season. Every year, Eastern Samar is hit by an average of 20 typhoons, and this year the El Nino phenomenon threatens to enhance the strength of the typhoons so a PCMMA focused on a typhoon scenario could not be timelier. The recovery and chronic issues and the high poverty incidence keeps people in a vulnerable situation should another strong typhoon hit the province, and requires a strong understanding of the interventions that could enhance their resilience to disasters.

Target population

Oxfam fights against poverty. In Eastern Samar, we can find the four usual socio-economic categories with a strong incidence of poverty. According to a rapid HEA done in 2014 by Oxfam in Eastern

¹ PAGASA stands for Philippines Atmospheric and Geophysical Astronomical Services Administration and is the government agency for weather forecasting, flood control, astronomical observations, and time service.

² "Typhoon Haiyan - RW Updates". [United Nations Office for the Coordination of Humanitarian Affairs](#). December 28, 2013.

Samar,³ in this livelihood zone the very poor comprise 20-38 (average of 29%) percent and the 'poor' 35-45 (average of 41%) percent. Those two socio-economic groups represent therefore the majority of the population and they saw their vulnerability deepened by the typhoon. Following typhoon Haiyan, hundreds of families have been living in temporary settlements or "bunk houses", where many are still two years after. All residents of the so-called "no build zone"⁴ are already displaced, threatened of eviction or awaiting a long overdue resettlement. Those communities have lost or are at risk of losing their livelihoods and social networks, and should per consequence be a priority group of any livelihoods or WASH intervention.

The three groups defined as the target group for this PCMMA are therefore the very poor, the poor and the displaced or "to be resettled".

Critical Markets

"Critical market systems are markets that plays, played or could play a major role in ensuring survival, and /or protecting livelihoods of the target population during an emergency"⁵. Following this definition given by the EMMA guide, in order to select which markets to study, one has to consider basic needs and the livelihoods assets of the target groups. In a PCMMA, the critical market selection is also directed by the specific objectives of the exercise, ie in this case not only should these markets support survival in an emergency but they should also contribute to building resilience at any times.

On the basis of specific criteria and a ranking exercise, two critical markets were selected during the workshop:

1. The household water treatment products market system
2. Financial services for the poor (focus on loan and credit services) market system

Household water treatment products Market System

Main trends around supply and demand for household water treatment products

There are potentially two ways people can get supplies of household water treatment products (HWTP): from a pharmacy (if willing to purchase) or from the rural health units (for free).

After the typhoon (emergency situation) and until now (normal situation), HWTP were/are available for free at the Rural Health Units (RHU) offices (at municipal level) and at the Provincial Health Office (PHO) in Borongan where they get their supplies from. After the typhoon, the Barangay Health Units (BHU) received HWTP in the form of HypoSol, aquatabs and chlorine granules from the RHUs and from INGOs and were in turn distributing those products to the population usually as a blanket distribution. At the time of the assessment which represents a normal situation, the Barangay Health Units visited did not have any stocks of HWTP.

The households were getting these HWTP for free from BHUs, RHUs and INGOs several months after the typhoon, but now the situation is different and it is demand-based. If a household needs these products, he will eventually go directly to the RHU to make the request for such product, where there is generally enough stock to meet the demand and the products are free. The demand is mainly linked to outbreaks of diarrhoea, as it is when people get more conscious about the quality of the water they drink. This availability of products in the government health units partly explains the low demand in stores or pharmacies.

There is a general recognition that should customers start to ask for water treatment products such as Aquatabs or HypoSol, the pharmacists would start selling them and would get them easily from their usual medicine suppliers or their head office for the big branches like Generics Pharmacy or Mercury

³ Rapid Household Economy Assessment, Eastern Samar Province, Upland Coconut and food crop livelihood zone (2014), Oxfam with technical lead and guidance from the Food Economy Group

⁴ The "No build zones" policy is a policy proclaimed after typhoon Haiyan by the Department of Public Works and Highways prohibiting building any structure within 40 meters from the coastline. It has been downgraded to "unsafe zones" or "no dwelling zones" and dwellers of these areas are still in a "grey" zone regarding whether they will be evicted and relocated or allowed to stay in these areas where they have been staying for years

⁵ EMMA: Practical guide to Market Mapping and Analysis in Emergency, M. Albu, 2011

Drugs. The lack of availability of these products on the market now is therefore not a supply problem but a demand problem.

On the other side, the respondents in the five municipalities shared they would perhaps buy HWTP if they were available in their vicinity.

Recommendations

Some of the key recommendations that the programmes should pursue during normal times are as follows:

- Collaboration with RHU on pre-stocking of HWTP is crucial ahead of the typhoon season: the RHUs of Guiuan and Salcedo shared having no stock at the moment, this is to be verified and if so, awareness on the possibility of ordering stocks from the PHO should be made. The lead time for stocks to arrive to RHUs after a request is of an average of one week, which is too long in case of a typhoon or an outbreak of diarrhea. Pre-stocking is to be encouraged to avoid delays in getting the products in case of a rise in demand or needs.
- Sensitization sessions for Barangay Health Workers on availability of HWTPs in RHU
- Sensitization on the use of the products should also be held ahead of a crisis with the BHWs and the BAWASA as key actors of hygiene sensitization in their barangay: after a training, they would then disseminate the messages to the communities they are serving.
- Work with MLGU/ BLGU on facilitation and drafting of a development plans prioritizing water related intervention
 - Infrastructure support
 - Rehabilitation of damaged water systems
- A few weeks before the typhoon season or when a typhoon alarm is already here: supporting local traders and pharmacies for financial capital and storage to allow them to stock HWTPs in advance (support pre-positioning for those willing to stock HWTPs)
- Mapping of pharmacies and traders willing to participate in a voucher scheme for HWTPs

Some of the key recommendations that the programmes should pursue during an emergency situation (i.e. a typhoon) are as follows:

- Set up a vouchers-for-HWTPs intervention to link targeted households with traders or pharmacies and create a customer relationship that could last beyond the emergency (instead of an in kind distribution)
- Link with the EFSVL interventions: provide the sari sari stores that EFSVL programme is supporting through cash grant or a voucher scheme with HypoSol and/or aquatabs to render them available to people to see if this creates a demand

Loan and credit services for the poor Market System

Main trends around supply and demand for loan and credit services

There are many informal and formal actors offering loan or credit services to the poor (less to the poorest categories) in the assessed areas of Eastern Samar. Supply is consequently not an issue as capacities of actors are proportional to the number of clients they have: the more clients they have the more income they make through the interest payments so the bigger their capacity to supply more credit or loan becomes.

Demand is important and quite constant all over the year (85% of the respondents declared having already taken a loan or credit in normal times, and 50% following the typhoon), with peaks during back to school times in May/June and fiesta months. Purchase on credit in the local sari sari store is very common, and that is the way poor and very poor people access food, medicine and hygiene items in difficult times. People usually revert to the same store, in their neighbourhood, where they are known and trusted.

The value of purchase on credit is limited to a small amount, ie usually less or equal to P500 at a time, while loans involve bigger amounts, in most cases to a minimum of P1,000 up to P10,000. Borrowing more than P10,000 is a big amount and a risk for poor households who earn in average P4,500 a month⁶. Purchase on credit, when practiced, is done regularly as a revolving purchase system: some households purchase up to P1,000 of goods per week on credit, in two to three purchasing times. Loans take time to reimburse so an individual will usually not take more than 6 loans per year, only one or two if there are of a big amount for the household (e.g. more than P5,000 for a poor household). After the typhoon, households have resorted to the same formal and informal lending actors to meet the unmet needs, repair their house, recover their livelihoods and pay the education fees and costs. Amounts borrowed were smaller, up to P5,000 at a time, as capacity to repay was reduced due to the typhoon's impacts on livelihoods.

Recommendations

One of the main issues faced by the target groups is the lack of awareness of interest rates practiced and the consequences should they become delinquent. There is a need to advocate to the government for more transparency on interest rates (application of the "Truth in Lending Act" and for a policy for formal lending institutions to practice lower interest rates. The sari sari stores and the informal money lenders are the safety nets of the poor, in a normal situation as well as after a crisis, so the programmes should seek to target them which requires a preliminary mapping of those actors in all the covered areas.

Some of the key recommendations that the programmes should pursue during normal times are as follows:

- Support sari-sari stores' owners to become more resilient to shocks through better preparedness:
 - Sensitization on the importance to have a safe place to store items in case of a typhoon warning
 - Support to better accounting and financial literacy
 - Sensitization on the importance of having savings to better cope with a shock
- Lobby the national policies on interest rate to lower the rates practiced by MFIs and advocate for lower informal interest rates
- Provide financial literacy training for the target groups
- Sensitization on the different conditions of loans and insurance schemes practiced by the different MFIs and cooperatives present in the five municipalities
- Mapping of all sari-sari stores offering credit services to the poor and very poor in the barangays of intervention to allow quicker targeting in case of an emergency should we want to support them; mapping of their suppliers is also recommended
- Mapping of the main informal money lenders to better understand to what extent poor and very poor rely on them in difficult times and allow for a quicker targeting should we want to support them

Some of the key recommendations that the programmes should pursue during an emergency situation (i.e. a typhoon) are as follows:

1/ Sari-sari store owners: If a strong typhoon strikes Eastern Samar, the sari sari stores' owners are likely to be the most affected among all of the lenders actors. Different options of interventions are possible to support this group in an emergency:

- Cash grant can be given to them to allow them to repair damages to their stores and resupply
- Vouchers can be given to them for buying their supplies

⁶ Findings from the RHEA corroborated by the assessment's findings

- Cash grant or loans can be given to their suppliers to allow them to recover faster and supply the sari sari stores

2/ Informal money lenders:. Prioritizing support to the poor and medium informal lenders can prevent the informal credit chain to be broken and keep the community credit mechanisms alive to facilitate access to credit for the poor and very poor. This support can take different forms: ensuring their participation in a CFW scheme, prioritize them for a cash grant distribution, give them short-term employment as daily labourers, etc

Section 2 Objectives and Methodology

Objectives

Two years after typhoon Haiyan, Oxfam programmes in Eastern Samar are transitioning from early recovery to long term development. Oxfam also wishes to strengthen the preparedness aspect of its programmes. The PCMMA took place within this context and is intended to inform better programming with a strong focus on market integration.

The objectives of the PCMMA were to:

- Inform programs seeking to build resilience or mitigate the impact of a forecasted crisis on key livelihood assets of the target group;
- Improving agency preparedness to respond to the forecasted crisis by understanding the impact it will have on the critical market systems;
- Supporting contingency planning exercises, through enhancing collection and analysis which includes gender component and capitalization of market information.
- Building staff capacity in market analysis and change approaches and attitude towards market based programming.

Methodology

The Pre-Crisis Market Mapping and Analysis (PCMMA) methodology has been used for this market mapping and analysis exercise. The PCMMA guidance document⁷ is made to guide market analysis practitioners and team leaders to conduct market assessments prior to emergencies in order to anticipate how markets will respond after a shock occurs. PCMMA is designed to help agencies improve response preparedness, to feed into contingency planning efforts and to contribute to the design of disaster risk reduction programs by identifying certain parts of market systems which may be vulnerable to shocks. Ideally, pre-crisis analysis will help to increase the speed and relevance of emergency responses and provide guidance on how to strengthen market systems ahead of emergencies to reduce the impact of future disasters on lives and livelihoods. The PCMMA guidance is intended to be a step by step guidance for practitioners who can apply the methodology of their choice: EMMA, RAM or others. For this exercise, the EMMA methodology was applied and the only change was in the objectives, timing and scope. As for an EMMA, this PCMMA has identified the different components that make the market systems: the market environment with its norms, rules and trends, the market chain and the infrastructures, inputs and services supporting the market system.

The « MMA » or Market Mapping and Analysis methodology intends to focus only on selected critical market systems that fit with the objectives of the exercise (see below « selection of critical markets »). In a PCMMA, the essential preliminary steps to data collection are the identification of the “reference crisis” that will make the “emergency situation” and of the “normal situation” that will make the “baseline situation”, the selection of the target groups and the selection of critical markets.

⁷ The PCMMA guidance document can be found on the EMMA website at the following address : <http://emma-toolkit.org/practice/pre-crisis-market-mapping-and-analysis/>

A four days training/workshop preceded a period of five days for data collection. The team was composed of a consultant-lead of the PCMMA exercise and six teams of two to three people with one team leader per team. Three teams were assessing the water treatment products market and the three others the loan and credit market.

Section 3 Preliminary steps: scope of the assessment

Selection of the « reference crisis » and « normal situation »

The PCMMA methodology entails the definition of a baseline period so called the « normal situation » and of an emergency situation based on a « reference crisis ». The definition of these two periods allows comparing the functioning of the market systems during a normal time and under a crisis and identifying the impact of the emergency on the market system.

The reference crisis is selected after a plenary discussion during the workshop during which all crises affecting the targeted area are listed and discussed. The different crises are ranked in terms of relevance for the PCMMA exercise following three criteria:

1. Predictability and recurrence of the crisis
2. A recent occurrence in order for people and traders to remember its impacts
3. The crisis should have a strong impact on people's livelihoods and access to basic needs

Four crises have been identified by the participants and ranked according to these three criteria: typhoon, drought, floods and earthquake. A typhoon has been selected as the type of crisis to assess for its high predictability (10 to 20 per year in Eastern Samar), its recent occurrence (Haiyan in 2013, Ruby in 2014) and its very severe impact on livelihoods and access to basic needs.

Once the type of crisis is selected, the participants should select a specific occurrence of this crisis for ease of reference during the data collection. **Typhoon Haiyan** has been chosen as the reference crisis for its strong impact in the targeted municipalities (typhoon Ruby would have been more recent and representative of a "usual" typhoon, but the affected municipalities were not the ones where Oxfam has current programmes).

Following this step, the « normal situation » was defined. First was identified what made a normal year in Eastern Samar:

- a rainy season from November to January
- light rains from July to November
- a dry season from April to May
- 10 to 20 Category 1 or 2 typhoons
- a stable political environment
- two rice planting seasons: in June and in December
- high fishing season from April/May to August
- low water supply/level from April to August
- dengue season during the rainy season

It has been agreed that following this definition of a normal year, 2015 could be considered as a normal year. As typhoon Haiyan happened on November 8th, for sake of comparison, the normal situation was decided to be **NOW** to exclude any seasonal factor in the comparison of the ways market systems function and the way people interact with them.

Selection of the target groups

The target groups for the PCMMA exercise were also defined during the workshop.

Participants were asked to think about the different socio-economic groups that make the society in the five targeted municipalities (those were pre-defined) based on their level of income and asset holding. Participants were also asked to think about who in those groups were the most affected by the reference crisis, ie typhoon Haiyan. The group came up with the four categories of socio-economic groups as per the HEA methodology, that is the very poor, the poor, the medium and the better off. Those four categories are well distinguished in Eastern Samar and have particular characteristics.

The very poor and the poor have suffered the most from the typhoon and are the ones for whom recovery is the hardest and the way to resilience still long in front of them. The very poor and the poor own very little to no land, don't have any regular income and are usually the ones living in the "dangerous zones". Another category was added, the one of the displaced or "to be resettled". They are the residents of the "no build zones"⁸, already displaced, threatened of eviction or awaiting a long overdue resettlement. Those communities have already or are at risk of losing their livelihoods and social networks, and should per consequence be a priority group of any livelihoods or WASH intervention.

The three groups defined as the target group for this PCMMA are therefore the very poor, the poor and the displaced or "to be resettled". The household interviews consequently targeted only those categories of household and the findings represent their practices and strategies.

Selection of critical markets

"Critical market systems are markets that plays, played or could play a major role in ensuring survival, and /or protecting livelihoods of the target population during an emergency"⁹. Following this definition given by the EMMA guide, in order to select which markets to study, one has to consider basic needs and the livelihoods assets of the target groups. In a PCMMA, the critical market selection is also directed by the specific objectives of the exercise, i.e. in this case not only should these markets support survival in an emergency but they should also contribute to building resilience at any times.

A discussion took place on the different needs and goals of the target groups (an example of a goal for the very poor is to access regular income, one for the poor is to access land ownership), then the following question was asked: « what are the markets having the best potential to meet the goals identified for each target group?». Here the aim is to select a long list of markets that offer opportunities for the target groups to meet their goals of regularity of income, resilience and others.

After a brainstorming around those potential markets with the participants, the following markets were long-listed: financial services, transport (pedicap or tricycle), local fresh fish, water container and household water treatment products. Each market was scored from 1 to 5 against each of these following criteria:

- => Support access to food or safe water during a crisis
- => Support livelihood resilience
- => In line with Oxfam mandate
- => Market impacted during a crisis
- => Intervention linked to this market feasible and relevant (capacities, objective...)
 - => Market accessible and critical for all groups of people
 - => Market where we need information

Below is the table with the scores:

⁸ The "No build zones" policy is a policy proclaimed after typhoon Haiyan by the Department of Public Works and Highways prohibiting building any structure within 40 meters from the coastline. It has been downgraded to "unsafe zones" or "no dwelling zones" and dwellers of these areas are still in a "grey" zone regarding whether they will be evicted and relocated or allowed to stay in these areas where they have been staying for years

⁹ EMMA: Practical guide to Market Mapping and Analysis in Emergency, M. Albu, 2011

Options of market systems/criteria	Financial services	Transport (2/3 wheel)	Local fresh fish	Water container	HH water treatment products
1. Support access to food or safe water during a crisis	5	5	4	5	5
2. Support livelihood resilience	4	3	3	3.5	3.5
3. In line with Oxfam mandate	4	5	3	5	5
4. Market impacted during a crisis	5	4	3	2	4
5. Intervention linked to this market feasible and relevant (capacities, objective...)	4	5	2	4	5
6. Market accessible and critical for all groups of people	3	3	3	4	4
7. Market where we need information	5	5	2	3	5
TOTAL	30	30	20	26.5	31.5

Table 1 Scoring and selection of critical market systems

Following the scoring, the markets selected were **household water treatment products¹⁰ and financial services, with a focus on loans and credit for the poor**. Transport obtained the same overall score as financial services but it was decided that this market system was not the most relevant for this PCMMA as Oxfam has already gathered a lot of information on the way it functions through post distribution monitoring of the small business grants given to pedicab drivers.

The **emergency situation** for the two selected market systems differed in their duration. For the water treatment products system, the emergency situation has been considered as the six months that followed the landfall of typhoon Haiyan, i.e. until the beginning of May 2014, as this is when the “water” situation came back to a normal or semi-normal situation. For the financial services for the poor market systems, the emergency situation considered was the period within two months after typhoon Haiyan, so until the beginning of January 2014. This was the period during which power was still cut and most of people were living under tarpaulins or in temporary shelter or tents.

Key analytical questions

In accordance with the EMMA approach, the assessment team developed and approved a set of key questions that are here to guide the field research and the analysis. The questions were specific for each critical market system selected. The key analytical questions of the PCMMA were also defined together with the participants during the workshop.

The following key analytical questions were articulated:

1. For the household water treatment products market system:
 - a. What kind of household water treatment are/were practiced during normal times and 6 months after the typhoon?
 - b. What are the capacities of local traders to supply household water treatment products in sufficient quantity during normal times and after a typhoon?
 - c. What is the seasonality of demand for household water treatment products?

¹⁰ The main household water treatment products used in the Philippines are HypoSol (standing for Hypochlorite Solution and manufactured in the Philippines) and water purification tablets commonly called “aquatabs” as the most famous brand of tablets Aquatabs. In this report we will refer to both products when referring to household water treatment products (HypoSol coming in a bottle and “aquatabs” in tablets) and use the generic term ‘aquatabs’ with no capital A for the water purification tablets.

- d. What is the willingness to pay for household water treatment products?
- 2. For the “loan and credit services for the poor” market system:
 - a. What are/were the capacities of loan and credit lenders to provide the target groups with enough credit now and two months after the typhoon?
 - b. What kinds of loan or credit are/have the target groups accessing/accessed now and two months after the typhoon?
 - c. Which conditions the target groups are willing/ready to accept to access a loan or a credit?
 - d. Under which terms and conditions loan and credit services operate during normal times/now and two months after the typhoon?
 - e. Is/did access to credit help/ing the target groups meeting their survival and livelihoods protection needs in normal times and two months after the typhoon?

The key analytical questions define the scope of the assessment and are answered by the analysis.

Data collection: coverage area and process

Data collection took place between the 15th and the 20th of October in five municipalities of Eastern Samar: Guiuan, Salcedo, Hernani, Giporlos and Balangiga. Within these municipalities, data collection took place in barangays where Oxfam is currently implementing WASH and/or livelihoods programmes. These five municipalities were chosen as Oxfam has been implementing programmes there since the typhoon and intends to have a long-term presence there.

For household water treatment products, 74 households and 11 traders (including pharmacies) have been interviewed over the five municipalities. RHUs’ employees of the five municipalities, one Barangay Health Worker of Cansumangkay in Balangiga, one Barangay Health Councilor in Guinmaayohan and the Provincial WASH Coordinator in the Provincial Health Office in Borongan have also been interviewed as key informants.

For the loan and credit services for the poor, 58 households, 8 informal individual money lenders, 7 sari sari stores, 5 cooperatives, 2 MFIs, 3 pawnshops and 2 formal banks have been interviewed over the five covered municipalities.

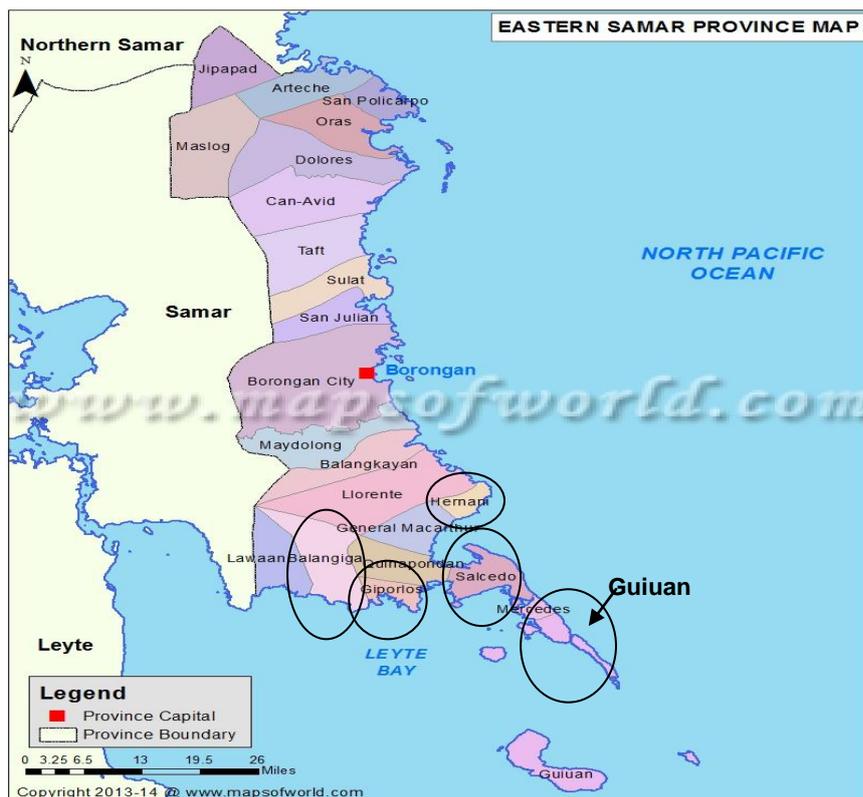


Figure 1 Targeted municipalities for data collection

Section 4 Context

This PCMMA takes place almost two years after the strongest typhoon ever recorded made landfall in Eastern Samar. Typhoon Haiyan left hundreds of thousands of families homeless, with tremendous loss in livelihood assets. Access to safe drinking water was also a challenge as the typhoon damaged the existing water systems in most affected locations. Poverty incidence is high in Eastern Samar province and recovery has been slow. Reliance on monocropping with the coconut farm being the only livelihoods of a majority of Eastern Samar inland inhabitants has enhanced the negative impact of the typhoon. Numerous families have been displaced as living in “unsafe zones” or waiting for resettlement. The PCMMA looks at livelihood strategies used by the very poor, the poor and the displaced through contraction of credit or loan. The PCMMA also looks at household practices around water treatment, knowledge and the availability of treatment options for households.

According to the seasonal calendar done in the recent Rapid HEA¹¹, we can find two lean seasons during which people would resort more to taking credit or loans.

The debt burden was noted in the rapid HEA: *“The poor and very poor have outstanding credit and loan repayments ranging Php2, 000- Php 4, 000 which indicates a debt burden particularly that they do not have savings.”*

¹¹ Rapid Household Economy Assessment, Eastern Samar Province, Upland Coconut and food crop livelihood zone (2014), Oxfam with technical lead and guidance from the Food Economy Group

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Weather and Related Hazards												
Rainfall		high		moderate		low		high		moderate		high
Typhoon season												
Floods												
Crop Production												
Coconut												
Rice- Upland Rainfed												
Rice- lowland irrigated												
Cassava												
Sweet potatoes												
Yams/Taro												
Vegetables												
Labour and Income Generating Activities												
Construction labour		high					high					
Sari-Sari/vending/transport	moderate	High	low		High	moderate	Low	moderate	High	moderate		
Remittances		high						high				
Livestock sales												
Other												
Festivals												
Depend on Loans/credit												
Lean Months												
Income	moderate	low	high	low	high	high	high	low	high	high	low	high
Expenditure	moderate	moderate	low	moderate	high	high	high	low	high	moderate	moderate	low
Prices												
Rice Price trends	low	high					low		high			
Non food prices		high					high	high				
Legend												
		Land preparation		Planting			Weeding		Harvest			Crop sales

Figure 2: Typical Seasonal Calendar in the Upland coconut and food crop zone

According to the calendar done during the HEA, households rely the most on loans and credit in the months of February and March then July and August, which are the lean seasons in relation to the agricultural calendar. The PCMMA has triangulated this information and found different periods when people contract a loan or a credit: during fiesta months in April, May and October depending of the location, if there is family event like a birth or a death which could be any time, for school fees and other back to school-related costs in May/June and July. Fishermen tend to take credit or a loan during the windy months from October to December, when fishing is rendered difficult, even on the Gulf side.

Wealth breakdown and distribution in Eastern Samar

Eastern Samar has recently been declared the second poorest province in the Philippines, after the conflict-affected province Lanao del Sur in Mindanao, with 55.4% poverty incidence.¹²

The HEA assessment found a more dramatic proportion of poor and very poor households with an average of 29% of households being characterized by the community as very poor and an average of 41% being characterized by the community as poor, which makes a total of 70% of households being poor or very poor. Below are the wealth distribution and wealth breakdown tables from the rapid HEA assessment done in 2014¹³.

¹² <https://psa.gov.ph/sites/default/files/2015%20PIF.pdf>

¹³ Rapid Household Economy Assessment, Eastern Samar Province, Upland Coconut and food crop livelihood zone (2014), Oxfam with technical lead and guidance from the Food Economy Group

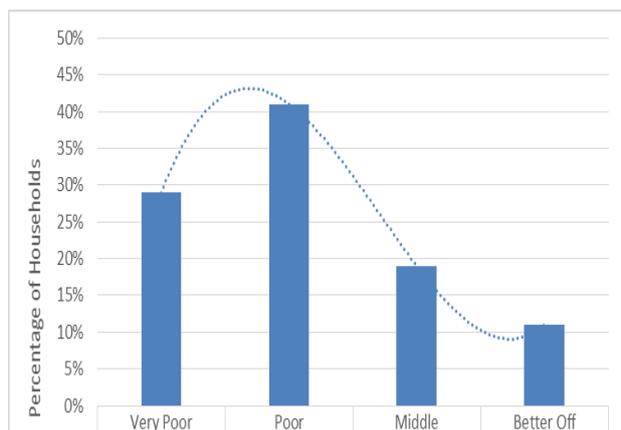


Figure 3: Wealth distribution in Eastern Samar

	Very Poor		Poor		Middle		Better Off	
	Baseline	Current	Baseline	Current	Baseline	Current	Baseline	Current
HH size	7	7	6	6	6	6	5	5
Land area owned (ha)	-	-	0-1	0-1	2-3	2-3	3-6+	3-6+
Land rented/tenant	0-1	0-1	0.5-1	0-.5				
Land area cultivated (ha)	0-1	0-1	0.5-1.5	0.5-1	1.5-3	1.5-4	2-4+	2-4+
Pig number owned					2	2	2	2
Cattle number owned					1	1	1	1
Goat (or shoat) number owned							1	1
Buffalo number owned	-	-	-	-	2	2	2	2
Hen number owned	7	7	8	8	8	8	8	8
Coconut trees average	-	-	130	20	200	80	300	120
Motocycle/Padicab/bicycle	x	x	xx	xx	xx	xx	xxx	xxx
Number of adults able to work (average)	2	2	3	3	3	3	3	3
Dependency Ratio	3	3	2	2	2	2	2	2

Figure 4: Wealth breakdown information from focus group discussions in Eastern Samar¹⁴

We can see that the wealth breakdown is largely determined by; land ownership and access level and the number of heads of livestock owned. This is mainly representative of the inland parts of Eastern Samar and doesn't take into consideration the fishing community.

The main findings of the HEA were as follows:

The 'Very Poor' wealth group constitutes 20-38 percent of the community and is characterized by a general lack or low ownership of assets. Most of them have no ownership or very low access to land as tenants for production of food crops. Households in this wealth group generally rely on unskilled labour (mainly agricultural) for the majority of their income and small food vending activities mostly done by women.

The 'Poor' wealth group constitute 35-45 percent and have minor ownership of land of less than a hectare and some are tenants with 0.5-1 hectare of land mostly used for coconut and food crop production. The majority of households are among this wealth group and although the income level is similar activities may slightly vary but are largely from coconut production and a combination of semi-skilled informal work such as masonry, carpentry activities, self-employment activities in small sari-sari shops, pedicabs. Most children can get to college level and employed in low earning jobs in urban areas or within the municipalities.

The 'Middle' wealth group constitutes 10-25 percent- are typically households with moderate land ownership of 2-3 hectares, used primarily for coconut and root crops. Most children attain college and

¹⁴ The baseline data in figure 5 refer to pre-typhoon Haiyan situation

university education and are employed outside the zone and some even abroad remitting more income to families back home.

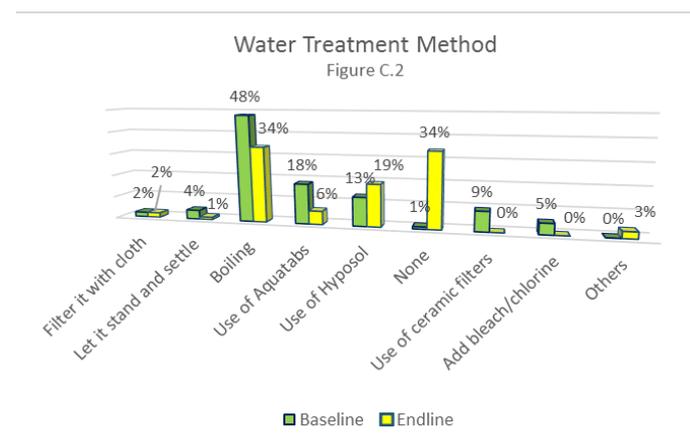
The **'Better Off'** wealth group, constitutes 6-15 percent, and is characterized by bigger land owners typically owning 3-6 hectares and above. While the number of working people is similar to the middle, the major difference is that the type of work is typically permanent high salary jobs such. This wealth group relies on running bigger trade businesses and remittances.

Expenditure Needs: The poor and very poor require about Php6, 170 to Php6, 950 to meet their basic food and non-food needs each month. The analysis showed that these groups were able to meet these costs before and after the typhoon in the presence of loans, the 4Ps government transfer and the various cash transfers. This shows that without these sources, households are unable to raise enough resources to meet their survival and livelihood protection threshold¹⁵.

Practices around household water treatment

A KAP survey done in September 2014 in Eastern Samar¹⁶ comparing practices of households in typhoon-affected areas two months after the typhoon (the baseline situation) and in September 2014 (the endline situation) describes household water treatment practices, as described below.

We can see from the table below that HypoSol was used by 19% of the respondents at endline time, compared to a 13% at baseline time. The use of aquatabs to the contrary decreased drastically from 18% to 6%. This can be explained by the wide distribution of HypoSol by humanitarian actors and the local government units after typhoon Haiyan.



We can observe boiling as the most practiced method of treatment at both times, with 48% practicing this method during the baseline and 34% at the endline time. A major increase is noticeable in the proportion of people not treating their water at all at endline time (34%) while during the baseline survey, only 1% of the respondents did not use any water treatment method. This change can be explained by the rehabilitation and repair of the level II water systems where water treatment is regularly done by the designated water committee.

Figure 5 Water treatment method baseline and endline

¹⁵ Rapid Household Economy Assessment, Eastern Samar Province, Upland Coconut and food crop livelihood zone (2014), Oxfam with technical lead and guidance from the Food Economy Group

¹⁶ WASH Comparative Analysis Comparative Analysis of Baseline and Endline Studies, Oxfam Eastern Samar, September 2014

Section 5 Analysis of the household water treatment products market system

Context

According to a REACH report¹⁷, 97% of households in Eastern Samar are using an improved source of drinking water. This was corroborated by the assessment respondents whom for the majority were sharing using a shared piped water point or purified water as a source of drinking water. Awareness around safe drinking water is quite high, as indicated by the REACH report findings which estimates at 72.7% the proportion of households in Samar having received a WASH message during the last semester of 2014, where safe water is among the messages the most recalled.

Household water treatment products are familiar products for the target groups because of the blanket distributions that took place during several months after the typhoon. Nonetheless, these products are not found in local pharmacies or small stores. The assessment looked at the potential for these products to be purchased by the target groups and the willingness of pharmacists and traders to sale these products.

The emergency situation for this market system has been considered as the six months that followed the landfall of typhoon Haiyan, i.e. until the beginning of May 2014, as this is when the “water” situation came back to a normal or semi-normal situation.

Main trends around supply and demand for household water treatment products

There are potentially two ways people can get supplies of household water treatment products (HWTP): from a pharmacy (if willing to purchase) or from the rural health units (for free).

After the typhoon (emergency situation) and until now (normal situation), HWTP were/are available for free at the Rural Health Units (RHU) offices (at municipal level) and at the Provincial Health Office (PHO) in Borongan where they get their supplies from. After the typhoon, the Barangay Health Units (BHU) received HWTP in the form of HypoSol, aquatabs and chlorine granules from the RHUs and from INGOs and were in turn distributing those products to the population usually as a blanket distribution. At the time of the assessment which represents a normal situation, the Barangay Health Units visited did not have any stocks of HWTP. In Balangiga, a Barangay Health Worker shared not knowing the BHU could have asked the RHU for a new stock of HWTP for free and at any time.

The households were getting these HWTP for free from BHUs, RHUs and INGOs several months after the typhoon, but now the situation is different and it is demand-based. If a household needs these products, he will eventually go directly to the RHU to make the request for such product, where there is generally enough stock to meet the demand and the products are free. The demand is mainly linked to outbreaks of diarrhoea, as it is when people get more conscious about the quality of the water they drink. This availability of products in the government health units partly explains the low demand in stores or pharmacies.

There is a general recognition that should customers start to ask for water treatment products such as Aquatabs or HypoSol, the pharmacists would start selling them and would get them easily from their usual medicine suppliers or their head office for the big branches like Generics Pharmacy or Mercury Drugs. Some already identified potential suppliers to whom they could order these products. PhilUSA has been mentioned by two pharmacies of Guiuan as a potential supplier. The lack of availability of these products on the market now is therefore not a supply problem but a demand problem.

On the other side, the respondents in the five municipalities shared they would perhaps buy HWTP if they were available in their vicinity, so there is a status quo situation where people don't ask for them as they don't see them in store, and stores don't supply them as there is no demand. Nonetheless, a majority of respondents shared not liking the taste of chlorine in these products, which was the reason why they would always prefer buying mineral or purified water over tablets or HypoSol,. A few respondents did not have a problem with the taste and found the treatment convenient for them as they could use their usual source of water (ie the tapstand or handpump near their home) and just

¹⁷ REACH/UNICEF (2014) Glimpse on PhATS Baseline (pre – KAP plus)

treat it. Some pharmacists were using aquatabs or HypoSol themselves that they received for free from humanitarian agencies or from the RHU.

Key actors in the market system

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 6 months after typhoon Haiyan)
Distributors	<p>Identified potential distributors of HWTPs are LongLivePharma in Manila who is also one of the manufacturer of HypoSol, PHILUSA Corporation (part of the Mercury group) with branches all over the country and Metro Drug Inc., mentioned by one pharmacist in Guiuan. Most branded pharmacies don't have direct contact with distributors but order through the main offices in Cebu or Manila (Mercury Drugs, Generics Pharmacy, Rose Pharmacy, etc). Those distributors have sales representatives all over the country and pharmacists having mentioned them are already in contact with them, which facilitates a potential order of HWTPs supplies.</p>	<p>As the distributors remain a potential actor on the market chain after an emergency, there is no current finding on their situation after typhoon Haiyan. Yet, we can presume that given their size and operating capacities, those distributors based in Manila can be fully operational after a typhoon and will have the capacity to provide enough HWTP for the target groups through pharmacies and traders. The suppliers and distributors based in Tacloban and Cebu took longer to recover, a delay of a few months in order to operate under normal conditions was necessary.</p>
Pharmacies	<p>Pharmacies are the main point of sale of medicines and hygiene products in the Philippines, as a consequence they have the best potential to be selling HWTPs, besides having already some identified distributors.</p>	<p>Medium to big pharmacies in the urban centers recovered quite quickly after the typhoon and were able to operate, yet with a limited capacity, a few days or weeks after the typhoon. For the small ones, recovery has been longer, up to one year for some. Medium and big pharmacies could therefore be focal point of sales of HWTPs after an emergency. Small ones need support to reoperate quickly.</p>
Small traders	<p>Small traders are everywhere in the five municipalities covered, including in remote barangays. This characteristic puts them in a key position for selling HWTPs to the target groups. Nevertheless, as of now none of those small traders are selling HWTPs because of the lack of demand. They could potentially be a point of sale for HTWPs but demand would have to increase drastically for them to see it as a profitable business.</p>	<p>Speed of recovery of small traders varied between traders depending of their capacity to recover and level of damage. Nonetheless most of them started to reoperate relatively quickly and played a key role in the overall economic recovery after the typhoon in affected areas.</p>
PHO	<p>The Provincial Health Office is responsible for receiving stocks of water treatment products and dispatch them to the Rural Health Units (at municipal level). The Borongan PHO has an allocated budget for purchasing HypoSol and chlorine granules that is bought from a supplier in Manila (<i>Longlive Pharma Manila</i>) and receives aquatabs from the Department of Health regional office. Stocks are for 3 months in average. During a normal situation, the PHO distributes products to the RHUs upon request only. Requests are relatively scarce so the PHO has never</p>	<p>After the typhoon, the PHO did not have to buy any HWTP as supplies were enough from previous stocks and from donations from the DoH and the numerous humanitarian agencies that flowed in. Stocks were sent to RHUs for distribution to households (directly, without request from RHUs), with priority given to the most affected municipalities. In rare cases the PHO distributed HWTPs directly to BHUs. PHO remains the first governmental point of entry for the distributions of HWTPs at provincial level, therefore the Office's level</p>

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 6 months after typhoon Haiyan)
	encountered an out of stock situation so far. PHO has a service vehicle used for deliveries in the province.	of stock and storage capacity is crucial for availability of HWTPs in the province.
RHUs and RSI	<p>RHUs are the municipal-level representation of the Department of Health. During normal times, they receive aquatabs, HypoSol and chlorine granules from the PHO upon their request and either dispatch them to the Barangay Health Units (rarely) or give products to households who come to the office to ask for them.</p> <p>The RHU of Balangiga doesn't make any pre-stocking and only keep a small quantity of products in stock (which can be a worry at the time of assessment as it was pre-typhoon season when pre-stocking would be a good preparedness practice), the RHUs in Guiuan and in Salcedo did not have any stock at all at the time of the assessment (only recently out of stock in Salcedo but since a longer time in Guiuan). The RHU of Giporlos seemed to have more stocks.</p> <p>The Rural Sanitary Inspector is in charge of the stock management and storage of HWTP. He is the focal person in the RHU and the one requesting for HWTP to the PHO.</p>	RHUs play a key role during emergency as they distribute HWTPs to all categories of households, including to the target groups. The distributions are supported by Barangay Health Units with the Barangay Health Workers or done directly by the RHUs member. RHUs receive HWTPs from the PHO and from humanitarian actors.
BHUs	<p>Barangay Health Units are the first line of contact with the community on health and hygiene issues through their health councillors, Barangay Health Workers and Community Health Volunteers.</p> <p>In a normal situation, they don't seem to be distributing HWTP as households go directly to the RHUs to request them and consequently BHUs don't have stocks of HWTP. Nonetheless people are requesting products to them in case of diarrhoea or during the rainy season but they can't meet the demand for lack of stock.</p>	After the typhoon, the HWTP were distributed mainly by the BHWs when they came from the BHUs; BHWs also played an important role on hygiene messages dissemination.
BAWASA	BAWASA stands for Barangay Water and Sanitation Association, it is made of elected members of the community. It is a non-profit community-based organization, formed primarily to operate, manage and maintain water, sanitation and hygiene services in a particular area. Their members represent and speak for the WASH concerns of the community, and elevate these concerns to the local government for appropriate action.	
Water refilling stations	<p>At least one per municipality, they are located in the urban centers. In Guiuan there are more than 5 of them.</p> <p>Water is purified at the store and sold on site, through sari-sari stores or delivered to customers by delivery personnel. Most customers are reusing their own water</p>	The water refilling stations recovered one to several months after the typhoon depending on their capacity to recover and level of damage. Those who were able to procure a generator did not have to wait for the power to be back to re-operate, therefore restarted activities less two

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 6 months after typhoon Haiyan)
	containers and rarely buy new containers.	months after the typhoon.

The table below describes water usage and sources for a household with an average of 5 members

Use of water	Amount used (average)	Main sources used	Place and price of purchase
Cooking	20-25L/day	Tapstand (L2), hand pump, house faucet (L3) and spring	Tapstand (L2): 2 to 5p/jerrican, in the sitio Hanpump: Free, in the sitio House faucet (L3):varies from 40 to 400p/mth (variation of cubic meter price depending on municipality) Spring: mainly in uplands, free access
Washing (bathing, clothes and dishes)	60-80L/day	Same as for cooking with more use of river	Same as above
Drinking	8L/day	30% of respondents use purified water, others use tap stands, house faucet, spring water or hand pumps	Purified water: delivered from water refilling stations, 20 to 35p per container of 20L
Other	Flushing toilets has been mentioned as another use of water in the house		

Table 2 Water usage and sources

Levels of water systems in the Philippines ¹⁸	
Level I	Stand-alone water points (e.g. handpumps, shallow wells, rainwater collectors) serving an average of 15 households within a 250-meter distance
Level II	Piped water with a communal water point (e.g. borewell, spring system) serving an average of 4-6 households within a 25-meter distance
Level III	Piped water supply with a private water point (e.g. house connection) based on a daily water demand of more than 100 liters per person

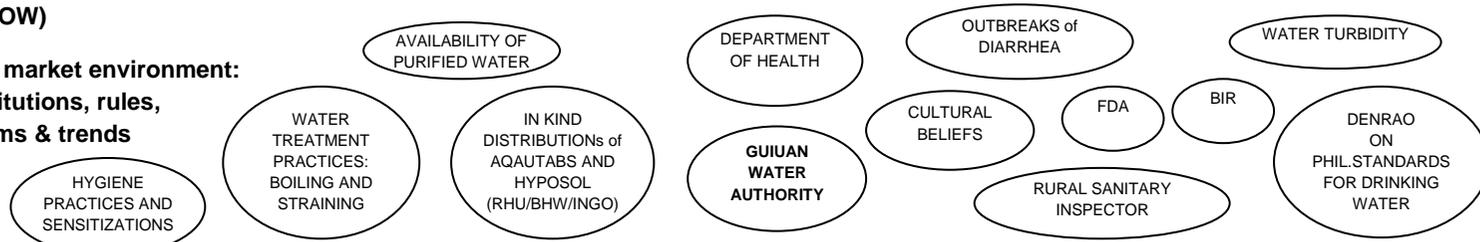
Market systems map

Below are the market systems maps for the household water treatment products. Purified water having been identified as a parallel market for safe drinking water, its supply chain to reach the target group is shown on the maps.

¹⁸ https://en.wikipedia.org/wiki/Water_supply_and_sanitation_in_the_Philippines accessed 19/11/15

Market-system Map – HH WATER TREATMENT PRODUCTS NORMAL SITUATION (NOW)

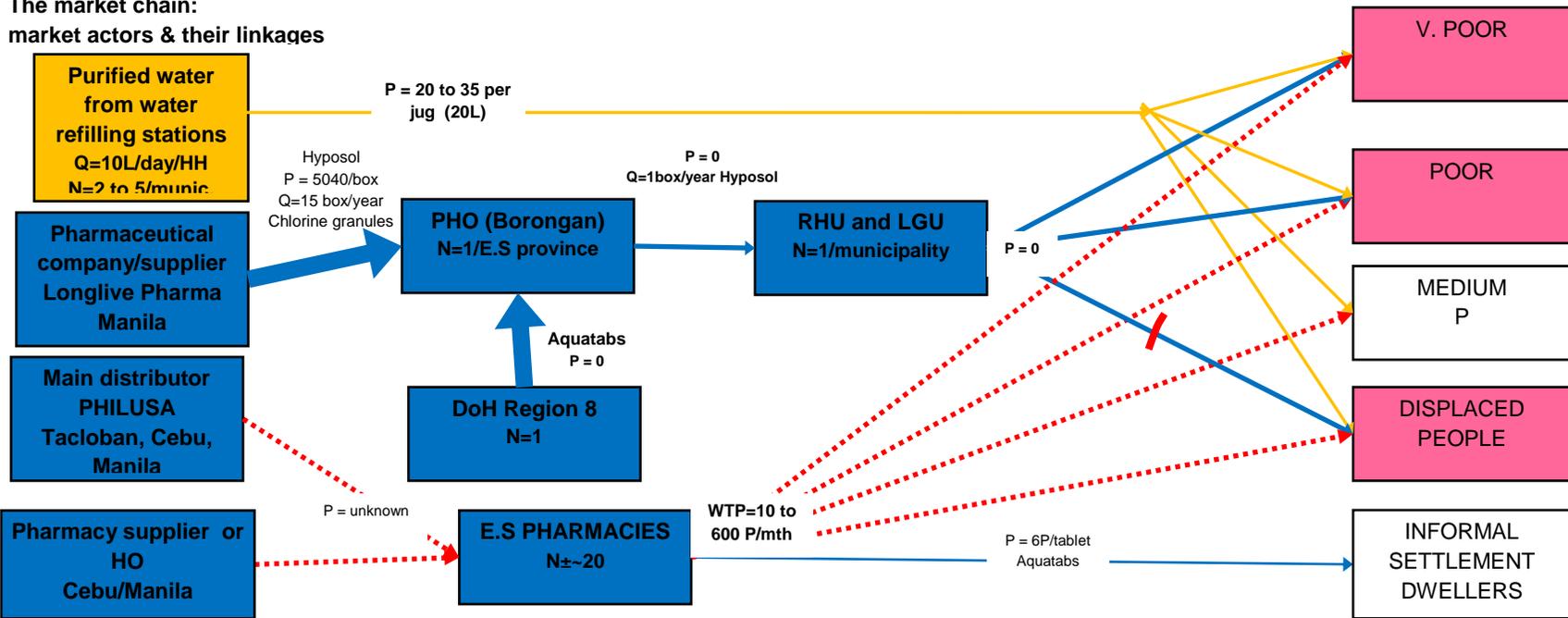
The market environment: institutions, rules, norms & trends



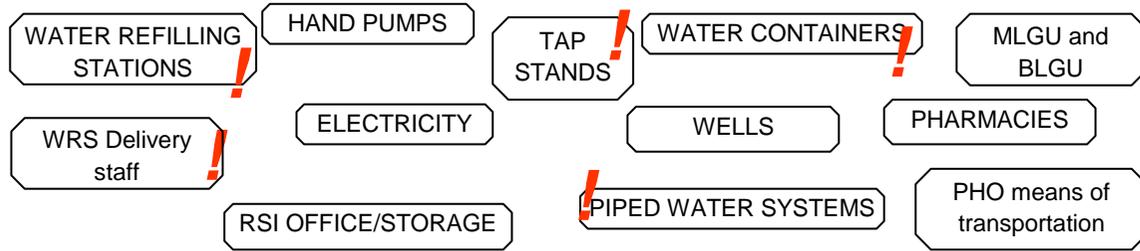
Symbol Key

- Critical !
- Major disruption X
- Partial disruption -
- Potential to sell

The market chain: market actors & their linkages



infrastructure, inputs and market-support services



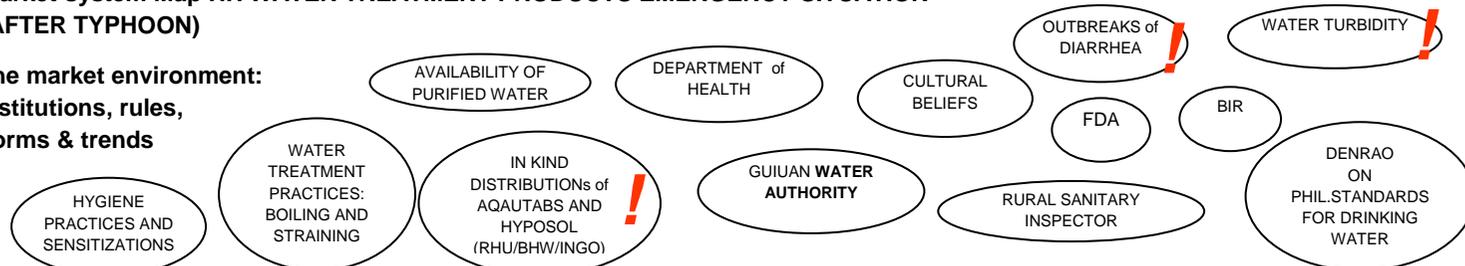
Legend

- Target groups (Pink)
- Hyposol/Aquatabs (Blue)
- Purified water (Yellow)

P= Price in Philippine Peso
 N=Number of actor
 Q=Quantity
 E.S=Eastern Samar
 WTP=Willingness to pay

Market-system Map HH WATER TREATMENT PRODUCTS EMERGENCY SITUATION (AFTER TYPHOON)

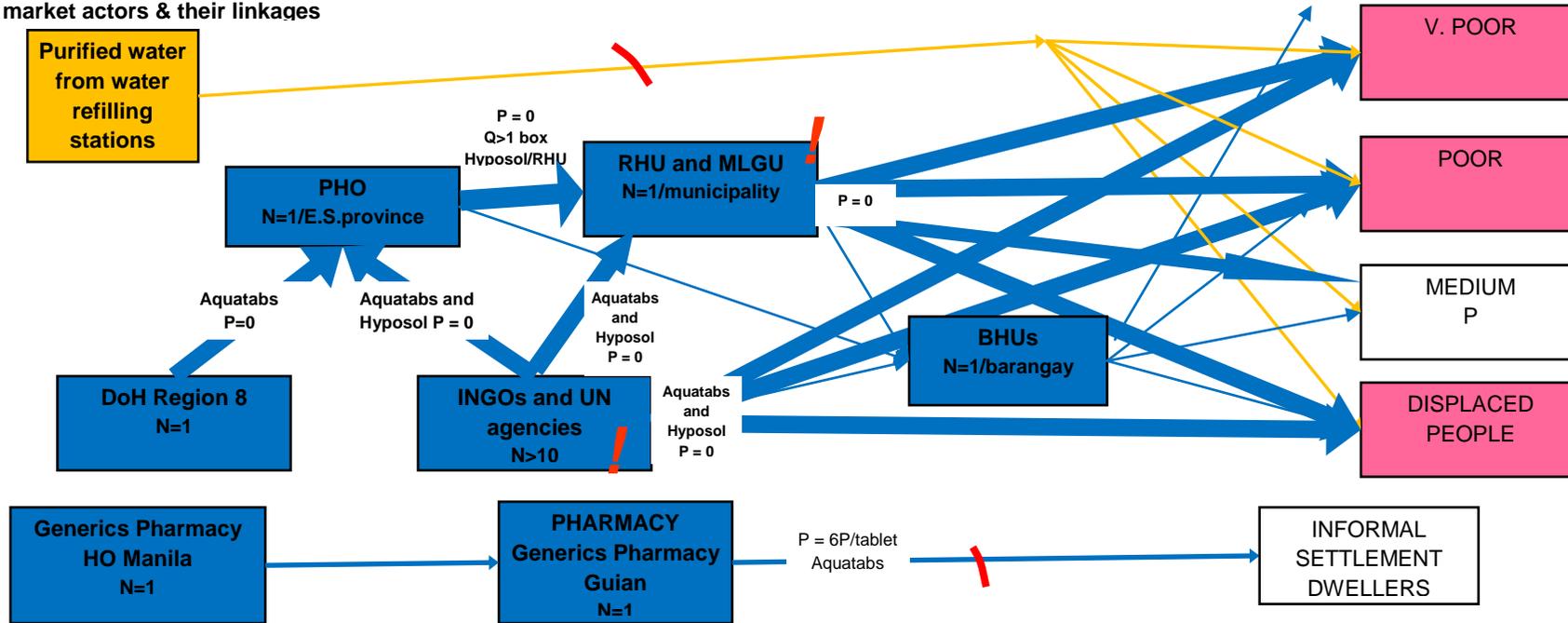
The market environment: institutions, rules, norms & trends



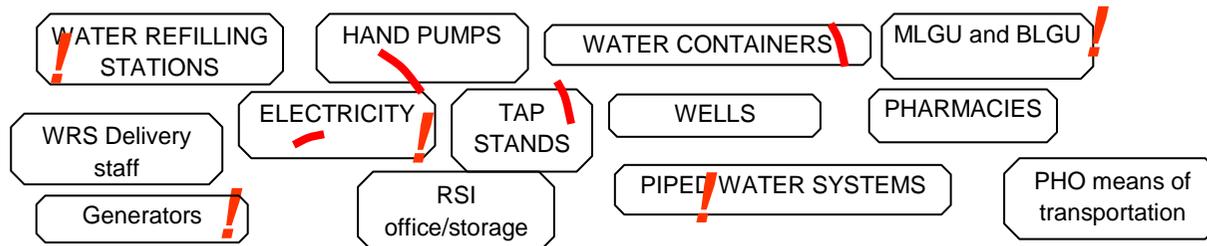
Symbol Key

- Critical !
- Major disruption X
- Partial disruption -

The market chain: market actors & their linkages



Key infrastructure, inputs and market-support services



Legend

- Target groups (Pink box)
- Hyposol/Aquatabs (Blue box)
- Purified water (Yellow box)

P= Price in Philippine Peso
N=Number of actor
Q=Quantity

The market environment

The situation now

The most practiced water treatment methods at the moment are boiling and straining. HWTP were used when distributed after the typhoon, but are not the preferred method during a normal situation.

The availability of purified water, being delivered at the door, renders this source a preferred one for drinking water for 20% of the respondents. Outbreaks of diarrhea and water turbidity are the main reasons for a household to worry about the water being safe and a cause for treating its water before drinking it. Concerns are bigger for children's than for adults' source of drinking water.

A DoH Administrative Order states that only Hyposol, Aquatab and chlorine granules are the acceptable water treatment products. These products are under the regulation of the Food and Drugs Administration. Pharmacies operate under the authority of the Bureau of Internal Revenues that gathers taxes. There is an Administrative Order from DENR (the department in charge of the environment and natural resources) on the standards for drinking water that is followed by any water supply system. DENR is ultimately responsible for the safety of water sources in the Philippines.

The emergency situation

Water turbidity following the typhoon, outbreaks of diarrhoea due to disruptions in water supplies and displacement and distribution of HWTPs were the three main factors affecting the market environment of HWTPs after the typhoon. For pharmacists and small traders, opinion diverges as to the impact of the numerous in-kind distributions of hygiene kits on their businesses: loss of sales of up to 50% of their usual sales volume as mentioned by one pharmacist in Guiuan, or increase in sales due to high demand and needs right after the typhoon (of items like soap, bottled water or antibiotics) as mentioned by another pharmacist in Guiuan also. One thing that is undeniable is the impact of these massive distributions of HWTPs on the prevention of water-borne diseases. Affected households were more frequently treating their water as the water was turbid and obviously not safe to drink.

Inconsistent use of HWTPs

The blanket distributions of HWTP by the LGUs and INGOs took place during several months after the typhoon, but while the interviews confirmed having used them, discussions revealed a lack of knowledge on the proper use of HWTP. Indeed, some household waiting one night or others only a few minutes before drinking the water with a not always adequate quantity of product per volume of water.

The market chain

The situation now

The main actors can be divided between the ones actually having stocks of HWTP and the traders and pharmacies who could potentially sell those products (the dash lines).

HWTP are found in the RHUs and households can ask for them for free at any time (this is not necessarily known by all households). Barangay Health Units have distributed those products after the typhoon but don't seem to be keeping any stocks during a normal situation neither to have stock in case a typhoon occurs. The RHUs receive the products from the PHO who buys HypoSol from a Manila supplier and received aquatabs for free from the regional DoH. The lead time from the moment the RHU makes a request to the PHO is generally of one week. There is no emergency stock in the RHUs of the five municipalities in case of a typhoon or a severe diarrhoea outbreak as they feel they can ask the PHO for new supplies at any time. Two RHUs (Salcedo and Guiuan) out of five visited were out of stock at the time of the assessment while they had requests from residents of their municipalities so they were unable to meet the requests. Expiring has not been mentioned as a reason for not stocking. The Guiuan RHU has mentioned not having any stock at the moment and did not seem to be aware of a possibility to request products from the PHO (to be verified). There are some requests from households for HWTP at RHU offices: in Guiuan the requests were not met due to lack

of stock. People from the islands and from the inland barangays seem to be requesting these products on a more regular basis than others. Requests are also linked to a child having diarrhoea or fear of the rainy season bringing water turbidity.

Within the five municipalities covered by the assessment, only one pharmacy has been found selling HWTP at the moment, in that case Aquatabs. The pharmacy is in Guiuan, and is a branch of the Generics Pharmacy. The Generics Pharmacy started selling the product before typhoon Haiyan and was still selling products at the time of the assessment. The sales resumed shortly after the typhoon. Their main purchasers are dwellers of an informal settlement in Guiuan, this settlement is called the “Hollywood jetty” as situated in Barangay Hollywood and the houses are built within a “no built zone”, as this is a narrow lane of concrete originally meant to be only a jetty over the sea. The General Pharmacy gets its HWTP supplies from their main office in Manila. The average sale is of 15 tablets per month to an average of 5 customers per month who would purchase 3 to 10 tablets at a time. The tablets are sold at PhP6 per tablet. They usually have only one box on stock because of the low demand, but could stock more as per the store physical capacity. The General Pharmacy, together with other pharmacies interested in selling the product, asked to receive more orientation on the use of the product, as some sellers did not know how to use them properly and cannot consequently advise the customers properly. The products come with brochures or pamphlets that are not written in local language so have a limited utility.

More than half of the traders and pharmacists interviewed in the five municipalities, though not at the moment selling HWTPS, declared being interested to start selling them should the demand exist or increase for these products. Pharmacists and traders mostly respond to demand of their customers, as HWTPs have been given for free by RHU, BHWs and INGOs after the typhoon and in a normal situation, the demand to purchase those products is almost nonexistent.

One interesting statement about the potential to start selling these products came from a retailer in Salcedo urban center:

“I would like to sell [HWTPs] but people here know that hyposol and aquatabs are free and provided by the government. They might think that I am selling the supplies from the government. I am afraid that people might think my business is illegal.”

This legitimate fear and the worry not to sell any product explain why the second half of traders and pharmacists are reluctant to start stocking HWTPs in their store.

Purified water purchased from the water refilling stations in urban centres is a very popular and trusted source of drinking water for very poor and poor households. Even though this represents an important budget for them, most of the households in these two categories purchase purified water on a regular basis. However this service is not available in uplands and remote rural barangays. Water is usually delivered at the door by delivery tricycles and order can be made through phone. Water containers are also left in outlet stores (usually local sari sari stores) who sell for the refilling station. Purchase is usually made cash and not on credit.

The emergency situation

New actors arise during the emergency: INGOs, UN agencies and the Barangay Health Units who all distribute HWTPs to the target groups. Indeed the target groups accessed HWTPs from two main sources: the government and the humanitarian agencies, while the government units got stock from the humanitarian agencies themselves and from purchase. The Department of Health dispatches its stocks to the Provincial Health office who dispatches in turn to the rural health units. After typhoon Haiyan, the Provincial Health Office did not have to buy any HWTP as its stocks from pre-typhoon purchases and from post-typhoon donations coming from the DoH, INGOs and UN agencies were sufficient to respond to the demand from the RHUs.

The RHUs distributed the HWTP to every member of their municipality, either directly or through a dispatch to the Barangay Health Units who distribute to households through barangay health workers. INGOs and UN agencies distributed HWTPd to the PHO, the RHUs, the BHUs and directly to households, playing a key role in the market chain with important quantities distributed on all sides. Displaced, poor and very poor households consequently received aquatabs, HypoSol and chlorine granules for free from BHUs, RHUs and INGOs several months after the typhoon. Purchases of purified water by the target groups have been partially disrupted by the massive donations of HWTP after the typhoon. During several months (depending of respondents and location, from one to six months), purified water was not purchased.

Market support: infrastructures, inputs and services

The situation now

Water sources:

In a normal situation the sources of water for the target groups include:

- **River**
- **Spring**
- **Deep open wells**
- **Hand pumps** (called jetmatic locally as the brand of pump generally used)
- **L2 Water systems** (Tapstands)
- **L3 Water system (NAWASA or household faucet):** found mostly in poblacion barangays, but people don't usually trust this water being safe for drinking and use a water treatment method like boiling or filtering, or prefer purchasing purified water.
- **Purified water from water refilling stations:** 20% of the respondents shared buying purified water for drinking use only. This is the preferred source of water for drinking and the most trusted for its safety. Water refilling stations have delivery staff delivering at the house door, which is also a reason why people revert to this source. The budget spent on this source represents up to 10% of the monthly expenditures, a huge amount when most of respondents have access to level II or III water systems. The average cost of purchase being between Php 200 to 400/month (with an average of 5 to 10 liter/day at Php25/jug of 20L).

The emergency situation

Water sources:

The situation differs widely between households regarding their sources of water within the 6 first months after the typhoon. The main sources are spring, deep well and jetmatic (hand pump), followed by tapstands. Bottled water distributed as part of the response lasted only for the first month following the typhoon for most households.

While there was no electricity during the two first months after typhoon , some water refilling stations were able to use a generator right after the typhoon which enabled them to meet the demand for purified water from households, though with a reduced level of activity. Most of the affected households had lost their water containers in the typhoon, but the numerous hygiene kits distributions provided people with buckets that were used as water containers.

The target groups' preferences

A mix of feeling was shared concerning HWTPs: a majority of respondents did use the HypoSol and aquatabs when they were distributed to them after the typhoon (65% of respondents said they used them) as they see these products as a convenient method to get their drinking water safe and trust the messages disseminated by NGO workers and the BHWs. Most of the pharmacists interviewed also used them for a few months after the typhoon.

For the 35% who shared not having used them, the reasons are several:

- Preference for boiling as this is a known and trusted method

- Not familiar with the product thus having a lack of trust in the product efficacy and physiological effects
- The household members don't like the taste
- Belief that this is causing diarrhoea to children
- The household members don't know how to use it

The "taste issue" often concerns only one product out of the two: some households prefer aquatabs over HypoSol and others say the contrary. Often the reason for that is an inappropriate dosage or waiting time due to lack of information on proper utilisation.

Preferred sources of water for all uses

L2 tapstand is the preferred source of water for 38% of respondents. Reasons are several: for some this is because of its convenient location near the house, for others because of its low cost and regular maintenance therefore safety and cleanliness and for a few others this is only because it is the only source available to them in the vicinity. For 25% of respondents, the preferred water source is the hand pump from the deep well as it is seen as safe and clean, it is near the house and it is free and except for exceptional circumstances always available. For those who have a faucet at home (L3 system), this is the preferred source of water for its convenience and cleanliness (almost 20%). Spring water is the preferred one for 8% of the respondents, because it is free and always clear.

Practiced methods of water treatment

Approximately half of the respondents said they were using some kind of water treatment method at the moment of the assessment (the normal situation), the other half doesn't treat their water for several reasons exposed: some trust the water from the tapstand to be safe as they know the source is being maintained and they rely on the water tests carried by the LGUs, some purchase purified water, some for a lack of stock of HWTP at home (after receiving them for free after the typhoon).

After the typhoon, it is 88% of respondents that declared having treated their water. 42% of the respondents do not treat their water today but were treating it after the typhoon. This high score after the typhoon is due to more concern around water safety at that time, more sensitization but also the massive blanket distributions of HWTPs that encouraged people to use them.

Indeed, the reasons exposed for treating the water are diverse and differ between now and after the typhoon.

In normal times:

- for "killing bacteria in the water", kill water-borne disease
- to prevent diseases, "in order to be safe"
- since they "have leftover of aquatabs and children": many are only treating the water children drink, and their concern is mainly for their children's health and safety
- as they were given ceramic filter so are still using them
- if they see small worms in the water
- if the water is turbid, not clear nor "clean"

After the typhoon:

- In order to "kill the bacteria / germs" and prevent water-borne diseases
- as per the advice of the RHU, BHWs or NGOs
- for the safety of their children
- as the wells got dirty because of the typhoon and consequently the water was not clear (some mentioned debris from the typhoon mixed with the water from the handpumps)
- as they were given HWTPs
- to prevent diarrhoea

Preparedness

Asked about their priority for ensuring people have access to clean water before the next typhoon season, the RHUs respond:

- stocking of aquatabs (which is actually not practiced by all RHUs surprisingly>there is need to follow up on that)> not agreed by all RHUs, for example the ones of Balangiga and Guiuan think this is not their role but the one of the PHO
- stocking bottles of water and water jugs
- repairing piped systems that are dysfunctional
- repairing hand pumps that are dysfunctional
- the RHU of Guiuan mentioned that the water sources should be chlorinated

Responses to the key analytical questions

a. What kind of household water treatment are/were practiced during normal times and 6 months after the typhoon?

Among the respondents who treat their water, different methods are being used, and some don't use only one method but several according to the context, their source of water or the availability of HWTPs.

During normal times:

- Boiling (often with settling time afterwards): 34%
- Straining (many are boiling and straining): 9,5%
- HWTPs (HypoSol/aquatab/chlorine granules obtained from INGOs and/or RHU): 12%
- Filtering with a ceramic filter: 10%

During the emergency situation (within the 6 months following the typhoon):

- Boiling: 30%
- HWTPs (Aquatabs/HypoSol): 65%
- Filtering (seldom)
- Settling (seldom)

b. What are the capacities of local traders to supply household water treatment products in sufficient quantity during normal times and after a typhoon?

- Big suppliers in Tacloban and Manila can supply the local pharmacies without any bottleneck, one minor concern could be the potential minimum order threshold to supply to Eastern Samar: the quantity that would be requested by the local traders and pharmacies could be too small and not interesting for them
- The major pharmacies in Guiuan and the smaller ones in the other municipalities are not selling HWTPs because of low demand and competition with the water refilling stations but they could potentially sell if demand was here
 - It is therefore not a problem of capacity or supply but only of demand
- In upland barangays, there could be a potential issue of safe storage and financial capital (risk taking)

c. What is the seasonality of demand for household water treatment products?

People treat their water mainly during rainy seasons (Oct.-Feb.) and did so after the typhoon because the water was not clear or because their usual source (pump and tapstand) was broken (and affected households don't trust the sources they don't know). Diarrhea outbreaks are also a reason for people to treat their water (in their family or their vicinity) due to lots of sensitization about the link between unsafe drinking water and diarrhea.

d. What is the willingness to pay for household water treatment products?

For products trusted such as HypoSol or aquatabs, 74% of respondents are willing to pay an average of P162/month with a caution on sensitization/awareness on use. The rest would not pay anything for such products. People are doubtful their local suppliers will ever sell it but are interested as they have seen the positive effects after the typhoon. Massive campaigns around the benefits of using those products have also consequences on people's willingness to purchase them. It is to be noted that in average households are ready to pay less for HWTP compared to their monthly budget spent on purified water: the average cost of this being between P 200 to 400/month (with an average of 5 to 10 liter/day at P25/jug of 20L).

Recommendations for interventions

Some of the key recommendations that the programmes should pursue during normal times are as follows:

- Collaboration with RHU on pre-stocking of HWTP is crucial ahead of the typhoon season: the RHUs of Guiuan and Salcedo shared having no stock at the moment, this is to be verified and if so, awareness on the possibility of ordering stocks from the PHO should be made. The lead time for stocks to arrive to RHUs after a request is of an average of one week, which is too long in case of a typhoon or an outbreak of diarrhea. Pre-stocking is to be encouraged to avoid delays in getting the products in case of a rise in demand or needs.
- Sensitization sessions for Barangay Health Workers: one BHW interviewed in Balangiga was not aware of the possibility to request HWTP to the RHU, this lack of awareness on the availability of products should be addressed for the BHW to play their role fully.
- Sensitization on the use of the products should also be held ahead of a crisis with the BHWs and the BAWASA as key actors of hygiene sensitization in their barangay: after a training, they would then disseminate the messages to the communities they are serving. During the emergency time, people are usually overwhelmed by the long distributions waiting times and the need to be at home to repair their house and try recovering other assets so it is usually not a good time for holding sensitization sessions on the use of HWTP. It should be done before a crisis as much as possible.
- Work with MLGU/ BLGU on facilitation and drafting of a development plans prioritizing water related intervention
 - Infrastructure support
 - Rehabilitation of damaged water systems
- A few weeks before the typhoon season or when a typhoon alarm is already here: supporting local traders and pharmacies for financial capital and storage to allow them to stock HWTPs in advance (support pre-positioning for those willing to stock HWTPs)
- Mapping of pharmacies and traders willing to participate in a voucher scheme for HWTPs

Some of the key recommendations that the programmes should pursue during an emergency situation (i.e. a typhoon) are as follows:

- Set up a vouchers-for-HWTPs intervention to link targeted households with traders or pharmacies and create a customer relationship that could last beyond the emergency (instead of an in kind distribution)
- Link with the EFSVL interventions: provide the sari sari stores that EFSVL programme is supporting through cash grant or a voucher scheme with HypoSol and/or aquatabs to render them available to people to see if this creates a demand

Section 6: Loan and credit services for the poor market system

Context

Contracting a loan or an informal credit, and purchasing on credit, are very common survival and livelihoods strategies of the poor mainly but also of the very poor.

According to the RHEA report done in 2014¹⁹, the “debt burden” of the poor and the very poor was an impediment to livelihoods recovery after the typhoon. The report stipulates: *“In the period before typhoon the very poor and poor were in loan arrears and the outstanding amounts have increased in the period after Yolanda as the additional loans obtained were not repaid by the end of August 2014. Estimated amounts of debt outstanding were ranging from Php2, 000-4,000 by end of August, an increase from Php950-Php3,000 before Yolanda. This indicates a likely emerging debt burden especially as the capacity of repaying the loans within the short term period have reduced due to limited income options.”*

Numerous institutions offer loan services to the poor in Eastern Samar, under precise conditions linked to guarantee of repayment, and very rarely a household will have never contracted a loan in such institutions, namely cooperatives and MFIs. Besides those institutions are informal money lenders who offer the same kind of services, by under different conditions, for what is then called a credit and not a loan. Sari sari stores are the small local stores found everywhere in the Philippines, in every barangay one can find them (according to the size of the barangay they may be in a range of ten to a hundred), and they usually offer purchase on credit for the poor who cannot afford buying cash. Most of the people met during this assessment use one or several of these borrowing mechanisms, but there is a stronger sense of prudence for the very poor who tend to not borrow from any formal institution and very seldom purchase on credit by fear or not being able to reimburse.

The emergency situation for this market system has been considered as the two months that followed the landfall of typhoon Haiyan, i.e. until the beginning of January 2014, as January was when people started to recover and most importantly when many CFW schemes and cash grants were implemented, providing poor, very poor and displaced households with cash to meet their basic needs and recover their livelihoods.

Main trends around supply and demand for loan and credit services

There are many informal and formal actors offering loan or credit services to the poor (less to the poorest categories) in the assessed areas of Eastern Samar. Supply is consequently not an issue as capacities of actors are proportional to the number of clients they have: the more clients they have the more income they make through the interest payments so the bigger their capacity to supply more credit or loan becomes.

Demand is important and quite constant all over the year (85% of the respondents declared having already taken a loan or credit in normal times, and 50% following the typhoon), with peaks during back to school times in May/June and fiesta months. Family events such as weddings, christening or funerals but also medical emergency can also be a reason for poor people to take a loan or a credit. Purchase on credit in the local sari sari store is very common, and that is the way poor and very poor people access food, medicine and hygiene items in difficult times. People usually revert to the same store, in their neighbourhood, where they are known and trusted.

The value of purchase on credit is limited to a small amount, ie usually less or equal to P500 at a time, while loans involve bigger amounts, in most cases to a minimum of P1,000 up to P10,000. Borrowing more than P10,000 is a big amount and a risk for poor households who earn in average P4,500 a month²⁰. Purchase on credit, when practiced, is done regularly as a revolving purchase system: some households purchase up to P1000 of goods per week on credit, in two to three purchasing times. Loans take time to reimburse so an individual will usually not take more than 6 loans per year, only

¹⁹ Rapid Household Economy Assessment, Eastern Samar Province, Upland Coconut and food crop livelihood zone (2014), Oxfam with technical lead and guidance from the Food Economy Group

²⁰ Findings from the RHEA corroborated by the assessment's findings

one or two if there are of a big amount for the household (e.g. more than P5,000 for a poor household). After the typhoon, households have resorted to the same formal and informal lending actors to meet the unmet needs, repair their house, recover their livelihoods and pay the education fees and costs. Amounts borrowed were smaller, up to P5,000 at a time, as capacity to repay was reduced due to the typhoon’s impacts on livelihoods.

Key actors in the market system

There are different categories of actors in the loan and credit market: the formal institutions such as the banks, cooperatives and MFIs, the pawnshops who are often registered for pawning and as a remittance agency, who can be considered as a credit actor, then the informal money lenders and the traders who offer credit in the form of sale on credit and very occasionally in the form of cash. Actors in the formal credit market system are those that are registered and have the legitimacy to operate in the business of loan, whereas the informal credit market actors are informal money lenders and traders that lend to different categories of households without being officially registered as such. The last two categories present a very important safety net for the poor as they lend based on relationship or acquaintance and less on guarantee of repayment.

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 2 months after typhoon Haiyan)
Banks	<p>There are branches of four main national Philippines banks in Guiuan, namely PNB, MetroBank, the Rural Bank and Landbank (opened in October 2015, freshly opened at the time of the assessment). This group of actors have stringent lending policies and practices that favour the wealthy individuals in Guiuan and other municipalities of the southern part of Eastern Samar. Loan amounts are in the range of P500,000 to P10,000,000.</p> <p>The commercial banks’ lending conditions often require an existing account with a sufficient balance over several months; for instance to get a car loan with Metrobank a client will need an average daily balance of minimum P150,000 during 6 months. Other requirements are the possession of a National ID card, proof of house address either through certificate of ownership or through rental contracts/agreements, or through telephone, electricity or water bill and proof of income through a certificate of employment or business registration. These are guaranties that the target population does not have, impeding these groups from accessing any loan from these banks either during normal or emergency times.</p>	<p>The first bank to re-operate quickly after the typhoon was PNB, shortly followed by MetroBank, though with a limited operational capacity as the telecommunication network had not recovered fully and there was no city power before January 2014. The banks managed to function with a generator and with limited telecommunication networks but restrained capacities of withdrawal and operations to existing clients. Many clients transferred their accounts to bank branches outside Samar, as far as Cebu, Davao or Manila.</p>
Micro finance institutions	<p>Several micro finance institutions offer their financial services in the five municipalities surveyed, namely CARD Inc (who is also a bank), ASA, Dungganon (the microfinance project of Negros Women for Tomorrow Foundation). CARD Inc is the eldest microfinance institution in Eastern Samar followed by ASA, both having been here before the typhoon, while Dungganon has started activities in Eastern Samar only in August 2014. While ASA Guiuan branch has been in place before the typhoon, ASA opened a branch in Salcedo in 2014. Their main targeted clients are women (exclusively for ASA, a</p>	<p>CARD and ASA, who were both the MFIs present in the area before the typhoon, recovered operations very quickly after the typhoon. Conditions of repayment were more flexible and a moratorium applied to the registered MFIs not to</p>

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 2 months after typhoon Haiyan)
	<p>preference for the others) who qualify as “micro-entrepreneurs” and who wish to develop their business.</p> <p>In comparison to the commercial banks, micro finance institutions are more accessible to the poor, yet not a usual source of credit for the very poor who don't feel confident enough to open the doors of those institutions. The very poor are also aware of the high interest rates that remain out of reach for them. Single parents are discriminated as most of the MFIs prefer lending to a woman who has a husband with a regular source of income.</p> <p>The average amount for a loan ranges from 2,000Php to 15,000Php. Usually the MFIs request that clients have only one running loan at a time, and conduct an investigation in the barangay to verify that the applicant has not already a loan in another institution.</p> <p>Rates of interest range from 10 to 20%, with a compulsory savings scheme, and sometimes also an insurance scheme.</p>	<p>collect any repayment the following weeks²¹ after the typhoon. One client testified having not seen any collection from CARD between the typhoon and February 2014. An ASA representative mentioned having suspended collection of repayment after the typhoon too, and granted a calamity loan. CARD granted its members and subscribers of calamity insurance with a calamity grant of P9,000 after the typhoon. This prompted others to subscribe to a CARD insurance scheme and membership in hope of getting the same for the next emergency. Unfortunately, women met that had subscribed to these insurance schemes did not seem to be well aware of the conditions for receiving indemnity in case of an emergency.</p>
Cooperatives	<p>The main cooperatives found in the five municipalities covered are: OCCI, GCC, THCC, SCCC, LMPC and GSEMPC. Cooperatives have access to government funds through the Cooperative Development Authority (CDA) or through NATCCO.</p> <p>Cooperatives are registered and regulated by the CDA, which includes the interest rate that ranges from 2 to 7.5%. Cooperatives have a weekly repayment scheme such as the MFIs. Only members with a minimum amount (amount depending on the cooperative) of savings can avail credit, in case of pass-due the payment can be taken from the savings. Credit amounts range between P5,000 and P30,000 at a time. OCCI, which has a bigger capacity, avails loans worth up to P100,000 but the average is P20,000. Insurance schemes are usually included for all members.</p>	<p>OCCI granted a calamity fund of P4,000 to P8,000 to its members after the typhoon, and restarted operations one month after the typhoon. Following a moratorium, loans were restructured and repayment time extended, up to 5 years. Most cooperatives took a few months to reoperate after the typhoon.</p>
Pawnshops	<p>Pawnshops are numerous in every municipality. They offer remittance, pawning and insurance services. Pawning involves getting money from the deposit of a valued item, many pawnshops accepting only jewellery. Interest rates apply to repayment (3 to 5%), and the item can be confiscated in case the client doesn't pay after a defined time (usually between one and four months).</p>	<p>Most pawnshops reoperated less than a month after the typhoon and saw an increase in pawning.</p>

²¹ Exact conditions of this moratorium could not be defined during this assessment

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 2 months after typhoon Haiyan)
Informal money lenders	<p>Informal money lenders are individuals who belong to the poor and the medium socio-economic groups in Eastern Samar. They can be found in each municipality and most likely in each barangay. They are between three in a rural and small barangay to twenty per barangay in urban (poblacion) barangays. Their service is mainly giving cash on credit, hand to hand or through “Smart Money Padala” (mobile technology money transfer from Smart). They are “officially” money lenders, ie this is their main activity, and this is what differentiates them from friends and relatives lending to one another on exceptional circumstances.</p> <p>These lenders are borrowers themselves and some shared getting loans from CARD or other micro-finance institution which is the source of their revolving funds. Their funds also come from their salary (for the salaried ones or having a salaried spouse) or from the spouse’s income (e.g. wives of fishermen). Some offer this service on the side of their sari sari store business and they also offer purchase on credit as well as cash on credit.</p> <p>Their capacity is usually limited and the loan amount ranges from 500PhP to 5000PhP per client. Interest rates practiced are very high; they are usually of 20% which made for the nickname “5/6” for these money lenders: for 5 pesos borrowed, one has to repay 6. Interest rates vary between 10 and 30%. Some informal money lenders lower the rates for the poorest of their borrowers or when they face exceptional circumstances.</p> <p>Most of the informal money lenders lend only to people they know or who are recommended by someone they know: this limits to their barangay residents and the nearby barangays. They don’t lend to people coming from other barangays or people they don’t know or don’t trust by fear of difficulty to get the repayment. As a consequence, there is no requirement to show an ID. Some lenders trust their “gut feelings” and don’t lend to someone who doesn’t inspire them trust. Consideration is given to people’s individual circumstances when they know them and special conditions can be given to poor people facing difficulties if they trust they will reimburse (lower to no interest rates, longer repayment time, etc).</p> <p>Numerous barangay officials, including the Barangay Captains, belong to this group as they lend money to the residents of their barangays on a regular basis. Interest rates practiced by the barangay officials are not lower, usually of 20%.</p>	<p>Most of the informal money lenders seemed to have restarted their activity right after the typhoon, some of them thanks to savings or through the contraction of a loan in the MFI they were already a member of. The conditions of lending were more flexible: offered a longer time to repay, some have offered credits without or with a lower (5% to 15%) interest rate. Individuals having borrowed money before the typhoon were also offered more time for reimbursement, some having trouble reimbursing the first months after the typhoon. Yet delinquency was not a major issue because of the cash assistance received by their clients. Repayments often happened the day of the cash distribution. New informal money lenders appeared in 2014 after the typhoon, as a response to the high demand for credit.</p>
Big and medium traders	<p>Big and medium traders play an important role in the credit market chain as they often supply sari sari stores on credit, allowing them to in turn sale on credit to the poor in their barangay.</p>	<p>Lots of big and medium traders in Tacloban and Eastern Samar have been severely affected by the typhoon, which prevented them from operating and supplying the smaller traders, ie the sari sari stores. This snow ball effect has had drastic consequences on economic recovery and until these traders had</p>

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 2 months after typhoon Haiyan)
		fully recovered, the small traders could not operate under normal conditions, neither could they offer sale on credit on the same scale as normal times.
Sari sari stores owners	<p>Sari sari store owners sale on credit to a majority of their customers and act as a safety net for the poor and very poor in their community (mainly for the poor group).</p> <p>The criteria for purchasing on credit are usually the following:</p> <ul style="list-style-type: none"> • The person requiring the credit is known by the sari sari store owner • The person is a resident of the barangay • The person doesn't have any outstanding credit in the store (or has already paid a big part of it) <p>The sari sari stores owners are able to sale on credit as they are themselves buying supplies on credit to their suppliers, working on a revolving fund system. This is the reason why sari sari stores owners request a short repayment time, usually between one and two weeks (but some traders give special conditions to households facing difficulties and can be patient and wait until the next 4Ps payment for example, which can be up to two months later).</p> <p>Items purchased on credit are mainly food items, but also medicine and hygiene products. The equivalent amount to the purchase on credit is usually between 100 and 500Php at a time.</p> <p>Occasionally, sari sari stores owners lend cash to the people they know, for amounts not beyond P1000.</p>	<p>Most of the sari sari stores in the five covered municipalities have been severely affected by the typhoon (physical and financial impact: loss of infrastructure and of stock). Many have taken months before being able to reoperate under normal conditions, because of the physical impact (and consequent financial loss) and because of impacts at their suppliers' level. Nonetheless, <u>sari sari stores owners continued providing credit services very shortly after the typhoon</u>, enabling poor people to access basic needs in emergency, but to a limited extent: value of purchase on credit was reduced compared to the normal maximum amount (eg from a maximum of 500Php to 200Php at a time), and repayment times were shortened (eg a few days instead of up to one month in normal times). It allowed big families to access food when relief was not enough or other items like medicine that were not distributed by the humanitarian actors.</p> <p>Sari sari store owners, like the informal money lenders, noted less delinquency in repayment the months following the typhoon thanks to the cash assistance received. During any shock, their capacity to cope would be</p>

Key actors	Findings Normal situation (NOW)	Findings emergency situation (within 2 months after typhoon Haiyan)
		fragile hence their capacities to provide credit to the target population of the poor and the very poor would also be negatively impacted. Sari sari stores are the first line of credit services in emergency times, therefore a very important safety net for the poor.
Friends and relatives	Individuals who can afford lending to their friends or relatives play a critical role for the poor and the very poor. They are more accessible and approachable than the "5/6" or the formal institutions and provide a safety net in case of an emergency. Most of them lend without interest as it is between friends or family members and offer very flexible repayment conditions. Employers can also lend to their employees. Fish buyers lend money to the fishermen they are working with on a regular basis (often on an exclusivity base), which is repaid in fish catch value.	After the typhoon, many affected households resorted to borrowing from these friends or relatives who were relatively less affected and who could afford lending money.

Attitudes and practices of poor and very poor household regarding loan and credit

Poor:

The poor have access to some informal sources of lending from the microfinance institutions and cooperatives as well as informal forms from the informal money lenders, friends and relatives, and sari sari stores in their barangay in the form of in kind credit. A key criteria for accessing formal loan is a regular source of income in the household, the best being to have already started a business. Wives of fishermen or seaweed farmers can usually easily access a loan, as this is seen as a source of regular and reliable income.

After the typhoon, the poor have resorted to borrowing money to complement what was given through relief aid, like fresh food, other hygiene items, education fees or school supplies that needed to be replaced. Most of the poor households were engaged in one or several CFW schemes and were asking to borrow money to informal money lenders with their participation as a guarantee of repayment. The biggest proportion of respondents who borrowed money after the typhoon did so to a friend or relative.

Very Poor: This category of people lack access to formal credit as MFIs and cooperatives require some form of guarantee of repayment- mainly through guarantee of capacity to earn an income within the repayment period- ie having an existing business or income generating activity in the household, a condition that very poor often lack. Informal credit is relatively easier for them to access, though repayment capacity can also be seen as an issue to the lender who will borrow only to relatives or trusted people. Very poor households have testified having approached a loan or credit actor who refused to provide them with credit as they knew they did not have enough repayment capacity.

For both poor and very poor, the approachability, relative flexibility in repayment times and discretion of the lender are very important qualities that will determine their ease to ask to borrow.

When asked about their favourite source of credit, 25% of the respondents mentioned relatives or neighbours for the ease of access, flexibility and lack of interest rate, 21% the sari sari store for its approachability, flexibility in repayment conditions and absence of interest; 13% the MFI of which they are a member for their services and the savings scheme and 11% the informal money lenders who offer them flexible conditions and relatively low interest rates. The others have no preference.

Below is the summary of borrowing practices in normal times and after the typhoon:

Amount borrowed		Purpose		Where from	
Normal times	Two months after the typhoon	Normal times	Two months after the typhoon	Normal times	Two months after the typhoon
To formal institutions: from P1,000 to P10,000	To formal institutions: from P1,000 to P15,000	Basic needs: food, medication, hygiene items, milk and diapers for infants	Basic needs: food, medication, hygiene items, milk and diapers for infants	Formal institution (MFI or cooperative): 30% of respondents	Formal institution (MFI or cooperative): 8% of respondents
To the informal money lenders: P500 to P7000	To the informal money lenders: P1,500 to P10,000	Business capital	Recover their livelihoods (e.g. buy seeds, fishing gears) or start a small business	Informal money lender: 20%	Informal money lender: 14%
To sari sari stores: P100 to P500 per time (everyday to once a month depending on individuals)	To sari sari stores: P100 to P500 per time (less frequent than during normal times)	Education fees and costs	Education fees and costs	Sari sari store: 40%	Sari sari store: 10%
To relative: from P200 to P15,000	To relative: from P500 to P10,000	Family events and fiesta	House repair	Relative: 30%	Relative: 26%

Table 3 Borrowing practices in normal times and after the typhoon

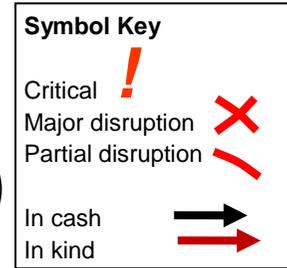
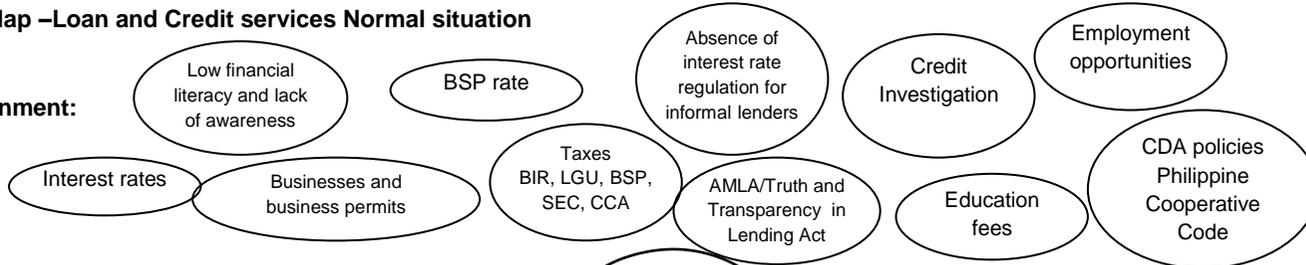
10% of respondents declared that the loan did not help them for the intended purpose, and the main reason is the amount not being enough to meet all their needs.

Market systems map

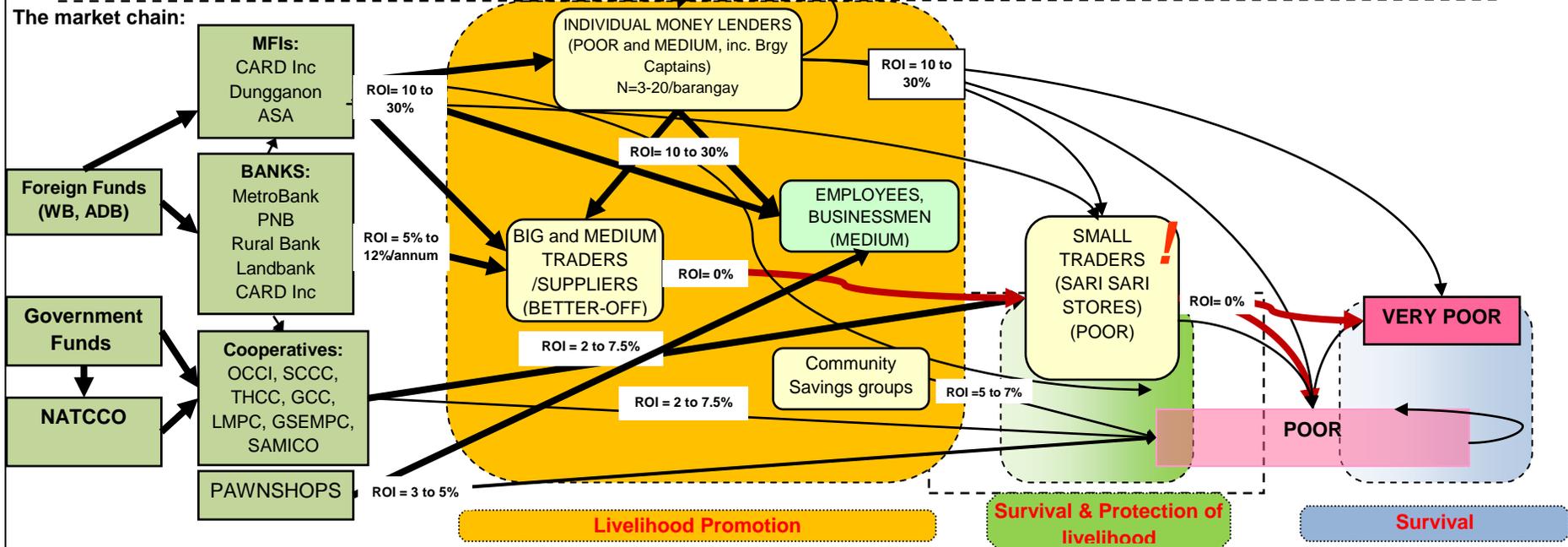
Below are the market systems maps for the loan and credit services for the poor.

Market-system Map –Loan and Credit services Normal situation (NOW)

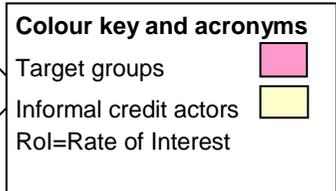
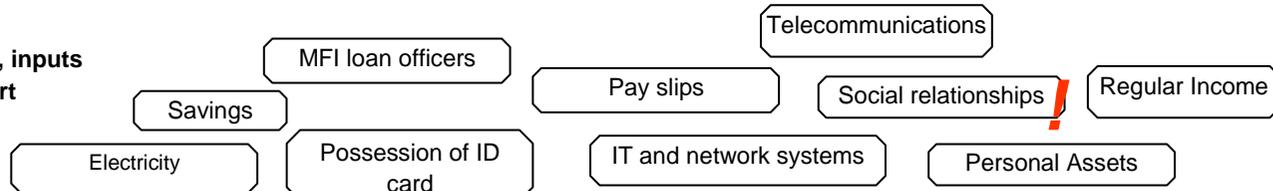
The market environment: institutions, rules,



The market chain:

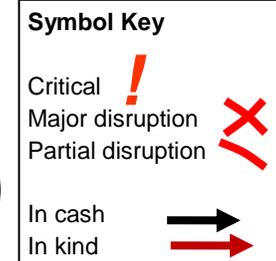
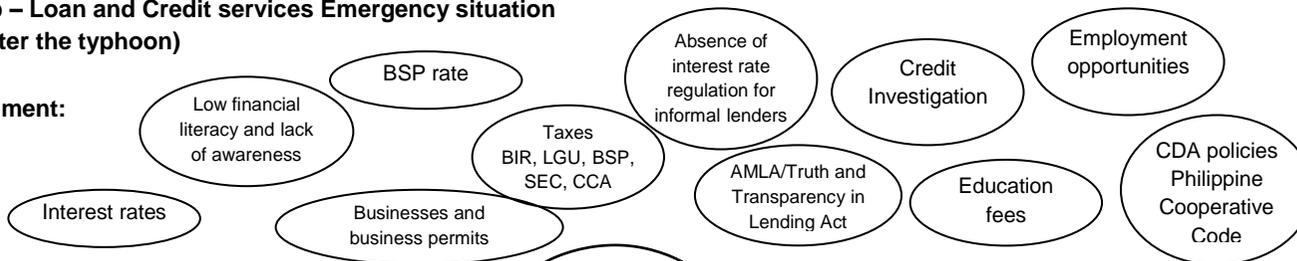


Key infrastructure, inputs and market-support services

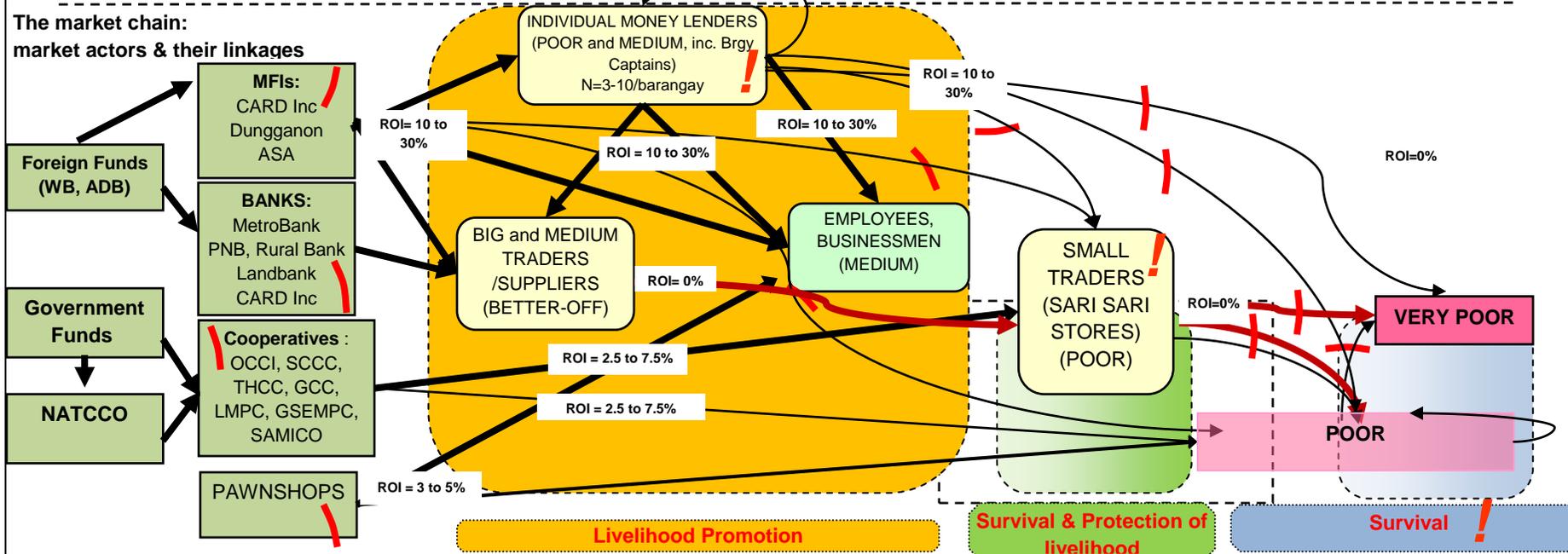


Market-system Map – Loan and Credit services Emergency situation
(within 2 months after the typhoon)

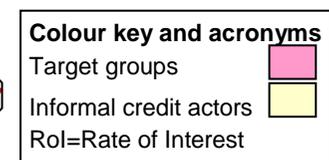
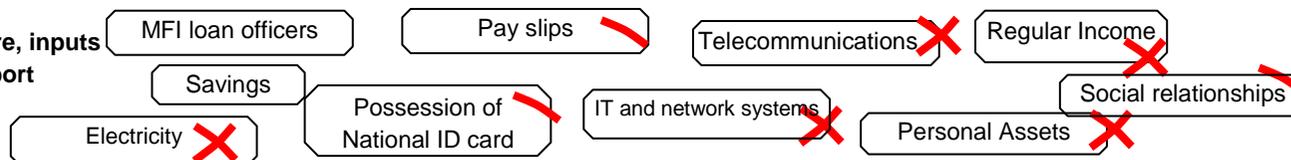
The market environment:
institutions, rules,
norms & trends



The market chain:
market actors & their linkages



Key infrastructure, inputs and market-support services



Market environment

Seasonality of loan and credit requests

Particular events trigger a need for poor households to request a credit or a loan. Purchases on credit are practiced all year long for the households reverting to this strategy.

	J	F	M	A	M	J	J	A	S	O	N	D
Formal loan requests	For livelihoods needs					Education fees (primary, secondary and college)	Education fees (primary, secondary and college)	For livelihoods needs				Xmas
Informal credit request and pawning	Fiesta and NYE				Back to school primary secondary	Back to school primary secondary		Lean season	Lean season	Windy month Fiesta	Windy month	Windy month and Xmas
Purchases on credit												

Table 4 Seasonality of credit and loan requests

Credit investigation

Before granting a loan, MFIs send their loan officers running a “credit investigation”, an appraisal of the prospective borrower’s ability to repay the loan. It entails visiting the applicant’s house and making an inventory of the household’s assets, (including the boat for the fishing households), while asking for a proof of the household’s source of income. Loan officers also ask around in the neighbourhood and to barangay officials about the loan applicant reputation and whether they have any outstanding debt, which is often shameful for poor people who would prefer borrowing discretely.

Low financial literacy and lack of awareness

Poor and very poor households often lack the financial literacy and awareness that would allow them to understand the terms and conditions of the financial products they are contracting. Often, borrowers don’t know the interest rate of their loan and end up paying very high interest without realizing it. Contributions to insurance and savings scheme in the repayment system lack transparency and clarity and often borrowers don’t know the constituents of their weekly payment.

The “**Truth and Transparency Lending Act**” promulgated by the Central Bank of the Philippines requests that clients “know the real price, terms and conditions of financial products and services [in order to] make informed decisions”²². This is unfortunately not a reality for these poorly financially literate households.

The Market chain

The situation now

Loans from MFIs

MFIs have strict rules and no special conditions for the poor. Most of the MFIs don’t provide loans for small amounts: ASA and Dunganon (which is actually a project of the Negros Women for Tomorrow Foundation) for example have a minimum loan amount of P1,000. The repayment schemes are usually of six months, during which the borrower has to pay an instalment every week. Loan applicants need to have enough guarantee of repayment.

Dunganon requests applicants to form a group of at least 5 female members and the members will be jointly liable for repayment in case the loan holder cannot pay. It is called a “group collateral loan”. CARD has a business loan product called “SIKAT1” which is described on their website²³ as “[a] loan

²² <http://bmap.net/wp-content/uploads/2014/06/Truth-and-Transparency-in-Lending.pdf> accessed on 03/12/2015

²³ http://www.cardmri.com/cardinc/?page_id=35 accessed on 23/10/15

[...] primarily for working and project capital of members that can generate weekly income”, which clearly excludes people with no regular income, or in the incapacity to prove it.

The current lending rates of micro finance institutions rank between 10 and 30% with a weekly repayment scheme that is inconvenient for very poor people. The interest rates are not always transparent and individuals with poor financial skills often don't know how much interest they are paying. As an illustration, one respondent mentioned not paying any interest on her CARD loan, which cannot be the case; another one mentioned paying 7% weekly interest on her ASA loan, while the interest rate is 15%. Borrowers don't know the details of the weekly payment they are making, which contain repayment of loan, compulsory savings and often a compulsory participation to an insurance scheme. In several cases, the discrepancy between what the respondent was declaring and reality could be found in the loan book held by the borrower. The table below describes the main MFI's loan products' terms and conditions.

MFI	Target group	Interest rate and other conditions	Loan amount range	Repayment terms
ASA ²⁴	Women entrepreneur having already started a business: “ <i>Poor entrepreneurial woman with their own business or self-made products</i> ” ASA gives loans exclusively to women. The majority of their clients in E.S. are from fisherfolks household, according to ASA Salcedo manager	15% for a six month repayment time	Between P1,000 to P15,000 (it is mentioned up to P6,000 on the website but assessment findings suggest a maximum of 15,000) Only multiples of 1000	Weekly payments of P50 for every thousand pesos borrowed by the client. There are 23 repayments for each cycle of six months.
CARD ²⁵	“ <i>Landless women</i> ”, but who “ <i>can generate a weekly income</i> ” for their SIKAT1 product “ <i>Micro-entrepreneurs</i> ” for their small business loan Farmers for their agro-microfinance programme dedicated to purchase of farming machinery and inputs Indigenous groups for their SIKAT3 product Women are the loan holder but husbands have to sign as the guarantor when they are the ones with the stable income. Single women are discriminated by this policy.	10 to 30% depending on repayment time	Not precised on the website. Respondents borrowed between P3,000 and P10,000 both in normal times and after the typhoon Incremental possibilities of loan amount (max. P5,000 the first time)	Weekly payments with insurance and savings scheme in 3 to 6 months One year repayment scheme with high interest (30%)
Dungganon	Negros Women for Tomorrow Foundation (NWTF) defines its “Project Dungganon” loan product as follows ²⁶ : “ <i>This loan program is a replication of Grameen Bank’s credit methodology. The purpose of this loan is to provide operating capital to start or expand a client’s business</i> ”. NWTF claims to	10 to 30% depending on repayment time Has to be part of group for joined liability. Collateral value should	Between P1,000 and a maximum of P30,000 Average is between P3,000 and P5,000 per loan taker	Weekly payments with insurance and savings scheme in 3 to 6 months Group joined liability

²⁴ Some conditions and quotes are taken from the ASA Philippines foundation website found at <http://asaphil.org> accessed on 24/10/15

²⁵ http://www.cardmri.com/cardinc/?page_id=35 accessed on 23/10/15

²⁶ http://www.bwtp.org/arcm/Philippines/II_Organisations/Microfinance%20Providers/NegrosWomenforTomorrowFoundationInc.htm accessed on 27/11/2015

	<p>lend to any socio-economic group, including the very poor with no capital or running business (one of their representative in Salcedo claimed that their first target group was the very poor), as the group system provides them with a guarantee of repayment. They also lend only to women.</p> <p>Education loan proposed at low interest rate to their members with child in high school or college</p>	<p>be between 10 and 30% of the loan amount. A land title can also be used as a collateral.</p>		
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Table 5 MFIs' loan products' terms and conditions

NATCCO is the National Confederation of Cooperatives in the Philippines. It provides financial services in the form of deposit taking and credit granting services to their affiliates and members, non financial services such as training and support for its members and subsidiaries. Another actor is PCF, the Philippines Cooperative Central Fund Federation. It is a federation of cooperatives that offers a pool of funds from cooperatives in the Visayas. It offers deposit and loan services to its members as well as capacity building and financial support for establishment of new cooperatives²⁷.

Community savings groups are community groups that provide savings and credit services. Interest rates practiced are lower than other loan and credit actors, with a range between 5 and 7%. It is membership-based, and credits are granted if a member has a minimum amount on his savings account (one group mentioned at least P500). Compulsory weekly meetings are usually held. Loan amounts are in the same range than for formal loan institutions, around P5000. Their funds depend on savings which entails a limited lending capacity.

Informal money lending

All categories of households revert to these individuals in their barangays who offer informal money lending. Amounts borrowed range from 500 to 5,000Php at a time per client, with an average of 5 clients per week per lender. Lots of poor households prefer borrowing money to these informal lenders compared to going to a formal institution. Reasons for that preference are several: these people lend based on trust and relationship, they don't carry any credit investigation and the conditions of repayment are usually much more flexible, for example most of the informal lenders will give one month before the first tranche of reimbursement to be given, whereas formal institutions work on a weekly scheme of reimbursement and compulsory savings.

Bottlenecks in the market:

All formal loans are accessible only to women or men having already started a business or able to prove they will be able to reimburse, which is a critical limit for a poor person wishing to start up something, and an almost non-crossable barrier for the very poor who cannot meet the requirements of those MFIs, however themselves claiming to be "helping the poor".

ASA goes farther in the definition of their potential client stating not only economic barriers but also physical ones: *"[...] the target market of ASA Philippines Foundation [is the] poor entrepreneurial woman with their own business or self-made products. And are in good physical condition to maintain their livelihood."*

Therefore, for the very poor and the poor households or individuals to access formal loans, the bottleneck is not on the supply side (the institutions) but rather on their lack of guarantees to offer: a) lack of assets to pledge security, b) absence of a regular income source and c) single women can be

²⁷ It is also an Oxfam partner

discriminated for not having a male guarantor. Thus most of the times even if there is a need they do not approach lenders as they know that they do not meet the requirements or they don't trust their own repayment capacity. A strong sense of prudence has been found in that sense.

Cultural beliefs around gender

There is a strong stance at the preference for giving a loan to women rather than to men. Women know that and while the decision to take a loan is often taken at the household level with the husband, the women are the ones going to the institution and contracting the credit. The husband will often though be the guarantor as he is the one earning a regular income (in the case of fishermen or medium holder farmers for example).

This statement is supported by ASA Philippines which is exclusively giving loans to women, as explained in their website²⁸:

“Why does ASA only cater to female clients?

This is a common practice within the microfinance industry itself. It is said by experts and seen through various communities that giving uncollateralized loan to women only, greatly minimizes the risks of delinquency. As women are less like to have vices and are commonly better in allocating money for household needs.”

There is a feeling of mistrust towards the men's capacities to manage a budget and spend money wisely for the family needs. MFIs also know the women will be easier to find in case of delinquency as they usually stay at home during the day.

The emergency situation

Within two months after the typhoon was the period during which power was still cut and most of people were living under tarpaulins or in temporary shelter or tents. Relief aid has come a few days only after the typhoon made landfall and this helped people accessing their basic needs such as food and hygiene items. Nonetheless, all needs were not met (e.g. additional or preferred food, education fees, additional hygiene items were among the needs not met during this period) as shown by the practice of loan and credit during this period. Cash for work (CFW) schemes started to mushroom one month after the typhoon but the payments came much later. If poor and very poor households had lost their assets (coconut trees, boats, fishing gears, stores, etc) and consequently the opportunity to obtain a regular income, the participation to a CFW scheme allowed them to access short-term employment and income. The informal money lenders were aware of their participation and consequently let the poor household workers borrow money in advance of their payment, as their participation was enough as a guarantee of repayment. It led to an increase in credit application following the typhoon, one informal money lender in Salcedo declared having more than doubled her number of clients per week from 3 to 4 in normal times to 10 per week after the typhoon. This lender also experienced an increase in amounts borrowed, from a range of 500 to 3000Php per client before the typhoon to a range of 1,500 to 6,000Php per client after the typhoon. She especially noticed the increase in clients and amounts borrowed after the CFW schemes started, for the reason mentioned above.

This increase in loan application was also shared by the formal institutions like the MFIs and cooperatives. ASA's Salcedo branch manager shared that loan applications peaked from 20 per week in normal times to around 100 per week after the typhoon. MFIs expect a similar peak in applications should another typhoon strike Eastern Samar.

A “grace period” of 2 to 3 months was given by the main MFIs for repaying loans after the typhoon, this was known as the “moratorium”.

²⁸ <http://asaphil.org/FAQ.aspx#stand-asa> accessed on 24/10/15

Market support: infrastructures, inputs and services

The situation now

Regular income and assets

In order to access a formal loan (from an MFI or a cooperative), the loan applicant needs to prove a member of his household has a regular income. Fishing or seaweed farming are among the sources of income preferred by the MFIs in this area, as they represent reliable and consistent sources of income. Having an existing business (e.g. canteen, handicraft, sari sari store) is another option considered by the MFIs in order to qualify for a loan. MFIs and cooperatives also ask to have a permanent residence (and the proof through a barangay clearance), cleared electricity and water bills, and also an ID card.

Social relationships

When a loan holder cannot repay its due on time to MFIs, one of the available options for those having less poor relatives or friends is to borrow money from them. If they are part of a jointly liable group, like Dungganon requires, then the group members will pay in their behalf and the loan holder will pay back to the group when she can. In both case, social relationships are then crucial: a necessary condition to get a loan for Dungganon, and a safety net in case one cannot pay its due.

Numerous individuals also revert to relationships to borrow money informally, especially in difficult and emergency times. Sari sari stores owners and informal money lenders usually only lend to people they know or recommended by someone they know at the very least. For displaced people, these social relationships risk being lost and all what it entails lost together with it.

Loan officers

Loan officers are the ones coming to the barangays for marketing their MFI's products and also coming to pick up the weekly payment at the client's place. They use some methods of pressure should a client be delinquent like standing in front of the house overnight until the client can pay. Their mode of operation is one of the reasons why some poor or very poor individuals are reluctant to borrow from those institutions.

The emergency situation

Regular income and assets

The typhoon's impacts on people's assets and livelihoods meant that most poor households lacked guarantees to be able to borrow money right after. ID cards and payslips have also been lost during the typhoon, preventing households from accessing formal loans.

Telecommunication/electricity/systems

The power was off during the two months following the typhoon, with telecommunication towers not fully or all back in place, which had for consequence poor telecommunication signal and reliance on generators to run a business. Banks network systems were also down or working slowly, which had consequences on the whole loan and credit market as cash was scarce.

Responses to the key analytical questions

- a. What are/were the capacities of loan and credit actors to provide the target groups with enough credit now and two months after the typhoon?**

During normal times:

Most of the loans and credit actors can increase their supply of loan or informal credit, except the small rural cooperatives and the sari sari stores owners who have a limited capital. The micro finance institutions and the informal money lenders generating an income out of the high

interest rates practiced, an increase in loan or credit is therefore possible within a certain limit as their financial capital can be limited, too and it takes time to entertain a client and manage a loan or credit. ASA Salcedo branch manager mentioned a limit of 2,200 loan clients with a total amount of P300,000 per branch as their operational limit. An informal money lender in a rural barangay of Salcedo mentioned being able to increase up to 25 clients per week (from 3 to 4 in average) with a total amount of P40,000 per week.

During the emergency situation:

The main condition for having the capacity to lend is the extent to which the institutions and informal lenders have recovered from a typhoon.

- Most MFIs and cooperatives recovered quickly after the typhoon and thus had the capacity to supply credit. Though a limited willingness has been noted linked to the risk for them to lend to households having lost their personal assets and source of income. Previous members were prioritized over new applicants.
- Sari-Sari Stores who suffered limited damages were able to restart selling on credit soon after the typhoon but to limited amounts (100 or 200PhP at a time for most)
- Individual money lenders were able to provide after the typhoon a few weeks after (the CFW schemes helped in providing guarantees of repayment)

All actors expressed their readiness to provide credit would another typhoon strike Eastern Samar.

b. What kinds of loan or credit are/have the target groups accessing/accessed now and two months after the typhoon?

During normal times and emergency situation:

- Micro-enterprise loan (women micro-entrepreneurs with a husband who has a regular income privileged)
- "5/6" Credits
- Purchases on credit/ at sari-sari store (in-kind, food, hygiene items, medicine)
- Family/ Relatives Credit (No interest rate/exceptional circumstances)
- Pawning
- Purchase on credit from "Chinese" or "Bumbay" (electronic items mainly; not covered by assessment as not relevant)

c. Which conditions the target groups are willing/ready to accept to access a loan or a credit?

- Up to 30% interest rate
- Reluctant to pay weekly, preference goes for monthly repayment schemes
- Fear of credit investigation/ requirements of formal money lenders

d. Under which terms and conditions loan and credit services operate during normal times/now and two months after the typhoon?

During normal times: conditions vary according to lenders, see description in narrative above

During the emergency situation:

- A "grace period" of 2 to 3 months was given for repaying loans after the typhoon → Moratorium
- Restructuring of the loans, client pays principal first then arrange the interest to pay later

e. Is/did access to credit help/ing the target groups meeting their survival and livelihoods protection needs in normal times and two months after the typhoon?

- For survival needs, sari sari stores are the first line of support as poor and very poor can purchase food, medicine and any other basic needs on credit at any time
- Loans and credit help the poor putting their children to school
- Livelihood Promotion: not always a success but being a member of a cooperative or of a micro-finance institution is giving a bigger chance to the poor to promote their livelihoods to a level a little bit higher if they don't face any family event requiring high expenses

Recommendations for interventions

There is a great demand for credit by the target population and the supply side has the capacity to meet the demand. One of the main issues faced by the target groups is the lack of awareness of interest rates practiced and the consequences should they become delinquent. There is a need to advocate to the government for more transparency on interest rates (application of the "Truth in Lending Act" and for a policy for formal lending institutions to practice lower interest rates. The sari sari stores and the informal money lenders are the safety nets of the poor, in a normal situation as well as after a crisis, so the programmes should seek to target them which requires a preliminary mapping of those actors in all the covered areas.

Some of the key recommendations that the programmes should pursue during normal times are as follows:

- Support sari-sari stores' owners to become more resilient to shocks through better preparedness:
 - Sensitization on the importance to have a safe place to store items in case of a typhoon warning (e.g. elevated storage, waterproof boxes): for the poorer ones that can entail financial support to build an elevated storage or to buy boxes
 - Support to better accounting and financial literacy to prevent them from taking too much financial risk, especially during the typhoon season
 - Sensitization on the importance of having savings to better cope with a shock: many have already realized this following typhoon Haiyan but this is not always followed by action
- Lobby the national policies on interest rate to lower the rates practiced by MFIs and advocate for lower informal interest rates
- Provide financial literacy training for the target groups: most of the respondents did not compile what they were paying and did not know how much interest rate they were paying, an open door to abuses from formal and informal money lenders, trainings should be provided for repayment schemes to be more transparent for them
- Sensitization on the different conditions of loans and insurance schemes practiced by the different MFIs and cooperatives present in the five municipalities to allow comparison and an informed choice for the target group>Application of the "Truth and Transparency in Lending Act"
- Mapping of all sari-sari stores offering credit services to the poor and very poor in the barangays of intervention to allow quicker targeting in case of an emergency should we want to support them; mapping of their suppliers is also recommended
- Mapping of the main informal money lenders to better understand to what extent poor and very poor rely on them in difficult times and allow for a quicker targeting should we want to support them

Some of the key recommendations that the programmes should pursue during an emergency situation (i.e. a typhoon) are as follows:

1/ Sari-sari store owners: If a strong typhoon strikes Eastern Samar, the sari sari stores' owners are likely to be the most affected among all of the lenders actors. In a normal situation this group is just able to manage their expenditure with the modest income generated from the store and a shock like a typhoon could have drastic consequences on their capital and capacities to sale on credit. One reason can be a loss of stock due to physical damages to the store and another one can be damages suffered by their suppliers who won't be able to supply goods on credit, reducing their capacities to sale themselves on credit. Reaching out to this group in the very first days after a typhoon can therefore allow keeping the safety net mechanism they are playing for the poor and the very poor in a critical time.

Different options of interventions are possible to support this group in an emergency:

- Cash grant can be given to them to allow them to repair damages to their stores and resupply
- Vouchers can be given to them for buying their supplies
- Cash grant or loans can be given to their suppliers to allow them to recover faster and supply the sari sari stores

2/ Informal money lenders: they also play a critical role after an emergency as exposed above. Prioritizing support to the poor and medium informal lenders can prevent the informal credit chain to be broken and keep the community credit mechanisms alive to facilitate access to credit for the poor and very poor. This support can take different forms: ensuring their participation in a CFW scheme, prioritize them for a cash grant distribution, give them short-term employment as daily labourers, etc

Section 7 Needs for follow up and monitoring

Monitoring and updating the findings

It is important to keep in mind that every market is dynamic and findings of this assessment will need to be regularly monitored and eventually updated if needs be.

Recommendations in normal times need action before the next crisis: it is an important step of the PCMMA to put these recommendations in place. Recommendations in emergency situation will not be relevant if the normal times recommendations, especially the mapping of the sari sari stores and informal money lenders, are not carried over.

Particular points to monitor are:

For the HWTP market:

- Presence or absence of HWTP on markets
- Households practices regarding household water treatment
- Prices of purified water

For the loan and credit market:

- Interest rates practiced by formal and informal actors
- Potential emergence of new lending actors

List of Annexes (see Annexes document)