REACH • Cash and Markets Community of Practice

Guidance document: REACH cash and markets support for the COVID-19 response

(v4, 16 April 2020)

Introduction

As the COVID-19 pandemic has continued to spread from country to country, many countries in which REACH works have opted to enforce strict social distancing measures, temporarily shut down venues for large public gatherings, and close their borders to most or all foreign entrants to prevent the spread of the virus. These measures, while necessary from a public health perspective, are already having strong negative effects on some of the market systems on which vulnerable populations in humanitarian contexts depend. Border closures, labor shortages, and restrictions on cross-border cargo transport have disrupted supply chains in some countries, causing sudden price spikes and item shortages; government-mandated business closures and bans on public gatherings have led to the closures of many vendors and marketplaces deemed non-essential; and large numbers of vulnerable people have been cut off from their livelihoods overnight, leading not only to increased humanitarian need but to increased insecurity in some contexts, as market vendors deal with theft, robbery, and open threats.

This guidance document aims to collect initial ideas for how REACH's cash and markets teams can help their national cash working groups and other partners respond to the COVID-19 pandemic. This guidance note is designed as a living document and will be updated over time based on feedback from field missions.

Market monitoring to support the COVID-19 response

One of the most common recent requests REACH has gotten from Cash Working Groups and other partners is for **rapid market monitoring** to help humanitarian actors understand the pandemic's effects on market prices, item availability, and market functionality. REACH's usual market monitoring methodologies should be adequate for this task, but with **modifications** that will better match our data collection to the nature of the crisis.

Given the pace of events surrounding the COVID-19 pandemic and the urgency of the situation, any market monitoring undertaken in support of the response should strive to be **faster and more frequent than usual**. REACH should seek to shrink its usual monthly JMMI cycle to biweekly or even weekly, and should aim to release a short output by the end of each two-week or one-week period, either in the form of a factsheet or a dashboard update.

To achieve this much-reduced timeframe, REACH will in turn need to shorten all aspects of its existing Joint Market Monitoring Initiatives (JMMIs):

- Shorter data collection periods, perhaps of just two or three days.
- Shorter data collection tools covering a smaller number of items.
- A reduced number of traders surveyed (i.e. collecting only the minimum 3 prices per item in missions that normally survey more than that).
- Potentially more limited coverage of areas where access opportunities are less frequent or less reliable.
- Shorter one-page factsheets tracking a handful of key indicators over time, with production to be automated using R and Chartwell if possible—or interactive dashboards that will take less time to update than factsheets.
- Fast-track validation of all TORs and outputs related to COVID-19 research cycles, with a focus on reviewing processes and templates over individual outputs.

With such a reduced timeframe, it will not be possible to use REACH's existing JMMI data collection tools unmodified, which are designed for a 7-day data collection period and often include hundreds of questions. Teams undertaking COVID-19 market monitoring should create **stripped-down market monitoring tools** that cover only 8-10 key commodities—mostly drawn from the national-level MEB with the potential to add some items, like handwashing soap, water trucking costs, etc.

that are particularly relevant to COVID-19—as well as a handful of additional indicators on shocks to market functionality. The list of items to be monitored will need to adequately balance the need for diversity of items with the need for a rapid pace, as asking enumerators to collect prices from 8 types of vendors will take far more time than asking them to visit only 3. Consider monitoring commodities from each of the following categories that is relevant to your country—some of which may overlap—and focusing your monitoring on larger traders that carry as many of these items as possible:

- Domestically produced staple foods, particularly grains
- Fresh produce (vegetables or fruits)
- Least expensive commonly consumed meats
- Key hygiene NFIs (see below)
- Commodities that are generally imported cross-border

Hygiene items are particularly important to monitor, as these have emerged as a cornerstone of the global COVID-19 response. UNICEF has provided REACH with the following suggested WASH items to monitor, which can be added to COVID-19 assessments in contexts where they are relevant to the vulnerable populations targeted by cash assistance:

Handwashing soap (1 bar, 150 g)	Likely universally available.
Water (1 m^3 or 1000 L for piped network and water trucking; 20 L for communal collection sources)	Supplied in bulk to the household by a water utility (piped network), communal collection (borehole, hand pump), or other means (such as water trucking). *Monitor only if relevant,* i.e. if target populations must pay to receive water. Start by identifying the most commonly used water source via MSNA data, KIs, field officer perspectives, etc., and design indicators and quantities to match the vendors you will need to visit.
Bleach (1 L)	Can be replaced if needed by other chlorine-based products used for routine cleaning of houses. *Monitor only if relevant,* i.e. if these products are frequently sold and used in the local context.

Even in responses with a fully updated MEB, **COVID-19 market monitoring should not seek to cover all items in the MEB**, as this would require a full-length tool and would make it difficult to maintain a rapid pace. Rather, teams should choose only a few MEB items that they feel are likely to be representative of overall trends in price and availability, and should analyze weekly or biweekly changes in the prices of those items.

Teams with existing JMMIs should seek to maintain their usual monthly data collection efforts, with additional market functionality indicators and items added as needed to capture the effects of COVID-19. Now more than ever, REACH should ensure an unbroken record of historical price data, which is crucial to help actors understand how this pandemic has altered household financial burdens. However, these teams should consider consulting their JMMI donors and CWG partners to find out what outputs will be most appreciated under these changed circumstances. **It's possible that the usual monthly factsheets may not be necessary;** donors and partners may prefer to see more frequent one-page COVID-19-focused outputs, or even to shift towards an interactive dashboard, and may be happy for you to suspend the monthly factsheets as long as the JMMI datasets and MEB/standard cash transfer value calculations continue to be produced.

Although it is important to ensure that monthly data collection takes place as normal, in situations where staffing is limited, **market monitoring outputs should be prioritized in the following order:**

1. Datasets (both monthly and weekly) and standard cash transfer value calculations, if applicable
2. Weekly/biweekly COVID-19 monitoring factsheets or dashboard updates
3. Monthly JMMI factsheets

The table below may help in considering options:

Countries that have an existing JMMI and capacity to expand	Use existing coordination framework to propose launching additional light weekly or biweekly COVID-19 market monitoring; continue normal monthly monitoring with additional market functionality indicators to capture the effects of COVID-19
Countries that have an existing JMMI but limited resources to expand	Continue normal monthly monitoring, but incorporate additional market functionality indicators as proposed below to capture the effects of COVID-19
Countries that currently do not have a JMMI	Approach donors, partners, and the CWG or relevant coordination frameworks to propose launching weekly or biweekly COVID-19 market monitoring
Countries that are unable to launch a market monitoring system at this time	Identify secondary data on prices and market functionality available within the response (WFP VAM, national bureau of statistics, partners' internal monitoring, etc.), and consider ways to analyze this data and disseminate results on whatever schedule is possible

Rapid market assessments to support the COVID-19 response

In some countries, Cash Working Groups and other partners have called on REACH to organize or support **rapid market assessments** to provide the response with more in-depth information on market functionality, supply chain disruption, and optimal aid modalities and delivery mechanisms. The choice of a rapid market assessment vs. rapid market monitoring should be based on partners' actual information needs: in particular, on whether they would find it more valuable to monitor changes over time as the COVID-19 pandemic progresses, or to take a more in-depth snapshot of the situation immediately following a market shock (for example, a sudden closure of borders). As always, it is incumbent on the REACH cash and markets teams to accurately understand their partners' information needs and make a recommendation accordingly.

In responses that opt for a snapshot market assessment, **ICRC's Rapid Assessment for Markets (RAM) methodology** is a good match for the current situation. A RAM is designed to provide a quick and basic snapshot of how key markets are operating immediately after a shock (in this case, lockdowns, widespread business closures, and/or border closures as a result of COVID-19), as well as to support initial decisions on the feasibility of different response options (cash vs. in-kind vs. direct market interventions).

The RAM has the advantage of having been tested extensively in 2017-2018 by the REACH Iraq mission, which modified the base methodology and tool and transformed their project into a **JRAM (Joint Rapid Assessment of Markets)**. The JRAM relied on joint simultaneous data collection by several participating CWG members, much like a JMMI. While ICRC's official RAM guidance does not recommend conducting any particular number of trader interviews, REACH Iraq and its partners ended up interviewing 60-120 purposively selected traders per assessment (both retailers and wholesalers), depending on the contributions received from partners. In addition, REACH Iraq added a consumer interview component to several of its JRAMs, generally interviewing 100-110 consumers per assessment. These consumer interviews are valuable, but optional to the methodology.

It should be possible to shorten the Iraq JRAM tool and reorient it toward the COVID-19 situation, for example to remove the questions on armed group activity and damage to market infrastructure, which are not currently relevant in most COVID-

19 contexts. All of Iraq's JRAM TORs, outputs, and datasets (which include the Kobo tools) can be found here on the REACH Resource Centre.

Research questions

For the most part, the research questions for COVID-19 market monitoring and market assessments can remain roughly the same as those for most other JMMIs and for the Iraq JRAM. Feel free to borrow from and modify these examples. In addition, the following COVID-19-specific research questions can be considered, among others, for either type of assessment:

- To what extent have market operations and functionality changed in the wake of public health restrictions / transport restrictions / international border closures / etc. imposed to control the COVID-19 pandemic?
- To what extent have customers' purchasing patterns changed in the wake of public health restrictions / transport restrictions / international border closures / etc. imposed to control the COVID-19 pandemic?
- How have official public health restrictions related to COVID-19 (i.e. social distancing, improved hygiene measures, etc.) affected market vendors' internal operations (i.e. the items they choose to carry, the payment modalities they are willing to accept, etc.)?
- Have the supply chains for any key commodities been disrupted in the wake of public health restrictions / transport restrictions / international border closures / etc. imposed to control the COVID-19 pandemic?
- How have official public health restrictions related to COVID-19 (i.e. social distancing, improved hygiene measures, etc.) affected the willingness and ability of both customers and market vendors to continue buying and selling commodities?
- Do any population groups face particular challenges accessing markets due to either public health restrictions related to COVID-19 or fear of catching COVID-19?

Indicators to include

As discussed above, market monitoring to support the COVID-19 response should aim to **cover only 8-10 key commodities**, and should collect the usual basic information on **market prices, availability, and restocking timelines** for each. However, given the nature of the COVID-19 outbreak, it is particularly crucial to go beyond prices and include **indicators on market functionality** as well. Below are a few proposed market functionality indicators that can be analyzed as part of a COVID-19 market monitoring exercise, and which should be modified to match local contexts:

- Locations of the vendor's main suppliers for different categories of goods (fresh foods, non-fresh foods, hygiene NFIs, imported commodities, etc.)
- Percentage of vendors in this marketplace or neighborhood that have closed compared to two weeks ago / one month ago
- Percentage of vendors reporting a reduction in the number of customers they receive daily compared to two weeks ago / one month ago
- Percentage of vendors reporting difficulty obtaining enough key commodities from their wholesalers or suppliers to meet demand (which commodities, and why the difficulty—not enough supply? transport more difficult? imported items unavailable?)
- Percentage of vendors reporting increased safety or security concerns in this marketplace compared to two weeks ago / one month ago
- Payment modalities accepted by vendors (as many humanitarian actors are discussing shifting their responses from in-kind to cash, or from physical banknotes to mobile money / contactless payment systems)
- Updated reports on market closures in the assessed area, based on vendor reports
- Updated reports on transport and importation restrictions, based on vendor reports
- Updated reports on airport, seaport, and border closures, based on vendor reports and government documents

All of the previous indicators can potentially be incorporated into a **market assessment retailer/wholesaler survey** as well, though in a one-time market assessment, the market monitoring timeframes (e.g. "two weeks ago / one month ago") should be changed to refer to the period before COVID-19 restrictions were imposed. If your market assessment also aims to interview **consumers**, the following COVID-19-relevant indicators can also be considered, among others:

- Percentage of customers who report facing new barriers to market access (physical, financial, or social) that they did not face before COVID-19 restrictions were imposed
- Percentage of customers who report difficulty purchasing key items for their households that they did not face before COVID-19 restrictions were imposed, by type of item reported
- Percentage of customers reporting increased safety or security concerns associated with visiting marketplaces that they did not face before COVID-19 restrictions were imposed
- Percentage of customers who have voluntarily changed their consumption or purchasing patterns as compared to before COVID-19 restrictions were imposed, by type of change reported (purchasing new items, reducing consumption, avoiding markets, etc.)
- Population groups whose ability to access markets has been most severely impacted by COVID-19 restrictions or fear of COVID-19 itself (displaced, elderly, disabled, people with chronic diseases, etc.)
- Median expenditure on healthcare, medicine, and healthcare-related NFIs over the past 30 days

Remote data collection

In many contexts, it is an open question whether public health restrictions designed to fight COVID-19 will force REACH's JMMIs, and many other assessments, to switch over from in-person to remote data collection methodologies. **It is possible to conduct many JMMIs or market assessments using remote data collection,** delivering the full questionnaire over the phone, Skype, WhatsApp, Viber, or even SMS in situations where a call is impossible; indeed, this has been done systematically in some contexts. **However, there are two factors that can make this extremely challenging in some countries:**

1. **Lack of mobile connectivity:** In contexts where mobile networks do not extend to all corners of the country, it may be impossible to conduct any survey reliably over the phone. This can potentially lead to sharp drops in coverage, as surveys will be limited only to major urban markets where mobile connectivity can be assured.
2. **Problems with unit measurement:** In some contexts, largely in sub-Saharan Africa, an ongoing issue with market monitoring initiatives has been the fact that vendors often do not have access to scales or standard containers to accurately measure the quantities of items they sell. This means that it is impossible to, for example, ask a vendor to provide the price for "1 kilogram" of a given item, either in person or remotely. REACH teams in the region have come up with creative ways of dealing with this problem, often by manufacturing mugs of a standard size and asking vendors to estimate how much it would cost to fill the mug. Not only will this strategy be difficult to replicate remotely, but even in person, there is new concern that using a common mug could potentially aid in disease transmission. Teams that face this issue would need to develop equally creative solutions to the unit measurement problem that respect the local context in order to go on monitoring remotely.

Even where possible, **the process of conducting market interviews remotely is not without problems.** It can be hard on both the enumerator and the trader, as it tends to be more difficult for a trader to split their attention between a phone and an in-person customer than between two people physically present at their stall, which may mean that they are more likely to hang up before the end of the survey or ask to split it between several phone calls. Furthermore, as with any remote data collection exercise, stricter data cleaning processes will need to be set up to ensure the quality of any data collected using remote methods, in accordance with IMPACT's Data Cleaning Minimum Standards Checklist.

Still, in many countries, it will be possible to set up JMMIs or remote COVID-19 assessments in this way, recognizing that many issues will need to be worked out along the way. The process of setting up a remote assessment will require enumerators to **build a network of trader KIs**, which will require them to do **an initial round of in-person scoping** to

collect the phone numbers of market vendors they plan to interview, or, alternatively, to reach out to their existing contacts over the phone and engage in a bit of **snowball sampling** until they obtain contact information for an appropriate number of traders. Note that any database of KI names and contact details that is built in this way will constitute personally identifiable information, and thus teams will need to take strict measures in line with IMPACT SOPs to ensure this data is managed securely. The coverage of any such assessments will be limited to areas with sufficient mobile connectivity to support a lengthy phone call.

The REACH Yemen cash and markets team is developing an initial set of **SOPs for enumerators conducting JMMI interviews remotely**, which can be used directly by other missions or modified to match local contexts.

For further guidance and resources on how to handle remote data collection and remote management of research cycles, please see the IMPACT Research Department's guidance note on the subject, to be released shortly.

Feel free to get in touch with Chris Paci, REACH Global Cash and Markets Assessment Specialist (christopher.paci@reach-initiative.org), for further questions and perspectives on the guidance above.