

Emergency Market Mapping & Analysis

Introduction & Overview of the EMMA Toolkit

1. Introduction

In recent years, international humanitarian agencies have been adapting their responses to emergencies. Many have begun using cash-based initiatives, alongside or in place of conventional relief distributions of food and non-food items. Local procurement is also being encouraged, and opportunities for other innovative responses explored.

These changes in practice have highlighted the need for better analysis of market-systems. There is a growing realization that the best opportunities for assisting people may be missed unless emergency responses are designed with a good understanding of critical market-systems. Moreover, lack of this market analysis in humanitarian programs may be damaging the livelihoods, jobs and businesses upon which people’s long-term security depends.

“Markets are a crucial component of how people survive. So understanding how they are functioning and disrupted is critical to any analysis of hunger, and vulnerability to food and livelihood insecurity or poverty.”

Paul Harvey, Humanitarian Policy Group, ODI

Market-systems matter in emergencies. In both the short and long-term, markets play a vital role in supplying critical goods or services to ensure survival and protect livelihoods. Beyond the crisis, people also depend on them as sources of income.

Box 0.1 Why market-systems matter in planning emergency responses?		
<i>For ensuring survival</i>	<i>For protecting livelihoods</i>	
<i>Supply market-systems can provide affected target groups with food, essential household items or services to meet urgent survival needs</i>	<i>Supply market-systems can provide affected target groups with urgently needed tools, fuel, replacement assets, agricultural inputs or vital services</i>	<i>Income market-systems can provide affected target groups with jobs, create demand for wage labour or provide markets for their produce</i>

The rationale for EMMA is that a better understanding of the most critical market-systems in an emergency situation enables humanitarian agencies to consider a broader range of responses. As well as conventional in-kind distributions and cash-based interventions, these responses options can include local procurement and other innovative forms of market-system support that enable humanitarian programs to make better use of existing market actors’ capabilities.

The results of using EMMA therefore are:

- more efficient use of humanitarian resources
- less risk of prolonged dependency on outside assistance
- encouragement for the transition to economic recovery

2. EMMA: What, Why, Who and When?

WHAT is the EMMA toolkit?

EMMA is a set of tools (this printed toolkit) and guidance notes (reference manual on CD-ROM). It encourages and assists front-line humanitarian staff in sudden-onset emergencies to better understand, accommodate and make use of market-systems. It does not offer a simplistic blueprint for action. However, EMMA does provide accessible, relevant guidance to staff who are not already specialists in market analysis.

The EMMA toolkit adds value to established humanitarian practices in diverse contexts. EMMA tools are adaptable, rough-and-ready, speed-orientated processes designed to reflect the information constraints and urgency of decision-making required in the first few weeks of a sudden-onset emergency situation. Therefore, the EMMA process is intended to be integrated flexibly into different organisations' emergency response planning.

Box 0.2 The Essential Scope of EMMA

Sudden-Onset Emergencies:

where fast-moving events mean agencies have little advance knowledge of markets and limited resources to investigate.

A Broad Range of Needs:

any market system that may be critical in addressing priority needs, including food, non-food items and supporting services

Rapid Assessment and Decision-making:

supporting humanitarian teams to take urgent response decisions faced in the first few weeks of a crisis

WHY use EMMA?

EMMA's Aim: to improve the effectiveness and efficiency of early humanitarian actions taken to ensure people's survival, protect their food-security and their livelihoods; and to help agencies avoid doing harm. EMMA helps front-line staff to both...

- *understand* the important market aspects of an emergency situation that may not otherwise be considered adequately or early enough; and
- *communicate* this knowledge promptly and effectively into program decision-making processes.

Six reasons why EMMA is valuable:

1. *To make early decisions about relative wisdom of different direct response options.*

EMMA compares the likely outcomes and risks of different types of direct intervention (Box 0.3) to decide which forms (or combinations) are most appropriate in meeting people's priority needs.

2. *To assess opportunities for complementary 'indirect' actions*

EMMA explores opportunities for alternative indirect forms of market support (Box 0.3) that could rehabilitate or assist recovery of critical market-systems.

3. *To reduce the risk of doing harm*

EMMA increases awareness of the potential to harm businesses and households in critical market-systems. Hence it can reduce aid dependency, promote long-term recovery and increase the stability of local markets that provide people with goods, services and sources of income.

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Emergencies often cause damage to market functions and trade networks. These problems can be made worse by inappropriate humanitarian responses:

- the depression of a local economy due to loss of income, may be aggravated by prolonged in-kind relief
- inflationary price rises due to local shortages of essential goods can be intensified by ill-considered cash-transfers

4. To assist in monitoring performance and accessibility of market-systems

EMMA profiles can help agencies track both the continuing impact of a crisis, and the outcomes of humanitarian actions, on critical market-systems. Up-to-date information about market access and performance can alert managers to any adverse effects of humanitarian actions, and enable decisions about when and how to phase out assistance.

5. To improve the quality of disaster preparedness

Through better knowledge of how critical market-systems work, their potentials and vulnerabilities, EMMA market maps and profiles can improve the quality of disaster preparedness planning.

6. To define the requirements for more detailed market analysis.

Where information is poor, time is short and skills to interpret market data are weak, EMMA can still help managers define detailed Terms of Reference for more thorough research or specialist analysis of particularly critical market-systems.

Box 0.3 Definitions of ‘direct’ and ‘indirect’ responses in EMMA	
<p><i>Direct responses</i></p> <p>Actions that make direct contact with emergency-affected households</p> <ul style="list-style-type: none"> • Distributions of food or goods • Cash or voucher distributions • Cash-for-Work, Food-for-Work programs • Provision of shelter, water or sanitation • Nutrition programs 	<p><i>Indirect responses (market-system support)</i></p> <p>Actions with others – e.g. traders, officials – to indirectly benefit affected households</p> <ul style="list-style-type: none"> • rehabilitation of key infrastructure, transport links, bridges • grants (or loans) for local businesses to restore stocks, rehabilitate premises or vehicles • provision of technical expertise to local businesses, employers or service providers.

Box 0.4 The added-value of using EMMA (some examples)
<p><i>Comparing different direct response options: cash vs. in-kind distributions</i></p> <ul style="list-style-type: none"> • A major flood event destroys the standing crops and food stocks of half a million people in a region that is not accustomed to such disasters. Immediately, humanitarian agencies begin household-level distribution of standard food rations e.g. rice, lentils, oil, sugar. Local traders appear to be quite resilient however, and staple foods, including some local produce, is soon on sale. It is not clear to what extent this market-based supply can meet the target population’s needs. EMMA could help agencies decide whether and when it is safe to switch to cash-based assistance. • A severe earthquake damages homes and possessions of two million residents in a mountainous region. Winter is approaching, and many lack adequate clothing and blankets. Donated garments are easily available from some donors, but most are culturally inappropriate. Meanwhile on the plains below clothing factories, part of a well-functioning garments market-system, are undamaged. EMMA could explore the relative advantages of local procurement, or cash, to meet people’s needs. <p><i>Exploring opportunities for complementary ‘indirect’ actions: market-system support</i></p> <ul style="list-style-type: none"> • Coastal paddy-fields have been wrecked by salt-water intrusion following a hurricane. Rehabilitation will require extensive deep ploughing of the soil – at a time when the local population is struggling to

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reconstruct homes and infrastructure. An agency considers buying and distributing power-tillers to farmers – but is concerned about the cost, sustainability and social impact of this action. EMMA could investigate the sector and reveal any opportunities for strengthening the local agri-machine rental market instead – for example, by using vouchers for farmers, and loans to rental-service providers.

Avoiding doing harm

- After the 2004 Asian tsunami, humanitarian agencies got involved in purchasing and distributing fishing boats on a huge scale. Unfortunately, in many locations there was inadequate analysis of the complex social relations linking fishing households, boat ownership and the fish market-system. As a result in many places too many boats, or the wrong type of boats, were distributed. This led to over-fishing when the demand for fish was still low, to fishing catches that could not be ecologically sustained, and to worsening social tensions that impacted on vulnerable groups. In such situations, EMMA could provide insight into the risks, and help agencies avoid the worst mistakes.

WHO is EMMA for?

EMMA is for humanitarian staff leading early assessments on the frontline during sudden-onset emergencies. By extension EMMA is also for their managers and decision-makers responsible for planning initial and early responses to crisis.

EMMA is designed for generalists, as well as staff working with food security, shelter, water and sanitation sectors specialisms. This includes both frontline international support personnel drafted into a major emergency situations, and experienced local or national staff who may have good knowledge of livelihoods and economy in the affected area.

EMMA assumes limited previous experience of economic or market analysis. For this reason, EMMA tries to avoid technical language, or tools which require detailed quantitative skills. However, those who conduct and lead EMMA processes – alone or with a small team – will greatly benefit from a pragmatic capacity to organise assessments flexibly, reflect on information and think analytically.

EMMA is, in effect, an emergency stop-gap process: a pragmatic response to the typical human resource and information constraints on addressing market-related issues in sudden-onset emergency situations. By implication, it is less relevant for professional economists or market specialists looking to conduct more thorough or detailed analysis of market-systems, food security or economic rehabilitation needs – for example in recovery phases of emergencies.

WHEN to use EMMA?

EMMA aims to encourage speedy rough-and-ready market-system analysis during the first few weeks of an emergency situation. It is designed for use in rapid-onset emergency situations...

- when background information is limited
- when time and capacity to analyze existing markets is limited
- when expert market-analysis capabilities are not yet available

EMMA can be used as soon as an emergency situation has stabilised sufficiently that the findings are not in danger of becoming immediately out-of-date due to further changes as the situation evolves. Typically, this means that EMMA is used:

- once absolute priority needs (survival) are already being addressed
- once displaced people have settled, at least temporarily
- once market actors (e.g. producers, retailers, traders) have had a chance to assess their own situation and begin devising coping strategies

This means EMMA could sometimes be used within two weeks of emergency onset, if staff are available. However, it will often take rather longer.

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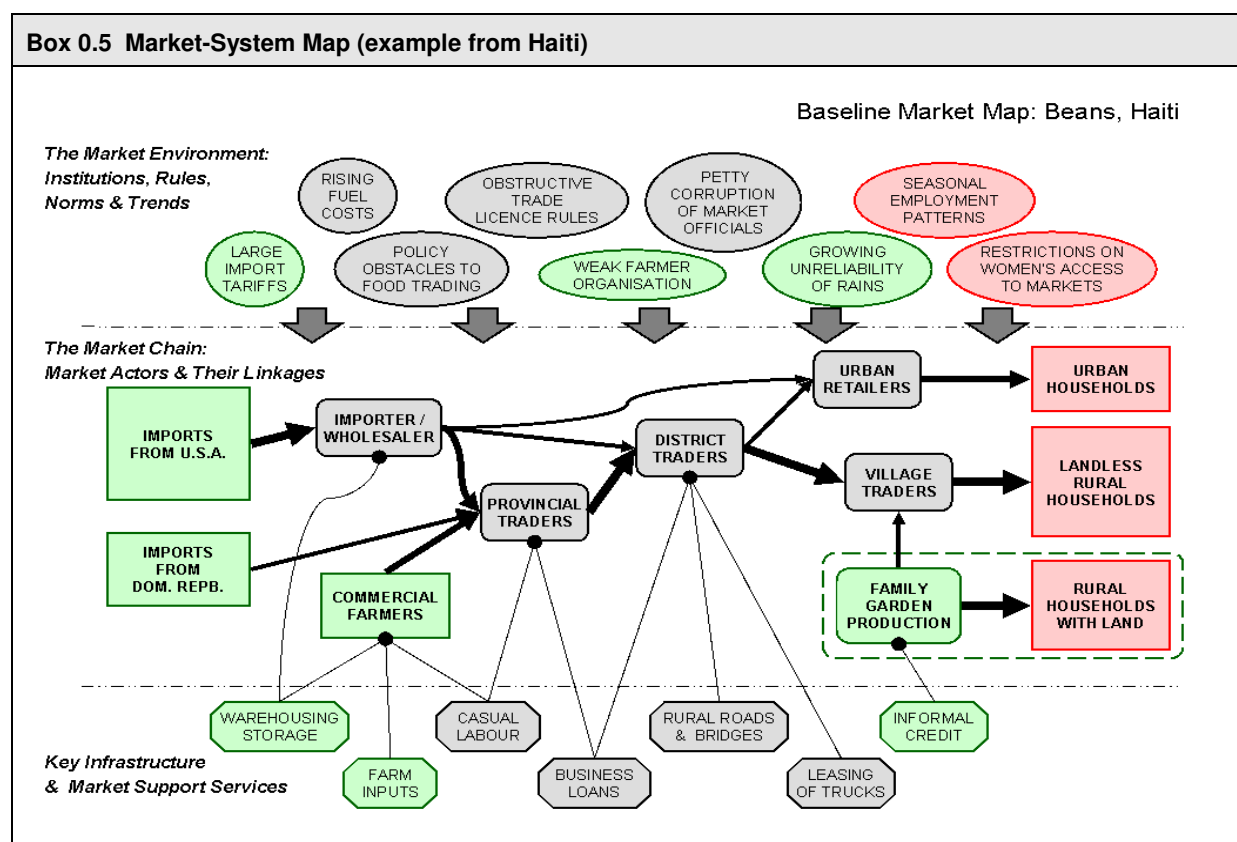
EMMA may continue to be useful for many weeks (or even months) into a crisis, if humanitarian agencies' understanding of key market-systems that relate to emergency needs remains sketchy, or to monitor changing market conditions. In practice, the timing of EMMA will depend on juggling the information and decision-making needs of the organisation which is using the toolkit, with the availability of staff to conduct these exercises.

3. EMMA and Market-systems

The 'market-system' is a fundamental concept in EMMA.

A market-system is the entire web of people, businesses, structures and rules that take part in producing, trading and consuming any product or service. The market system determines how a product or service is accessed, produced, exchanged and made available to different people.

This concept is best explained and revealed using an example of a market-system map (Box 0.5)



Mapping is one of the main tools in EMMA.

Market-system maps, and other tools such as seasonal calendars, are at the heart of EMMA. Research and interviews with all sorts of different market actors and other informants are used to rapidly draw up comprehensive pictures of the system. These maps capture the most relevant available information, and enable comparisons between pre-crisis and emergency-affected situations. They are also a vital tools for communicating EMMA findings and recommendations to busy decision-makers.

EMMA works on the market-systems for different items independently.

As the example above shows, market-systems are different and particular to every crop e.g. sorghum, non-food item e.g. blankets, or service e.g. transport. A key step in EMMA is to select which market-systems i.e. which items, crops, products, are critical from the humanitarian emergency perspective. (see EMMA Step 2)

Although EMMA analyses every market-system independently, it is perfectly feasible to conduct fieldwork for two or more EMMA studies simultaneously

4. Overview of EMMA – the 3 Strands

The EMMA process has three basic strands, represented by EMMA strap-line: “People. Markets. Emergency Response.”

Initially, the strands are relatively distinct: parallel lines of enquiry in an investigation. However, as EMMA proceeds these strands should weave together (like a rope), to provide a strong coherent analysis to support your final (weighty) recommendations.

A. *The Gap Analysis (or People) strand:*

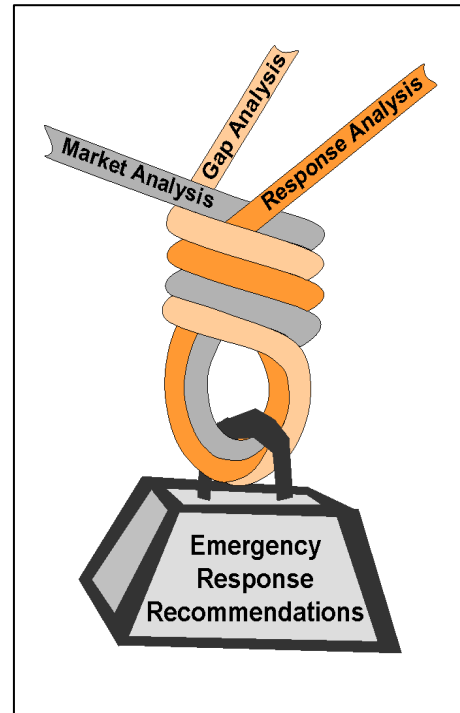
This strand is about understanding the emergency situation, priority needs and preferences of those most affected by the emergency: our target population. It also puts these households needs (the gaps they face) in the context of their economic profile and livelihood strategies.

B. *Market-system Analysis strand:*

This strand is about understanding each critical market-system’s constraints and capabilities to play a role in the emergency response. It develops a map and profile of the (pre-crisis) baseline situation and explores how the emergency has impacted on this in the emergency-affected situation.

C. *Response Analysis strand:*

This strand is about exploring different options and opportunities for humanitarian agencies. It looks at each option’s respective feasibility, likely outcomes, benefits and risks, before leading to recommendations for action.



The three strands run throughout the EMMA process – supporting each other:

The gap analysis results inform the markets-system analysis by defining what the market-system has to achieve if it is to meet people’s needs. These results also contribute to the response analysis e.g. by describing people’s preferred forms of assistance.

<p>Box 0.6 Results of Gap Analysis (summary example)</p> <p>25,000 households in Guishen, are normally food secure in locally-grown rice at this time of year. Due to 60% flood destruction of current crop, they face a total collective shortfall (gap) of 1200 MT / month until the next harvest in nine months. The target population have a strong preference for cash-based assistance, mainly due to concerns about likely quality of food aid.</p>

The market-system analysis results inform the response analysis by assessing what the market-system is capable of delivering, and what the main constraints it faces are.

Early market-analysis findings may also help the gap analysis process by highlighting issues that require field investigation, e.g. market access constraints which target population are unaware of.

<p>Box 0.7 Results of a Market-System Analysis (summary example)</p> <p>Traders in Guishen will struggle to supply an extra 1200 MT rice / month from local stocks, and are not accustomed to ‘importing’ more than 300 MT / month (baseline). The main obstacles to stepping up supplies are lack of finance (trading capital), and damage to local fleet of trucks. In addition, many rural feeder roads to remoter villages are blocked. However, ricier traders in the nearest large city (Xhantou) have ample supplies (baseline 4000 MT / month).</p>
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The response analysis results inform the final conclusions and recommendations of EMMA, by evaluating feasibility, risks, pros and cons of the response options or combinations of options identified during the EMMA process.

Early response analysis findings also contribute to the gap analysis and market-system analysis processes, by indicating a variety of feasible options and narrowing the scope of EMMA fieldwork so interviews can focus on gathering the most useful information.

Box 0.8 Results of a Response Analysis (summary example)				
Response Option	Timing	Benefits / Outcomes	Risks	Indicators
Local procurement (Xhantou), with agency distribution	Start in 2 – 3 weeks	Rapid, operationally feasible response.	May drive away local rice traders. Increased long-term dependency	Prices. Level of trade activity
Household vouchers, plus loans & transport assist. for local traders	Start in 4 – 5 weeks	People prefer. Less costly. Boost for local economy.	Complex to administer. Risk of corruption. Donor scepticism.	Prices. Voucher redemption.
Cash for Work, clearing rural feeder roads	Start in 1 – 2 weeks	Reduced transport costs, prices. Boost for local economy	May divert labour from key agri-activities. May exclude EVI's	Labour rates. Exclusion.

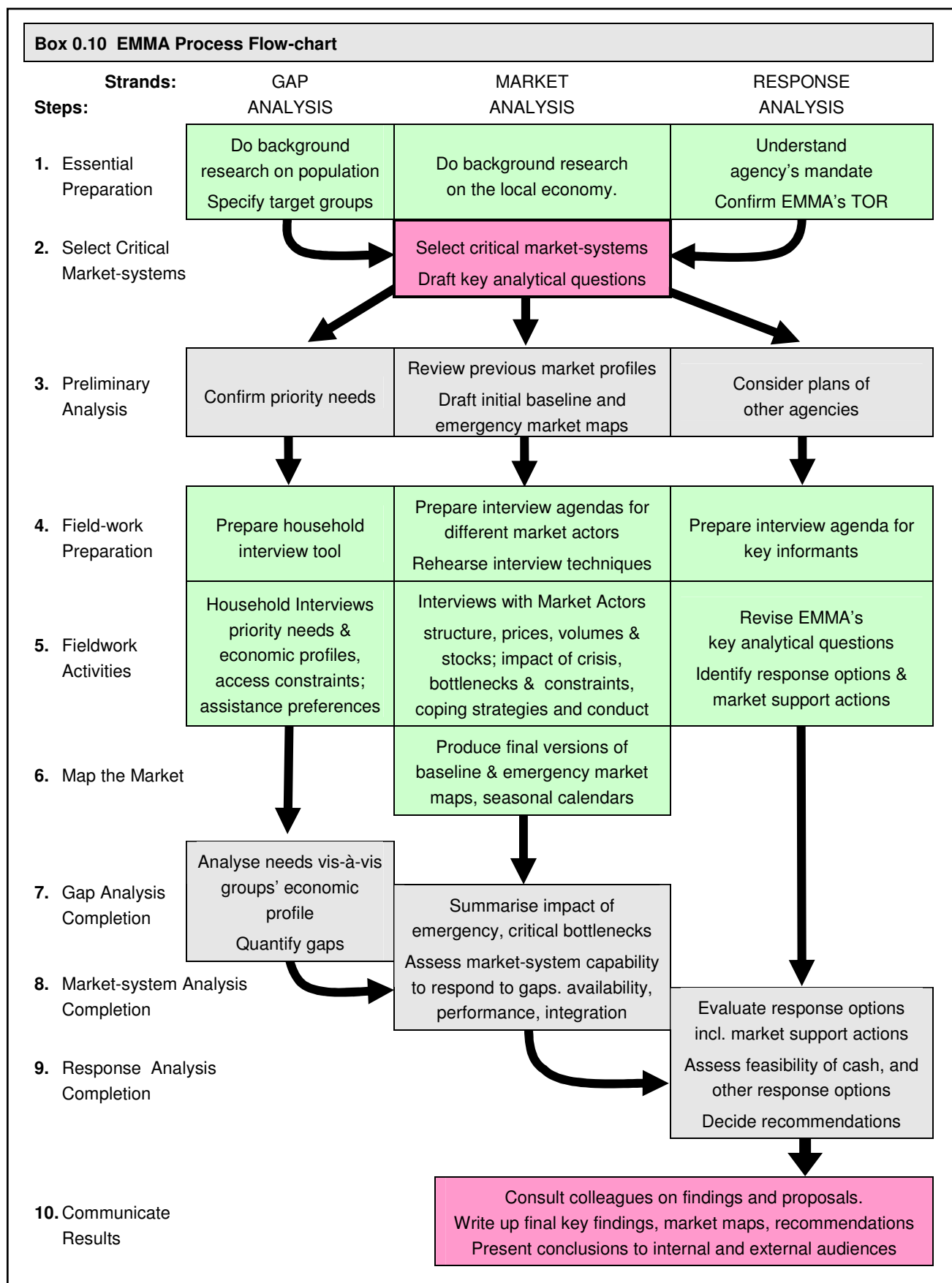
5. The EMMA process – 10 Steps

The EMMA process can be divided into ten steps – covering the general sequence of activities. However, EMMA is also an iterative process. In practice, activities in different steps will overlap, and steps may be returned to repeatedly, as our analysis of each market-system is revised. This continues until a 'good-enough' final picture is achieved.

Box 0.9 EMMA's Ten Steps	
1. Essential Preparation	Background research; arrival; consultation with colleagues; agency mandate, target population needs & profiles
2. Select Markets	Selection of critical market-systems; and identification of key analytical questions for each system
3. Preliminary Analysis	Production of initial profiles, seasonal calendars, maps of the market-system; identification of key informants or leads.
4. Fieldwork Preparation	Setting the fieldwork agenda; devising interview structures & questionnaires; data-sheets and recording formats
5. Fieldwork Activities	Conducting the fieldwork activities – who, where, when. Section includes guidance on interview methods and tips.
6. Mapping the Market	Finalising baseline & emergency maps, seasonal calendars; description of key features, bottlenecks, constraints
7. Gap Analysis	Comparison of household economic profiles, analysis of priority needs, access and gaps
8. Market Analysis	Analysing impact on availability, conduct, performance, supply and demand, capacity of market-system to react
9. Response Analysis	Exploration of response options, cash and other intervention feasibility; response recommendations and their logic
10. Communicate Results	Consultation with colleagues; presenting conclusions to wider audiences (donors, agencies)

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The way these three parallel strands and the ten consecutive steps are interrelated is represented in this flow-chart in Box 0.10:



6. EMMA's Principles

EMMA builds on what humanitarian agencies already do.

- EMMA is a flexible process, with a few clearly defined tools, that is intended to be adapted to each situation and agency's ways of working.

EMMA is not just business-as-usual: it asks humanitarian staff to think differently

- EMMA draws attention to the importance of market-systems that are critical to meeting affected populations priority needs now and in the longer-term
- EMMA may lead agencies to consider unconventional kinds of responses, including 'indirect' actions to rehabilitate or support damaged market-systems

EMMA is for non-specialists making urgent decisions that are 'adequate for purpose'

- EMMA is more qualitative than quantitative
- EMMA is intended to assist early decision-making in the first weeks of a crisis, looking forward up to one year ahead. It does not provide the detailed analysis ideally required for long-term programming.

EMMA does not put markets before people.

- EMMA is about making markets work for people in emergencies. Most crisis-affected households were involved in market-systems before the crisis occurred: perhaps for acquiring food, essential items and services, or for selling products (e.g. crops) and labour.
- In the EMMA process, understanding the market-system for an item like rice therefore includes not just the retailers and millers who trade in rice, but also farmers and agricultural labourers, suppliers of seeds and inputs, and of course rice consumers.

EMMA has a livelihoods perspective.

- EMMA differentiates between different livelihoods and social groups, recognising that people's normal livelihood strategies shape their relationships with market-systems, their coping strategies and needs in an emergency.
- Gender, ethnicity, wealth rank, health status, disability etc may all be important factors affecting people's access to and engagement with market-systems, their coping strategies and needs

EMMA allows you to integrate existing and relevant information from different sources

- household surveys, trader interviews, official statistics, market profiles and other literature

EMMA looks for optimal ignorance and appropriate imprecision

- EMMA is about rapid, rough, good-enough analysis. Both the amount of information and the details required to produce useful findings in a limited period of time, are kept to a minimum.

Optimal ignorance = disregarding non-essential or unnecessary detail.

Appropriate imprecision = being satisfied with approximations and rough estimates.

EMMA is an iterative process

- EMMA is an iterative process. We start with rough approximate ideas about the market-system and then by gradually incorporating new information gathered from interviews and fieldwork, repeatedly revise and refine the picture until a 'good-enough' analysis is achieved.

EMMA's relationship to other assessments

- Much of the Gap Analysis strand is similar to emergency needs assessments, especially rapid integrated appraisals. However EMMA looks more specifically at target households' interactions with markets – in order to understand which market-systems are critical to different livelihood groups, and how access has been affected by the emergency.

7. Timetable for EMMA in practice

EMMA can take anywhere between two and four weeks to implement. Variables include the context and the scale of the emergency. It also depends on resources: the number of market-systems to be studied and number of staff used.

We envisage two extremes of EMMA in practice:

- *The small single-handed EMMA process*
EMMA is conducted by an experienced lone EMMA practitioner, with assistance from one or two colleagues with good local knowledge of the crisis-affected area. This is quicker – a little as 10 days - but the amount of territory that can be covered is limited.
- *The large team-based EMMA process*
EMMA is conducted by a team, led by an experienced EMMA leader who is responsible for training a small team of local interviewers / assessors. This takes longer – four weeks is realistic - but potentially can cover a lot more territory, or (depending on the size of the team).

The chart below illustrates an indicative timetable for these two processes.

Indicative EMMA Timetables (examples of short and long processes)				
Activity	Week 1	Week 2	Week 3	Week 4
Background research - before arrival in-country	Orange			
Recruitment of EMMA team (optional)		Green		
Preparation & logistics for training & fieldwork	Orange	Green		
Orientation & training for EMMA team (optional) *		Green		
Testing questionnaires, formats interview methods		Orange	Green	
Field work (travel & interviews)		Orange	Green	
Collation of data, interpretation & analysis		Orange		Green
Report writing & presentation of results			Orange	Green

See “Training an EMMA Team in Emergencies” in the EMMA reference manual.

The EMMA Toolkit is work in progress.
 For further information please contact: Mike.Albu@PracticalAction.org.uk
 Or see the website: www.emma-toolkit.info