March 5th – 7th 2013, Hawkwell House, Oxford, United Kingdom

Humanitarian responses have increasingly engaged markets as a key mechanism for the delivery of aid. Reflection and learning from humanitarian market interventions is now becoming significant. However, to date these market responses have been limited by insufficient institutional capacity and have mainly been restricted to using and supporting markets to deliver basic humanitarian needs.

The Market Learning Event¹, presented one of the first opportunities to gather a wide variety of organisations and sectors ² and to:

- Share learning on humanitarian engagement with markets;
- Discuss the scope of humanitarian market interventions and;
- Identify areas in which the humanitarian community could engage with others from within the sector and from across other types of organisations to support learning and project design.

The group discussed initial terminology for 'market support' and 'market based programming'.

Market Interventions

'Market support' was understood as being one of the humanitarian response options, with the objective of the response focusing on the delivery of a specific (set of) basic need (s) to a defined vulnerable target group.

Activities could include: infrastructure rehabilitation, loans or grants to traders, transport subsidies, advocacy on trade policies etc. Market based programming was seen, as an approach, where the objective was related to economic recovery and/or strengthening of market systems, primarily with the objective of reinforcing markets, and thereby protecting, rehabilitating and strengthening livelihoods.

Programmes could be value chain and/or supply chain projects, enterprise development, employment creation, financial services etc.

This initial framework shows that market interventions can extend beyond supporting markets in the short term for the delivery of a set of basic goods and services. Humanitarian interventions could go further to supporting and reinforcing the market, in general, to strengthen food and livelihood security, and as a critical part of preparedness, DRR and building resilience. The participants agreed that:

- The degree to which agencies can and could work with markets is on a spectrum from 'market aware', through 'market support' to 'market based programming'. This recognises that supporting markets could be extended to working actively to strengthen markets as a primary means of strengthening livelihoods;
- At a minimum, humanitarian interventions must be 'market aware', not only in cash based responses, and systematically consider 'market support' as a potential response option where relevant;

Interesting and innovative presentations were given throughout the event, detailing learning, new initiatives, approaches and tool refinement or development. These included presentations from: **CIAT**, on seed markets; **IRC**, on market analysis for DRR programme design; **Oxfam** on humanitarian response anchored in development work in Turkana, **WFP** on current gaps in knowledge, scope, evidence and policies in market based programming; **Nielsen** on market analysis and the retail landscape; and **Action for Enterprise** on integrating relief and recovery value chains with economic value chains for DRR.

¹ The Market Learning Event was funded by ECHO and hosted by Oxfam GB and was a core component in a ERC project entitled: 'Building institutional capacity for timely food security emergency response to slow onset crises at scale'. This project aims to contribute to the institutionalisation of market analysis and to the sharing of learning and best practice on the role of markets in humanitarian responses.

² (including 77 participants from across 38 different organisations and affiliates, including WFP, FAO, Save the Children UK, IRC, CRS, Christian Aid, ICRC, Concern Worldwide, ACF, Oxford University, East Anglia University, DFID, USAID, Nielsen, Accenture, KPMG and Unilever)

The group of participants identified a set of core issues that should now be addressed and invested in:

- There is currently no shared framework that adequately reflects the ambitions and scope of the market based programming spectrum. A shared **framework** needs to be developed with the creation or refinement of key standards and principles for market interventions, linking short-term and long-term interventions;
- It is then the responsibility of individual agencies to **position their work along that spectrum**, according to the role and mandate of their organisation, and align their policies accordingly;
- There is still limited capacity in the humanitarian sector to institutionalise market approaches. Investment is needed to map the **skills needed**, to design **capacity building** material, approaches and strategies, and to implement those strategies to enable practitioners to make better market sensitive decisions and design better programmes in humanitarian contexts;
- Market analysis does not routinely understand power in markets, nor what risks interventions may entail for beneficiaries' access to markets, or for market actors and structures through negative market distortions. Investment is needed to **refine and institutionalise analytical approaches**, ensuring that interventions are based on sound risk and power analysis and are designed to 'do no harm';
- Market analysis that is undertaken does not necessarily translate into good response design. Moreover, response design is not necessarily based on existing market analysis. Market analysis needs to be systematically and institutionally embedded into response design. Attention is needed to develop a market response framework that clarifies a range of response options along the spectrum together with the development of response analysis process maps, decision trees and checklists;
- There is insufficient evidence that details the impact of current humanitarian interventions on markets and people's access to markets. Investment is needed to: define process and indicators for **impact and quality measurement** of humanitarian interventions; gather evidence for learning and advocacy; and secure funding for a more comprehensive study of the impact on markets, access and livelihoods;
- Work is needed to create and communicate a strong **'business case'** to advocate for investment in markets work and which could be based on this evidence;
- It is unrealistic to expect the humanitarian sector to address these issues alone. It is vital to **build creative partnerships** and encourage collaboration with key actors (government, development practitioners, academics, the private sector etc), who can lend their expertise and provide different types of data and contextual knowledge;
- Baselines are not routinely undertaken, updated or shared. Work in this area needs to focus on using scenarios in **baseline analysis**, keeping baselines dynamic, integrating different levels of information into the analysis and sharing/coordinating this work;
- To avoid duplication and to strengthen the work of the humanitarian sector, a properly moderated **community of practice (CoP)** needs to be developed to gather and share experiences and learning with data, market analysis, responses, programme evaluations, impact analysis and so forth.

Immediate action points focused on the need to establish or adapt a community of practice, ideally linked to existing platforms, to avoid duplication. Work has begun to scope what existing platforms are available and a working group is in formation to propose potential structures for the CoP, which will then be voted on by the group.

Other initiatives undertaken by different agencies will also be monitored, to see where coordination, collaboration and alignment could support the evolution of markets work. The priority areas – identified above by the participants - that are not currently being addressed, or are not in the plans of the participating agencies, will form the basis of the Terms of Reference for the newly established community of practice.



For a copy of the full Market Learning Event Report, or for further information, please contact Emily Henderson at <u>ehenderson@oxfam.org.uk</u> or Carol Brady at <u>cbrady@oxfam.org.uk</u>

