

MARKET BASED PROGRAMMING (MBP)

What's It All About?



Markets

The What

The Why

Types

The How

Key Terms

Case
Studies

What is a market?

Before, during and after a crisis hits, communities around the world are buying and selling. Markets are places where these buyers and sellers come together to exchange goods and services. It doesn't have to be a physical place (eg online shopping) but there do need to be at least two sellers for a healthy market.

Communities and markets have relationships at all times.



SERVICES

Credit provision, daily labour, tailoring, etc.

GOODS

Water, food items (eg rice, wheat), shelter materials, fuel etc.

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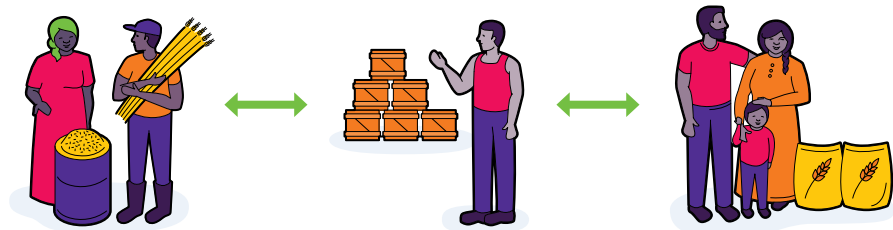
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What is MBP?

Market Based Programming (MBP) in Oxfam's work means we always consider existing markets – through assessments, analysis and programming – across all phases of a response and across all technical sectors.



At Oxfam, we believe programmes which are market-based can:

- ✓ Be **cheaper and quicker** using existing market supply chains, capacities and networks
- ✓ Support **community engagement** by linking local stakeholders to expressed community needs
- ✓ Provide **choice and dignity** to populations
- ✓ Link with the **private sector** to foster innovation
- ✓ Contribute towards **market rehabilitation and economic recovery**
- ✓ Tackle questions of **power dynamics** and inequality around buying and selling

Why use MBP?

MBP is also rooted in Oxfam's commitment to take proactive measures to avoid causing inadvertent harm in our work.

This means that when we seek to help a community, we must take into consideration existing behaviours and practices in relation to how people spend money and sell things — not disrupting them.



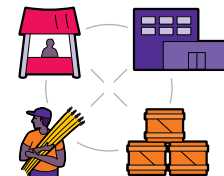
For example:

In the aftermath of a natural disaster, such as an earthquake or hurricane, markets often bounce back and can supply goods and services before aid agencies can reach populations in need. If aid agencies do not understand this dynamic and ignore local markets they can unintentionally exacerbate the suffering of the community.

NORMAL MARKET BEHAVIOUR

Market

Retailers
Wholesalers
Farmers
Importers

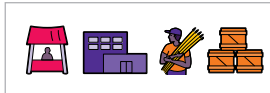


Affected households



POTENTIAL EMERGENCY RESPONSE

Relief items



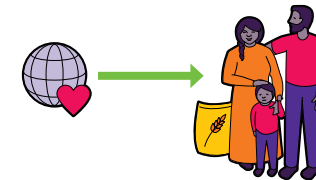
A market based approach could either use, support or develop markets – or a combination of these.

USING	EXAMPLE 1 Multi-purpose cash transfers to affected communities	EXAMPLE 2 Local procurement of latrine slabs for a WASH programme
SUPPORTING	Cash grants to small rice traders to support food distributions	Helping solar light vendors to open bank accounts and receive digital payments
DEVELOPING	Capacity building and financial planning for local fresh vegetable co-operatives	Support women's groups to establish enterprises to manufacture and sell soap

Definitions

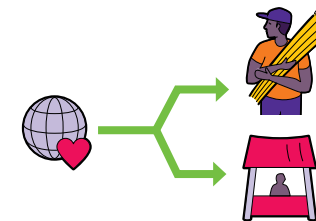
USING MARKETS

Buying and/or selling using existing markets, where they are still functioning, to assist affected populations



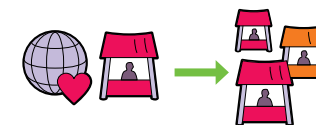
SUPPORTING MARKETS

Actions to re-establish supply chains/ essential services, and help existing market actors recover from the impact of a shock if markets themselves have been disrupted by a crisis



DEVELOPING MARKETS

Longer term engagements to bring about change in a market system



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How do we do this at Oxfam?

We want to develop a full and continuous understanding of the status quo in the communities we support.



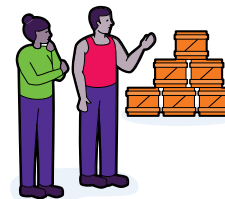
ASK YOURSELF:

How are markets working and how are people engaging with them in all stages of an emergency?

Examples

BEFORE CRISIS

Checking traders' storage capacity and stock



DURING CRISIS

Assessing if critical items (such as food or water) can be supplied locally



AFTER CRISIS

Seeing what support is needed to help agricultural markets recover



We can do this through understanding:



Market access



Market functionality

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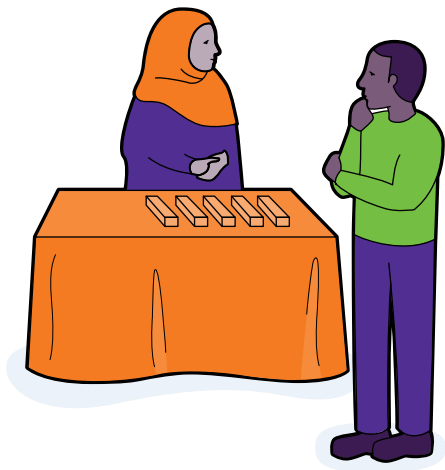
Key terms



Market
access



Market
functionality



ASK YOURSELF:

Have you spoken to traders?
Do you know about prices?

Very often we overlook speaking to traders in our work. Talk to traders and communities about:

ACCESS

- ✓ **Physical**
Can all people safely travel to markets? Are roads and bridges intact?
- ✓ **Financial**
Are goods affordable?
Are prices too high for transport to markets?
- ✓ **Social**
Can people of all genders, backgrounds, ethnicities and religions access markets?

FUNCTIONALITY

- ✓ **Prices**
Are they normal/high/low?
- ✓ **Sellers**
Are there enough sellers?
What is their capacity?
- ✓ **Rules**
Are there rules or external changes impacting the markets?
- ✓ **Goods/Services**
Are they available in terms of quality and quantity? Are there problems in supply chains?

Zimbabwe

Hygiene NFI Market Development



1 THE CONTEXT

↓
Households in urban areas of the capital, Harare, lack safe, clean water and suffer from repeated outbreaks of water borne diseases like Cholera.

2 THE MARKET ANALYSIS

↓
A market and needs assessment revealed that essential household water treatment chemicals could be available on the local markets. Despite households having sufficient funds to buy such products, they chose not to. This created low demand so traders simply did not stock them.

3 THE MBP SOLUTION

Oxfam **used** the local market by offering household vouchers for locally produced water treatment chemicals. The market was also **developed** by and preferences encouraged through a 'buy one get one free' offer with local shops and hygiene promotion activities.

South Sudan

Canoe Vouchers



1 THE CONTEXT

↓
In South Sudan, populations had fled conflict and food insecurity and were living on remote islands in a swampland – in need of humanitarian aid.

2 THE MARKET ANALYSIS

↓
Oxfam analysed the needs and the markets. People needed transportation to the mainland for food distributions or medical treatment. There were many canoe operators in the local area who were in need of business.

3 THE MBP SOLUTION

Oxfam designed a voucher system to **use** the local market for canoe transportation services to help populations access the mainland. We also **supported** canoe operators with training and they in turn could increase their income through the initiative.



OXFAM

For more information on MBP in Oxfam
or advice you can check out
www.oxfam.org.uk/markets

