

Markets & COVID Online Discussion

Over June and July 2020, the Markets in Crises (MiC) community came together to discuss some burning questions arising from markets practitioners working on COVID-19 interventions. This brief gives a snapshot of the insights taken under four key topics:

Understanding Markets During COVID
Designing Market Interventions During COVID
Getting Buy-In for MBP During COVID
Protection and Markets During COVID

Over the course of the live discussions we received:

Over 164 new members to the MiC Group!
Nearly 100 posts exciting debate and discussion!
Insights from over 50 global contributors!

For further details of the topics explored go the [MiC DGroup](#) and look for the # topic of interest to you. Alternatively, you can choose to review the session on the [BEAM exchange](#).

#marketsadapting

Here we explored how markets were adapting independently of humanitarian interventions. In some countries, new [input supply services](#) are being delivered direct to farmgates and paid for by mobile money. In Ethiopia some farmers are benefiting from restrictions on importations and seeing a boost in local demand for local produce. In other parts of the world, farmers are finding new ways to [access new markets and restructure their businesses](#) in order to [build resilience](#) to future crisis. Financial service providers are going digital and adapting products to loan customers by delaying or reducing overall payments and similar approaches were being considered by other credit lenders such as [PAYGO energy companies](#). Across the world we are seeing informal and formal businesses switch production to PPE and others using technological advancement in 3D printing to support rapid equipment manufacture of critical ventilation equipment. There has been a need to balance the need for increased production and accessibility of health products and WASH facilities to meet demand with ensuring quality of production.

#marketanalysis

We asked what challenges and new approaches practitioners were applying to analyse markets. Many agencies are relying on phone surveys with resources shared from the [EMMA Website](#) [60 Decibels](#); and the [Poverty Action Lab](#). The [new Markit 2.0 tool](#) has an updated section on remote data collection too. Key concerns were raised on how to reach more informal, smaller businesses through new methods to not only use but support markets and how to continue financing market analysis to monitor the rapidly changing environment within the constraints of donor financing.

#targetgroups

This topic asked what 'vulnerability' means in the time of COVID and turned into a very interesting debate. The pandemic has shown everyone is vulnerable to the health impacts of the virus (from the poorest communities to royal families). From an economic vulnerability perspective new groups, perhaps previously not targeted in incumbent interventions, have now had to be considered. In the future, who else will be affected by the economic impact of the virus in the months to come? The vast majority of market actors have been affected by the pandemic though some have been able to

pivot quickly and adapt to thrive in the changing system. Rural communities may be less vulnerable than urban during this pandemic which may, looking forward, give rise to a growth in rural economies. Attention focused on whether we need to move on from focusing our programmes around vulnerability and instead on reducing the factors making certain groups at risk of: (i) disease transmission; and (ii) collapse of their livelihoods by addressing the system constraints increasing their vulnerability. Certainly this discussion has highlighted an area we need to delve into further.

#urbanmarkets

The virus has exposed a gap in support for the semi-permanent urban population. Whilst some countries have established rural safety nets to safeguard the poorest in crisis the urban populations have had less structured responses to support them. Limited interventions to encourage economic migrants to remain in urban areas where income has dried up has resulted in the flight to rural areas where harvesting is still an income opportunity. With this has come stigma and potential for a lagged wave of the virus in more rural areas. Urban WASH provision is a concern. In Kenya, for example, seasonal rains are causing water access issues and prices hikes. Households are struggling to pay their water fees which may have a knock-on effect to infrastructure operations and maintenance. However, in South Africa, civic societies within informal settlements are monitoring the functionality and access of WASH services allowing for more rapid targeting of WASH interventions which could have otherwise overwhelmed a government or public utility acting on its own.

#campmarkets

Analysis to date has drawn out certain factors that are more acute in IDP or refugee camp settings. Market linkages are struggling and there is a dependency on in-situ markets due to movement restrictions. However, access to information may be better in camps and the populations better informed of COVID effects - and as a result better equipped/willing to adapt – because they can rely on existing, well-established information sharing mechanisms that are not as robust elsewhere. Agencies have been providing coaching to support businesses devise adapting products and services to reach their pre-existing and new clientele. Facilitation of businesses into groups has supported more effective negotiate with suppliers to continue delivering raw materials to the camps in a safe and less frequent manner. In Yangon and Mandalay, the waterways have now been adopted for transporting supplies!

#conflictmarkets

Some great questions were posed on this topic but we haven't had much interaction on them yet so we welcome people to revisit them if they have the time. How have market systems already in conflict/volatile environments been further impacted? Has there been any impact analysis undertaken following some of the larger scale market interventions implemented, for example, as part of the Syria response or supply chain strengthening actions in South Sudan?

#UnderstandingtheProblem

COVID is a health crisis that is now spilling into economic and social systems. Protection of economic actors, and consumers is essential to keep people healthy so that they can participate in the economy as suppliers and buyers. There seemed an overwhelming assumption early on the strategies employed and promoted by the WHO for the Global North should be replicated in more fragile contexts excluding the realities of the Global South which was excellently observed in this [CALP blog](#).

On a positive note, this has been the most rapid and widest reaching educational programme for everyone understanding the impacts of crisis on systems. Development actors, particularly MSD specialists, have been forced into thinking about crisis response, recovery and resilience building as this crisis has affected the sphere in which they work - it's not just a humanitarian aid problem! We have seen the appreciation of the need for temporary support responses and collaboration with public and private sector actors to leverage scale; the immediate need to build back better; and rapid innovations in practise to adapt systems to meet changing needs. What might this mean for navigating the nexus and building preparedness and resilience going forwards?

#backtoinkind

Globally there are more than [300 new government-led social transfer](#) programmes in place since the start of the crisis. As movement restrictions and distancing measures were imposed in many crisis contexts, [remote cash delivery emerged as safer](#) and more feasible than in-kind distributions. As the [crippling economic impacts](#) of the crisis start to bite, we know that MBP is the only way to [save lives and protect livelihoods at scale](#). IRC has estimated an additional [\\$1.7 billion in cash transfers](#) are needed to meet the acute hunger needs caused by the crisis.

However, while we're seeing a scale-up in MBP in some this trend is not universal. There are still contexts where donors and humanitarian actors, citing concerns about market volatility or simply rushing to respond through tried and tested means, are prioritising in-kind and NGOs have struggled to find funding for market based programmes. In these challenging operating environments there seems a reversion to our humanitarian instinct to “solve the problem” rather than spend a bit more time facilitating a better solution. One respondent noted how in-kind was considered ‘safer’ without mentioning the risks to workers required to import, package, and hand deliver food parcels to households, or the immense cost of this process, or the income loss of direct distributions. However, examples of market-aware in-kind do exist – one programme purchased produce from farmers unable to sell it and distributed it to quarantine centers.

We need to remember that the humanitarian system itself is evolving and no-one was prepared for COVID-19. We are seeing CVA programmes during COVID-19 in sectors and organisations with confidence and historical learning and reversion to in-kind in those just starting to experiment with MBP. Confidence of delivery in fragile and uncertain environments is challenging and procuring stock safeguard against the unknowns that COVID-19 is throwing at humanitarians, not just in terms of the disease itself but amidst global operational constraints it has hurled the humanitarian sector into. There is a need to find a balance on modality choice and assuring protection of affected populations.

#gettingbuyin

Inclusion in intervention design is needed by all those present in the market system and often they are excluded from the discussion. Participants collaborated to tabulate key messaging for stakeholders:

Audience	Key Asks	Messages that Support
Donor	<ul style="list-style-type: none"> More risk appetite needed for flexible programming, including adaptive management and local leadership. Fund market analysis and coordination with market players (govs, private sector) so we can support localised adaptations rather than create interventions separate to them 	<ul style="list-style-type: none"> Market based programming is feasible and necessary in a COVID context (not just something that is nice to have when resources/timing allow). No amount of assistance will be enough if the markets are not able to function during this time Understand that markets can adapt and we may undermine them and do more harm by

	<ul style="list-style-type: none"> Do not assume that markets are not functioning (or cannot adapt) Consider adoption of contractual theories of change that evolve with understanding of local markets to make interventions more adaptive and relevant 	<ul style="list-style-type: none"> not understanding how to support them now and prevent/mitigate the need for future humanitarian assistance. Modality choice matters and needs to be grounded in the context
Community Partners (and program participants)	<ul style="list-style-type: none"> Engage, consult and work with traders. Use markets where feasible and safe. Do not assume consumer needs and preferences 	<ul style="list-style-type: none"> Join us in advocacy to support market-based programming (use evidence to make policy/systems change). Communications and support about how to adapt and engage in market activities safely.
Local/National Government Institutions	<ul style="list-style-type: none"> Support critical market systems, including easing restrictions to reduce economic pain. Include market actors in recovery planning 	<ul style="list-style-type: none"> Act now to support markets and prevent/mitigate the need for future humanitarian assistance. As part of social protection interventions, consider progressive labour market interventions to prevent/mitigate the need for future humanitarian assistance No amount of assistance will be enough if the markets are not able to function during this time.
Private sector (formal & informal)	<ul style="list-style-type: none"> Build contingency plans to crisis Communicate with emergency responders on how you can cope / or not with crisis Be cognisant providing donations is not necessarily the 'right' thing for the market 	<ul style="list-style-type: none"> No amount of assistance will be enough if the markets are not able to function during this time We know that markets can adapt and we may undermine them and do more harm by not understanding how to support them now and prevent/mitigate the need for future humanitarian assistance.
Internal Organization	<ul style="list-style-type: none"> Do not assume that markets are not functioning (or cannot adapt) Include market actors in recovery programming Allow representation from the informal workers / market actors / small businesses / gig economy / unions – these are just as important as the big players 	<ul style="list-style-type: none"> Market based programming is feasible and necessary in a COVID context (not just something that is nice to have when resources/timing allow). Shared analysis of market context and solutions to pursue

#protection

It was noted that inclusivity and protection lens are both a key concern of those employing MBP programmes. But identifying the point in the system to leverage for addressing inclusivity and protection constraints is the way in which MBP works to increase access to markets for more people. A great example of gender exclusion is from [Georgia](#), where women collected milk to sell to cheese factories. It was found that they did not have access to participation in municipal decisions— and because of that there was no money every allocated towards water infrastructure so the milk was unhygienic and the cheese quality was poor. Lobbying and advocacy for civic participation of women in line with the existing laws began and the cheese market system took off. In Jordan, the government is looking into cash injections to ensure business continuity and job retention, particularly for female employees.

The Markets in Crises Community of Practice is facilitated by [The SEEP Network](#). This Online Discussion made possible by supporting MiC members and the leadership of the MiC Steering Group, represented by:

