

Markets in Crises (MiC) Statement on COVID-19

April 16, 2020

The Markets in Crises (MiC) Community of Practice was formed in 2013 to bring together a wide range of stakeholders engaged with markets in crisis environments (including NGOs, donors, academics, UN agencies, and the private sector) in order to create space for mutual exchange, learning, and constructive feedback on market-related topics and to bridge the divide between the humanitarian response and development communities. Today, as we all face a truly global humanitarian and development crisis, the role of the MiC is more relevant than ever. It is important to remember that even though the COVID-19 pandemic is most immediately a health crisis, the secondary and broader effects will be financial and economic. Unlike most humanitarian crises, assets and infrastructure have not been lost; people are not facing catastrophic food insecurity - yet. What have been (and will continue to be) devastated are incomes, livelihoods and the rhythms of normal life.

On a positive note, **markets still exist**. Furthermore, if shutdowns do not last for too long, supply chains can resume, businesses can restart, and households can regain income. This does not mean that humanitarian interventions are not needed in the short term to save lives and protect livelihoods. But we should now, more than ever, be framing these responses within a markets lens and follow **Do No Harm** principles. **Humanitarian action at this time should not make it harder for traders to resume operations or for small businesses to reopen**. Returning to conventional methods of aid delivery, such as internationally shipping and delivering in-kind food aid, will only serve to lengthen the impact of the economic crisis.

Based on sound market assessments and analysis, where critical goods are available in countries, humanitarian actors should be delivering assistance in a way that supports local markets (i.e. through cash or vouchers) as much as possible. **At a minimum, response should strive to be market aware**. Rather than ceasing operations we can think creatively about how to adapt aid modalities and delivery mechanisms to promote the safety of market actors and aid recipients alike. There have already been innovative solutions highlighted within the MiC community to ensure markets continue to support needy people while reducing the spread of COVID-19 - for example by helping retail shops practice social distancing, installing handwashing stations in markets and working with local vendors to ensure that critical goods and services can reach affected populations.

Using our collective wisdom gained from previous crises, we know this community knows what works.

In the **short term** we need to:

- **Analyze markets** – understanding where there are blocks in supply chains, what can safely operate, levels of household market access, and informal rules and norms.
- Promote solutions that **support commercial supply chains to remain functional**, without compromising health and safety.
- **Engage, consult and work with traders** in local, national and regional markets.
- **Advocate** to policymakers where restrictions could safely be eased to reduce economic pain (e.g. farmer movements to field to plant and harvest crops).
- **Use markets where feasible and safe** – by providing cash and vouchers to vulnerable households so they can survive to the next stage, or at a minimum ensuring local procurement of goods and services.
- **Support “critical market systems”**¹ (e.g. working to identify and overcome weaknesses in trader capacity or supporting shifts to digital payment mechanisms for vendors).

¹ Those most essential to the short-term survival of households and communities

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As the movement restrictions ease, in the [medium term](#) we need to enact our recovery strategies, including:

- **Include market actors in recovery planning** – targeting vendors, small and large, with financial and physical assistance packages and business support/training where needed to restart trade.
- **Facilitate rebuilding of markets** - focusing initially on local supply chains and linkages (e.g. facilitating information flows, brokering new market relationships).
- **Engage with financial service providers** - contributing to strategies that enable the financial services sector to adapt to client needs while maintaining business continuity.
- **Support employers to get people back to work** - helping employers bring their workers back or create new jobs, while promoting the principles of decent employment and job sustainability.
- **Build capacity of staff and partners** so they can apply and adapt market systems principles.

And over the [long term](#) we need to ensure we:

- **Build back better** - use this crisis to pivot towards making markets more inclusive, efficient, pro-poor (e.g. skills training for female traders as part of recovery packages).
- **Evaluate, share and learn** – Encourage actors undertaking market-based responses to share evidence and learning to foster the creation of best practices, toolkits and resources to support future pandemic situations and other global crises.
- **Bridge the nexus** - redouble efforts to connect humanitarian and development actors in market-based programming.

All of this however must be rooted in a robust understanding of how people are coming together to buy and sell. We can already avail ourselves of existing market information from agencies such as [WFP](#), [FEWS Net](#), [IMPACT Initiatives \(REACH\)](#), and [FAO](#) (to name but a few) and identify gaps where they exist. We can use our networks to rapidly and safely assess markets now and conduct in depth assessments where time and resources allow. This exercise is vital to ensure we use, support and develop markets in short- and long-term interventions in a way which does not cause further undue harm to households and communities already affected by COVID-19.

Many tools already exist for this stage of the response and we urge humanitarian and development actors to use these to design and implement smart, market-driven responses and recovery programs:

- [The Markets in Crises FAQ](#)
- [The Market-Based Programming Framework](#)
- [The Minimum Economic Recovery Standards \(MERS\) – COVID-19 Guidance Note](#)
- [COVID-19 and CVA guidance](#)
- [IMPACT Initiatives \(REACH\) Rapid Assessment Guidance Doc](#)
- [The Market Support Tip Sheet](#)

As the epidemic continues to unfold, members of the MiC community will no doubt generate new experiences, learning and impact as we put these principles to the test on a global scale. We invite and encourage you to share your experiences, challenges, questions and lessons learned so we can continue to grow our knowledge and build the evidence base for what works in markets-in-crises. [Join the conversation on the MiC Dgroup.](#)

The Markets in Crises Community of Practice is facilitated by [The SEEP Network](#). This Statement was produced in collaboration with the MiC Steering Group, represented by:

