MARKET-BASED PROGRAMMING IN WASH

Technical Guidance for Humanitarian Practitioners

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WASH Cluster
Water Sanitation Hygiene

OVERVIEW

PURPOSE

The purpose of this document is to provide practical guidance on market-based programming (MBP) in humanitarian WASH responses.

This guidance is intended for:

- Humanitarian WASH practitioners
- Cash and markets practitioners
- Humanitarian business support teams supporting WASH programmes
- WASH Cluster/Sector coordinators

STRUCTURE

This document introduces concrete steps that can be followed and implemented in line with the key phases of the humanitarian programme management cycle:

- Assessment
- Response analysis
- Programme design and implementation
- Monitoring
- Preparedness

Each phase is presented as an individual chapter, with a final chapter focused on coordination in relation to MBP. Coordination applies to all phases of the cycle.

This guidance is aligned with the Global WASH Cluster (GWC) position paper on Cash and Markets and with the GWC evidence building study on MBP.[1]

It replaces a previous version of the guidance (circulated in 2019) and additionally contributes to the GWC capacity building strategy on MBP.

We hope it represents a valuable resource for humanitarian WASH practitioners to learn more about the significant potential offered by considering markets in their WASH programming and activities.

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1. Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

ACRONYMS

MBP is an emerging field in humanitarian WASH assistance and as such, understanding of its terminology and basic concepts is still developing.

The GWC aims to provide clarity on terms and to mainstream definitions for the WASH sector. To be consistent with the wider humanitarian system, definitions have been adapted from the 2018 CaLP glossary.

BCC	Behaviour Change Communication
BNA	Basic Needs Analysis
CBO	Community Based Organisation
CFRM	Community Feedback & Response Mechanism
CVA	Cash & Voucher Assistance
CWG	Cash Working Group
EMMA	Emergency Market Mapping & Analysis Tools
FGD	Focus Group Discussion
FSP	Financial Service Provider
GBV	Gender Based Violence
HC / HCT	Humanitarian Coordinator / Humanitarian Country Team
HHWT	Household Water Treatment
IMO	Information Management Officer
JMMI	Joint Market Monitoring Initiative
JMP	Joint Monitoring Programme
KYC	Know Your Customer
MAG	Market Analysis Guidance
MBP	Market-Based Programming
MEAL	Monitoring, Evaluation, Accountability & Learning
MEB	Minimum Expenditure Basket
MHM	Menstrual Hygiene Management
MISMA	Minimum Standard for Market Analysis
MPC	Multi-Purpose Cash Assistance
PCMA	Pre-Crisis Market Analysis
PDM	Post-Distribution Monitoring
RAM	Rapid Assessment for Markets
SOP	Standard Operating Procedure
TOR	Terms of Reference
TWG	Technical Working Group

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CHAPTER

01

INTRODUCING WASH MBP

1.1 WHAT ARE MARKETS?

MARKET

A formal or informal **structure for the exchange of goods** (*e.g. jerrycans*), **services** (*e.g. latrines desludging*), or **labour** (*e.g. excavating trenches for water supply pipelines*).

Markets are places where buyers and sellers come together to exchange goods and services. A market does not have to be in a physical place but there do need to be at least two sellers for a healthy market.[2]

Local Market: refers to goods, services, or labour, that are *available and transacted locally* (not necessarily produced locally or in country).

MARKET ACTORS

Organisations and individuals who are active in a market system, including (but not limited to):

Developers of standards | **Retailers and vendors** | **Providers of services** | **Consumers** | **Regulators** | **Suppliers** | **Transporters**

MARKET SYSTEM

A network of **market actors** supported by **infrastructure** and **services**, interacting within a context of institutions or rules that shape the actors' trading **environment**.

A market system refers to the **relationships** between all actors and the environment (rules, norms, and business/support services) that enable the system to work.

Critical Market System: a system that is most urgently relevant to a target population's needs *(e.g. soap market system during an epidemic outbreak).*

MBP

Market-based programming or market-based interventions are projects that work through or support local markets. The terms cover all types of engagement with market systems, from actions that deliver immediate relief to those that proactively strengthen and activate local market systems or market hubs.

VIEW TYPES OF WASH MARKETS

2 - Oxfam. (2020). Market-based programming: What's it all about?

1.2 WHY SHOULD HUMANITARIAN WASH PROGRAMMES CONSIDER MBP?

Markets are central to people´s life and livelihoods:

- Markets are a first responder in case of a crisis or disaster; market systems can provide access to essential items required for survival (such as hygiene items, water or fuel).
- Market systems can also provide jobs and opportunities for wage labour. They play a crucial role in ensuring that local industries can generate revenue.
- MBP provides more dignity, and often choice, for individuals and communities, and provides opportunities for livelihoods and income.

Markets are part of sustainable development. WASH practitioners should recognise and seek to identify ways in which the local market can contribute to meeting the needs of the community during the crisis and throughout the response as the market recovers.

Pre-crisis market analysis is key to preparedness and building market resilience:

- Understanding markets in non-crisis times will allow for the monitoring of seasonal trends and historical trends, which can be especially relevant in slow onset crises.
- It allows teams to identify key actors in WASH market systems and to establish strategic partnerships for contingency planning.
- Conducting market analysis before a crisis is also a good opportunity to build the capacity of WASH staff and raise their awareness of the role of markets in WASH programming.
- MBP strengthens local market systems which in turn can become resilient to reoccurring shocks and crisis, for example through the establishment of a credit and debt system for WASH goods that reflects lean and harvest seasons in a given context.

WASH practitioners should encourage, when possible, pre-crisis market assessment exercises (Chapter 2) with the aim of improving their organisation's knowledge of the context prior to a shock, in order to inform preparedness plans, to improve the response quality when an emergency occurs, and to build resilience before crisis.

There are no market-neutral interventions:	- Humanitarian agencies are market actors and have a significant impact on local markets, intentionally or otherwise. - In-kind distributions can have significant market impacts, some of them negative.	**WASH practitioners, under the principle of Do No Harm, should always be 'market aware' and consider both the negative and positive impacts a programme can have on local markets and the market environment.**
Market assessments post-shock allow for better quality emergency responses:	- A market-sensitive and informed humanitarian response will both significantly decrease harmful effects on local economies and boost local economic activity. - Promoting economic recovery is an enabling factor for enhancing the transition from humanitarian to development programmes, aid efficiency and early recovery.	**WASH practitioners are encouraged to implement market assessments (Chapter 2) as a complementary context analysis tool, additional to those traditionally used by the WASH sector, to inform programmes in a more consistent way and thereby improve programming.**
MBP can lead to a multiplier effect:	- An increase in consumer spending contributes to the overall economy. - An increase in spending (including through cash/vouchers) can trigger the return of traders, stabilise the market in an acute crisis, and in the longer term, can contribute to income growth for local traders, expansion of markets for local goods, and potentially an increase in employment opportunities. Possible negative effects can include price increases. - In addition, market system strengthening interventions seek to impact the wider market, improving the ability of the market to provide critical goods and services and opportunities for users to access them.	**WASH practitioners should encourage MBP and evaluate the relevance and feasibility of implementing it where appropriate (Chapter 3), in order to promote a multiplier effect in the intervention area.**

IMPACTS OF MBP IN WASH

The primary impact that most humanitarian WASH interventions seek to achieve is a reduction in WASH-related morbidity and mortality among people affected by crisis.

MBP seeks to achieve this same impact, whilst seeking synergies with existing market systems to minimise disruptions to markets and maximise programme efficiency. MBP may also aim to build the resilience of WASH related markets.

OUTCOMES OF MBP IN WASH

According to the GWC evidence building study on MBP, these impacts are achieved by meeting five outcomes:[3]

Awareness

People know how to access and use WASH goods and services based on standards.

Access

People are able to access WASH goods and services without undue difficulty.

Use

People have adequate WASH related attitudes and practices, based on standards.

Availability

WASH goods and services are sold or distributed near the target population.

Quality

WASH goods and services delivered meet quality standards.

- **The types of MBP presented at Annex 1, along with complementary WASH programming, are used to meet these outcomes and impacts.**

3 - Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

1.3 HOW SHOULD WASH MBP BE CARRIED OUT?

TYPES OF WASH MBP | MBP covers all types of engagement with market systems, as classified by four different approaches:

AWARENESS OF MARKETS

Programmes that are market-aware are cognizant of the effects that practices in the delivery of humanitarian assistance have on markets. Market-aware programmes take steps to minimise or mitigate negative impacts on local markets.

EXAMPLE: Conducting a market assessment of the water trucking market prior to contracting water supply services with vendors.

SUPPORTING MARKETS

Market support interventions aim to improve the situation of the crisis-affected population by providing support to critical market systems that supply WASH goods and services. These interventions target specific market actors, services, policies, and infrastructure.[4]

EXAMPLE: Grants to traders of hygiene items or grants to water truckers so they can restart businesses after a crisis.

USING MARKETS

Use of markets involves working with existing markets to assist people affected by crisis.

EXAMPLE: In-kind distribution of locally procured hygiene goods and CVA* for hygiene items are both examples of using markets.

STRENGTHENING MARKET SYSTEMS

Also referred to as market system changes, these are longer term interventions aimed at enabling sustainable changes in market access and demand for goods and services, supporting the development of viability and resilience within existing and new market systems.[5]

EXAMPLE: Assisting WASH enterprises to produce chlorine products and create business plans for the sale of chlorine for household water treatment (HHWT).

The Markets in Crisis group has developed a framework that combines the market concepts presented here.

VIEW THE FRAMEWORK

**Cash and Voucher Assistance (CVA) - for a more detailed definition, see page 45.*

4 - Adapted from: CaLP and USAID. Market Support Interventions in Humanitarian Contexts: A Tip Sheet
5 - Adapted from: Markets in Crisis. (2016). Updated Market-Based Programming Framework

SUPPLY AND DEMAND

For each of the above approaches, MBP involves working across supply and demand.

Some market-based interventions may focus either on the supply-side or demand-side of the market, while others will focus on both. Supply and demand are interdependent.

EXAMPLE:

Encouraging reform in national policies and sector regulation governing humanitarian WASH response, such as the right to water and sanitation in emergency, development of adequate humanitarian WASH standards, and easing importation of WASH related goods for emergency response.

MARKET ENVIRONMENT AND MARKET SUPPORTING SERVICES

Additionally, MBP can also seek to improve the market environment or to improve market secondary services.

EXAMPLE:

Financial services, transportation, energy, roads, security, water distribution infrastructure. Each of these has an impact on the broader WASH market system.

6 - Juillard, H. (2017). Supporting Markets in Emergencies: Scoping Study. CRS and Oxfam

KEY STEPS FOR IMPLEMENTING WASH MBP | Carrying out MBP follows the humanitarian programme management cycle:

ASSESSMENT
Chapter 2 presents the assessments required for situational analysis to inform MBP, with an emphasis on WASH market assessments.

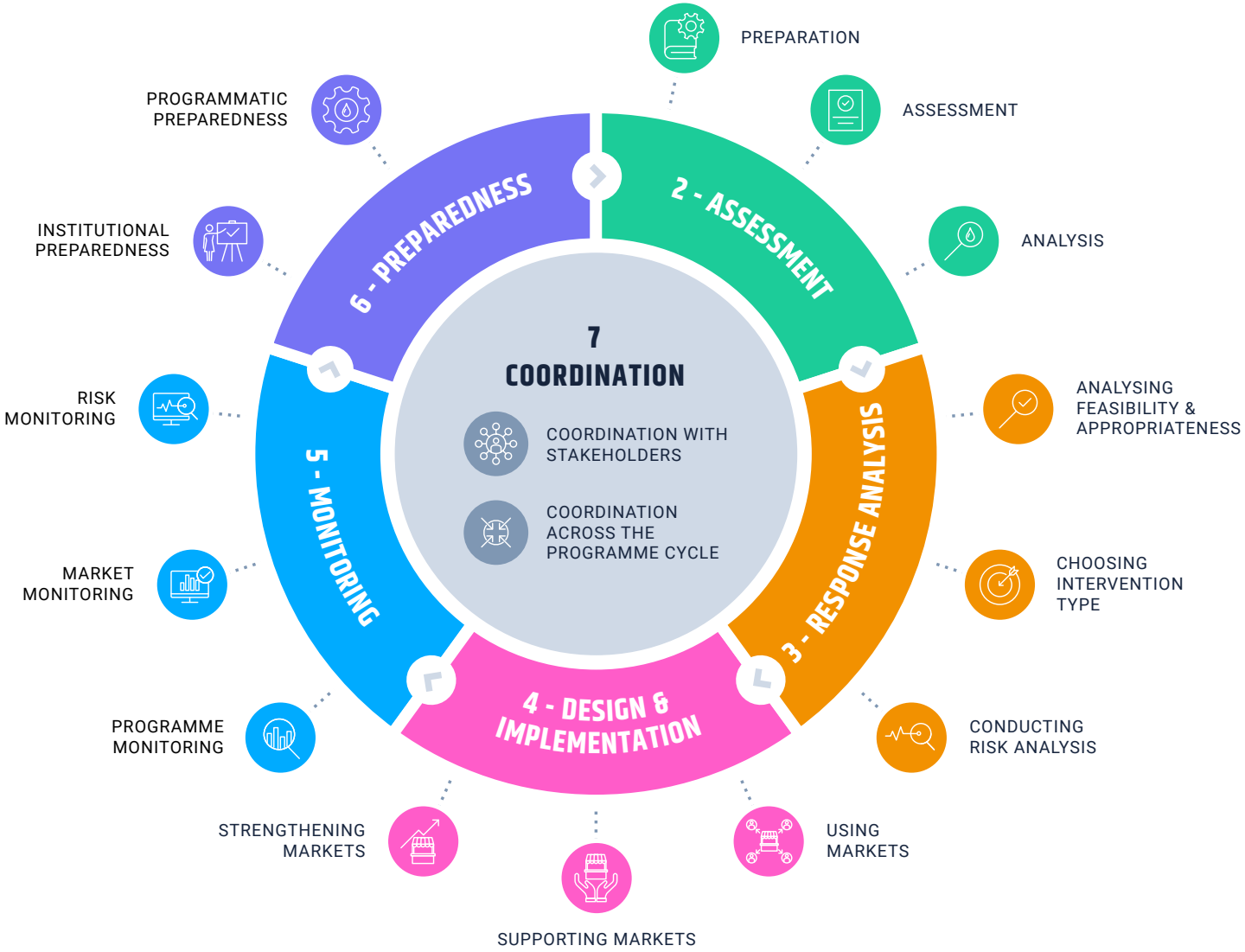
RESPONSE ANALYSIS
In Chapter 3, the process of determining response options (based on their feasibility) is described step-by-step.

DESIGN AND IMPLEMENTATION
Chapter 4 provides information for the design and implementation of WASH programmes according to the four levels of engagement in MBP: being aware of, using, supporting, and strengthening markets.

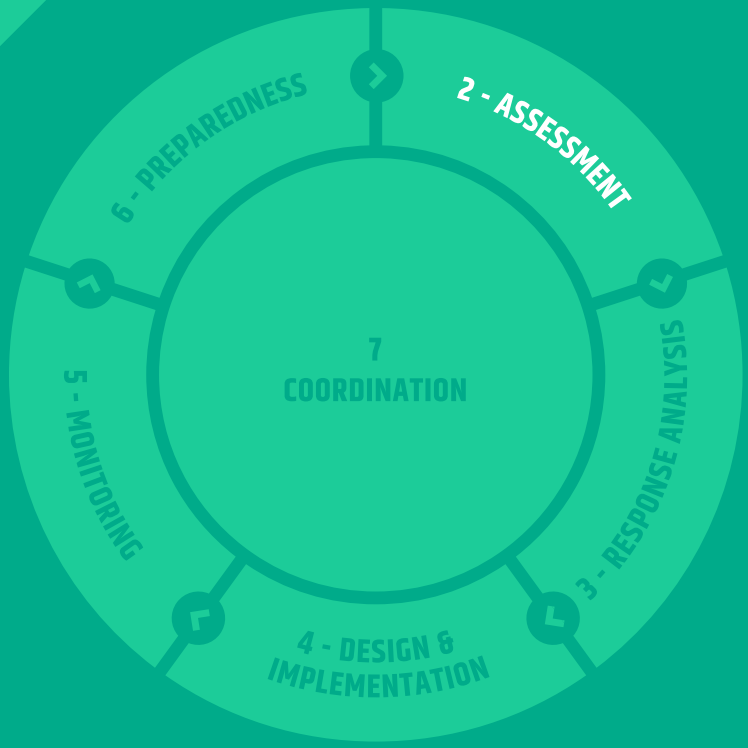
MONITORING
Chapter 5 summarises the monitoring activities, outputs, outcomes and results, as well as market monitoring, in WASH MBP.

PREPAREDNESS
Chapter 6 discusses the role of preparedness, both through pre-crisis actions and in terms of building resilience through WASH markets.

COORDINATION
Chapter 7 discusses the coordination requirements for WASH MBP in humanitarian contexts.



02 ASSESSMENT



KEY STEPS:

1 PREPARATION → 2 ASSESSMENT → 3 ANALYSIS

KEY MESSAGES:

- Market assessment is a crucial component in planning MBP and can influence other programmes to become market aware.
- Market assessments are based on and complement multi-sector assessments, WASH assessments, and other assessments, all of which are used in situational analysis. View Annex 4.
- Clear and specific research questions are essential to producing a focused assessment.
- Market assessments must be tailored to the context; there is no universal set of surveys and interview guides.

KEY RESOURCES:

1. Minimum Standard for Market Analysis (MISMA)
2. Emergency Market Mapping and Analysis Toolkit (EMMA)
3. Market Analysis Guidance (MAG)
4. Rapid Assessment for Markets (RAM)

2.1 PREPARATION

- **SELECT THE CRITICAL MARKET SYSTEM TO ASSESS BASED ON THE WASH NEEDS**
- **DEFINE RESEARCH QUESTIONS AND OBJECTIVES**
- **SELECT MARKET ASSESSMENT TOOLS**

2.1.1 SELECT THE CRITICAL MARKET SYSTEM TO ASSESS

WASH is a broad field that typically involves multiple market systems that, while interrelated, are often separate.

EXAMPLES OF MARKET SYSTEMS WITHIN DIFFERENT WASH SUB-SECTORS:

Hygiene

Soap, menstrual products, and other items for personal hygiene.

Water Supply

Includes water trucking, piped water market systems, and water point maintenance.

Sanitation

Latrine slab or desludging market systems.

Solid Waste

Collection/transport and recycling market systems.

Labour

Market systems for skilled and unskilled WASH related labour.

FOR A FULL LIST OF WASH MARKETS, VIEW ANNEX 1

There are therefore many specific market systems that can be assessed, so it is not often possible to conduct a single 'WASH market assessment' that covers all relevant sub-sectors and market systems. However, a rapid WASH market assessment could encompass multiple market systems, although not in-depth.

HOW TO SELECT A CRITICAL MARKET SYSTEM

1 Consider existing insights:	Reach out to the WASH Cluster/Sector, Cash Working Group (CWG), and government agencies for their insights and for any completed assessments (including multi-sector assessments and/or WASH technical assessments).
2 Consider the phase of the humanitarian crisis and urgency of WASH needs:	In acute crises, market assessment should be geared towards addressing life-saving and urgent public health needs. In protracted crises, market assessment is more likely to focus on market systems impacting sustainability and durable solutions.
3 Consider the extent to which the market system has been affected:	If the crisis has disrupted a supply chain of specific WASH goods or resulted in a decrease in the quality of services, market assessment will focus on the relevant market system. Certain market systems may not be affected and so may not require detailed assessment.
4 Consider the complexity of the WASH challenge:	Providing safe, adequate, and sustained access to WASH goods and services is often a complex undertaking involving multiple systems (including markets, governance, finance, natural resource management and others). Where complex challenges have been identified that affect the provision of a particular WASH service, market assessment can help identify bottlenecks and underlying causes.

2.1.2 DEFINE RESEARCH QUESTIONS AND OBJECTIVES

Having identified the market system(s) to investigate, research questions should be developed, based on needs assessment findings, to provide an overall steer to the market assessment.

- Choose questions on topics that will inform the MBP design and guide the project team with decision-making in the analysis and design phases.
- Choose questions that are specific, focused, and adaptable – they should provide enough space for the assessment to uncover unexpected findings.

WHAT TYPE OF RESEARCH QUESTIONS ARE APPROPRIATE?

VIEW EXAMPLES

2.1.3 SELECT MARKET ASSESSMENT TOOLS

The humanitarian sector has developed several tools and methodologies for conducting market assessments, including:

EMERGENCY MARKET MAPPING AND ANALYSIS TOOLS (EMMA)[7]

MARKET ANALYSIS GUIDANCE (MAG)[8]

RAPID ASSESSMENT FOR MARKETS (RAM)[9]

Any of these tools alone, their methods combined, or others, may be used to conduct a market assessment.

Most tools are not sector specific and can be used for several markets, while some have been designed for specific markets (such as food, or labour). Questions for the specific WASH market system need to be developed based on the context. However, all tools cover the following:

- Approaches to understand demand-side limitations (*i.e., access to WASH/markets by people affected by crisis*).
- Mapping of market systems and identifying the key actors, especially on the supply-side.
- Approaches to understand supply-side limitations (*i.e., what is limiting the market to provide WASH goods/services*).
- Attempt to quantify key factors (*e.g., prices of goods/services, volumes available, replenishment frequency, numbers of suppliers/service providers*).
- Attempt to determine the extent to which the market can be used to meet the needs of the affected population (*i.e., can market actors scale up their usual volume of trade to meet humanitarian demand*).
- Identify differences in market access between different groups of people, including differences due to gender, age, disability, and marginalised groups.

There are both rapid and in-depth methodologies. The type of methodology may be chosen based upon the context and phase of emergency. It is possible to deepen knowledge gained in a rapid assessment through a later, more comprehensive assessment and analysis. A list of methodologies can be found at **Annex 4**.

CONSULT ANNEX 4

For more information on assessments for MBP (including needs/multi-sector assessments, and WASH technical assessments).

TOP TIP:

To avoid duplication of efforts, market assessments should be coordinated (see **Chapter 7** for further information).

7 - Emergency Market Mapping and Analysis Tools (EMMA)
8 - ICRC and International Federation of Red Cross and Red Crescent Societies. (2014). Market Analysis Guidance
9 - ICRC and International Federation of Red Cross and Red Crescent Societies. (2014). Rapid Assessment for Markets: Guidelines for an Initial Emergency Market Assessment

2.2 ASSESSMENT

- **IDENTIFY MARKET ACTORS**
- **CONDUCT INTERVIEWS**

2.2.1 IDENTIFY ACTORS TO ENGAGE IN MARKET ASSESSMENT

Market assessment involves interacting with the range of actors that are part of the overall market system being researched, including:

- **Demand-side** *(potential end users of the intended WASH good or service being provided)*.
- **Supply-side** *(actors that are involved in making the good or service available to consumers)*.
- **Other actors** *(involved in financing, governance, regulation, or coordination of the sector involved)*.

NOTE:

Market assessments do not always involve engagement with all of the above listed actors. Some assessments, for example, may focus only on parts of a supply chain.

REVIEW SECONDARY DATA AND IDENTIFY STAKEHOLDERS

1. Review information obtained through previous assessments to create an initial list of actors involved. Link with logistics and WASH sector colleagues to inform this list.
2. Supplement this with secondary information (from past studies, other assessments and/or data collected by other agencies), both at the outset of the assessment and throughout. Secondary data can provide valuable information on a wide range of topics related to WASH and markets. These can be used to identify the information gaps that the market assessment should address.
3. Make adjustments based on the assessment objective and key analytical questions. This will form the list used to interview market actors for the assessment. During the assessment, more actors may be added as they are identified.

TOP TIP:

A key action is to identify who these stakeholders are and develop a plan to engage them during the assessment, especially through interviews and Focus Group Discussions (FGDs). This should include a diversity of market actors, both by their role in the market and by gender, age, disability and social group, including civil society organisations and marginalised groups. The assessment will then involve identifying the roles of the various actors, the relationships between them, and differences within groups (*such as between men and women; host community and displaced population*).

NOTE:

The income and spending habits of the affected population may have already been profiled and may be used to assess people's ability to pay for services.

2.2.2 CONDUCT INTERVIEWS: DEMAND-SIDE

Through a combination of qualitative one-on-one interviews and FGDs, quantitative data, secondary data, and observations, it will be possible to develop insights on the needs, preferences, and barriers that people face in accessing WASH goods/services through the market (*including specific needs by gender, social group, age, and disability*).

Conducting qualitative interviews is a skill. Interviewers should have a minimum ethical training as well as knowledge on guiding conversations and avoiding biases. The needs of women and girls should also be considered through qualitative research, respecting safety and dignity at all times. Menstrual product preference is a sensitive topic and interviewer gender and research skills should be considered from the outset of such assessments.

QUALITATIVE DATA

Both the component of WASH being investigated and the context will dictate the structure and topics that participants are asked about in one-on-one interviews and FGDs. Common themes or discussion topics include:

- **Needs and preferences** for the particular WASH good/service (*e.g. preferences on types of toilets or menstrual products*). This will take account of the specific needs and preferences of vulnerable people, the differences between men and women, and the specific accessibility needs of people with disabilities and other vulnerabilities.
- **Barrier and challenges** to access and use of the WASH good/service, and coping strategies used as a result of these challenges. There may be differences across gender, social groups, for elderly and people with disabilities. This should include safety related issues to access, especially for women and girls, children and vulnerable groups.
- **Crisis impact on people's access** to the WASH good/service from the market and service providers.
- **Perceptions of cost drivers** affecting access to the WASH good/service, *(e.g. what is causing the price of an item to rise).*
- **Market actors** involved in providing the WASH good/service (*e.g. water supply pipeline maintenance workers*), according to end users.
- **How users access information** related to the WASH good/service.
- **Access to cash and finance**, how people are accustomed to paying for items.
- **How household finances are managed**, including gender roles and who is responsible for household spending.
- **Seasonal differences** in accessing goods and services and incomes and spending.

DEMAND-SIDE ACTORS:

- **End users (consumers)**
- **Representatives of end users (such as local water user management groups)**

TOP TIP:

Consider the different needs/preferences of people according to geographical context and settlement type – differences are likely, particularly where market assessments cover both displaced settlements and host communities *(e.g. between urban or rural areas, riverine or hilltop areas).*

QUANTITATIVE DATA

Obtaining quantitative data from end users can complement all existing information and can be done in different ways:

- Supplement a qualitative interview with quantitative questions (*or a questionnaire*).
- Develop a short quantitative-only questionnaire and survey to be carried out separately from the longer qualitative questions (*particularly useful when using FGDs, which are less suitable to obtaining quantitative data*).

NOTE:

Quantitative data should ensure representation by including the voices of vulnerable populations. This is important as they are often harder to reach and less visible. Safety, dignity, and ethical conduct should be emphasised for the collection of quantitative data.

Relevant information that may be asked in quantitative interview questions includes:

- **Costs of accessing the WASH good/service**, including additional costs to the end user (*such as transportation*).
- **Willingness to pay** for a particular good or WASH service. This data is not always relevant or ethical (*such as in an acute emergency when it is evident that end users will not be paying for services, unless supported by CVA*), and is more applicable to protracted crises. There are specific methodologies to determine willingness to pay. However, it can be challenging to accurately measure it, especially in questionnaires conducted by humanitarian practitioners, and especially difficult where there is a history of items being provided for free.
- **Ability to pay**, as measured by household incomes, spending (*factoring seasonality*), assets, and debts reported by respondents. This information often comes from multi-sector surveys / basic needs assessments.
- **WASH specific data**, such as the presence or absence of a particular WASH item in the household or type of latrine used.
- Whether access to WASH services is **managed by the community** (*water trucking for an entire village or individually*).
- **Other demographic data**, such as head of household gender and age, household size, gender, and age of household members, number of people with disabilities.
- **Geographic information** (*household location*), to compare location differences.
- **Locations of nearest market** and the time and cost required of consumers to reach the market.
- **Frequency** with which the household purchases the relevant type of goods/services.

WHAT TYPE OF QUESTIONS ARE APPROPRIATE?

VIEW EXAMPLES

TOP TIPS:

Supplement a small number of in-depth qualitative interviews with a larger number of short quantitative questionnaires.

Note that when **ability to pay** is measured, it should be benchmarked against costs for the population that is not affected by the crisis. This clarifies the extent to which coping mechanisms influence the spending habits of those affected by the crisis.

Data collection using smartphones or tablets with survey software can facilitate georeferencing during data collection and easy analysis of data. Make sure the use of such tool is permitted by local authorities and that internet providing services are functioning.

2.2.2 CONDUCT SUPPLY-SIDE INTERVIEWS

Interviews with market actors on the supply-side will also involve both qualitative and quantitative questioning. Specific questions can be adapted according to:

Context

Type of WASH good/service

Phase of response

Extent to which the business has been affected by the crisis

Assessment objective

QUALITATIVE INTERVIEWS

Questions should always be tailored to the context but may include any of the following:

- **Overall description of business**, alternative goods/services offered by the business other than the specific WASH item. Note that gender and demographic of business owners is also relevant, particularly where programmes are supporting the introduction of new market actors, livelihoods for marginalised community members, or looking to improve gender diversity.
- **Types of customers** (*e.g. households, businesses, contractors*), both gender and demographic information and insights on the preferences and behaviour of customers, particular in relation to the crisis.
- **Crisis impact on the business**. *(e.g. supplies disrupted due to roads flooded).*
- **Purchase process for customers** *(e.g. customers purchase items in the shop or order by phone and receive a delivery).*
- **Limitations to volume**, and limitations to increasing size of business in the time of crisis *(e.g. time required to double the stock of an item).*
- **Access to credit and loans**.
- **Advertising and promotion**.
- **Transportation and delivery** *(e.g. transportation by the business, its customers, or by a third party).*
- **Methods of payment (apart from direct cash) offered to customers, payment to suppliers** *(how, when, terms of instalments/loans).*

SUPPLY-SIDE MARKET ACTORS:

- **Individual businesses**
- **Public service providers (such as water utilities)**
- **Associations (such as association of handpump mechanics)**

TYPES OF BUSINESS:

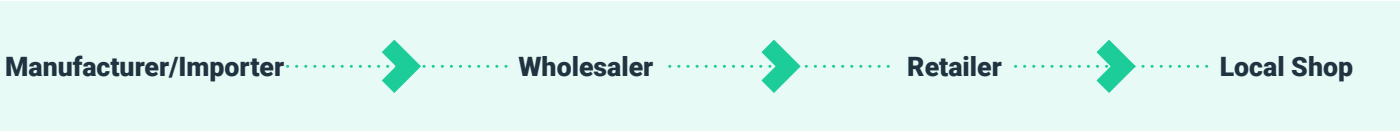
A wide range of businesses can be engaged, including:

- Technicians
- Retailers and traders
- Wholesalers
- Warehousers
- Transporters
- Middle men
- Manufacturers
- Importers
- Business groups and networks

INTERVIEW CONSIDERATIONS:

- Be aware of business hours.
- Be careful not to overburden market actors.
- Know your audience – FGDs are not always practical or suitable.

- **Interaction with other supply-side actors in the supply chain or value chain** *(distribution channels; suppliers, including the locations of suppliers, and the specific goods they receive from specific suppliers; financial service providers; labour for installation of products; transporters; work with similar businesses, such as through an umbrella organisation).*



- **Questions on specific WASH items/services:** product/service details, challenges, needs, benefits, opportunities.
- **Information on the quality of WASH goods/services provided**.
- **Cost driver, or factors that are affecting or may affect the price of goods/services**, including if supply were to increase.
- **Impact on the business by government policies, regulations**.
- **Impact on the business by competition, networks of similar businesses, or monopolies**.
- **Willingness of the business to engage or participate in a humanitarian programme**, and willingness to use technology considered by the programme *(e.g. e-vouchers).*

QUANTITATIVE DATA

When interviewing private sector actors, key quantitative data includes:

- **Price of goods/services that they charge to consumers**. Check if the price is the same for all customers. This should be verified against demand side interviews to check for any biases on behalf of the sellers/ suppliers (*e.g. in communities hosting refugees, prices for local groups and refugee groups may be different*).
- **Costs of inputs to their business** (*e.g. electricity costs for pumping water; wholesale price of latrine pans*); cost drivers.
- **Monthly sales volumes**.
- **Warehousing capacity and conditions** (*e.g. dry and suitable for chlorine products*).
- **Replenishment frequency** or lead times in times of crisis.

WHAT TYPE OF QUESTIONS ARE APPROPRIATE?

VIEW EXAMPLES

QUESTIONS FOR SPECIFIC MARKET ACTORS:

Specific questions may be added for certain types of market actors.

For instance, in interviews with public utilities, relevant question categories may include:

- Business arrangements with government (including subsidies).
- Practices related to tariff collection and financial management.
- Access to electricity and other supporting services.

- **Fluctuations in the above due to crisis**. Especially in acute emergencies, it may be necessary to ask the questions for both before and after the occurrence of the crisis. *For example, before a crisis a business may have been able to replenish its stock every week, and this may change to every month after the crisis has occurred.*
- **Percent of sales/percent of overall business dedicated to a specific WASH service, product, or line of products**.
- **Quality data** on WASH goods/services (*e.g. water quality data*).
- **Number of staff** (*disaggregated by demographics*), number of delivery trucks, sub-contractors, etc.
- **Seasonal variations in prices and costs**.
- **Geographic information** (*location of business and area of coverage*).

MARKET ENVIRONMENT

Interviews should be planned with other actors that are involved in the market system being assessed. This may include:

- **Cluster coordinators and working groups** as part of the humanitarian coordination in response to the crisis.
- **Local and national government**, especially departments in charge of policy and regulation of the sector being assessed.
- **Local women and youth organisations**.
- **WASH sustainable development actors** (including national and local NGOs) who may be involved in market-based approaches.
- **Public and private sector stakeholders** who may have potential insights on the market system, such as academic and research institutions, local civil society organisations, and consultancy firms.
- **Community-based organisations (CBOs) and faith-based networks**.

TOP TIP:

Trade associations, unions, and chambers of context can be useful sources of information, so it is worth conducting key informant interviews (KIIs) with them.

MARKET SUPPORTING SERVICES

Depending on the context and the nature of the assessment, other secondary services related to the market may play an important role and interviews should be planned accordingly.

In relation to WASH, such services may include:

Construction

Labour

Finance

Electricity

Land use

Transportation

2.3 ANALYSING MARKET ASSESSMENT FINDINGS

The first step in response analysis involves analysing and reviewing the findings from the market assessment. This involves both analysis of data, as well as drawing out the key insights from the information:

- **ANALYSE QUANTITATIVE DATA**
- **ANALYSE QUALITATIVE DATA**
- **SUMMARISE IMPORTANT DATA AND KEY INSIGHTS**
- **REVIEW AND REVISE MARKET MAPS**

When conducting response analysis in an acute emergency, it is likely that data will be from a rapid market assessment, in which there may be limited quantitative data – in such cases, or in the event of time constraints, it is recommended to focus initially on qualitative data.

Finance is a key secondary service that is particularly relevant to humanitarian programmes delivering CVA. A Financial Service Provider (FSP) assessment is conducted during response analysis (see Chapter 3).

However, if the market assessment is being conducted for a potential CVA intervention, an initial mapping of FSPs may be done at this stage, during which the names, locations, contact details of FSPs are recorded.

TOP TIP:

DISAGGREGATE DATA:

Disaggregate by gender, age, disability, social group, and location.

ACCESS COSTS:

Plot the entire distribution of values reported (rather than the averages) to uncover differences between groups of end users.

2.3.1 QUANTITATIVE DATA ANALYSIS

Analyse the quantitative data from the secondary data review and the demand-side and supply-side interviews conducted during the market assessment:

- **Review household data (including demographic data and geographic information), alongside WASH specific data**, to get top-line information such as the percentage of houses with access to basic sanitation, drinking water and hygiene (as per JPM ladder).[10] This information may be available either through the market assessment or multi-sector or WASH technical assessments.

- **Analyse the costs of accessing the relevant WASH good or service according to users.** Any data obtained on willingness and ability to pay should also be reviewed at this stage. If analysing data on income and expenditures to assess ability to pay, take into consideration changes in people's economic situation as a result of the crisis. Check if this information is available from multi-sector basic needs assessments.

- **Analyse supply-side data** by reviewing the number of market actors, the price of goods or services, volumes, storage capacity, and lead times required for replenishing stock of items, considering the impact of the crisis for sudden onset emergencies.

- If assessing a supply chain of a particular WASH item, this data will need to be listed for importers, wholesalers, and retailers of different sizes.
- If assessing service provision, consider the current and potential capacity of the provider (*e.g. the number of latrines that a pit emptying service is currently desludging versus the number of latrines they could potential empty if they grow their service*), and compare these with the needs of the target population.
- If data is available for both before and after the onset of crisis, differences should be noted at this time, especially if these changes have major impacts on the delivery of goods and services to the affected population.

For how to review and summarise this information using market maps, see **section 2.3.4**.

During the response analysis stage, the programme will further analyse the implications of the data, including any gaps in the supply-side that should be addressed (**see section 3.2.3**).

2.3.2 QUALITATIVE DATA ANALYSIS

HOW TO ANALYSE QUALITATIVE DATA[11]

A simple approach is to take responses and isolate topics that were covered during the interview and identify themes :

- Topics are the issues being talked about (*e.g. where people purchase soap*). Taking an individual topic, review the data and record common responses received or those that reveal information that may not be shared with other respondents, but that provides useful insight. **For in-depth analysis, use the method of transcript analysis and coding of data.**

NOTE:

Basic methods can be employed for the analysis of rapid market assessment data.

10 - See: https://washdata.org/monitoring
11 - For further information, see: Miles MB, Huberman AM, Saldana J. (2019). Qualitative data analysis: a methods sourcebook. 4th ed.

- Themes are the common elements across the responses that emerge from the data (*e.g. people have difficulty searching for a vendor that has soap available*). Identify themes, including those that cut across multiple topics.
- Disaggregate data by the type of respondent, especially by gender, disability, and age, and other context-specific demographic groupings where differences are likely to emerge.
- Summarise the key qualitative findings for each type of respondent. Review the data again to look for points that support or contradict short summary statements and revise accordingly.

As with quantitative analysis, it is important not to prolong the data analysis, especially in the context of an acute crisis. In such contexts, a simple extraction of the key qualitative findings from interviews and FGDs can be done, without detailed coding and transcript analysis.

The most important aspect of qualitative data analysis will be the key findings reported from interactions with different market actors, backed by the data.

In-depth methods include:

- Transcript analysis: involves isolating segments of a transcript recorded of an interview or FGD according to topic. Key words and phrases are then extracted from the individual discussion segments. This can be done using spreadsheet software or other qualitative data analysis programmes.
- Coding of data: entails assigning codes, or short labels to responses for topics and recurring themes. A list of codes may be developed before the analysis, with additional codes added during transcript analysis.

EXAMPLE:

If small vendors report difficulty restocking hygiene items, this should be reported as specific to small vendors if similar challenges were not reported by others, such as larger retailers and wholesalers.

Similarly, for demand-side data on the preferences of users, disaggregate the responses according to location, gender, age, and disability.

2.3.3 SUMMARISE IMPORTANT DATA AND KEY INSIGHTS

Once data analysis has been completed, document the key insights for each market actor. These will be used in response analysis. This can be done by collating the key qualitative and quantitative findings for different actors, including:

Demand-side: end users

Supply-side: suppliers, vendors, service providers

Market environment actors

Supporting services actors

Identify gender-specific insights and findings that apply to specific marginalised groups. Look for specific risks that certain groups face, especially risks in accessing the market.

2.3.4 CREATE MARKET MAPS

Based on the completed assessment activities of the market system, a market map can, optionally, be developed.

A market map is a useful tool to visualise and understand the complex interrelationships of market actors, supply chains, as well as the regulatory environment and the infrastructure and services required in a single market. Market maps show links between actors and commonly show key market data, such as prices and volumes of goods.

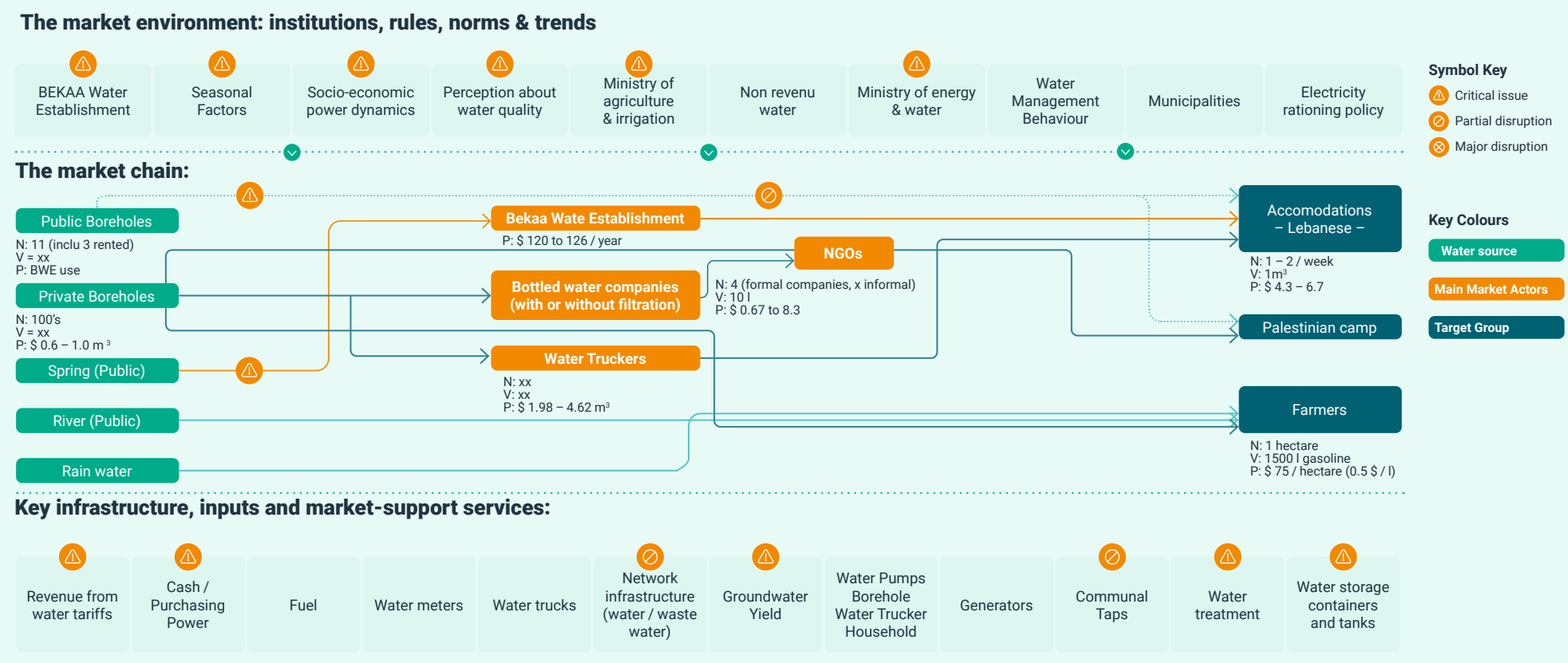
The market map will capture information obtained in the market assessments, including:

- The flow of goods between market actors and service providers before delivery of goods or services to end users; and
- Data on prices and volumes through a supply chain, clarifying how the cost of an item is affected by the series of steps that occurs before purchase or delivery to the consumer.

The most frequently used market map model, described in the EMMA methodology,[12] consists of three layers, stacked vertically. There are other types of market maps, such as a production and market flow maps.[13]

VIEW MARKET MAP EXAMPLES

Figure 1: Baseline market system map (pre-crisis), North Bekaa Lebanon, Summer 2011

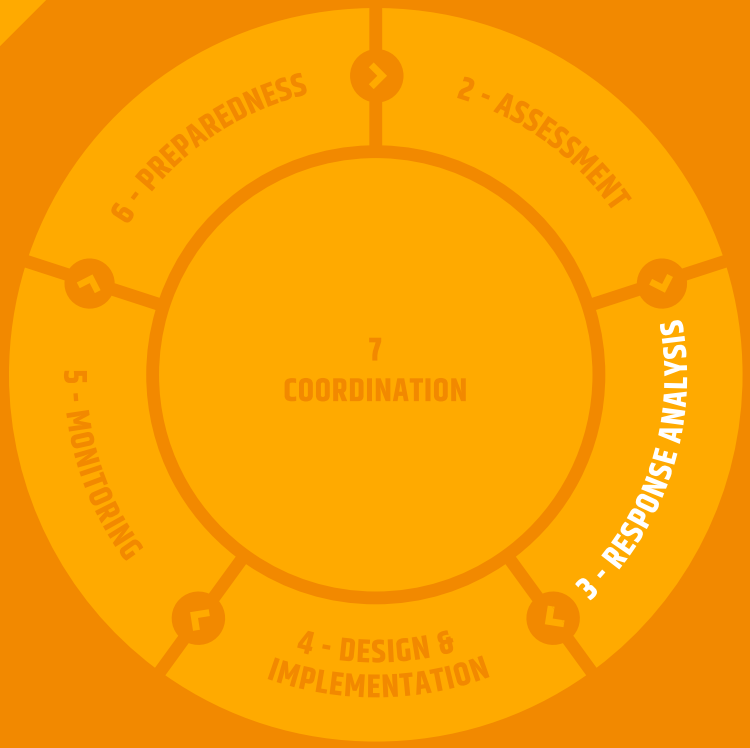


12 - Emergency Market Mapping and Analysis Tools (EMMA)
13 - See: Tool 4: Drawing market maps, Rapid Assessment for Markets. International Red Cross and Red Crescent Movement, 2014

CHAPTER

03

RESPONSE ANALYSIS



KEY STEPS:

1 ANALYSING THE FEASIBILITY & APPROPRIATENESS OF MBP

2 CHOOSING THE INTERVENTION TYPE

3 CONDUCTING A RISK ANALYSIS

This chapter focuses on reviewing key information to decide on the most suitable type of humanitarian WASH intervention.

Analysing market capacity (Section 3.1)

Choosing intervention type based on wash objectives (Section 3.2)

Risk Analysis (Section 3.3)

Intervention Design (Chapter 4)

Response analysis is the link between situational analysis and programme design. It involves the selection of programme objectives, response options, modalities and target groups, by analysing the appropriateness, relevance, and feasibility of all options.

KEY MESSAGES:

- Response analysis links assessment with the design of MBP.
- The chosen response should depend on the capacity of the market system, disruptions and risks.
- Consider both the needs and limitations of the demand and supply side of the market.
- Risk analysis is a key step in the response analysis process.

KEY RESOURCES:

1. CaLP Programme Quality Toolkit, Market Analysis
2. Emergency Market Mapping and Analysis Toolkit, Chapters 6 – 8
3. UNHCR Response Analysis and Cash feasibility Toolkit

3.1 ANALYSING THE FEASIBILITY AND APPROPRIATENESS OF MBP

At this stage of the process, the market system and its actors are analysed to determine whether they are capable of being part of a market-based intervention.

In the case of WASH goods, infrastructure and services, this means reviewing the following:

- Are the right items available in the right quantity?
- Are they available and accessible by all genders and groups in the right locations and at the right prices to meet the needs of the population?
- What do prices say about how markets are linked or integrated with one another?
- Are WASH actors able to provide services according to needs and minimum standards?

If market actors cannot meet needs, analysis will inform which supply-side interventions could make this possible, including market support activities.

3.2 CHOOSING THE INTERVENTION TYPE

Having understood the market system, it will now be possible to assess response options and select the most suitable type of intervention, or a combination of them.

Response analysis for MBP will include assessing programme options ranging from use of local markets, to supporting markets and strengthening market systems, or a combination of these. **If none of these market-based response options are suitable, the programme may proceed with other modalities, such as direct assistance.**

⚠ **Many WASH programmes combine market and non-market-based modalities to achieve humanitarian outcomes.**

Interventions can also seek to address issues related to the market environment and supporting services as part of any of the above response options.

Each of the three main categories of MBP is discussed in the following table, with further detail on the design and implementation of programmes provided in Chapter 4.

FOR A FULL LIST OF CONSIDERATIONS CLICK HERE

REVIEW WASH PROGRAMME OBJECTIVES

Before selecting an intervention type, review the WASH programme objectives that have been established and revise these as needed based on the findings of the market assessment and other WASH assessments that have been completed. Typical objectives will be based upon the components of WASH (water supply, excreta disposal, hygiene, solid waste management, and vector control) and the need to:

- Meet peoples' essential needs
- Reduce incidences of diseases caused by a lack of WASH
- Protect peoples' dignity and safety
- Support the participation of the community in WASH activities
- Contribute to the long-term sustainability of WASH access and services
- Protect the environment

Consider what is the most appropriate modality, or combination of modalities, to achieve the expected WASH outcomes.

3.2.1 DIRECT ASSISTANCE

A market analysis may show that some or all aspects of the humanitarian assistance needed cannot be satisfactorily delivered without humanitarian agencies *directly* providing goods and/or services to the affected population.

- Direct assistance should only be selected *after* market assessment and other options have been considered, unless it is in the initial days of an acute emergency (before assessment has taken place).
- Direct assistance should prioritise opportunities for local procurement, transportation, distribution, and labour, but only after market assessment, to avoid local inflation or unavailability of the product that will be purchased by several humanitarian actors.

3.2.2 USING MARKETS

If *using* local markets is an appropriate and feasible option, this can be done through local procurement (where goods or services are procured from local markets, following agency procurement guidelines).

IS A CVA APPROPRIATE?

CVA refers to all programmes where cash transfers or vouchers for goods or services are directly provided to recipients.[14] A combination of both cash transfers and vouchers is also an option. CVA is typically provided to households but may alternatively be provided to individuals or community groups (cash grants to businesses is considered market support). If CVA is deemed a possible intervention, it is important to answer the following questions before final programme design:

⚠ **These questions are relevant for <u>all types</u> of intervention, but particularly when assessing the relevance of CVA.**

- Is it accepted by government, aligned with local policies, preferred by affected people and a preferred option in coordination mechanisms?
- Which WASH goods or services do people normally purchase with cash?
- Is it suitable to address the identified humanitarian needs?
- Will people be able to access the intended goods and services by receiving cash or vouchers?
- How will it affect the local market for the products in question, especially for populations that are not targeted by the intervention?

CLICK THROUGH TO DESIGN AND IMPLEMENTATION

Local procurement can contribute to local economies.

Humanitarian agencies will typically follow procurement processes in order to assess the technical capacity of local suppliers or service providers, their ability to deliver goods and services in a timely manner, and their costs. Local procurement is not described in detail in this guidance.

FOR FURTHER INFORMATION ON MHM & CVA

14 - CaLP. Glossary of Terms. https://www.calpnetwork.org/resources/glossary-of-terms/

IS CVA FEASIBLE?

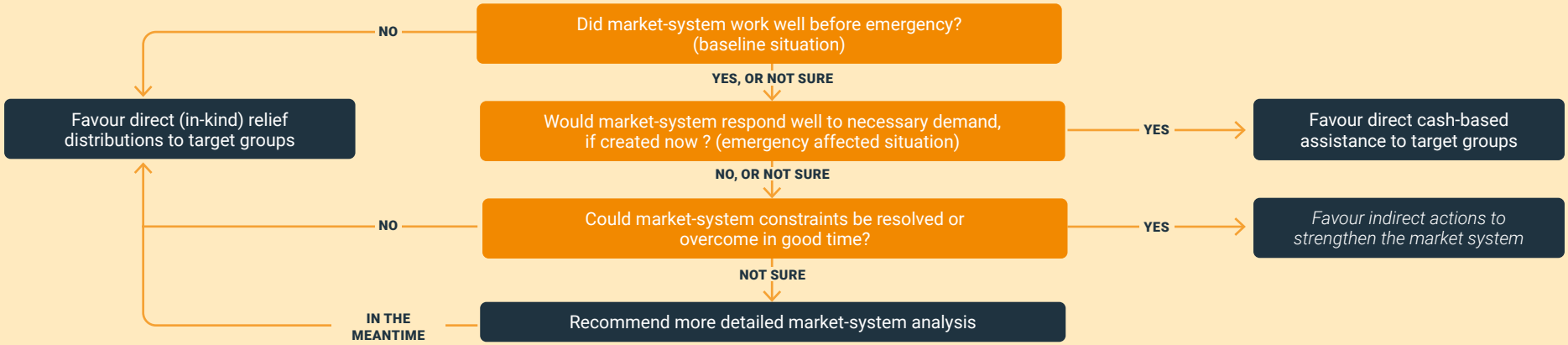
- Are markets able to provide the goods/services? See questions about number of market actors, prices, volumes and lead times in Annex 8.
- Can target groups access the markets?
- Are prices likely to remain stable during the response? (unstable prices can effect the purchasing power of
- CVA recipients)
- Is the market likely to remain stable enough to deliver services and allow for market actors at all levels of the chain to earn income?
- Are donor resources and policies aligned?
- Are delivery mechanisms safe, reliable and appropriate for the affected community?
- Can risks be effectively mitigated?
- Are organisational capacity and partnerships present?

IS CVA COST-EFFICIENT?

- Which form of assistance is most cost efficient? To assess *how efficiently* the project is delivering its outputs, consider the rate at which intervention inputs are converted to outputs.
- What is the gap between household income and expenditure? Focus on the total gap, as it is not realistic to calculate per sector. This is particularly relevant for multi-sector cash.

The following decision tree can be used to help determine if CVA or direct support should be applied, and whether this needs to be supplemented by actions to support the market system:

Figure 2: Example of a decision tree for working with local markets modality options (Source: EMMA)



The GWC evidence building study on MBP found that CVA interventions have an impact mainly on an affected population's access to WASH goods and services.[15] However, WASH access is not the only intended outcome of WASH programmes. Other outcomes, including use of WASH facilities and practices, awareness of WASH goods and services, availability of those goods and services, and their quality, are likely to require additional programme activities beyond CVA.

15 - Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

SELECTION OF MODALITIES (CASH OR VOUCHERS)

To choose between cash or vouchers, consider the amount of flexibility and choice the programme wishes to provide beneficiaries.

- **SELECT CASH where the programme seeks to give the maximum amount of flexibility and dignity to people affected by crisis.**

- Cash is unrestricted, meaning no limits are set on how it is used; recipients may spend the money they receive how they wish and according to their needs and habits.
- Cash is useful in contexts where the money received is not designated for particular goods, services, shops or providers. For example, cash could be used to facilitate household access to hygiene through a multi-purpose cash transfer covering the estimated costs for households to meet their monthly hygiene needs.
- Cash, unlike (commodity) vouchers, allows households to choose the quantity of items that is relevant to their unique dynamics and needs.

- **SELECT VOUCHERS where a programme needs to provide specific goods or services.**

- Restrictions apply to the range of goods/services that the assistance can be used to purchase, and the places where it can be used. The degree of restriction may vary – from the requirement to buy specific items, to buying from a general category of goods/services.
- Vouchers are restricted by default since they are inherently limited in where and how they can be used, typically for a limited selection of goods or services from pre-selected vendors or service providers. WASH programmes use vouchers to limit recipients' choices. Vouchers may be restricted only to latrine sanitaryware, for example, and even then, limited to select designs offered by participating vendors that meet quality standards set by the agency.
- A voucher modality can also be chosen in order to support specific vendors.
- Vouchers are a good response option when markets are not very developed, as they can provide a guarantee to traders that some volume of their stock will be sold which contributes to their development. However, a voucher programme can be detrimental to businesses that are not engaged in the programme, including (at times) the informal sector.

The selection of modality, or combination of modalities, will be made based on the market assessment, the feasibility of CVA, and risk assessment (discussed below in Section 3.3). At this stage an assessment of FSPs may go forward (see page 36), the findings of which may require additional adaptions of the selected modality.

CONDITIONALITY:

In addition to cash (unrestricted) and vouchers (restricted), a programme may set conditions on the receipt of CVA. Conditionality refers to prerequisite activities or obligations that a recipient must fulfil in order to receive assistance. Conditions can in principle be used with any kind of transfer (cash, vouchers, in-kind, service delivery) depending on the intervention design and objectives. Programmes that want to prompt recipients to adopt a particular action or behaviour should use conditions (such as attending awareness sessions on handwashing or building a latrine).

Note that:

- Conditions are not appropriate in acute emergencies, when affected people have critical needs.
- Conditionality is distinct from restriction (how assistance is used) and targeting (criteria for selecting recipients).

TOP TIP:

So that recipients prioritise WASH expenditures, cash for WASH can be combined with cash for meeting other basic needs, and with complementary WASH programming.

TWO TYPES OF VOUCHERS

Commodity vouchers are exchanged for a fixed quantity and quality of specified goods or services at participating vendors. They may also be exchanged for commodities selected by recipients from a pre-determined list. Commodity vouchers share some similarities with in-kind aid in that they restrict and specify the assistance received.

Select commodity vouchers when:

- A programme wants beneficiaries to purchase specific goods or services with vouchers.
- There is monetary instability, such as high inflation, so that recipients are still able to obtain the intended goods/services even if prices increase.

A value voucher has a denominated cash value and can be exchanged with participating vendors for goods or services of an equivalent monetary cost. Value vouchers tend to provide relatively greater flexibility and choice than commodity vouchers but are still inherently restricted as they can only be exchanged with designated vendors.

Select value vouchers when:

- A programme wants participants to have the flexibility to access a range of commodities in the specific quantities that are relevant to their household.
- The programme can ensure the quality of items. This can be done by limiting the number of participatory vendors.

MULTI-PURPOSE CASH ASSISTANCE (MPC)

MPC transfers (either periodic or one-off) correspond to the amount of money required to cover, fully or partially, a household's basic and/or recovery needs. The term refers to transfers designed to address multiple needs, with the transfer value calculated accordingly. MPC transfer values are often indexed to expenditure gaps based on a Minimum Expenditure Basket (MEB), or other monetised calculation of the amount required to cover basic needs (such as in national society protection systems). MPC are unrestricted and unconditional in terms of use as they can be spent as the recipient chooses.

The decision to implement MPC will not be made by WASH actors alone, but through collaborative cross-sectoral discussion. Most often , such multi-sectoral interventions are coordinated through the CWG or Basic Needs Working Group (see section 7.2.3), through which WASH actors can take part.

For more information on the coordination requirements for MPC, see Section 7.2.

For further information on the MEB for MPC, See Annexes 9 and 10

The evidence building study on MBP found the following uses of MPC in WASH programming:[16]

- **WATER:** MPC has a strong role to play in overcoming financial barriers to water access. MPC can be used by households to purchase water outside the home (water points, vendors, water trucking), to pay for piped water supply in the home (utility bills) or potentially to purchase household water treatment (HHWT), though no documented practice of this was identified. Benefits include using and strengthening the existing local water market and giving households flexibility to choose their preferred water source or HHWT product. Note that MPC is more likely to be spent on water or HHWT in contexts where the affected population is used to paying for these.

- **SANITATION:** MPC can be used to cover regular sanitation costs (such as desludging for households using onsite sanitation systems), paying for sanitation utility bills (when connected to sewage networks), or contributing to irregular or ad-hoc costs such as latrine rehabilitation or construction. While MPC can contribute to meeting these costs, in contexts where sanitation facilities are lacking, the main barrier to improved sanitation may not be financial. In such situations, MPC will likely play a limited role in improving access to sanitation. Larger investments to improve access to sanitation (*e.g. rehabilitation / major repairs*) will often require additional one-off transfers. Such transfers can be delivered using an operational MPC mechanism.

- **HYGIENE:** MPC is a well-suited modality for meeting the hygiene needs of affected populations in many humanitarian contexts – hygiene items are a regular and predictable expense, hygiene markets are typically resilient in times of crisis and most families will purchase basic hygiene items such as soap or water containers. For certain hygiene items (such as menstrual products for women and adolescent girls), access through cash programming can be difficult.

It is good practice to work with existing delivery mechanisms (such as those that have been set up by other humanitarian agencies), especially where these are set up as part of a country's social protection system*.

DELIVERY MECHANISMS

Possible delivery mechanisms include:

Bank transfers | **ATM cards** | **Mobile money** | **Physical cash** | **Paper vouchers** | **Agent/Over the counter** | **E-vouchers**

** If social protection systems are in place in the country, further work should be done to utilise, harmonise, and complement these systems.*

Note that considering the needs and risks of women and vulnerable groups is particularly important when selecting transfer delivery mechanisms.

16 - Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

FSP ASSESSMENT

Transfer delivery mechanisms often involve FSPs*. Interviews with FSPs may be conducted in programmes considering cash transfer modalities. FSPs are most often used to deliver CVA to affected communities and provide the platforms and systems needed.

Depending on an agency's procurement policies, engagement with FSPs may be led by Finance, Procurement, and CVA specialists, but WASH staff may also be involved. Interviews with FSPs may be conducted for assessing feasibility and for the purpose of selecting individual FSPs for a cash transfer intervention.

**Certain modalities, such as paper vouchers or physical cash transfers, do not involve FSPs.*

It is important to protect the data and information of programme participants. Consider the data protection capacity of FSPs.

POTENTIAL QUESTIONS (FSP INTERVIEWS)

3.2.3 SUPPORTING MARKETS

Market support interventions aim to improve the situation of crisis-affected populations by providing support to critical market systems on which the target population relies for WASH goods and services. These interventions target specific market actors, services, policies and infrastructure.[17]

Market support is often done in tandem with CVA, either preparing vendors and service providers in advance of CVA or by working with them while CVA is ongoing.

Analysis for market support can be included in the response analysis and is recommended in order to identify if market support interventions can help achieve WASH outcomes in MBP, even if the programme may be focused primarily on using, rather than supporting, markets such as through CVA.

Market assessment is likely to have generated insights that will be relevant to supporting markets and these findings should be reviewed at this stage, even for CVA-focused programmes. In a first phase emergency, market support can be geared towards restoring the functionality of WASH markets and/or improving quality of goods/services. In recovery stages and in protracted crises, market support can improve the delivery of services by local actors in the long term. Market support interventions should be considered in all phases of humanitarian WASH response.

As discussed in **Annex 8**, analysis should include comparison of the volume of needs of the affected population with the supply capacity of market actors.

CLICK THROUGH TO DESIGN AND IMPLEMENTATION

> *"Determine the gap between what people need and what the market can supply. Use this to decide who within the market system you would need to support/ advocate with, what level of support to provide, and what type of support to provide in order for the crisis-affected population to meet their needs."* [18]

17 - Adapted from: CaLP and USAID. Market Support Interventions in Humanitarian Contexts: A Tip Sheet
18 - Adapted from: CaLP and USAID. Market Support Interventions in Humanitarian Contexts: A Tip Sheet

DEMAND-SIDE ANALYSIS

Demand-side market support interventions involve providing support to market actors so that users can safely access WASH goods and services to sufficiently meet their needs in a crisis. Response analysis for potential demand-side market support interventions will entail identifying barriers that users face towards accessing goods and services. Factors to consider in identifying such barriers include:

- **Physical distance** between end users and market actors. Is the distance, travel time, or physical capability required to access the market a barrier for people in accessing WASH items?
- **Social norms** between end users and market actors, and how women and girls can access WASH goods/services. Who needs / purchases the goods and services? Can the specific groups identified engage with market vendors safely and without bias?
- **Familiarity with WASH solutions** offered in the market. Are end users not aware of a range of WASH product options or services available to them from market actors?
- **Payment processes and delivery methods**. Do vendors not offer payment methods that are preferred by users, such as digital payments, payment by instalments?
- **Demand** for WASH products and services. Is demand low? If so, why? What are the barriers and motivators to purchasing and using WASH products and services?
- **Price of available options and users' willingness and ability to pay**. Are the only available items too expensive or perceived as such by the users?

While not all demand-side barriers can be addressed in short-term humanitarian responses (as building demand is often tied with long-term behaviour change interventions), there are potential response options that can be deployed quickly in an acute emergency (*e.g. improving peoples' access to markets by working with vendors to come to the locations where affected people are located*). There are also tools[19],[20] that can be used early in emergencies to understand determinants to behaviour change.

SUPPLY-SIDE ANALYSIS

Supply-side market support interventions involve providing direct support to **market actors to restore or build their ability to provide WASH goods and services**. Response analysis for such interventions entails identifying barriers that market actors face in supplying goods and services. Factors to consider in identifying barriers include:

- **Presence of market actors**. Are there local or regional vendors who can be engaged to provide the relevant goods/services required by the target group?
- **Crisis impact on market actors.** To what extent have traders, vendors, and service providers been affected by the disruption to their business? What has happened to small traders, vendors and service providers as a result of the crisis?
- **Gaps in the technical capacity of market actors.** Do market actors lack any key technical skills or practices required to meet humanitarian standards?
- **Gaps in the administrative/management capacity of market actors.** Do market actors lack experience in business practices to deliver at scale to people affected by crisis?
- **Limitations in volume or stocking capacity of traders.** Is the volume of goods that traders can stock limiting the scale of their business?
- **Limitations in the scale of service providers.** Are service providers unable to keep up with greater demand (such as a greater volume of water that must be supplied to affected people)?
- **Financing and debt.** Do market actors have debt that impacts their ability to trade or do business? Do market actors lack access to finance in order to grow their business?
- **Access to supplies and cost drivers that impact market actors' business.** Are there upstream drivers that limit traders' ability to source input materials (such as an increase in the cost of concrete slabs, due to the impact of a crisis and its effect on regional cement production)?

19 - WASH'Em
20 - Oxfam. Mum's Magic Hands

MARKET ENVIRONMENT / SUPPORTING SERVICES

Market support interventions can also target the market environment or supporting services – these can have an impact on the market's ability to provide affordable WASH goods and services and meet humanitarian standards. Response analysis can identify which aspects of the market environment and supporting services are having an impact, and which have the potential to be addressed in a humanitarian WASH intervention.

There are many parts of the **market environment** to consider:

- Are regulations or policies affecting the price of goods or services? Or is there a potential for regulation to ensure equitable and affordable pricing?
- Are there umbrella organisations and networks of suppliers or service producers? Can networks be engaged to allow all market actors in a sector to make changes?
- What systems of governance or community/user representation are present? Can representatives of users, particularly gender groups or marginalised community groups, be engaged to support access to markets?

For the analysis of **supporting services**, examples include:

- Are there gaps in the energy, electricity and transport sectors that impact market actors?
- What access to financial services do key market actors have?
- Is there an overall shortage of warehousing space for the storage of goods?
- How is information shared between market actors?
- What types and quality of employment and labour are possible?

3.2.4 STRENGTHENING MARKET SYSTEMS

Interventions aimed at strengthening market systems are not applied in first phase acute emergencies but form part of the human-development nexus.

We may consider system strengthening as having a longer impact on a broader group of market actors than market support. Typical activities include establishing new businesses for the local production and marketing of soap or menstrual products, or improving the sanitation value chain by building a market for reuse of end products. For a humanitarian agency considering opportunities in strengthening market systems, it is important to bear in mind the following:

- **Consider the potential of the programme to provide long-term support to market actors.** Strengthening interventions are generally part of an overall strategic direction of a WASH programme, with existing organisational resources and support of management to engage in a multi-year programme approach. It is difficult to achieve impact on market systems with short-term funding only, one-off, or small-scale projects. It is also useful to have a commitment to taking on challenges in WASH market systems at scale. Systems change typically involves working at scale or leveraging resources to select activities that can have a broader impact on the market.

Even if resources are limited or time-bound and there are deficiencies identified within a market system, it is still possible to address these through market support interventions and through advocacy.

- **There is no single way to go about response analysis for market systems strengthening.** However, if a market assessment has been conducted, this may be used to carry out a response analysis in much the same way as it may be done for market support interventions. The same approach given in Section 3.3 may be followed, although the emphasis of the analysis will be on the long-term needs of the market system and preparedness, focusing instead on long-term demand-side barriers . Gender analysis would also help inform long-term demand side barriers and the issues that need to be addressed. In the case of supply-side analysis, this might be the underlying factors that are limiting market actors' ability to achieve scale.

Market system strengthening interventions are likely to conduct more in-depth analysis of barriers in the wider market environment and on supporting services beyond the WASH sector.

Market system strengthening is increasingly undertaken in the context of preparedness and recovery, in the transition to sustainable development and in protracted crises. **As such, response analysis for market systems strengthening is relevant only in contexts where humanitarian WASH actors seek to have a long-term impact by working with market systems and interrelated systems.**

Any of the assistance modalities will be complemented by other interventions: including market support interventions and those strengthening the market system (market environment and support services), as well as other WASH direct assistance activities such as WASH infrastructure construction, hygiene promotion, community engagement, and advocacy.

CLICK THROUGH TO DESIGN AND IMPLEMENTATION

3.3 CONDUCTING A RISK ANALYSIS

Risk analysis is an important component of a response analysis for any humanitarian response, including MBP.

After completion of the various assessments and before any final decision is taken on the transfer modality or delivery mechanism, a detailed risk analysis should be completed. The analysis should lead to risk management options, including mitigation actions, based on the risks identified through the needs assessment, market analysis, protection and gender considerations, and the WASH technical assessments. There is no single risk assessment or risk analysis model that fits all contexts. All organisational functions (*e.g. programme, finance, supply, IT*) should work together to assess benefits, risks and risk management measures. Once all the main risks for each modality have been identified and analysed, they should be categorised and assigned a risk management measure.

The following non-exhaustive list discusses some of the main risks in MBP, specific to CVA.

TYPES OF RISKS IN HUMANITARIAN PROGRAMMING

- **Environment**
- **Economic**
- **Market**
- **Regulations**
- **Compliance**
- **Fraud**
- **Operational**
- **Protection**
- **Processes**

3.3.1 RISKS IN CVA PROGRAMMING

Some risks are specific to CVA programming. For examples, see the table below from the Red Cross Movement Cash in Emergencies Toolkit:[21]

TYPES OF RISK	EXAMPLES
CONTEXTUAL External to the organisation: political, economic, environmental, etc.	• Vagaries of climate (floods, droughts) • Conflicts and displacements • Political instability and social unrest • Global financial crises • Price increases due to global/national inflation
PROGRAMMATIC Failure to meet programme objectives and/or potential harm caused to others	• Inability to obtain funds for cash interventions when and where needed • Inflationary risks caused by the programme: more buyers and limited supply can cause price increases • Cash not spent on intended needs: diverted to unanticipated or unwanted goods (alcohol, drugs, weapons) • Identification errors (beneficiaries don't come to distributions, ghost beneficiaries, duplications) • Security risks for beneficiaries and staff
INSTITUTIONAL Internal to the organisation: fiduciary issues, financial losses due to corruption, etc.	• Security problems with financial transactions • Large-scale fraud and reputation risk for the organisation • Inconsistency with key actors' responses (transfer value, delivery mechanism, targeting, etc.)

21 - International Red Cross Movement Cash in Emergencies Toolkit, Module 3.1.4.1

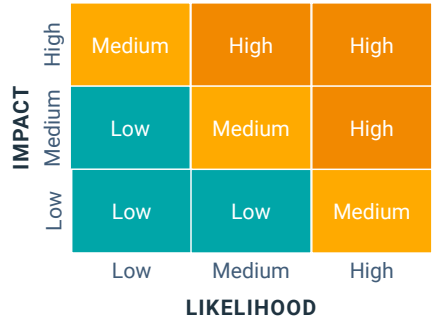
3.3.2 RISK MATRIX

A risk matrix is very useful in defining the level of risk by considering the category of probability or likelihood against the category of consequence severity. This is a simple mechanism to increase visibility of risks, assist management decision-making, and design measures to deal with them.

The risk matrix should be updated periodically and be continuously monitored for proper risk management.

Risk mitigation measures, which are generally part of programme design, should be clearly explained.

Figure 3: Risk Matrix



CONSIDER PROTECTION AND GENDER-RELATED RISKS IN MBP:

Assess gender risks, to avoid increasing Gender Based Violence (GBV) or gender imbalance in programming (for instance, where registered traders may be male, with women-led businesses operating in the informal sector).

Consider the following:*

- What are the traditional gender roles?
- Who within the community is responsible for making decisions on the use of resources?
- Will women, girls, men and boys incur new risks due to participation in a cash assistance programmes?
- How are these risks different for different women and girls (*e.g. older women or women with disabilities*)?
- How do other aspects of diversity (*e.g. age, disability*) impact on these gender roles?

Gender Analysis:[22]

What information should a good gender analysis provide?

- The differences in the lives of men and women.
- The barriers that unequal gender relations present.
- The status of women and their ability to exercise their human rights.
- The different skills, capacities and aspirations of women and men.
- The division of labour: different activities for men and women, and their access to and control of resources.

*Adapted from: UNHCR. **Cash Assistance and Gender**.

22 - Adapted from: Oxfam. (2014). Quick Guide to Gender Analysis
See also: Friedman, J. (2015). Cash & Voucher Assistance and Gender-Based Violence Compendium: Practical Guidance for Humanitarian Practitioners. IASC and CARE USA

3.3.3 CONFLICT ANALYSIS

In conflict settings, particular attention should be placed on risk and conflict analysis, especially for market-support interventions, which have the potential to change power dynamics in a community.

CONFLICT ANALYSIS[23]

Part of the efforts to ensure that interventions do no harm to crisis-affected households should include appropriate conflict analysis and sensitivity in both market analysis and response analysis.

Specific attention should be given to conflict dynamics when considering supporting formal and informal market stakeholders in conflict settings so as not to contribute to, or create a situation of, unfair market power and hampered market access for crisis-affected households.

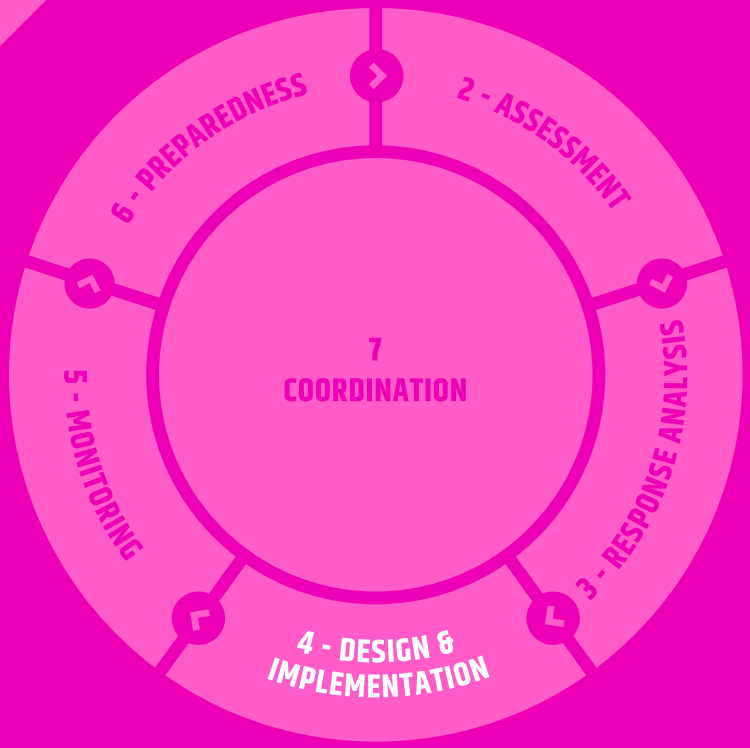
In conflict settings particularly, market actors and regulators may be closely interconnected to conflict dynamics and parties to the conflict. Implementing agencies should therefore carefully consider which market actors to support and the potential implications for acceptance and neutrality. Appropriate due diligence should also be conducted, in light of organisational and donor policies.

23 - CaLP and USAID. Market Support Interventions in Humanitarian Contexts: A Tip Sheet

CHAPTER

04

DESIGN AND IMPLEMENTATION



KEY STEPS:

1 USING MARKETS, WITH A FOCUS ON CVA

2 SUPPORTING MARKETS

3 STRENGTHENING MARKETS

The design and implementation of WASH MBP means going beyond being aware of markets and their relationship with WASH humanitarian assistance, and involves either using markets, supporting markets, or strengthening market systems, or a combination of these.

Awareness of markets

Use of Markets (Section 4.1)

Market Support (Section 4.2)

Market System Strengthening (Section 4.3)

KEY MESSAGES:

- MBP spans a spectrum of interventions to meet the needs of a crisis-affected population, starting with those that are market aware to those that use markets, support markets, and strengthen market systems.
- Designing CVA programmes must incorporate WASH specific considerations, including for one-off needs (such as the construction of latrines and bathing shelters).
- Market system strengthening contributes to resilience, meeting objectives in preparedness and the sustainability of WASH interventions as part of the humanitarian-development nexus.

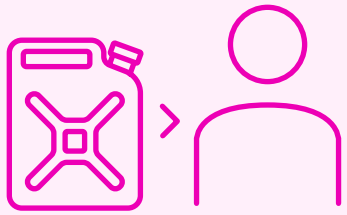
KEY RESOURCES:

1. For CVA programming, see:
   CaLP Programme Quality Toolbox
   CaLP Online: Core CVA Skills for Programme Staff Course | Cash Learning Partnership
   Red Cross and Red Crescent Movement Cash in Emergencies Toolkit
2. For examples of WASH MBP, including market support interventions, see: Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster
3. For discussion and case studies of WASH systems strengthening, including market systems, in fragile contexts, see: Tillet, W., Trevor, J., DeArmey, D., and Schillinger, J. (2020). Applying WASH Systems Approaches in Fragile Contexts: A Discussion Paper

4.1 USING MARKETS – WITH A FOCUS ON CVA

This section focuses exclusively on CVA, as follows:

- **Working with end users (recipients of CVA):**
  - Targeting, selection, registration, and verification of beneficiaries
  - Determining transfer type, amount and frequency
  - Communication and accountability
  - Encashment and delivery of assistance
- **Working with FSPs:**
  - Selecting FSPs
  - Delivery of assistance
- **Working with WASH vendors or service providers:**
  - Selecting vendors
  - Contracting
  - Training



Using markets can also include local procurement of WASH goods and services by humanitarian agencies for their direct provision to people affected by crisis. This section does not cover local procurement.

TOOL:

Whilst these steps are briefly described below, programmes implementing CVA should use existing CVA guidance for in-depth detail.

For this, it is recommended to use the

PROGRAMME QUALITY TOOLBOX

4.1.1 WORKING WITH END USERS

A TARGETING AND SELECTION

In CVA, identifying the affected community that will be targeted through the intervention (whether individuals, households or groups – those who are most vulnerable and most in need to meet the programme objectives) is an important step of the intervention.

Targeting depends on the objective of the programme and can be a challenging task. It is a dynamic process that requires strong methods, often by setting clear and transparent selection criteria and methodologies:

- Targeting during rapid onset emergencies might not be viable as it creates issues with timeliness and risks exclusion during a critical time.
- In acute crises, targeting criteria for WASH are likely to be the same as in multi-sector interventions, based on which population was affected. In MPC, interventions are likely to use measures of economic vulnerability as the basis of targeting. In protracted crises, targeting criteria may be different for WASH interventions. Here, WASH specific CVA interventions can target more easily according to WASH needs and objectives (such as using people's baseline access to sanitation as the basis to target latrine vouchers).

CASH AND VOUCHER ASSISTANCE (CVA)[24]

CVA refers to all programmes where cash transfers or vouchers for goods or services are directly provided to recipients. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, households or community recipients.

24 - CaLP. Glossary of Terms

- All targeting mechanisms present both inclusion (*e.g. providing benefits to those who are not eligible)* and exclusion *(e.g. leaving out those who are eligible*) problems. The objective is to select a targeting mechanism that reduces both sources of error as much as possible, yet remains feasible and cost-effective in the specific context.

TOP TIP:

The set up of an accessible and effective complaint and feedback mechanism will help to reduce errors during the project. It is important that implementing agencies have the capacity to quickly act on feedback received and communicate changes to programme participants.

- In developing targeting criteria for protracted crises, targeting (for certain WASH goods/services) may try to include existing users of WASH products to provide rewards for continued use and avoid disincentivising households from making WASH expenditures.

REGISTRATION AND VERIFICATION

Registration requires collecting information on programme participants (to have a clear record of who is participating) and verifying their identity throughout the project cycle.

Main steps:

- Define CVA recipient criteria.
- Identify the potential recipients/programme participants.
- Verify who they are.
- Register programme participants.
- Store data.
- Exchange data with other organisations, FSPs, etc. (if relevant and under an MOU where data rights can be protected).
- Destroy data after end of project (the timing of this may be dictated by audit requirements).

Programme participant registration can be:

- **Direct:** direct registration and collection of participant data by the implementing agency; or
- **Indirect:** participant lists may be received from other entities (e.g. government, local partner, UN agency).
- **Collected manually or digitally, online or offline**. In all cases, registration data will ultimately be stored in an electronic database of some sort (Excel, Kobo, and RedRose, amongst others).

In many locations, different registrations are done by different implementing agencies, which can create data sharing implications later. To address this, platforms such as the UN Common Cash System and the Collaborative Cash Delivery network are being established.

VOUCHERS FOR SOAP, MENSTRUAL PRODUCTS, NFIS AND SHELTER IN ETHIOPIA[25]

As of the end of June 2018, the Somali refugee population of Jijiga, Ethiopia was 36,766 spread across three refugee camps. UNHCR established a voucher-based intervention in the three camps to enable the persons of concern to access core relief items (like kitchen sets), women of reproductive age to meet their sanitary material requirements, and all refugee households in Jijiga to meet their soap needs for three months. The project also aimed at supporting vulnerable households with improved shelters.

TOOL:

For more detailed guidance on registration, please see the Red Cross Movement **Cash in Emergencies Toolkit, Module 4.4: Registration**

25 - Adapted from: Karanja, M. UNHCR Ethiopia Cash Based Intervention (CBI) Post-Distribution Monitoring (PDM) Report: Jijiga refugee population CRI support through cash based interventions – voucher. UNHCR

GOOD PRACTICES

- Register only those eligible to receive assistance and document the reasons/criteria people need to receive eligibility.
- A degree of inaccuracy in acute emergencies is to be expected. Where speed of assistance is most important, it is possible to make corrections over time and refine eligible beneficiary lists.
- To reduce duplications and omissions, registration and identification should take place at the same time.
- Ensure identification required to register beneficiaries complies with national financial regulations, including know your customer (KYC) requirements of FSPs.
- Try to collect only the minimum amount of required information.
- Ensure data is safely stored, rules of data exchange are clear, and data is destroyed after use.

DATA PROTECTION

Data protection is the systematic application of a set of safeguards that preserve the right to privacy with respect to the collection, storage, use, disclosure and disposal of personal data.

Personal data includes all information that can be used to identify the data subject, which in the case of humanitarian assistance usually means our programme beneficiaries – vulnerable people whose data should be managed safely.

Some humanitarian organisations have policies, practices and tools to responsibly manage and protect the data they hold, but others do not. The **Handbook on Data Protection in Humanitarian Action from ICRC** can be used as a good example.

B

DETERMINING THE TRANSFER AMOUNT AND FREQUENCY

This step also involves working with providers, goods and services, to identify prices.

TRANSFER AMOUNT

The amount to be transferred will need to take account of the following:

WASH OBJECTIVES:

- The amount of cash transferred (or the value of vouchers provided) to recipients should be based on the costs of goods / services necessary to meet the programme's WASH objectives and the need determined through market and needs assessment.

QUANTIFYING WASH NEEDS AND GAPS:[26]

This is a key step in determining the transfer amount, whether for WASH specific CVA or for MPC.

- **Before determining prices, identify the total WASH needs of the affected population.** Consider which of these are met in the market and associated costs, and how these needs change according to household size as well as by age, gender, level of disability and number of people that have been affected by the crisis.
- **Determine local market prices of items or services** (and where relevant labour, transportation, and other costs) – this should consider the range of different needs and preferences of beneficiaries. For example, people with disabilities require specific WASH products or facilities – the cost of these may therefore be greater, and additional assistance may be required for travel to the market.
- **Consider if affected people are able to contribute to their own needs.** For example, households with able-bodied adults may be able to dig their own latrine pits or make their own arrangements for short-distance transportation of goods.
- **Determine the needs that people are likely to prioritise if they receive a transfer.** In acute emergencies, there may be zero or little contribution from potential beneficiaries. On the other hand, in longer term programmes, extensive work may be carried out to determine users' willingness and ability to pay (*such as through analysis of their spending, income, debt and assets*) so that their contributions can be maximised (progressively) for cost efficiency and/or for sustainability and a CVA exit strategy. However, WASH goods/services may be considered by affected population as an opportunity cost (*e.g. they may prefer to use surface water for free than pay for a piped water supply service*).
- **Determine the gap between this contribution and the total need.** The cash or voucher transfer amount will be based upon this gap. Determining gaps between total needs and contributions should focus on the poorest and most vulnerable people, and not be based only on averages. Disaggregate data and identify the gaps for different wealth quintiles and different social groups, including the vulnerable. Needs, and transfer amounts, often vary for household size and disabilities/diseases within households. For example, the amount of soap that a family consumes per month depends on household size. The programme should attempt to quantify the cost of covering needs of various household sizes to term equitable transfers.

HARMONISATION:

- The transfer amount must be coordinated, at a minimum through humanitarian coordination. The transfer amount may need to be coordinated with social protection programmes and compared with other country standards, such as minimum working wages. Consider if households receive assistance from other agencies, organisations, or the government, and how long for.

26 - Adapted from: World Food Programme. (2020). Setting the transfer value for CBT interventions: transfer value interim guidance

BUDGET CONSIDERATIONS:

- The programme will need to compare the appropriate amount of transfer required with its programme budget, which may have only been estimated up until this point. The budget will need to include all costs associated with delivery of cash or voucher assistance, including fees of service providers. At this stage, it will be possible to more accurately determine the number of intended recipients based on the transfer amount and budget available. The programme may need to revisit the targeting criteria to ensure it can deliver to all recipients who meet the selection criteria. Alternatively, budget limitations may determine that only a lesser transfer value will be possible. In this case it is important to consider whether a small transfer can still allow individuals targeted in the programme to meet the needs identified, and if not, an alternative approach will need to be considered.

CONSIDERATIONS FOR WASH:

There are specific considerations for CVA for WASH, especially for hardware construction which is typically a one-off activity.

In the case of CVA for WASH hardware construction, this means that the total construction costs, including materials, labour, and transportation costs should be determined.

Given the one-off nature of WASH hardware construction, and the fact that it can be a relatively high-cost activity, it is important to consider the timing and structure of CVA transfers. CVA can be delivered in tranches, based on conditionalities, such as construction progress achieved according to quality standards. This requires a significant monitoring component from the implementing agency.

VIEW CONSIDERATIONS FOR CASH FOR LATRINE PROGRAMMES

See Section 7.2.3 for more discussion on the coordination needs in relation to transfer amounts. In the case of multi-purpose cash, amounts will be based on the MEB.

The GWC WASH MGP Evidence Building Study (see Key Resources for Chapter 4) found that most MPC interventions provided just a share of the expenditure gap in relation to the actual MEB. As such, people in need must further prioritise expenditure to meet their most pressing needs.

FREQUENCY AND TIMING

The transfer frequency will depend on whether the assistance is intended for one-off events (like the construction of WASH hardware) or is recurrent in nature (such as the periodic purchase of hygiene items). Considerations include:

RECIPIENT INCOME AND SPENDING HABITS	• To encourage spending for the intended purpose of the programme, the timing of transfers can be planned accordingly. Expected changes to recipient income can also have an impact here.
FLUCTUATIONS (Market, seasonal, sudden changes due to crisis effects)	• These can affect the price of items and may impact the decision on the type of transfer (*for example, commodity vouchers may be more suitable than value vouchers, as the difference in prices would be covered by the agency when paying vendors, not by the beneficiary*). Additionally, there may be a need to update the transfer amount.
DURATION THE CVA IS PROVIDED FOR	• Factors to consider here include programme objectives, WASH needs, context, and budget. An exit strategy will need to be prepared for when transfers are expected to be completed. • Can needs be met within the timeframe for the programme? If not, will the programme be handed over to local counterparts or how will remaining needs be met?
OTHER ECONOMIC NEEDS	• In the case of cash for WASH, it is important to make sure that people's other economic needs are provided for through other sector interventions, which may also be through CVA. If this is not done, it is likely that cash intended for WASH will be spent on meeting other basic needs and WASH programme objectives will not be met. Similarly, in-kind distributions of WASH items may be sold by recipients to spend on other priorities.

C

COMMUNICATION AND ACCOUNTABILITY

Good communication between programme and participants is an essential component of CVA programmes.
The programme should initiate communication with beneficiaries and the target community early in the process and maintain a dialogue throughout CVA activities.

Communication and accountability also apply to non-CVA programmes. However, certain measures are specific to CVA:

COMMUNICATING WITH COMMUNITIES DURING CVA[27]

All communications should be accessible:

- People of any gender, age, disability, or social group can access communications from the programme.
- Communications are two-way, and the programme is ready to receive and act upon information from communities.
- The programme has referral information available (*e.g. referrals for protection-related risks*).
- Suitable languages and communication channels are used.
- Agencies should use accountability and feedback mechanisms, and identify opportunities for communities to make use of these for customer feedback (when receiving goods/services from the private sector).

The following information should be communicated with communities participating in CVA programmes:

- The overall cash transfer process, from registration through to distribution and programme evaluation.
- The transfer schedule and amount.
- Participant responsibilities during disbursement, including providing an approved type of ID, signing/fingerprinting, etc.
- Any safety and security risks associated with cash handling.
- How to give feedback and receive assistance.
- The monitoring process and what to expect.
- How any collected personal data will be used or shared.
- Consequences for failing to comply with programme procedures.
- Any other pertinent programme details.

TOOL:

For more guidance on communication and accountability in CVA programmes, please see the **CaLP Programme Quality Toolbox**

NOTE:

Accountability to affected people is a key aspect of implementing WASH programmes, including CVA, so that those responsible for providing services respond to the needs of people affected by crisis.

Ensuring accountability involves determining the risks facing participants as part of the programme.

27 - Adapted from Mercy Crops. (2017). Cash Transfer Implementation Guide: Part of the Cash Transfer Programming Toolkit

D

ENCASHMENT AND DELIVERY OF ASSISTANCE

Following the verification of the beneficiaries, it is important to ensure accessible and safe delivery of CVA. Effective CVA delivery involves working closely with various departments, including business support teams, and working with FSPs. Encashment should therefore be a well-planned and documented process.

- Prepare and share a SOP. Preparing the SOP can be completed with support from a Cash and Market specialist.
- With support from the logistics team, arrangements should be made to ensure that all targeted beneficiaries have safe access to cash/vouchers at the required times. Actions may include providing support to people in reaching the voucher or cash distribution site, or in safely accessing an ATM machine, or travelling to vendors.
- The SOP should be discussed and agreed with all relevant stakeholders and communicated with the beneficiaries. Space for feedback should also be provided.
- Once the SOP is prepared, the delivery process can be tested via a simulation pilot using limited beneficiaries before moving ahead with scale up. Pilot testing will also provide opportunities to revisit any learning.
- To maintain transparency and accountability in the CVA delivery process, it is important to document data on beneficiaries reached, funds or vouchers disbursed on the programme side and establish systems to periodically tally these records with the reconciliation data from the finance side.
- Another key aspect to consider during the delivery of assistance is to ensure that process monitoring indicators are defined to monitor at process, output and outcome level, as discussed in **Chapter 5**.

Encashment refers to the actions undertaken by recipients to access their cash (cashing a cheque, money order, bond, note, or similar, or using an ATM or agent (*e.g. mobile money, shopkeeper*) to withdraw cash).

The broader encashment process managed by the implementing agency may also be understood to include reconciliation of payments.[28]

⚠ **STANDARD OPERATING PROCEDURES (SOP)** are generally broad documents that include the following:

- Details of the encashment process and procedures for targeting, monitoring, risk, and complaint management.
- Definition of the roles and responsibilities for all team members, departments and the involved FSP.
- Outline of all agreed expectations from beneficiaries, such as the documents to be submitted or any conditions to be fulfilled before receiving assistance (for instance, requirements on the specification of latrine pits which must be dug prior to receiving latrine vouchers).
- Details of various mitigation mechanisms informed by the risk assessment matrix and pathways for trouble shooting support. This is especially important when using FSPs and/or digital delivery transfer mechanisms such as electronic vouchers.

28 - CaLP. Glossary of Terms

4.1.2 WORKING WITH FSPs

SELECTING FSPs

Working with FSPs is a key part of CVA programming. It involves support staff (programme staff, Logistics and Finance), working together with Cash/Markets specialists, to lead the next steps of CVA programming: selecting and contracting FSPs.

DURING DELIVERY OF ASSISTANCE:

- Establish clear processes, assign roles and responsibilities and communication protocols and an expected timeline of implementation as part of the SOPs.
- Identify a point of contact from the FSP to deal with any technical and programmatic issues that may arise during delivery of the assistance.
- Organise an orientation workshop with the FSP before the distribution, to go through and test the overall sequence of assistance delivery steps.
- Ensure the programme has confirmed the FSP's customer service, technical support mechanisms, and data protection practices.

FURTHER TOP TIPS:

- Ensure that the FSP records the distribution data in their systems and reports them following agreed reporting format and timeline.
- Determine reporting formats early. Request a sample of each report and share them with your Finance and MEAL teams.
- Establish the frequency with which your FSP will provide reports.
- Conduct regular FSP quality control monitoring.
- Prioritise regular monitoring and ensure that feedback on the FSP service delivery is collected from the beneficiary side to enable timely improvements, such as through post-distribution monitoring (PDM).

4.1.3 WORKING WITH VENDORS

WASH programme teams, collaborating closing with other colleagues, will work with vendors as part of voucher programming, and in some cash transfer programming as well.

- Programme staff will be involved in the selection and training of vendors, and support Logistics, Finance and Cash and Markets colleagues during the contracting process as part of the CVA programme. WASH staff will lead the WASH quality assessment component.

- Logistics colleagues should receive specific training on adapting procurement for the needs of CVA programmes, for which they may be assisted by Cash and Markets Specialists.

SELECTING VENDORS

In WASH programmes that use markets through local procurement, WASH staff (sometimes alongside cash staff) are typically involved in the technical screening and selection of vendors. Such vendor assessment is also required for voucher interventions.

Selection will be carried out based on the following:

- Technical competencies – technical and operational capacity to deliver quality WASH goods/services.
- Vendor's competency to deliver at the scale that is needed in the intervention, in the same way that scale is considered in local procurement. Considerations might include the daily supply and capacity of goods required, time needed to restock, warehousing capacity. This may require review by both Logistics, WASH, and Cash and Markets staff.
- Eligibility of vendors according to their licence to legally operate, banking information, and identifying information of the owners of the business. This information will be reviewed by business support colleagues (such as Logistics) as part of the vendor selection process.
- Risk analysis, including protection and conflict risk analysis, should also be part of vendor selection. **See Section 3.3**.

CONTRACTING

For most agencies, contracting will be led by Logistics, with support from WASH programmes, HR, and Finance.

Relevant considerations for programme teams include:

- **Will the organisation that is contracting the vendor be providing a guarantee of sales volumes?** For example, if beneficiaries are free to select their vendor of choice, it may not be possible to guarantee that any individual vendor will receive any business at all, and it may be best to state that your organisation is not liable to guarantee any sales volume through the project.
- **If the beneficiary has freedom of choice** in relation to specific commodities and services they wish to purchase (in value voucher interventions), this will need to be stated.
- **Responsibilities of the vendor**, including requirements to make records of transactions with beneficiaries through the programme.
- **Responsibilities of the organisation that is contracting the vendor**, including its role in monitoring and its commitment to make payments according to an agreed payment process.
- **The payment process**, including the timing and frequency that payments are made from the contracting organisation to the vendor. For example, payments made every week for goods sold over the past week.
- **Specific conditions may be required if vendors are using technology** (such as mobile apps or hardware such as card readers) as part of the intervention to state how the technology will be used and the specific responsibilities of the vendor, including data protection.

- **Other legal clauses** may be added to the agreement, such as agreement that the vendor will not sub-contract the work to another business entity and that laws will be followed.
- **A technical specification** may be a required as part of a contract, or a required annex to a contract. This provides technical details describing the goods and services and standards that the vendor commits to.
- **Terms should be agreed with vendors** to ensure they will not collude to fix prices to the detriment of the programme.
- **Vendor compliance** with a code of conduct and safeguarding.

TRAINING OF VENDORS AND SERVICE PROVIDERS

Given the critical role of vendors in voucher programming, time needs to be spent providing training to vendors and service providers. This may include:

- Capacity building support to vendors and service providers on meeting WASH technical standards as described in Section 4.2.2 (B).
- WASH programme teams will need to provide clarification on the roles and responsibilities of participating vendors and service providers, and critically, on the procedures to following during the process when voucher recipients redeem their vouchers for goods and services. Protocols will be established to document each transaction.
- If transaction technology is used (such as e-vouchers) dedicated training will need to be given on use of mobile apps, hardware (such as card readers), or other tools used in the voucher redemption process.
- Finally, given their close interactions with affected people, training should be given which establishes standards of conduct to be followed by vendors and service providers participating in the CVA programme.

4.2 SUPPORTING MARKETS

This section covers the following key steps:

- **Identifying market actors and affected population to be supported.**
- **Supporting market actors' functionality:**
  - Grants, guarantees, and enabling access to financing for market actors.
  - Capacity building and technical support to market actors.
  - Communications and accountability.
- **Supporting access to markets and building demand:**
  - Enabling affected people's access to WASH goods and services and generating demand.
- **Market environment and supporting services.**

⚠ The aim of WASH market support interventions is to improve the situation of the crisis-affected population by providing support to critical market systems on which the target population relies for WASH goods and services. **These interventions target specific market actors, services, policies, and infrastructure.**[29]

☆ **EXAMPLES OF WASH MARKET SUPPORT INTERVENTIONS**[30]

- **Water**: supporting local private water market actors to provide good quality and affordable water (or water treatment services and products) in preparedness or during emergencies.
- **Sanitation**: creating and nurturing businesses that build / repair toilets by supporting them with grants, materials, training, or finding solutions to improve their financial viability.
- **Hygiene**: supporting CBOs, including women's groups, to produce hygiene items locally (chlorine, menstrual products, soap, detergent, or face masks).

VIEW MORE EXAMPLES OF WASH MARKET SYSTEM INTERVENTIONS

29 - Adapted from: CaLP and USAID. Market Support Interventions in Humanitarian Contexts: A Tip Sheet
30 - Adapted from: Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

4.2.1 IDENTIFYING MARKET ACTORS AND AFFECTED POPULATION TO BE SUPPORTED

As per CVA interventions, a key first step in delivering market support is to identify the target group. In many cases, this will be WASH related businesses, so that affected people receive the benefit of improved market access.

Identifying the specific market actors to support should be based upon market assessment and response analysis, which will have highlighted key parts of the market chain or service delivery chain that could be strengthened. Possibly, this analysis will have identified specific actors, such as individual traders or service providers.

If not, the programme can proceed with a selection process to engage the right market actors to be supported. This selection process may be led by a Logistics team, but with significant inputs from the WASH programme team on the criteria for selection. Selection will be based on which actors are most likely to have the greatest impact on addressing access to WASH for affected population. It will also be informed by practical considerations like willingness of market actors to participate.

Targeting market actors to be supported[31]

Beware not to exacerbate market power dynamics by focusing support on a single type of market actor.

Consider:

- Supporting a range of business types and sizes (based on the demographic and gender characteristics of the owners and employees).
- Providing blanket coverage to businesses, regardless of size.
- Providing support on a sliding scale, based on size.

Target market actors who are best placed to enable affected and vulnerable households to meet their basic needs. As such, it is important to understand the catchment population of market actors and the number of traders in the same business. The catchment population for traders may also vary depending on gender and other demographic characteristics of both traders and end users.

The number of market actors to support should be related to the scope of a programme and the number of crisis-affected households being targeting. However, there is no linear relation between the number of households and traders to support; it will be context- and sector-specific.

4.2.2 SUPPORTING MARKET ACTORS' FUNCTIONALITY

Supply-side market support enables market actors to function properly, at the capacity and quality required to better provide WASH goods and services to the affected population.

Care must be taken in identifying market actors to be supported. Market support to business can be effective at clearing barriers in the provision of services, but if it is done without consideration of risks, it can have adverse effects.

Prices of goods and services may be affected, or certain market actors may be pushed out of their industry entirely. Such considerations may inform whether individual businesses are targeted for the intervention or whether a blanket approach to support is taken.

Market support interventions may target the affected population as well as working with WASH market actors (*e.g. facilitating people's access to markets and building demand*).

For guidance on targeting crisis affected population, see the guidance for market-use interventions in **Section 4.1.**

31 - Adapted from CaLP and USAID. (2018). Market Support Interventions in Humanitarian Contexts: A Tip Sheet

Interventions encompass a broad range of activities that are targeted at market actors and may focus on any of the following:

- Providing grants to traders.
- Building the capacity of service providers.
- Improving the extent to which market actors are accountable to people affected by crisis.

A

GRANTS, GUARANTEES, AND ENABLING ACCESS TO FINANCING FOR MARKET ACTORS

A range of options exists for providing financial support to market actors.

GRANTS

Grants are the most straightforward type of financial support and can be given to new or existing service providers, retailers, wholesalers, or other market actors either as a one-time payment or on a reoccurring basis. However, the purpose of the grant can vary greatly.

GUARANTEES

An alternative to a grant is a guarantee, in which a humanitarian agency may underwrite, or make a promise that a certain volume of goods will be sold at a price agreed between a supplier and the agency.

Guarantee agreements should be carefully drafted, with clear terms describing how, when, and at what cost the agency will provide payment to the business, fulfilling the guarantee made.

ENABLING ACCESS TO FINANCING

Market actors may fail to meet credit worthiness requirements of lenders or may be unable to secure the size of a loan needed to expand their business. In such cases, a range of market support options are available, such as supporting the business to meet requirements through business support.

Humanitarian agencies can also work directly with financial institutions to introduce or adapt financing requirements or types of loans offered to make it easier for market actors to access finance. Creating financing for WASH products for consumers directly is another form of market support.

EXAMPLES:

Grants/loans for technical equipment to improve capacity (such as injection moulds to make plastic toilet pans); grants for restocking; utility payments; stipends for personnel costs (such as subsidising the staffing of a business); or start-up grants for new businesses, including those led by women.

A guarantee can allow a business to take more risk, or to make larger wholesale orders of needed items, or to introduce a new WASH product that an agency wishes to promote (but the supplier is not yet ready to invest in), or to protect against loss from perishable products (such as chlorine powder).

B CAPACITY BUILDING AND TECHNICAL SUPPORT TO MARKET ACTORS

Capacity building efforts may focus on select market actors to improve their ability to provide services or the quality of goods they offer.

A wide range of technical support could be provided. This is not described in detail here, but includes WASH specific support to utilities, maintenance workers, producers, and other market actors on areas ranging from water quality testing to health and safety protocols to methods of wastewater treatment.

In addition to WASH technical support, market actors can also be supported in business and management practices, such as accounting, asset management, and financial planning.

Utilities especially, and other service providers, are often expected to meet indicators of performance in operations and can benefit from capacity building focused on human resource management and customer service, amongst other areas. Support can also entail facilitating links to other actors in the value chain, especially where this improves the quality of goods/services they can offer.

C COMMUNICATION AND ACCOUNTABILITY

Where WASH goods and services are provided to people affected by crisis via the market, humanitarian agencies are interested in building the accountability of market actors to the affected population.

- WASH agencies support market actors' communication practices, such as through the production of accessible information materials that clarify the rights and opportunities of users or consumers.
- In the case of the provision of services, WASH agencies may work to establish consumer representation bodies amongst the affected population and build their capacity to articulate their needs/raise issues with service providers and other authorities.
- Interventions may also target the ability of market actors to influence changes within the market system, allowing actors further up the supply chain to make changes responsive to needs recognised by workers and suppliers who interact directly with consumers.

☆

EXAMPLE:

SUPPORTING THE HHWT MARKET IN HAITI[32]

The project focused on understanding which interventions could contribute towards the eradication of cholera through a market-based approach, whilst supporting preparedness for the numerous risks of natural disasters in Haiti.

Linking the findings on the availability of chlorine products and the lack of adequate storage containers for drinking water, the intervention selected 15 vendors (all relatively well-established distributors of liquid chlorine solutions) to benefit from training on accounting and general business management, the donation of additional stocks and additional technical training.

32 - Villeminot, N. (2018). Strengthening market systems that provide water and hygiene items for cholera mitigation and emergency preparedness in Haiti. Waterlines, 37(4), 307-318

4.2.3 SUPPORTING ACCESS TO MARKETS AND BUILDING DEMAND

As an alternative, or complement, to the supply-side market support activities described above, demand-side market support can be conducted. Demand-side interventions are focused on making it possible for users to access WASH goods and services to sufficiently meet their needs in a crisis.

ENABLING AFFECTED PEOPLE'S ACCESS TO WASH GOODS AND SERVICES, AND GENERATING DEMAND

Demand-side market support interventions ultimately seek to improve WASH access by efficiently removing barriers through concentrated activities, often by supporting WASH businesses and/or by working with people affected by crisis. To achieve impact, it is often necessary to combine market support activities with market use interventions, including CVA.

Demand-side market support can involve working directly with market actors, working with affected population/end users, or a combination of the two.

Where physical market access is a barrier, activities may include:

- Providing short term support to affected people, such as enabling transportation to the marketplace. It may be necessary for programmes to cover different types of interventions so as to address the varying barriers that different groups (gender, disabled, elderly, etc) face.
- Providing longer term support to market actors, in the form of grants or other financing, enabling businesses to open new branches, etc.
- If more efficient, subsidising the cost for WASH market actors and service providers to come closer to the people requiring market access.

Where lack of demand is a barrier, activities may include:

- Increasing awareness of WASH products, identifying behavioural determinants, identifying barriers and motivators and then using this information to develop a context specific strategy for increasing demand.
- Building demand by working directly with suppliers to promote their products to affected populations.

Where procurement of specific goods is a barrier, activities may include:

- Working with users, such as by consolidating orders so that transportation costs of goods are distributed amongst many users and are therefore lower.
- Working with market actors to aggregate products to allow for 'one-stop shopping' to make the purchase process easier for the user.

Many of the types of market support mentioned above address this aspect of market access. In addition to specific market support activities, it is important to note that CVA generally has a strong effect of supporting the market. Both types of intervention can be done together to bring about more change.

MARKET ENVIRONMENT AND SUPPORTING SERVICES

Other interventions may target the market environment and supporting services. This is discussed in Section 4.3 under market systems strengthening. There is no clearly defined line between market support and market system strengthening interventions for policy, governance, and secondary services, as they may only be differentiated by scale and the intended timeline for impact.

EXAMPLE:

People may face access challenges for certain WASH products that cannot be obtained from a single vendor. Construction, especially of latrines and bathing facilities, typically involves procurement of goods from multiple types of businesses. A complicated purchase process, where a user must make multiple trips to multiple vendors, can be a significant access barrier, especially if each transaction involves a transportation cost for the user.

4.3 STRENGTHENING MARKETS

Strengthening WASH market systems in humanitarian contexts is a growing area of practice. Humanitarian needs are increasingly long term, often due to persistent or periodic conflict, long term displacement, or other forms of chronic vulnerability. **In protracted crises and other contexts where the resilience and sustainability of WASH interventions requires preparedness and long-term programming, system strengthening interventions are used.**

Market systems are a focal area of this work to develop markets and ensure the delivery of services to people affected by crisis. In taking a systems approach, interventions can also work on governance, policy, and regulation issues, including those that impact markets, to further strengthen WASH capacities in crisis affected countries. Additionally, addressing accountability, especially of service providers and service authorities to end users and people affected by crisis, is an effective way to complement market strengthening efforts.

As part of the humanitarian-development nexus, working to strengthen WASH market systems at scale, and over a longer timeframe than an acute emergency, provides a link between humanitarian and development WASH practice in the country where it is conducted. Humanitarian WASH actors working to strengthen service providers and WASH market systems will interface with government, NGO, and private sector actors engaged in achieving Sustainable Development Goal 6. Humanitarian and sustainable development WASH practitioners have opportunities to collaborate on market systems strengthening, both to meet long term objectives and for preparedness in communities vulnerable to crisis.

WASH market systems change programming encompasses a broad range of interventions at recovery and preparedness phases of humanitarian intervention. Given the many types of interventions that may fall under the umbrella of WASH market systems change, there is no single approach to the design and implementation of these programmes. Instead, the following section provides introductions to several different types of programming, including examples of strengthening service providers and other market actors. Following this, several methods in the design and implementation of systems change programming are noted. However, there are many other methods that practitioners may follow, and many other types of systems change programming that are possible.

4.3.1 TYPES OF WASH MARKET SYSTEM STRENGTHENING

Certain key WASH market actors are involved in the long-term provision of services. Water utilities, latrine pit emptiers, and providers of operation and maintenance services for a range of WASH infrastructure may be involved in long-term service delivery, especially in protracted humanitarian crises. Beyond the strengthening of service delivery, activities can focus on other actors in the WASH marketplace. Strengthening the WASH market may even involve starting a new business to fill a gap in need through a process of enterprise development.

This section focuses on the following :

- **Types of WASH market system strengthening**
- **Methods of system strengthening**

TYPES OF WASH MARKET SYSTEM STRENGTHENING

TYPE OF INTERVENTION

1 DEVELOPING NEW SERVICE DELIVERY MODELS

Through analysis of the market, service delivery, and challenges in sustainability, it is possible to identify inefficiencies that could be improved upon by developing new service delivery models to support market actors in providing WASH services.

There may be a transition in the provision of services from humanitarian agencies and/or voluntary community-based management structures to the private sector or to public utilities. Establishing new service delivery models in humanitarian contexts is typically a lengthy effort that engages national level government, donors, and potential service providers.

Humanitarian agencies may be part of this wider intervention by providing technical support to utilities, by performing analysis to inform the overall strategy of service provision, and by supporting community engagement during the transition.

Humanitarian agencies may also be involved in the capacity and feasibility assessment of service providers and WASH enterprises and in conducting technical audits of systems to inform areas that need to be addressed in cooperation with new service providers. This is a complex area of work that is described in other recent literature.[33]

2 IMPROVING POLICY, REGULATORY, AND FINANCING ENABLING ENVIRONMENTS

Working with the broader WASH market system involves engaging with policy and regulation that has an impact on WASH market actors and on service delivery. This may include technical regulation, for example, requiring that excreta be contained in septic tanks according to specifications and wastewater is treated according to discharge levels. These regulations may affect the type of products and services that market actors provide. Humanitarian agencies may perform technical research and draw from their experience to help regulators draft or modify technical standards that are appropriate for the context.

The market environment may include an institutional regulatory framework that sets out the role and scope of service providers on the one hand, and the roles of service authorities on the other, and describes the relationship between different government agencies. Such frameworks may not be developed or weakly followed, which may create gaps or duplication of roles, making it difficult for market actors to follow regulation and be accountable to service authorities. Systems strengthening interventions may attempt to develop or improve institutional regulatory frameworks to allow WASH market actors to efficiently deliver services while remaining in line with government regulation and oversight. Humanitarian agencies may work with government agencies to develop technical criteria to establish licensing for qualified WASH market actors, such as drillers of wells or wastewater treatment companies.

Government policy may exist on the pricing of WASH services, such as the tariff levels in water supply systems or prices of water sold by vendors. Government may also have a sanitation policy on subsidies for household latrines. ‘No subsidy’ policies, or policies establishing levels and criteria of susidies for latrines, will have an impact on market-based approaches to household sanitation. Humanitarian actors may work with government and sustainable development WASH actors on these policies, especially in the contexts of disaster recovery, displacement, and protracted crises.

33- See: Day, S. J., Forster, T., Schweitzer. (2020). Water Supply in Protracted Humanitarian Crisis: Reflections on the Sustainability of Service Delivery. Oxfam and UNHCR

3 SOCIAL MARKETING

Social marketing utilises techniques in commercial marketing to sell products and services that contribute to a social good. Social marketing can be used in the advertising of HHWT practice to drive sales of chlorine treatment product to improve health. Sanitation marketing is a programme approach that uses social marketing techniques, and works to build demand for sanitation whilst simultaneously addressing gaps in supply. This work is often accompanied by efforts to make financing available to households and businesses for the purchase and production, respectively, of latrine products.

SOCIAL MARKETING FOR HHWT IN ZIMBABWE [35]

An educational and incentive programme was developed to increase awareness of the need for water treatment and adoption of better hygiene practices. The approach was double-pronged, mobilising demand whilst supporting supply strengthening of the local markets (to create availability of the needed hygiene products).This was based on the hypothesis developed from the PCMA 2016 findings that "providing free distributions of HHWT products during waterborne disease outbreaks in areas suffering from chronic WASH issues while ignoring consumer preferences and purchasing power, negatively impacts upon markets and the adoption of good hygiene behaviours relating to water treatment."[36] Oxfam worked with the manufacturers of Waterguard to conduct a "Buy One Get One Free" campaign, with Oxfam subsidising the cost of the water treatment.

The campaign, in addition to connecting customers and retailers in terms of price, location and use of the product also aimed to support the potentially lower household purchasing power in the rainy season due to less work accessibility in those areas. The programme included massive social marketing campaigns to support hygiene promotion, awareness on the importance of water treatment and connection with local retailers where the water treatment chemicals were on sale.

4 BUILDING DEMAND FOR PAID SERVICES

In many humanitarian contexts, the cost of providing WASH services is initially covered by humanitarian agencies and governments. Later, during recovery from a crisis, there is a decrease in available resources and affected people may start contributing towards the costs of WASH services or may be required to spend money to access WASH products to meet their needs. Increasingly, the WASH sector is looking for opportunities to achieve level of cost recovery, such as through user fees, where feasible. This is highly dependent upon government policy and on livelihood opportunities for crisis affected people. During crisis recovery transitions, and as part of preparedness for recurring crises, humanitarian agencies may work together with market actors to build the demand for paid services. In the context of water supply, this may continue to be heavily subsidised through aid, but user contributions may be introduced and a full transition to pay for services may take place.

PRE-PAID COMMUNAL WATER DISPENSERS (WATER ATMs)[37]

Pre-paid communal water dispensers are water points where users collect water in exchange for credits. Credits are either pre-paid by users or allocated for free by a service provider, such as by a government, NGO, or company. Pre-paid communal water dispenser interventions can contribute to: financial sustainability of water supply provision; equity in access to water by all. Applications in humanitarian settings includes:

- In protracted crises, for example camp settings, transitioning to long-term operation, in which water is eventually paid for by users. Dispensers could allow for improved financial transparency.
- Where pre-paid dispensers are already installed as part of normal operation of the system. In this case during a short-term acute crisis, free allocations of water can be given to users for a limited time.
- In emergency water trucking situations, where the supply of water is limited and costly. Dispensers could potentially be used to equitably ration the available water.

35 - Adapted from: Ngala, P. and Chiripamberi, L. (2018). Markets for WASH: from preparedness to response against typhoid and cholera outbreaks in Zimbabwe. Transformation towards sustainable and resilient WASH services: Proceedings of the 41st WEDC International Conference, Nakuru, Kenya, 9-13
36 - Ngala, P. and Whitehouse, K. (2016). Pre-Crisis Market Analysis: City Level View-Domestic water supply, sanitation and hygiene products in six poor suburbs of Harare, Zimbabwe. Oxfam International
37 - Adapted from: Oxfam (2021) (forthcoming). Pre-paid communal water dispensers (Water ATMs): Technical Briefing Note

5 BUSINESS MODELS

Business models can be developed, either to help reposition an existing enterprise or whilst creating a new one, to develop strategies and plans for providing WASH goods and services. Business model development can entail work by WASH technical teams together with business and economics specialists. A business model describes a plan to generate a profit or become financially sustainable, that is supported by projections of future revenues.

SUMMARY OF WATER TREATMENT BUSINESS PLAN, SOUTH SUDAN[38]

COMPONENT	INFORMATION IN BUSINESS PLAN
WASH Sector Enabling Environment	In-depth understanding of South Sudan's Urban WASH legal and institutional framework, to ensure that operational, management, accountability and contingency plans were in line with national policies and programmes, whilst responding to and operating within key institutions.
Technical Feasibility	Description of the infrastructure layout of the water treatment plant and suggested technical improvements needed in the medium- to long-term, to ensure the long-term sustainability of the infrastructure, as well as staff well- being and staff retention.
Commercial Viability	Depiction of the profile of users likely to purchase water, their patterns of consumption, their purchase power, their service expectations and willingness to pay; as well as a life-cycle cost analysis. It also provided suggestions on the kind of arrangements for collection of service charges/tariffs.
Management Arrangements	Description of the initial management arrangements and suggestions on what the best fitting alternative management set-up would be, considering existing social structures as well operational and maintenance needs, accountability and contingency planning.
Local Accountability Mechanisms	Recommendations on mechanisms that the Community-based Operating Entity would need to have in place, as per sectors' institutional and legal framework.
Contingency Planning	Tools and processes on how to maintain viable strategies that allow for the continuity of services in the wake of an event that poses an unacceptable risk of business and/or operational disruption to Gumbo Water Treatment Plant.

38 - Adapted from: Matoso, M. (2018). Supporting sustainable water service delivery in a protracted crisis: Professionalizing community-led systems in South Sudan. Oxfam

4.3.2 METHODS OF SYSTEM STRENGTHENING

A

DEVELOPING PROGRAMMING THROUGH FORMATIVE RESEARCH

Formative research is key to identifying inefficiencies in market systems and service delivery, which are then used to design and develop systems strengthening programmes.

- Formative research can provide a more in-depth investigation of a component that was identified through market assessment – as such, there will be significant overlaps between formative research and assessments.

- Formative research is used to identify any technical, financial, or operational efficiencies that are preventing the sustainable use of services, and any root problems that a new intervention will need to address. **Demand-side formative research draws from methods in community engagement.**

DESIGN CHALLENGES AND RESEARCH QUESTIONS

To concentrate the research, developing a design challenge and identifying research questions is recommended (as per the development of objectives and questions in a market assessment - **see Section 2.2.2**).

It may be tempting to study multiple market systems or components of WASH, but research covering many topics is likely to turn into a broad survey that will not go into the depth needed to generate new insights to developing new programming. Instead, a design challenge should be focused on a specific problem. Several participatory methods can also be used to identify objectives and priorities, such as those in the Nesta DIY Toolkit.[39]

RESEARCH ACTIVITIES

Formative research involves studying multiple aspects of the design challenge, typically involving technical, social, financial, and governance components. These themes will need to be investigated through a broad range of interview methods, including qualitative interviewing and quantitative data collection, with end users, market-actors, government bodies, and others.

Qualitative semi-structured interviews and FGDs can be used for in-depth discussion on the topics being investigated.

39 - Development Impact & You: Practical Tools to Trigger and Support Social Intervention. Nesta

B CONDUCTING DETAILED FINANCIAL ANALYSIS

VIEW EXAMPLE (DETAILED FINANCIAL ANALYSIS)

Analysing the financial inflows and outflows of a WASH business or of service provision as a whole, is key to identifying weaknesses and opportunities to improve the efficiency and financial sustainability of service provision.

The Life Cycle Cost Approach is one methodology to calculate the costs of common types of costs: capital expenditures, operational expenditures, capital maintenance costs, direct and indirect support costs, and the cost of capital.[40]

QUANTITATIVE DATA

When conducting research to inform the development of MBP, the collection of quantitative data is often necessary.

- Being able to establish the income profile of future end users is required when planning for services or product sales involving expenditure by end users.
- Insights on the ability and willingness to pay of the target population using a combination of methods is often required, especially where direct willingness to pay questions may not produce reliable responses.
- Data from market actors (such as services providers and suppliers) can also be useful, including the prices, margins, and volumes of goods and services being provided.
- Data on operational expenses of water supply schemes is key in designing models for service delivery, whether these are through private service providers or public utilities.

C PROTOTYPES OF INTERVENTIONS AND ITERATION BASED ON FEEDBACK

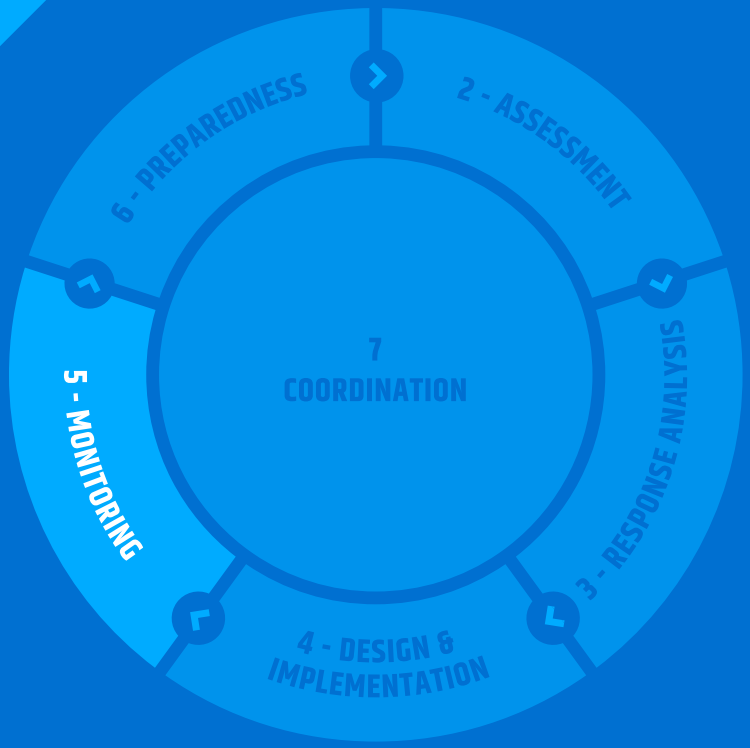
- The result of both formative research and data analysis can be used to define intervention ideas which must be tested. This can employ methods of Human Centered Design,[41] specifically the process of iteration. A prototype of the model can be developed and tested, or the acceptability of ideas can be tested with market actors and end users, along with its economic and technical viability.

40 - Fonseca, C. (2011). Life-cycle costs approach: costing sustainable services. IRC WASH
41 - IDEO. (2015). The Field Guide to Human Centered Design

CHAPTER

05

MONITORING



KEY STEPS:

1 PROGRAMME MONITORING

2 MARKET MONITORING

3 RISK MONITORING

KEY MESSAGES:

- Monitoring for MBP* is a basic requirement for project management, and it should be planned in line with the project design from the start.
- Monitoring humanitarian WASH outcomes for MBP is no different to monitoring non-MBP interventions; indicators and monitoring approaches should correspond to results rather than modality. MBP can involve monitoring additional outcome indicators for market resilience, wash service viability, and other outcomes.
- Continuous market monitoring helps clarify how market functionality is changing over time, to measure the effects of programmes on markets or to check whether MBP is appropriate.

KEY RESOURCES:

For further details on monitoring topics for MBP, including methods of measurement, survey design, and methodology guidance, see: Jacimovic, R. and Bostoen, K. (2017). Monitoring and Evaluation Framework: For WASH Market-based Humanitarian Programming. Oxfam.

*Note that output monitoring is covered in depth in Annex 16

WHY MONITOR?

Monitoring is the routine collection and analysis of information to track the progress of activities and results of humanitarian action.

- As with all types of humanitarian programming, monitoring is essential to ensure quality, and to understand whether activities are on track, whether they are achieving their intended goals and whether they are having unintended consequences.
- It is a way of validating assumptions from which project design was based and to adjust accordingly, if required.
- With effective monitoring, issues can be identified and corrected before they become major problems. Without it, projects are managed blind.
- Donors often require information from monitoring to demonstrate that resources are being used effectively and in line with funding agreements.
- Monitoring is also critical to demonstrating accountability to those affected by crisis, by listening and making decisions based on their perspectives.

HOW IS MONITORING MBP DIFFERENT?

In many ways, monitoring MBP is carried out for the same reasons as monitoring any humanitarian programme, with many of the same considerations.

As with any WASH programming, MBP in WASH programmes must be able to measure changes to key WASH outcome level indicators, such as access to adequate quantities of safe water.

ADDITIONAL CONSIDERATIONS FOR MONITORING MBP:

- The activities that are involved in MBP, particularly CVA, require specific monitoring steps.
- MBP may target additional outcomes that are specific to markets. These outcomes are related to the Availability, Access, Quality, Awareness, and Use of WASH goods and services. These may be explicit outcomes of the programme itself, but may also serve as prerequisites for achieving the WASH outcomes. Dedicated monitoring of these outcomes is needed.
- Monitoring may be required to confirm assumptions made in designing market-based interventions. (*Note that direct provision of aid also involves assumptions. MBP should not necessarily be subject to a higher standard of validating assumptions than direct support.)*
- For market support programmes: where MBP aims to improve the functionality of a market system, specific monitoring approaches are needed to measure changes in market functionality that are a result of programme activities.
- Some programme risks or unintended consequences apply specifically to MBP.

EXAMPLES:

A CVA programme might assume that if cash distributions are made, they would be accessible to the targeted beneficiaries who could then use cash to purchase WASH NFIs according to humanitarian standards. The programme team should then monitor how many cash recipients have successfully collected, and then adequately spent, the cash provided.

A programme might aim to improve access to soap through reducing the prices and increase the availability at a local market by linking local vendors with a large wholesaler. The programme should then monitor prices, availability, stock levels, quality and sales of soap to ensure that the programme is working.

Specific procedures may be required for collecting personal data during registration and ensuring a robust identification and monitoring process during distribution, to ensure that cash or vouchers are only provided to registered beneficiaries.

5.1 PROGRAMME MONITORING

MEAL FRAMEWORK FOR WASH MBP

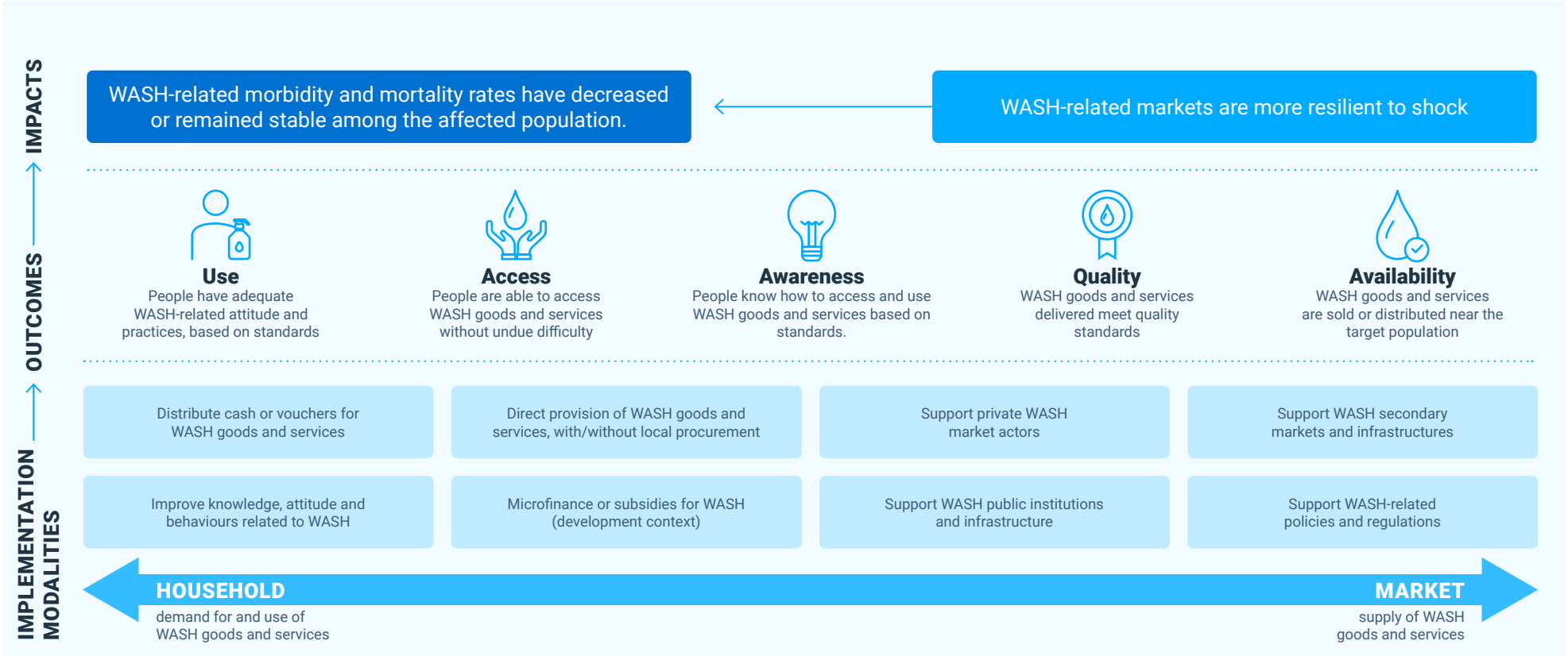
The main objectives of the MEAL framework for WASH MBP are to:

- Monitor and evaluate the degree to which the intended outcomes of MBP are being achieved; and
- Establish how market monitoring can be used to adapt market-based interventions based on the context and market conditions.

> ⚠ Programme process and outcome monitoring measures how effectively resources are being turned into results. It is a core management function of any humanitarian project regardless of the modality used. Programme monitoring is used to test the assumptions made in the logical framework during the design phase.

THE MEAL FRAMEWORK IS BASED ON THE CAUSAL FRAMEWORK FOR MBP:

Figure 4: Market-sensitive emergency WASH causal framework



Monitoring WASH programming is determined by the components, or sub-sector, of WASH that is being addressed through MBP and the five types of outcome that can result from MBP:

COMPONENT OF WASH	OUTCOME OF WASH MBP
Water supply	**Availability:** WASH goods and services are sold or distributed near the target population.
Excreta disposal	**Access:** men and women of all ages, and people with special needs are able to access WASH goods & services without undue difficulty.
Menstrual hygiene	**Quality:** WASH goods and services delivered meet quality standards.
Handwashing with soap	**Awareness:** people know how to access and use WASH goods and services based on standards.
Fecal sludge management	**Use:** people have adequate WASH related attitude & practices, based on standards.
Drainage	
Bathing	
Vector control	

MULTIPLE TYPES OF MONITORING ARE CONDUCTED WHILE IMPLEMENTING MBP:

- Outcome monitoring (both for WASH outcomes and market outcomes); **VIEW OUTCOME MONITORING**
- Output monitoring; and **VIEW OUTPUT MONITORING**
- Process monitoring **VIEW PROCESS MONITORING**

In the humanitarian context, outcomes are the likely (or achieved) short and medium-term effects of an intervention's outputs.

- Monitoring outcomes is essential to understanding whether the programme is being effective at achieving its objectives, or whether it is leading to unintended consequences.
- Appropriate outcome measures should be based on the underlying programme logic and are ways to test assumptions made at the programme design phase about how outputs will lead to the desired changes.
- Outcome monitoring may be less straightforward than activity monitoring because it generally involves asking questions related to changes in the way beneficiaries act and use services, and may require household surveys, rather than simply counting outputs. However, it is critical in understanding whether activities are creating any meaningful improvement as intended, and that monitoring is used in identifying what changes are needed.

DATA DISAGGREGATION:

WASH outcome monitoring should collect and analyse data that is disaggregated by age, gender, and diversity (especially when investigating the accessibility and use of WASH services) and routinely seek to identify and understand any excluded groups.

Use the short set of Washington Group questions[42] (or the Washington Group/UNICEF child functioning question set for children aged 2-17)[43] to classify disability for data disaggregation purposes.

To disaggregate age data, use the same age cohorts as in national data systems and major multi-sectoral assessments.

42 - https://www.washingtongroup-disability.com/question-sets/wg-short-set-on-functioning-wg-ss/
43 - https://www.washingtongroup-disability.com/question-sets/wgunicef-child-functioning-module-cfm/

5.1.1 OUTCOME MONITORING

A WASH OUTCOME INDICATORS FOR WASH SECTOR SPECIFIC MBP

WASH outcome level indicators are used to measure the extent to which the intervention is meeting objectives in water supply, sanitation, hygiene, solid waste management, or vector control. These outcomes are similar to those in any WASH programme, but here the five components of Availability, Access, Quality, Awareness, and Use are reflected in each outcome. **These individual components can each optionally be measured as sub-indicators of the overall WASH outcomes.** For example, a programme may seek to primarily address Access, Use, and Quality – these sub-indicators can be measured, without measuring changes in Availability and Awareness.

☆ The example shown here focuses on water supply. For other examples (including excreta disposal, handwashing, and menstrual hygiene)

VIEW ANNEX 15

OVERALL WATER SUPPLY INDICATOR
% OF TARGETED POPULATION WHO USE, HAS ACCESS TO AND IS AWARE OF AVAILABLE WATER SERVICES THAT MEETS SPHERE (OR LOCALLY AGREED) STANDARDS.

OUTCOME	SUB-INDICATOR
AVAILABILITY	% of targeted population with water services available, according to the perceptions of both service providers and the targeted population and according to market data*
ACCESS	% of targeted population, including people with disabilities, that can access water services, according to the self-reported level of access and according to data on affordability, where relevant*
QUALITY	% of targeted population accessing water services that meet quality standards (SPHERE)*
AWARENESS	% of targeted population that reports knowing safe water practices and how to access water services
USE	% of targeted population that reports using water services

⚠ WASH contributes to several other outcomes like improvements in nutrition, education, and gender equality.

*For Availability, Access, and Quality, it is recommended to see market-specific indicators provided in section 5.2.2 to assess the achievement of these outcomes.

B

WASH OUTCOME INDICATORS FOR MPC INTERVENTIONS

For further information see: Global WASH Cluster. (2021, forthcoming). GWC Multipurpose Cash Outcome Indicators for WASH.

In contexts where MPC is being used to meet basic needs, WASH practitioners should be involved in providing input on the monitoring framework used to measure WASH-related outcomes. At global level, guidance on MPC monitoring and outcome indicators is in the process of revision.

MPCs can contribute to overcoming financial barriers to accessing WASH goods and services. They can therefore contribute to WASH outcomes, in particular when:

1. Programme beneficiaries are accustomed to purchasing WASH related goods and services in sufficient quantity and quality from local markets (which may vary greatly between subsectors and relevant services) and no other negative coping mechanisms are foreseen (*e.g. using river water to save money, practising open defecation, washing hands without soap instead of purchasing quality WASH goods and services*).

2. WASH markets are functioning and can adequately respond to an increased demand of WASH goods and services.

If both conditions are met, WASH indicators should be included in the MPC monitoring framework.

If only one (or none) of these conditions is met, the achievement of WASH indicators at outcome level cannot be assured at sector standards. Nonetheless, it is recommended to include WASH access indicators to monitor the situation and inform adaption (*e.g. to advocate for dedicated WASH sectorial programming*).

The unrestricted nature of MPC means that whilst WASH-related outcomes are possible due to cash transfers (enabling recipients to use cash to meet their needs as they see fit), this is not guaranteed.

WASH outcome measuring (along with process monitoring) can determine, for example, that MPC recipients are spending cash on WASH goods and services, and can be used to measure the effectiveness of MPC for WASH.

COMING SOON

Note that at time of writing, guidance on MPC monitoring and outcome indicators is in the process of revision.

Proposed MPC indicators will be uploaded to this page in due course.

MARKET OUTCOME INDICATORS[44]

MEASURING MARKET OUTCOMES:

ACCESS

AVAILABILITY

QUALITY

AWARENESS*

USE*

Monitoring WASH sector specific programming entails monitoring not only the WASH outcomes that result from the intervention, but also monitoring the market effects. Emphasis here is on measuring the availability of WASH goods and services on the market, the access that the target population has to those goods and services, and the quality of the latter. These additional indicators to measure market impacts may be considered intermediate level outcomes leading to the achievement of WASH outcomes. Market outcome indicators can also be used to monitor progress towards building the resilience of markets.

While the WASH outcome indicators in the section above can be used in all types of WASH programming, the market outcome indicators are specific to MBP.

The below sections present options for indicators for the three outcomes of *Access, Availability and Quality*. In brackets, example WASH markets are given (such as menstrual products). When preparing indicators for programmes, these can be replaced with the specific WASH market relevant to the programming.

⚠ The distinction between an output, outcome, or impact of a programme is not always clear. Typically, multiple outputs will be required to achieve an outcome and there may be several levels of outcome between an output and an impact. The terminology used may differ across organisations, programmes, or teams, but the key is for outcome monitoring to remain linked to the programme logic and designed to ensure that the intended objectives are being achieved, by highlighting where changes or improvements are needed.

ACCESS

In MBP, access to WASH is achieved through access to WASH markets. People can access WASH goods and services through vendors and service providers. For such programmes, a top-line Access outcome indicator can be established:

OUTCOME: Targeted population has access to markets to purchase [soap].

INDICATOR: % of targeted population (disaggregated by gender, age, and specific needs/disabilities) able to access markets to purchase [soap] without significant barriers.

Measuring this top-line indicator will require data collection on market access. Lower-level output indicators can be used to measure whether this outcome is being achieved.

FOR ASSESSING ACCESS:

VIEW PROPOSED OUTPUT INDICATORS

44 - Outcome indicators and definitions here have been compiled, including from the Global WASH Cluster Cash and Market Indicator Registry, and have been adapted from the following sources: Oxfam. (2017). Monitoring and Evaluation Framework for WASH Market-Based Humanitarian Programming. | REACH. Core Indicators C&M. | CaLP. Minimum Standards for Market Analysis (MISMA). | CaLP. Monitoring Guidance for CPT in Emergencies. | Save the Children. Bank of outcome, process, and output indicators: Market-based programming and cash & voucher interventions. | IFRC. Cash in Emergencies Toolkit. | OCHA. Humanitarian Indicator Registry.
*Specific market outcome indicators may not be needed for awareness and use, as these may be sufficiently captured in the overall WASH outcome indicators.

AVAILABILITY

MBP often seeks to achieve the above WASH outcomes by improving the availability of WASH goods and services in the market. For such programmes, a top-line Availability outcome indicator can be established:

OUTCOME: The supply of [latrine pans] in the local market able to meet the demand or need of the target population

INDICATOR: Number of traders in the local market with reliable availability of [latrine pans] for purchase by the target population

Measuring this outcome will require data collection to quantify both the volume that the market can supply and the demand or need of the target population. Lower-level output indicators can be used to measure supply/demand to assess whether this outcome is being achieved.

FOR ASSESSING AVAILABILITY:

VIEW PROPOSED OUTPUT INDICATORS

QUALITY

In WASH MBP, the measurement of quality can form a major emphasis of the programme team's engagement in the intervention. For such programmes, a top-line Quality outcome indicator can be established:

OUTCOME: [Menstrual products] available in market and accessed by the target population meeting minimum quality standards

INDICATOR: % of targeted population [women and girls] being satisfied with the quality of [menstrual products] purchased

FOR ASSESSING QUALITY:

VIEW PROPOSED OUTPUT INDICATORS

USE OF CASH / VOUCHERS

There may be additional steps in the causal framework that should be measured to confirm that the intended outcomes are being achieved.

OUTCOME: Targeted population uses cash/vouchers supported by the programme to access WASH goods/services

INDICATOR: % of targeted population reporting they are able to sufficiently access WASH goods/services by using the cash/vouchers that they have received

Data on recipients' use of MPC is collected through multi-sectoral post-distribution monitoring (PDM). The WASH sector, through participation in multi-sectoral cash coordination groups (such as CWGs), can ensure that questions related to WASH spending are included in PDM tools. In this way, WASH-specific spending data can be obtained after PDMs are conducted.

People prioritise their needs in different ways. Some may prioritise other basic needs (particularly food, housing, and health) before spending on WASH goods and services. Use of cash specifically for WASH is dependent on such other needs being met through other sectoral programming or multi-purpose cash. Even within the category of WASH, people may prioritise certain aspects over others (such as selecting access to safe water over hygiene items). Moreover, cash is fungible so it is difficult to identify which items or services purchased can be attributed to cash provided.

Monitoring may focus first on whether needs are being met before attempting to track aid expenditures. However, both WASH and other expenses can be measured through questionnaires. Secondary data, including from post-distribution monitoring, may also be used to identify how needs are being met through multi-sectoral programming or through interventions outside of the WASH sector.

⚠ This may entail determining whether cash or vouchers are being spent on the intended services. Monitoring can consist of interviews with both the target population and with traders and service providers.

Possible questions include asking households to list their expenses over a set period (such as listing items or categories that include the goods or services that were intended under the programme).

This step links process monitoring with monitoring of market outcomes and WASH outcomes.

5.1.2 PROCESS MONITORING

Monitoring activities and outputs is carried out as part of routine project management to understand whether the implementation of a project is moving ahead as planned. It is focused on the process of delivering support, rather than on any changes that have occurred as a result and therefore it is often the simplest form of monitoring. Much of the data needed for activity monitoring may be readily available through internal project documents such as beneficiary lists, distribution reports and vendor transaction receipts. Additional information from PDM surveys and community feedback and response mechanisms (CFRM) is useful to understand potential issues in more depth.

Process monitoring should be used to assess how well activities are being implemented by both the implementing agency and any partners (such as FSPs or market vendors) in the programme. For instance, a project that distributes fixed value vouchers for hygiene items might assess:

TOP TIP:

MEAL functions should ideally be separate from the team that is carrying out the programme.

This helps to ensure there is no incentive to mis-report data.

EXAMPLE PROCESS MONITORING OF VALUE VOUCHERS FOR HYGIENE ITEMS

PROCESS STEP	MONITORING QUESTIONS	EXAMPLE INDICATORS	METHODS
ASSESSMENT AND TARGETING	• What proportion of the affected population was assessed? (Was representative sampling used?) • Does the targeting approach reflect the affected population?	• % of affected population who have been assessed • % of assessed households disaggregated by sex, age and disability status	• Review of assessment data
REGISTRATION	• How many households were registered to receive vouchers? How does this compare with the estimates? What are the budget implications? • Did different groups face barriers during the registration process? • How many women were registered to represent their household?	• # of households that were registered for the intervention, compared to the number initially assessed or targeted. • % of registered households disaggregated by sex, age and disability status	• Review of registration data

VOUCHER DISTRIBUTION	• How many vouchers were distributed? • Did each household receive the correct number of vouchers? • Did different groups face barriers during the distribution process? • How well was the distribution process managed? • How many female household members collected the vouchers?	• Average waiting time at the distribution site (disaggregated) • # of complaints received at the distribution site, by subject of complaint • % of respondents reporting satisfaction with the distribution process • Could include perception of safety	• Review of distribution data, beneficiary lists • Site observations • Feedback and complaints reports • Distribution exit questionnaire
VOUCHER REDEMPTION	• How many vouchers were exchanged for hygiene items? • How does this compare with the number of vouchers distributed? • Which vendors were most used? • What were the most common items bought? • What value of goods were bought?	• # and $ of vouchers redeemed by each vendor • # and $ of hygiene items purchased, by item	• Review of vendor records • PDM

TOOL
For sample PDM questions (households in voucher programmes): IFRC and ICRC. Cash in Emergencies Toolkit. Module 3: Voucher PDM Questionnaire for Households.

Further questions can be asked in household surveys as part of PDM, to check whether cash/ vouchers were received by the right individuals, safely, at the right time and in the right amount.[45]

45 - CaLP Programme Quality Toolbox

COMMON METHODS FOR PROCESS MONITORING INCLUDE:

- **Review of project information** collected as part of the activities themselves (such as comparing registration lists with distribution records to understand who might not have been able to access the distribution).
- **Observations** conducted during the implementation of activities, including distributions of assistance, to check that staff are complying with proper procedures and to identify safety or security risks. Structured observations, using a checklist, can be used to create and track data.
- **Surveys and questionnaires** can be administered to a sample of beneficiaries, vendors or other stakeholders to understand their perceptions of the activity. Exit questionnaires (carried out in person, via phone or messaging) can be used at the end of an information session, or as beneficiaries leave a distribution site. Common questions might focus on whether information provided was clear, whether they felt safe, whether they received what they expected and whether they were treated respectfully by staff.
- **CFRM** should be available to anyone who interacts with a project activity. Information about confidential ways to raise complaints should be provided to all beneficiaries and complaints raised should be monitored to understand underlying issues, in addition to responding to individual complaints.
- **PDM** (carried out through interviews or surveys) is an opportunity for recipients to reflect on the quantity and quality of assistance provided some time after the distribution. It is often carried out within two weeks of the distribution process to give recipients a chance to spend the cash or vouchers provided and to feedback information about what was purchased.

DATA COLLECTION FROM HARD-TO-REACH AREAS

When access constraints limit the use of direct data collection approaches for some or all of the affected population, alternative ways to identify and understand quality gaps should be found. Coordinating with other sectors to prevent the duplication of data collection is especially important in hard-to-reach areas where data collection opportunities and key informants may be limited.

The following approaches may be useful to understand the situation in hard-to-reach areas, but caution must be taken to ensure the safety of both key informants and interviewers:

- **Use of local key informants** who can carry out interviews with the affected population.
- **Carry out surveys** online, by phone, through social media or instant messaging.
- **Conduct interviews** with people who have travelled out of hard-to-reach areas and who have recent knowledge of the situation there.

DIGITAL DATA COLLECTION

Digital data collection techniques can reduce the work required to enter, clean, and carry out initial analysis on the data. Qualitative information about perceptions can be collected in digital survey forms using the Likert scale. For example, in asking a respondent how satisfied they are with a distribution, a Likert scale can provide five or seven possible responses ranging from very negative to very positive, including a neutral value.

Tools, such as Kobo,[46] can be used for real-time monitoring. Additionally, providers like RedRose[47] have cloud-based tools for monitoring and reporting specific to CVA. Note that any programme using digital data collection would need to adhere to data protection and data rights standards.

For further reading on remote data collection in CVA programmes: **NRC's Remote Cash Project guidelines and toolkit**

46 - Kobo Toolbox
47 - RedRose

5.2 MARKET MONITORING

Market monitoring tracks key indicators of market function over time to understand how market systems are adapting and to understand whether changes are needed to programme design to improve or address negative effects.

MBP relies on the functionality of markets and the intended beneficiaries' ability to safely access them.

- Markets are dynamic systems. Monitoring should therefore take place regularly to check whether initial assessment findings or planning assumptions still hold and whether the response is causing unintended consequences.
- Market monitoring is used to understand how well markets are functioning, by tracking indicators such as the prices, availability and stock levels of key goods or services, market access and risks.
- The design of market monitoring activities should be based on the initial market assessment and the type of programmes that are being implemented.
- At a minimum, market monitoring should track information on prices, availability, import volumes and stock levels of key WASH-related goods and services* from local vendors and access for the targeted population (including different social groups) over time. Significant or unexpected changes to these indicators may indicate issues with supply or demand and further investigation will be needed to understand causes and programme implications.
- Rapid, quantitative monitoring should be followed by discussions with market actors or other key informants to better understand challenges or changes to supply and demand (information that can then be used to adapt and mitigate impacts on the programme).
- Monitoring market functionality may also be carried out to understand whether a programme is achieving market support objectives.
- Understanding how prices and availability change over seasons or in response to certain shocks is useful in planning mitigation measures.

EXAMPLE:

If prices for water increase significantly over the course of the dry season or if the price of goods changes in response to increasing fuel costs, these can be factored into planning over the course of a project.

* It is most useful to conduct market monitoring for a small number of crucial WASH items. Tracking prices and volumes of a large list of items is a labour-intensive process and may not generate additional useful insights as many items share the same supply chain.

Through market monitoring, it should be possible to:

- Conduct monitoring up the whole chain, rather than solely with local vendors.
- Identify drivers of market prices.
- Compare price/volume data with longer term history.
- Forecast seasonal change and setting change thresholds which flag when a variation could cause distortions.
- Compare data from participating and non-participating vendors.
- Identify connections between items or services.
- Analyse what a change means, be it a single change (to a specific geographic location or one that is specific to a single item for instance), or whether broader changes are occurring.

SIMPLE MARKET MONITORING TOOL

VENDOR NAME: ..... **CONTACT:** .....

SHOP LOCATION: ..... **SHOP TYPE:** .....

MARKET NAME: ..... **DATE / TIME:** .....

#	ITEM	UNIT	AVAILABLE?	STOCK (PCS)	PRICE / UNIT
1	Hand soap, 200g	Bar	Yes	132	$0.48
2	Jerry Can, 10L	Pc	Yes	240	$3.25
3	Bucket with lid, 15L	Pc	No	-	-
4	-	-	-	-	-

Causes of the changes identified in the market data could potentially be interrelated. Analysis can look at whether changes are affecting few or many items and markets, and consider phenomena such as seasonality, shocks to markets, and inflation, amongst others. For more information, see:
CRS. (2015). MARKit: price monitoring, analysis, and response kit.

TOP TIPS FOR MARKET MONITORING

- Aim for a cyclical process of feeding market data back into the programme design (which may be adapted and iterated over time).
- Work with cash and markets, procurement and logistics colleagues, and monitoring specialist agencies like REACH, who may already be carrying out market monitoring for key programme goods and services.
- Provide clear specifications (material, brand, etc) for the goods and services being monitored to ensure consistency across vendors and request prices for a set unit (*e.g. single bar of soap*).Consider producing a simple market reference sheet, which contains pictures and descriptions of items, along with notes on specifications and variations in products, to help enumerators identify the correct goods.
- Plan the frequency of market monitoring based on the volatility of key indicators. Consider setting thresholds.
- Market monitoring may be carried out by a single organisation at the project level, or as part of coordinated or joint monitoring across an entire response, which can significantly reduce costs and improve accuracy. Consider coordinating across sectors, sharing and using secondary monitoring data that might provide valuable insights *(e.g. information may be available from shelter colleagues about construction materials and labour markets)*.

EXAMPLE: YEMEN JOINT MARKET MONITORING INITIATIVE (JMMI)[48]

The Yemen JMMI was launched by REACH in collaboration with the Yemen WASH Cluster and the Yemen Cash and Markets Working Group to support humanitarian actors with the harmonisation of price monitoring among all cash actors in Yemen. The JMMI incorporates information on market systems including price levels and supply chains. The basket of goods to be assessed includes ten NFIs, reflecting the programmatic areas of the GWC.

The JMMI tracks all components of the WASH and Food Survival Minimum Expenditure Basket (SMEB) as well as other food and NFIs. Considering the current COVID-19 pandemic, REACH adapted the JMMI to begin assessing the potential impact of the pandemic on markets and on respondents' businesses. Data was collected through interviews with vendor KIs in both urban and rural areas.

Findings were indicative for the assessed locations and time frame in which the data was collected. For 6 months, data was collected on a bi-weekly basis to better track disruptions caused by COVID-19. COVID-specific JMMI factsheets were produced bi-weekly, and a more comprehensive situation overview using data from both factsheets was produced monthly. After discussion with the Cash and Markets Working Group, REACH resumed monthly data collection in September 2020, and resumed producing one monthly situation overview.

48 - Adapted from: REACH. (2021). Yemen Joint Market Monitoring Initiative.

5.3 RISK MONITORING

Any humanitarian programme risks having negative impacts on the affected population or on markets, institutions, and systems. Risk monitoring aims to identify the potential or actual negative impacts so that they can be prevented, or their impact reduced.

Monitoring approaches should be developed based on the risks and mitigation measures identified during the response analysis and project design (see **Chapter 3** for more information on risk analysis). The process of risk analysis, in which different types of risks are identified, should be used to inform risk monitoring. Programmes should monitor:

- Whether these risks materialise.
- If mitigation measures are effective.
- Whether new risks (other than those identified during assessment phase) materialise.

Risk monitoring may be integrated into programme and market monitoring approaches to streamline data collection:

- CFRM, other complaints reporting, and referral pathways should be in place and monitored to ensure that information about potential issues can be highlighted as quickly as possible.
- Field staff should be trained to receive and refer complaints provided in person in a confidential and safe manner, particularly complaints that relate to protection risks or incidents.
- Wherever possible coordinate with protection specialists to ensure that risk monitoring is safe, effective and follows standards in country.

REMEMBER TO ALWAYS CONSIDER PROTECTION AND GENDER-RELATED RISKS IN MBP

Field staff should be trained on how to respond safely and compassionately to a disclosure of GBV, including on the GBV referral pathway in their area of operation.

The GBV Pocket guide provides information on "How to support a GBV survivor when no GBV service provider is available in your area" and is available in nearly 20 languages.[49]

TOP TIP: AVOID PUTTING PEOPLE AT RISK

In some contexts, interviewing people may put them at risk. Do not conduct interviews in such circumstances unless the interviewees are fully aware of the risks and accept them. While the interview may put them at risk, they also have the right to have their voices heard.

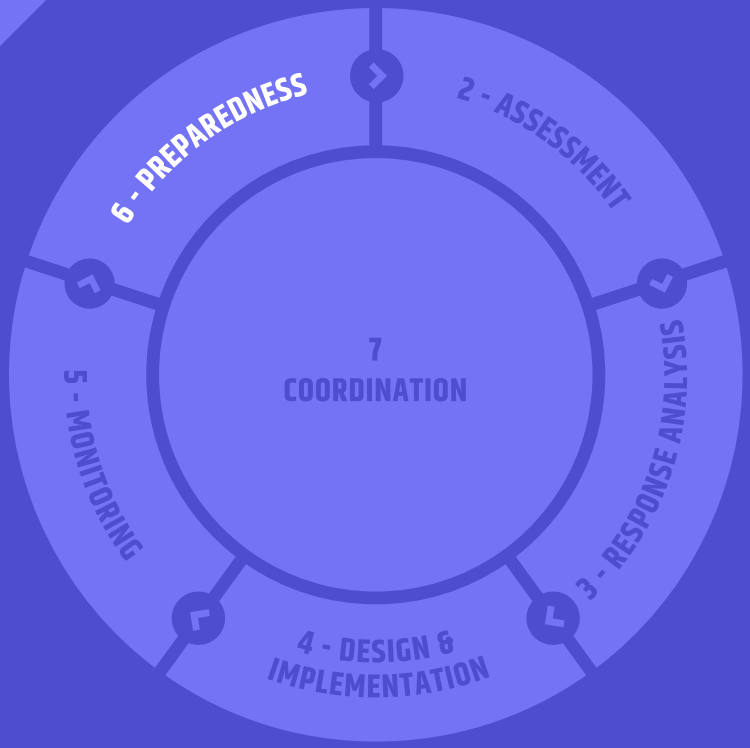
MEAL systems for MBP programmes should have effective procedures in place to receive, process and act upon feedback, which may come directly from CVA recipients, vendors or service providers, or others involved in delivery of the programme. MBP interventions may also support market actors to adopt customer feedback mechanisms that incorporate these systems, so that they may become more accountable to affected populations.

49 - See: GBV Pocket Guide: How to support a GBV survivor when no GBV service provider is available in your area

CHAPTER

06

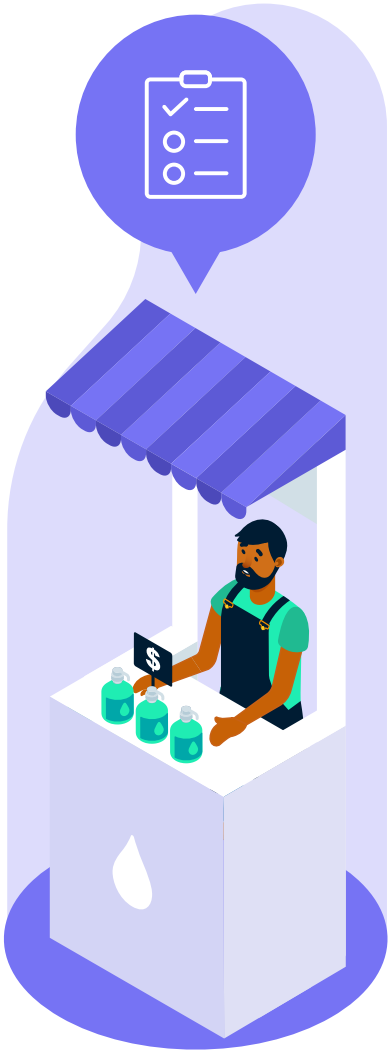
PREPAREDNESS AND RECOVERY



KEY STEPS:

1 INSTITUTIONAL PREPAREDNESS

2 PROGRAMMATIC PREPAREDNESS



KEY MESSAGES:

- Programmes that take steps in preparedness prepare themselves to lead a market-based response to crises.
- Pre-crisis market assessment and analysis is a key step to understand the market's capacity to meet people's WASH needs during crisis.
- Preparedness contributes to resilience, including through supporting market actors and strengthening market systems.

KEY RESOURCES:

For more information on the PCMA, please see: Juillard, H. (2016). **Pre-Crisis Market Analysis (PCMA). IRC, USAID, and Oxfam**

Activities in preparedness can be carried out to enable a higher quality market-based response when a crisis occurs, especially in disaster-prone, fragile or climate affected contexts:

- Forms of MBP (including market system strengthening interventions and some market support interventions) can be carried out during preparedness and recovery.
- It is especially useful to have conducted market assessment and analysis prior to deploying WASH MBP activities in a first phase response. Findings from market assessments conducted in advance of a crisis, or from a prior crisis, can be used to inform response options or at least save time in understanding where market system disruptions have occurred. This is pertinent to contexts in which crises are recurrent.
- In the context of recovery, preparedness can support the transition to longer-term programming, allowing market-based approaches to contribute to the resilience of markets, enabling them to respond to WASH needs during crises.

EXAMPLE:

Annual or semi-annual flooding or periodic displacement due to conflict are two scenarios in which preparedness can support the later implementation of MBP.

6.1 INSTITUTIONAL PREPAREDNESS

Institutional preparedness for conducting MBP means ensuring the organisation has the programming capacity and systems in place to be able to conduct market-based interventions. This is not done for an agency's WASH interventions alone, but for the whole organisation.

Two key aspects should be assessed, and where relevant, addressed:

- Staffing and capacity (including partnerships with public, private, and humanitarian actors).
- Systems and procedures.

For further reading on CVA specific preparedness, see the

CALP ORGANISATIONAL CASH READINESS TOOL

6.1.1 STAFFING AND CAPACITY

Part of organisational preparedness entails having the staffing in place to undertake MBP.

It is helpful to periodically conduct an organisational capacity assessment:

- Include a review of the competencies of programme staff (WASH, Cash & Markets, business support colleagues working in logistics, finance, and HR).
- Seek to determine capacity gaps and fill any gaps with specific training.
- If it is envisioned that the programme will conduct CVA, particular attention should be placed on CVA competencies. A different set of competencies may be required for market support interventions (for example if WASH technical support is given to market actors).
- Staffing and capacity preparedness may be extended to partners, and in this case a partner capacity assessment will also be conducted.

6.1.2 SYSTEMS AND PROCEDURES

Systems (including logistics, finance, HR, administration, and monitoring and evaluation arrangements) will also need to be prepared for conducting MBP.

Preparedness activities might include:

- Having procurement and contracting procedures in place that make CVA possible, such as with FSPs, rather than only direct procurement of goods or services by the organisation. This may include establishing frameworks/standby contracts with FSPs, vendors, and/or service providers. New policies may need to be created if these are absent.
- Establishing framework agreements for the digital data management and devising a data rights policy.
- Establishing forms of financial commitments that are new to the organisation, such as providing reimbursement to businesses based on the redemption of vouchers or by providing sales guarantees to businesses.
- Legal agreements need to be in place, and these should be prepared ahead of time with sign off from management, possibly after a legal review.
- Some organisations have SOPs developed to guide all teams within a programme in conducting CVA programming.

For further information, see: https://www.calpnetwork.org/toolset/organisational-prepardness/

6.2 PROGRAMMATIC PREPAREDNESS

Programmatic preparedness encompasses steps taken by programme teams to assess the potential for MBP, including through pre-crisis assessment of markets.

Programmatic preparedness also includes interventions seeking to strengthen the resilience of service providers and market actors.

6.2.1 PRE-CRISIS ASSESSMENT, MONITORING AND ANALYSIS

Pre-crisis market assessment is a key preparedness action that can be taken to:

- Understand WASH markets and how they can be used during crisis; or
- Uncover gaps or weaknesses within WASH markets that can be addressed before a crisis occurs.

Assessment and analysis can be a recurring annual activity, with response analysis updated after each assessment.

STEPS FOR CONDUCTING MARKET ASSESSMENTS:

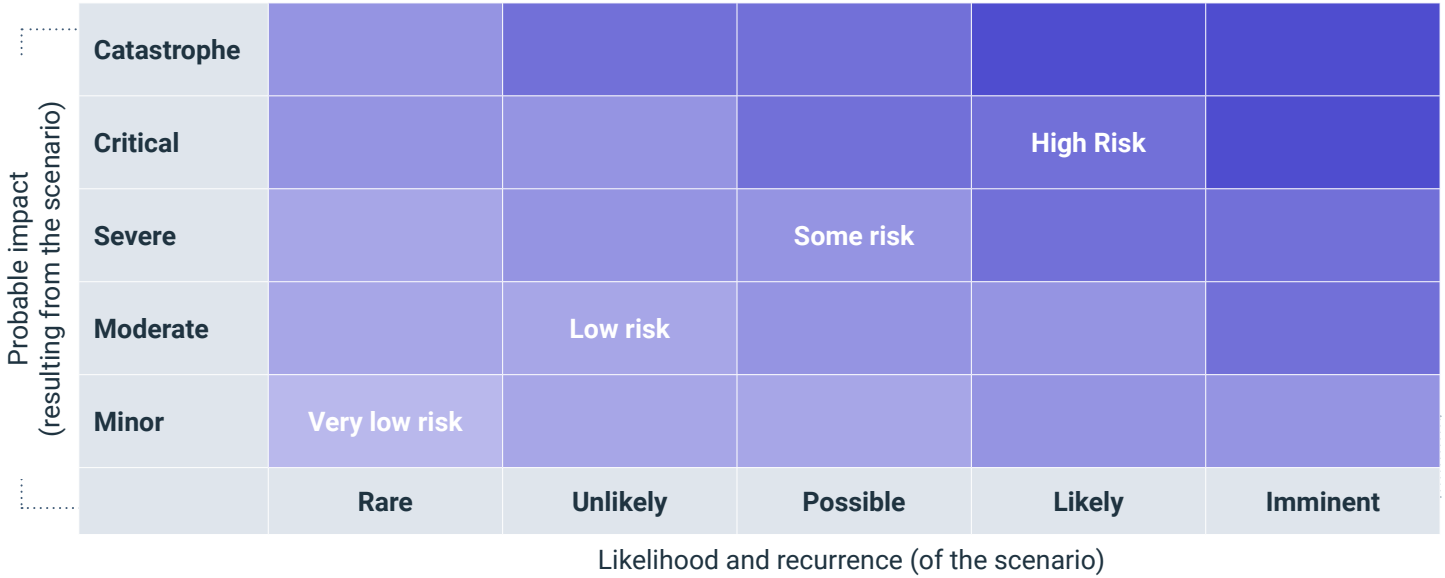
Market-assessment may follow the same guidance given in Chapter 2. In addition, the PCMA[50] guide is worth noting.

PCMA provides guidance on conducting market assessment and analysis for preparedness before the occurrence of a crisis. Like other market-assessment tools, PCMA describes mapping of market actors, with emphasis on identifying key market actors and any gaps that may exist.

In the context of pre-crisis CVA feasibility analysis, existing social protection programmes should be identified. CVA is linked to social protection and should be designed to complement existing schemes by potentially using existing systems, and then making additional transfers for people affected by crisis.

- Response analysis will consider the feasibility of potential market-based interventions, the scale of a potential programme and resources that will be needed. Such analysis can be fed back into the plan for organisation preparedness.
- Risk analysis (Section 3.3) should also be conducted by considering different crises scenarios and the different response options suitable to the situation.

Figure 5: Scenario analysis Source: Juillard, H. (2016). Pre-Crisis Market Analysis (PCMA). IRC, US AID, and Oxfam.



TOP TIP: Pre-crisis market maps are helpful to pre-crisis assessments. Events that could disrupt the market chain can be added to the map.

EXAMPLE: PCMA IN BANGLADESH[51]

Bangladesh's Gaibandha District is chronically affected by seasonal floods. Oxfam facilitated a PCMA in Gaibandha to consider scenarios of both seasonal floods and extreme floods.

The assessment sought to understand existing levels of market functionality and to anticipate how markets might respond after a shock occurs. This was used in preparedness and contingency plans by informing the design of appropriate emergency response interventions, as well as recommending mitigation measures to be implemented before a shock occurs. The critical market systems selected for the PCMA included bathing and laundry soap, Oral Rehydration Solution (ORS), menstrual products, water containers, and concrete latrine slabs and rings.

VIEW ASSESSMENT FINDINGS

50 - Juillard, H. (2016). Pre-Crisis Market Analysis (PCMA). IRC, US AID, and Oxfam
51 - Adapted from: Wildman, T. (2016). Pre-Crisis Market Analysis (PCMA): Wash NFI and sanitation hardware market systems, Fazlupur and Fulchari unions, Gaibandha district, Bangladesh. Oxfam

6.2.2 MARKET RECOVERY, RESILIENCE AND SYSTEMS STRENGTHENING

Carrying out programming that strengthens market systems has the effect of also strengthening resilience. WASH market actors that are strengthened and well-integrated are better equipped to respond to a crisis. This includes service providers, who are often key actors in WASH market systems.

A STRENGTHENING RESILIENCE OF MARKET ACTORS

Market actors who are part of various WASH market systems can become more resilient through support from humanitarian WASH programmes. Response analysis conducted based on a PCMA should focus on weaknesses within the market system and identify opportunities to strengthen market actors. This can be done before a crisis, either through activities described as market support interventions (Section 4.2) or through market strengthening (Section 4.3).

SERVICE PROVIDERS:

In fragile contexts, it has been noted* that national and sub-national institutions and service authorities are often weak, and that emphasis is needed on building the resilience of service providers (such as water utilities and committees) through new service delivery models, increasing their financial autonomy, and adapting regulatory and governance arrangements. Strong service providers, supported by strong institutional frameworks, are better able to withstand shocks and provide WASH services to people during and after a crisis. MBP to strengthen service providers (Section 4.3), such as by developing service delivery models and by improving their policy, regulatory, and financing enabling environment, as well as market support interventions (Section 4.2) can contribute to their resilience. Further, capacity building of service providers can include efforts to train staff for emergencies and to develop contingency plans.

B AFFECTED POPULATION: ECONOMIC RESILIENCE

Lastly, it is crucial to also consider preparedness for people who are affected by crises. Building their resilience can contribute to better WASH outcomes during crises. Interventions to support people's livelihoods, and social protection systems, support their economic resilience and ability to afford and access WASH goods and services before and during crises. Doing so also contributes to stronger demand, which in turn enables the market to better provide key WASH services. Building economic resilience itself is beyond the scope of the WASH sector but remains an important consideration for wider programmes seeking to build resilient markets as the two go hand in hand.

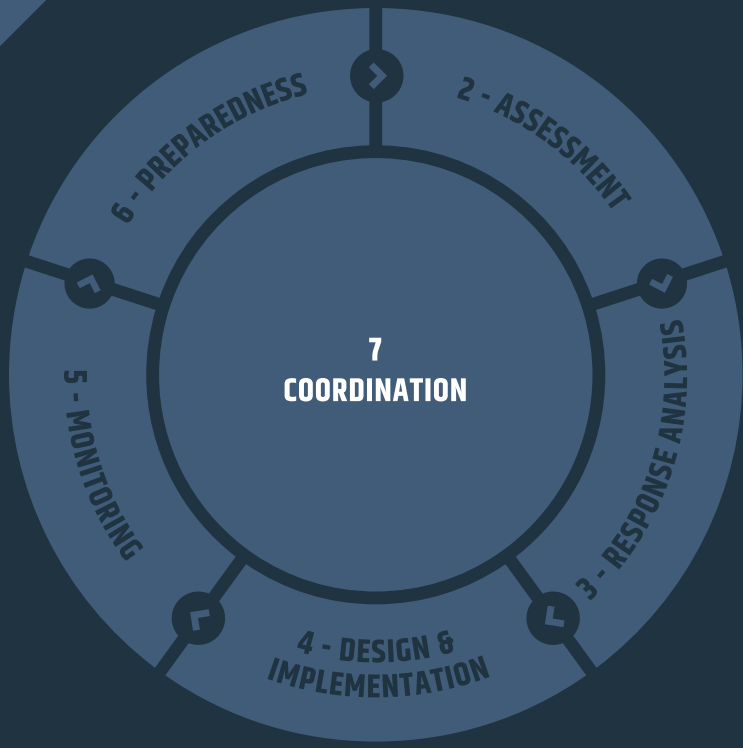
***ENHANCING THE POTENTIAL OF MARKET ACTORS TO CONTRIBUTE TO DISASTER PREPAREDNESS AND RESPONSE.**
Adapted from: Tillet, W., Trevor, J., DeArmey, D., and Schillinger, J. (2020). Applying WASH Systems Approaches in Fragile Contexts: A Discussion Paper.

A key objective of humanitarian market-based approaches in the 'pre-crisis' phase is strengthening market actors' capacity to effectively and adequately respond to disasters through the provision of WASH products and services, to support humanitarian response, particularly (but not exclusively), to enable a cash or voucher-based intervention modality. In this, areas of strengthening could include strengthening the capacity (technical, administrative) to provide services and products of requisite quality and quantity; strengthening their processes to be able to process vouchers and provide the required monitoring or verification data (if applicable); and advocating for WASH service provision to be included in the MEB. Interventions could improve the wider systemic 'readiness' to use such approaches. This can be done in several ways. For example, inclusion of such actors within contingency plans and coordination mechanisms, ensuring harmonisation and alignment in cash-based and non-cash-based approaches, ensuring the readiness of FSPs to undertake such transactions and ensuring they have the requisite information (and developing stand-by contracts with them).

CHAPTER

07

COORDINATION



KEY STEPS:

1 COORDINATION WITH STAKEHOLDERS

2 COORDINATION ACROSS THE PROGRAMME CYCLE

WHY IS COORDINATION NEEDED?

- Ensures effective, efficient programmes that are strategically aligned.
- Avoids duplication of efforts.
- Contributes to facilitating MPC, which is designed to meet basic needs across sectors.
- Within the WASH sector, ensures alignment between sector-specific CVA and MPC, if relevant.
- Coordinating market analysis or monitoring can lead to significant cost savings and can improve quality.

KEY MESSAGES:

- Coordination is vital to ensure that organisations and sectors work towards similar goals, that efforts are not duplicated, and that standards and ways of working are consistent.
- Multisector or multipurpose modalities such as MPC require coordination between sectors, and often with governments and other non-humanitarian actors.
- The WASH Cluster / Sector should contribute to the design and monitoring of MPC in coordination with the CWG to ensure that WASH needs are appropriately considered.

KEY RESOURCES:

1. CaLP Cash Coordination Tip Sheet
2. Global WASH Cluster's Accountability and Quality Assurance initiative

7.1 COORDINATION WITH STAKEHOLDERS

Coordination of WASH MBP should include relevant authorities, humanitarian agencies, civil society organisations, and private-sector actors.

Coordination is required, at national and sub-national levels, with:

- **WASH SECTOR COORDINATION**
- WASH Cluster/Sector
- Government and public utilities
- Private sector market actors

- **MULTI-SECTOR COORDINATION**
- CWGs

WASH SECTOR COORDINATION

A WASH CLUSTER/SECTOR

MBP is part of WASH Cluster/Sector coordination, especially for WASH specific interventions and to some extent for MPC. The WASH Cluster/Sector is involved in providing strategic leadership, possibly by setting up a MBP TWG.

WASH coordination should ensure a coherent approach, such as through supporting coordinated multi-agency assessment, and establishing or disseminating standards, especially for quality.

Coordination often falls under the mandate of the Inter-Cluster/Sector Coordination Group, which may establish a CWG (as described below). The WASH sector's link to multi-sectoral coordination for MBP will typically be through engagement with the CWG.

The WASH sector may establish a TWG to lead on certain aspects of MBP for the sector. Terms of Reference (ToR) will be established according to the specific roles needed for the TWG. These may include:

- Developing context-specific tools and technical standards for MBP.
- Conducting capacity building, especially for WASH agencies who are new to MBP, including local organisations.
- Supporting response analysis, using assessments to inform suitable response options for programmes.
- TWGs may also support the Cluster Coordinators in leadership for MBP, advocating for its uptake and use and the need for specific funding.
- Development of briefings and materials for private sector partners (*e.g. suppliers, FSPs*)

ROLES AND RESPONSIBILITIES

Key roles of the WASH Sector/Cluster in MBP vary across different programming modalities.*

Information management is also a key coordination function for MBP.

SUMMARY OF INFORMATION MANAGEMENT ACTIVITIES

*KEY ROLES OF THE WASH SECTOR/CLUSTER IN MBP ACROSS DIFFERENT PROGRAMMING MODALITIES:

WASH SECTOR SPECIFIC MBP	• Strategic leadership for MBP within the WASH sector, which may include setting up a technical working group for MBP. • Development of a WASH MBP strategy, which may include a theory of change (or causal framework) and a decision tree to guide response analysis. Promoting the uptake of MBP amongst WASH agencies, where appropriate and needed. • Capacity building of WASH partners on MBP. • Providing guidance on standards and technical specifications, including for WASH goods and services that are part of MBP. • Through a MBP TWG, providing contextualised assessments tools, taking into account context constraints and risk analysis. • Sharing data with WASH partners from assessments. • Incorporating WASH specific criteria within the vulnerability criteria used to target market-based interventions. • Advocacy for the need to include MBP within WASH interventions, including for donors. • 4W tracking for WASH sector specific CVA programming (such as by including an option for reporting modality type within 4W entries). The WASH sector may in turn provide this data to CWGs. • Coordination is needed where complementary programmes are undertaken to support market-based interventions, especially when delivered by multiple agencies leading on individual components (such as behaviour change communication to support hygiene-related CVA). • For preparedness, leading the coordination of pre-crisis market assessments and mapping of FSPs, especially in areas prone to recurring sudden-onset disasters or frequent displacements.
MPC	• Cluster Coordinators and Information Management Officers should contribute to the monitoring mechanisms set up by agencies or groups leading MPC (*e.g. cash consortia or specific agencies such as WFP, UNHCR, OCHA or groups such as CWGs*) to allow WASH actors to understand the criteria for providing money, who is receiving the funds, where the funds are distributed, and how they should contribute. • Providing technical specifications of WASH items included in monitoring activities. • Providing guidance on standards and technical specifications, including for WASH items covered by a MEB. • Facilitating the participation of WASH agencies in market assessments and market monitoring initiatives. • Promoting participation in CWGs by the WASH sector and collaboration between the sector and multi-sectoral programmes. • The WASH coordination platform will be involved in setting a valuation for WASH needs within a MEB. • The MEB process will involve the WASH sector providing CWGs with a list of essential WASH items or services. Critically, this will include providing locally agreed technical standards, with necessary quantities of goods/services listed alongside quality standards, as per assessment results. • The WASH sector may call upon the inputs of WASH partner programmes to coordinate and provide data and analysis during joint market assessments, market data used in developing an MEB, and during market monitoring.

The WASH Cluster/Sector can also support links with the sustainable development WASH sector in countries where the coordination of humanitarian-development WASH programmes, policies, and activities, is emphasised. Such coordination is especially useful in protracted crises or in countries with active sustainable development WASH programmes.

B GOVERNMENT AND PUBLIC UTILITIES

National government authorities are responsible for ensuring that the basic needs of people affected by disaster are met. In many contexts, governments are critical actors in the provision of WASH services and will take a leadership role in the coordination of humanitarian WASH responses. The humanitarian response must adhere to regulations set out by national governments.

They are also responsible for setting the market regulatory framework and, in some contexts, may provide assistance through social safety net programmes. Linkages with government systems should be made wherever possible.

Public utilities are often major providers of WASH services and should be considered key stakeholders in WASH market systems:

- Major water supply infrastructure is often operated by a public utility in return for a subsidised usage or connection fee or funded entirely from government spending.
- Assessment, mapping, and analysis of WASH markets should ascertain the role that public utilities play, both as public sector providers and in terms of setting the regulatory framework for private market actors.
- Assessing public utilities through a market lens may illustrate opportunities for market support interventions that contribute to response, recovery and longer-term development outcomes.

⚠ Utilities are sometimes prevented from providing services to affected populations, especially refugees. In such cases, coordination is needed with government ministries, and such issues may need to be advocated for by humanitarian representatives and stakeholders in the country.

⚠ Coordination and information sharing with public sector actors is a prerequisite for any programming that aims to achieve sustainable outcomes.

⚠ Where social protection systems are in place, dedicated coordination by CWGs is required for linking with such systems and with social protection working groups.

Humanitarian WASH programmes can work with CWGs where these systems need to be expanded for supporting WASH needs in crises.

C PRIVATE SECTOR MARKET ACTORS

Coordination with the private sector may not happen through humanitarian coordination structures but sharing information with key private stakeholders is crucial to implementing effective market-based approaches. This is particularly important for suppliers, vendors, and FSPs involved in the critical WASH markets identified, as well as secondary markets and supply chains.

Large scale humanitarian responses (including direct in-kind assistance) can lead to huge shocks to both supply and demand, resulting in significant impacts on local markets. **By communicating response plans with critical market actors, some of these shocks may be mitigated or at least anticipated.**

It is important to work with internal logistics and procurement specialists to ensure that appropriate procedures are followed when coordinating with vendors to prevent price manipulation and ensure markets are open and fair. This should be reflected in framework agreements with key local suppliers (for hygiene kits or water trucking, for example).

This is possible to mitigate through coordination, but only to a limited extent. In fact, if markets are not sufficiently competitive, this is a risk for CVA, and other risk management measures or alternatives to CVA should be considered in response analysis.

MULTI-SECTOR COORDINATION

CWGS AND MULTI-SECTOR GROUPS

CWGs are the most common platform for coordinating CVA approaches in humanitarian responses, including MPC. However, there is no universal mandate for CWGs so their role will depend on the country and the resources available. It is clear that WASH actors and sectoral coordination platforms must work closely with others engaged in the delivery of CVA. Coordination arrangements should be adapted to fit the structures set up in each context.

ROLES AND RESPONSIBILITIES AND IMPLICATIONS FOR THE WASH SECTOR

The responsibilities of a CWG may be set out in a ToR document specific to that group at a country level.

CWGs are often involved in planning and undertaking multi-sector market assessments, development of the MEB, joint market monitoring initiatives and other collective data collection and analysis initiatives in coordination with sectors.

The WASH Cluster/Sector is linked to wider cash coordination through engagement with the CWG. WASH Cluster/Sector (including WASH partners) participate in CWGs to provide inputs on tools and transfer values, and to take part in joint monitoring and assessment activities.

EXAMPLE:

Dramatic increases in demand for locally procured WASH goods may occur as humanitarian agencies start up new programming.

This could lead to market vendors reacting by increasing stocks of those goods, only to find that the demand increase is short-lived, resulting in stocks that then cannot be sold.

VIEW EXAMPLE OF CWG TOR

7.2 COORDINATION ACROSS THE PROGRAMME CYCLE

7.2.1 DEFINING CONTEXTUALISED QUALITY STANDARDS

WASH responses must be coordinated to ensure that all actors provide support in line with consistent standards. Although global standards exist, these must be adapted to fit each context, with particular consideration for national standards and regulatory frameworks.

Coordination helps organisations with differing mandates, specialisms, and resources to provide assistance that is harmonised and complementary – the services delivered should be based on the needs and vulnerabilities of people affected by crisis, rather than the mandates of the various organisations. Standards for service levels, project design, and ways of working are an important part of delivering a harmonised approach and should be collectively agreed through the WASH coordination platform. This is particularly important for interventions that utilise CVA modalities – disparities in the value or modality of transfers between locations or projects can be obvious and risk heightening inter-communal tensions.

- Values should be harmonised and agreed amongst donors and implementing agencies in line with government policy (where relevant) to prevent market distortion and other negative impacts on markets.
- Equity in relation to setting rates and targeting for casual labour and cash-for-work activities should be agreed to avoid economic disparities and negative impacts on local economy if local minimum wages are not taken into account, and to manage the 'pull factors' that may result in loss of more sustainable work.
- Analysing potential overlap of WASH sectoral CVA and MPC (*e.g. households receiving monthly hygiene kit vouchers also receiving monthly MPC that includes the hygiene kit value*).

For further information on setting standards, please see the MBP module as part of the **Global WASH Cluster's Accountability and Quality Assurance Initiative**

7.2.2 COORDINATION IN PROGRAMME CYCLE PHASES

PHASE	CONSIDERATIONS FOR WASH SPECIFIC MBP	CONSIDERATIONS FOR MPC	CLUSTER CORE FUNCTION[52]
ASSESSMENT (AND PREPAREDNESS)	• WASH sector and partners carry out relevant assessments (*market assessments, risk assessments, WASH technical assessments, multi-sector assessments*). • Utilise existing tools or guidance that have been developed for the context or develop new tools, as required. • Carry out a coordinated or joint assessment to improve efficiency and reduce burden on key informants, where possible, with contributions from WASH partners (*e.g. with enumerators*). • Sub-national sector focal points to lead planning of joint/coordinated assessments. • Share the results of the assessment with the WASH sector and others. • Preparedness and contingency planning: coordinating pre-crisis market assessments, establishing framework/stand-by agreements with suppliers, FSP mapping for recurring disasters.	• WASH sector and partners participate in the development of tools for assessments for MPC. • Support data collection where relevant, where partners take part in conducting assessments. • Provide guidance on standards and technical specifications for WASH goods/services.	• Support service delivery • Inform the HC/HCT's strategic decision-making. • Plan and implement cluster strategies. • Build national capacity in preparedness and contingency planning. • Accountability to affected populations.
RESPONSE ANALYSIS	• Draw from existing secondary data and tools • Use relevant standards and ways of working for CVA. Develop these if necessary. • Provide guidance to partners, including guidance/tools developed by TWG. • Undertake advocacy initiatives when required to communicate WASH issues to key stakeholders (public utilities, relevant ministries, donors, private actors, etc.).	• Identify scope for including WASH in MPC. • Specify which WASH needs are considered in design of MPC.	• Plan and implement cluster strategies. • Support robust advocacy. • Accountability to affected populations.

52 - https://washcluster.net/sites/default/files/2018-07/GWC%20Minimum%20Requirements%20for%20National%20Humanitarian%20WASH%20Coordination%20Pla..._.pdf

DESIGN AND IMPLEMENTATION	• Establish standards or tools such as decision trees for determining targeting. • Establish standards or SOPs for determining transfer value, frequency, duration, modality, delivery mechanisms. • Promote the use of existing common delivery mechanisms to make transfers. • Identify which market support interventions can be used to enhance the effectiveness of CVA. • Maintain database of MBP by type.	• Track MPC interventions with WASH programming to ensure complementarity and avoid duplication. • Participate in CWGs and continue collaboration between the sectoral and multi-sectoral programmes.	• Support service delivery. • Plan and implement cluster strategies. • Accountability to affected populations.
MONITORING	• Disseminate agreed indicators with WASH sector. • Share information on progress of sector objectives.	• WASH agencies participate in market monitoring initiatives. • Track MPC interventions with WASH programming to ensure complementarity and avoid duplication with other modalities (CVA or in-kind).	• Monitor and evaluate performance. • Accountability to affected populations.

ANNEXES

ANNEX 1: TYPES OF WASH MARKETS

The range of markets relevant to WASH are diverse, and directly or indirectly linked to both WASH goods and services. Many (if not all) WASH programmes interact with markets, even if not always intentionally or based on extensive analysis and understanding of WASH market systems.

EXAMPLES OF MARKETS RELEVANT TO WASH PROGRAMMING:

AREAS OF INTERVENTION	WASH MARKETS		
	WASH GOODS	WASH SERVICES	WASH SECONDARY MARKETS: MARKET-RELATED INFRASTRUCTURE AND SERVICES
Improving equitable access to and use of safe drinking water	• Safe drinking water • Water treatment stations • Plumbing accessories and equipment	• Water trucking • Water point maintenance • Water network management	• Fuel • Unskilled labour • Building materials
Improving equitable access to and use of appropriate excreta disposal system	• Latrines / Toilets • Desludging trucks • Slabs	• Construction / installation of latrines / toilets • Desludging • Faecal sludge management	• (Un)Skilled labour • Sanitation technicians • Transport of goods
Improving equitable access to and use of appropriate bathing and laundry facilities	• Bathing facilities • Water tanks	• Grey water treatment and final disposal • Bathing facilities maintenance	• (Un)Skilled labour • Transport of goods
Improving equitable access to and use of appropriate solid waste management	• Household solid waste management items (bins) • Intermediate solid waste collection points	• Solid waste management service • Dump station/Landfill	• Fuel • (Un)Skilled labour
Improving hygiene practices to decrease WASH related diseases risks (behaviour change)	• Water containers (collection and storage) • Soap • Menstrual products	• Marketing and communication services • Hygiene Training services	• Packaging • Water • Sanitation
Improving equitable access to vector control measures	• Long lasting insecticidal mosquito nets • Sprayers	• Rainwater drainage management • Construction of drainage system	• Shelter • NFI (beds)

ANNEX 2: MBP FRAMEWORK

The following framework combines the key concepts of MBP, with supply and demand sides reflected on the left and right of the diagram, respectively. The market environment is indicated at the top, with market supporting services at the bottom. The three core types of programming – using markets, supporting markets, and market systems change (or system strengthening) – are also represented. Note that this framework is designed to apply to all sectors of humanitarian programming.

Figure 6: MBP Framework

1. USE MARKETS
Use supply from local markets
Example: Contract water trucker to distribute water to crisis-affected community

2. SUPPORT MARKETS
Support to traders, restore & improve supply
Example: Support to manufacturers to improve quality of slabs; provide cash grants to NFI traders to rebuild their shops

3. MARKET SYSTEM CHANGE
Development of enterprise, production & value chain
Example: Support women's group to establish enterprises to produce and sell soap

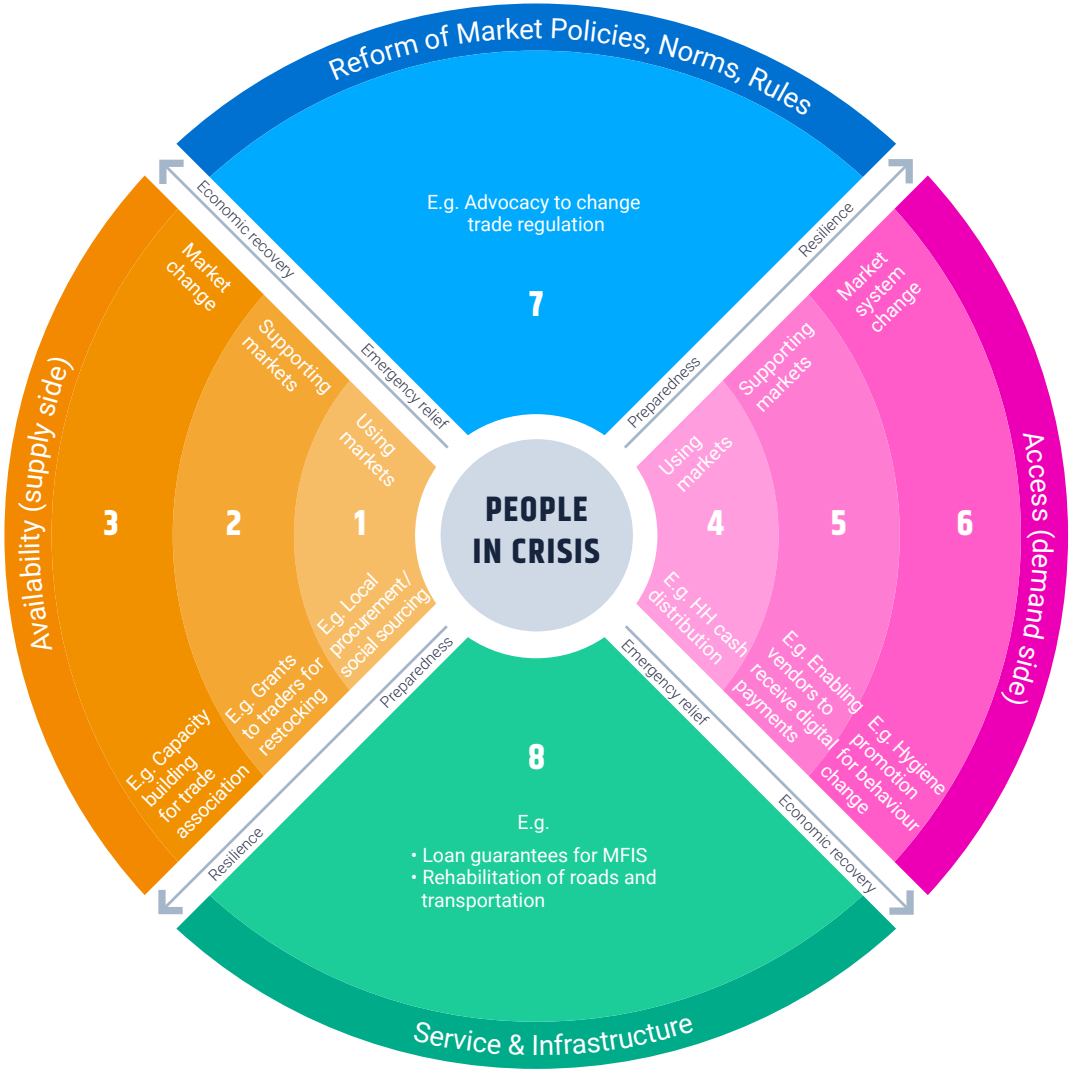
4. USE MARKETS
Cover current needs through markets
Example: Distribution of vouchers for desludging of pit latrines; provision of cash to purchase hygiene items; grants to cover transportation costs

5. SUPPORT MARKETS
Increase existing demand
Example: Support vendors to sell smaller / cheaper packages of water purification tabs

6. MARKET SYSTEM CHANGE
Generate new demand
Example: Marketing to promote new point-of-use water treatment products; awareness of water quality issues to stimulate demand for water purification products

7. IMPROVE MARKET REGULATORY ENVIRONMENT
Example: Advocacy and legal support to facilitate the official registration of informal water street vendors; Setting up and enforcing regulation for waste water disposal, private desludging companies; Setting up and enforcing a standard design for latrine; Setting up quality standards for household water disinfection product etc.

8. IMPROVE WASH MARKETS SECONDARY SERVICES
Example: Provision of fuel to traders / service provider; Grant to public electrical utilities



ANNEX 3: EXAMPLE OF RESEARCH QUESTIONS FOR MARKET ASSESSMENT

MARKET SYSTEM	RESEARCH QUESTIONS
Water supply (Lebanon – Syria crisis)[53]	• What is the capacity of the water market to provide the needed quality and quantity of water to targeted beneficiaries? • What is the ability of people to access the water market (disaggregated by gender, age, and disability)? What are the limitations? • What is the preferred modality for water provision among targeted beneficiaries (disaggregated by gender, age, and disability)? • What are potential indirect WASH response activities?
Household toilets (Kabul)[54]	• How might informal settlements in Kabul gain access through markets to household toilets to improve public health? • What are the barriers to improved latrine adoption (disaggregated by gender, age, and disability)? • What is the affordability gap for household toilets (including for the lowest in-come households)? • Are there inefficiencies in the sanitation supply chain that can be improved? • How does government/policy make this easy or difficult?
Hygiene items (Somalia)[55]	• How is hygiene items service provision linked across different regions? • What are the strategies to improve restocking during emergencies? • What specific hygiene items face stock rupture and what are the best brands, origin and prices of the hygiene items?

53 - Example adapted from: Wildman, T. (2013). Water Market System in Balqa, Zarqa, & Informal Settlements of Amman & the Jordan Valley. Oxfam and ECHO
54 - Example adapted from: Allen, J. (2019). Market-Based WASH Programming: Assessment in Kabul Informal Settlements. Oxfam and NRC
55 - Example adapted from: WASH Cluster Somalia. (2019). Somalia Coordinated WASH Market Assessment

ANNEX 4: TYPES OF ASSESSMENT

OVERVIEW

A range of different assessments are used to develop MBP. Whilst the most common of these is the market assessment, humanitarian programmes often also conduct multi-sector assessments and WASH technical assessments for situational analysis.

The findings from the latter may supplement a market assessment by allowing a specific market system (or component thereof) to be investigated in greater depth.

A market assessment may be conducted in parallel with other types, although it should normally follow a needs assessment (particularly when market assessments are in-depth and focused specifically on critical commodities or services) – for instance, a WASH technical assessment may take place first, covering all components of WASH, with a market assessment on the household toilet market system to follow. **Either way, the findings from all types of assessments should be used in Response Analysis (Chapter 3), to inform the type of programming that will be designed.**

1. MARKET ASSESSMENTS

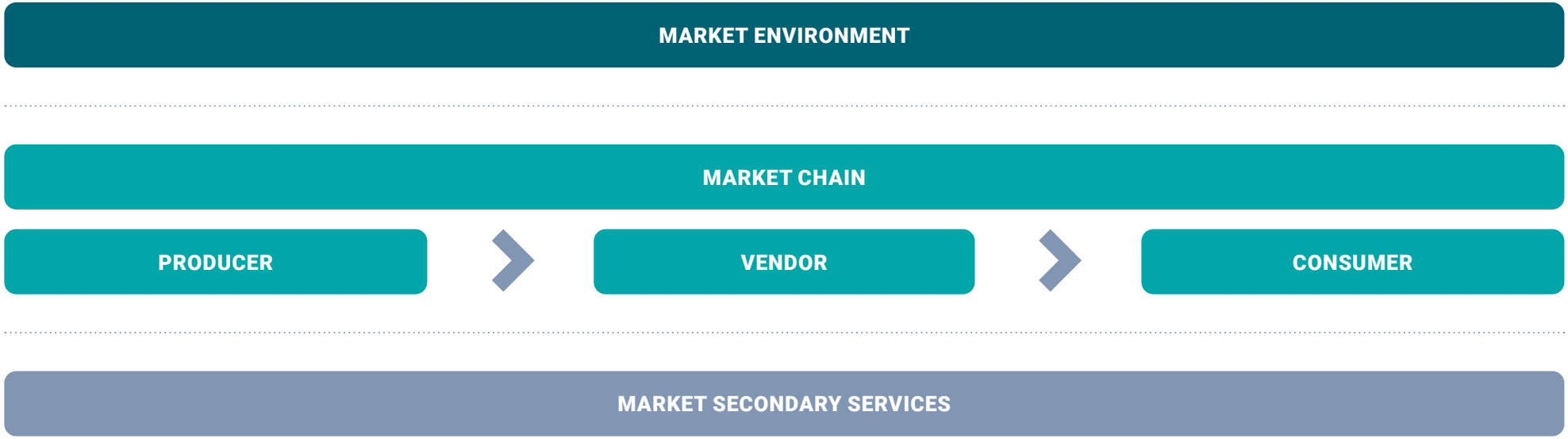
Conducting market assessments is a crucial first step in understanding the WASH market systems, identifying opportunities for MBP, and supporting WASH practitioners to develop appropriate WASH responses.

To make programmatic decisions, it is vital to fully understand a market system, its varied components, and the interactions between each of these.

Assessing markets involves assessing:

- **Market functionality** (*i.e. capacity to deliver part or whole of the required goods and services at reasonable prices*).
- **Market accessibility** (*physical, social, and financial accessibility of both buyers and sellers*).
- **Preferences of affected population** for particular goods or services.
- **Identifying gaps in WASH markets** in the supply of goods and services.
- **Barriers** in the wider market environment and market supporting services, commodities or services) – for instance, a WASH technical assessment may take place first, covering all components of WASH, with a market assessment on the household toilet market system to follow.

Figure 7: Three components of a market system.



WASH markets are complex. The involvement of multiple actors (both public and private sector) across varied market systems means that assessing WASH markets can be complicated.

- In first phase emergencies, broad rapid market assessments may be conducted.
- Many WASH market assessments are conducted after an initial WASH technical or multi-sector assessment and are focused on one or two specific market systems (such as handwashing or menstrual products).
- **All WASH market assessments are used to inform interventions that are efficient, effective, and sensitive to local markets.**

Market assessment in the WASH sector is yet to become common practice and, in many cases, programmes are designed and implemented without consideration for local markets. Designing a programme without sufficient understanding of these market systems can lead to unintended negative impacts on the market, such as damaging the livelihoods of traders or raising prices for consumers.

Programmes that are not 'market aware' may also be less efficient or effective.

- To determine what market information is needed to develop programmes, consult the Market Information Framework.[56]
- For comparing different market assessment tools, use the Comparative Table of Humanitarian Market Analysis Tools.[57]
- For standards, consult the Minimum Economic Recovery Standards (MERS)[58] or the Minimum Standards for Market Analysis (MISMA).[59]

If using existing tools, the selection of which tool to be used will be influenced by various factors, such as the timing of the assessment.

The guidance tools are used to provide overall direction but will not provide WASH sector specific questions. Regardless of whether one of the above tools is used, it will be necessary to adapt them and to identify questions based on the context, the nature of the WASH challenge or market system.

The key research questions (**Section 2.2.2**) and objectives, and the programme team's initial understanding of who the market actors are and what the challenges might be, will be used to develop these questions.

KEY RESOURCES

Various guidance tools are available for market assessment. Some of these are intended to guide programmes throughout the subsequent stages of response analysis, design and implementation, and monitoring, in addition to their presentation of market assessment. Additional, more in-depth, methodologies do exist – these may be more relevant to interventions providing longer term support or strengthening of market systems.

56 - Sloan, E. (2018). Revised Market Information Framework. IRC and USAID
57 - CaLP and IRC. Comparative Table of Humanitarian Market Analysis Tools
58 - SEEP. (2017). Minimum Economic Recovery Standards, 3rd Edition
59 - Juillard, H. (2018). Minimum Standards for Market Analysis (MISMA). CaLP

2. OTHER TYPES OF ASSESSMENT

- Multi-sector needs assessment
- WASH Technical assessment
- Other methodologies

A MULTI-SECTOR ASSESSMENTS

A multi-sector initial assessment studies the different types of needs and capacities of the population, both related and non-related to markets, and identifies who cannot meet these needs and why.

The multi-sector approach for market-based assessment will complement WASH assessments with other sector's assessments in order to inform a holistic diagnosis of the situation. Vulnerability assessment also includes developing a basic understanding of economic insecurity.

For implementing a multi-sector needs and vulnerability assessment, the following key actions should be considered – these apply to both WASH and other sectors:

- Assess basic needs and capacities of the affected population from the household perspective, gathering information across sectors but also non-sectorial needs (*e.g. debt or other non-sectorial needs*).
- Income, expenditure, debt, livelihoods.
- Engage communities in the definition of vulnerability.
- Examine different aspects of vulnerability (physical, social, economic, and environmental) and analyse which aspects could be addressed through MBP.
- Assess which assistance modality crisis-affected people would prefer to cover their needs.
- Assess how crisis affected people typically access markets and services and which needs they usually cover through markets (WASH and other sectors).
- Assess how crisis affected people typically access cash, and their current familiarity with cash or voucher delivery mechanisms (to enlarge the scope of available information).
- Ensure participation and buy-in from relevant sectors on needs assessment methodologies.

KEY RESOURCES FOR MULTI-SECTOR ASSESSMENT:

BNA GUIDANCE AND TOOLBOX

MULTI-SECTOR INITIAL RAPID ASSESSMENT (MIRA)

BASIC NEEDS ANALYSIS (BNA):

The BNA has emerged as a standard methodology for a multi-sector assessment. Its outputs include:

Defining the "basic needs" of the beneficiaries (from a list of predefined basic needs, which can be adapted to the context), and the costs involved to meet such needs in the current emergency.

Estimating the income of the average target household. By comparing "needs vs. income", aid organisations can calculate the current gap for households to meet their needs. This gap represents the level of assistance that should be covered by the humanitarian community. Once this is defined, each sector and agency can participate in the most coordinated and relevant way for the beneficiaries. Based on local market capacity, either in-kind, sector cash, voucher, multisector grant (or a combination), will be used to try to fill that gap, or at least the maximum that is possible depending on available funding.

B WASH TECHNICAL ASSESSMENTS

WASH technical assessments typically cover all components of WASH that may have an impact on public health and people's essential needs, and typically including access to water, sanitation, hygiene, and often solid waste management and vector control.

Technical needs assessments cover many aspects of WASH: infrastructure, institutional arrangements, management, and behaviours, through activities such as KAP surveys, WASH coverage surveys, and participatory engagement.

A WASH technical assessment may uncover specific deficiencies that can be further investigated through market analysis.

The technical assessment is crucial in WASH programming, and needs to be systematically implemented, irrespective of whether or not the programme anticipates including MBP interventions. WASH technical assessments aim at understanding what is required:

- To meet peoples' essential WASH needs
- To protect public health
- To protect peoples' dignity
- To protect the environment
- To identify vulnerabilities regarding access and use of WASH goods and services
- To identify possible technical solutions

WASH technical assessments can be conducted in parallel with other sectoral technical assessments, providing a more holistic view of needs.

EXAMPLE:

After conducting such an assessment, it may be identified that only the water supply market system requires further assessment, whereas other components of WASH service delivery are more straightforward.

In this case the water supply market system will be studied in a market assessment.

C OTHER METHODOLOGIES

Three types of assessment have been discussed to inform MBP: market assessments, multi-sector assessments, and WASH technical assessments. These form the backbone for the major decision-making for programme selection.

Other assessments may be conducted as part of WASH MBP:

- Risk assessment will typically be conducted for most programmes (as discussed in Section 3.3).
- Other assessments, such as formative research or in-depth studies of market systems, may be carried out to develop longer-term programming. This is discussed in Section 4.3 (design and implementation of system strengthening programming).

ANNEX 5: EXAMPLE OF DEMAND-SIDE INTERVIEW QUESTIONS (QUANTITATIVE AND QUALITATIVE)

QUESTIONS FOR REFUGEE WATER USERS, MARKET ASSESSMENT IN NIGERIA[60]

QUANTITATIVE QUESTIONS (HOUSEHOLD SURVEY)

INCOME AND SPENDING

- What are the main sources of income for your household?
- Does your household income change at different times of the year? If yes, how does it change and why?
- Would you mind telling us what your average monthly household income is, including remittances and loans?
- With this monthly household income, can you adequately cover your basic household expenditures?
- (For women only), are your specific needs prioritised in the household budget?
- Who manages the budget in the household?
- What do you mostly spend your money on each month?
- How much do you usually spend on things you mentioned each month? (Include general categories for expenditures such as food, health and medicine, shelter repair or construction, rent, household items (cooking utensils, mats, water containers, etc.), firewood or charcoal, clothes, hygiene items, water, water purification, transportation, education, debt repayment, saving money, utilities (fuel and electricity).)
- Do you have any debts?

ACCESS TO WATER

- What sources of drinking water do you use? Why do you choose this drinking water source?
- What issues, if any, do you have with this drinking water source?
- For all your water needs (including washing) how much water do you use per day?
- Do you buy water? How much? From which source?
- How much do you pay for water per 20L jerry can (or other container of known volume)?
- Is it always the same [vendor] that you buy from?
- How often do you purchase water?
- How much water do you purchase from pushcart sellers on average each week?
- Are you able to get all the water you need from the vendor? If no, why not?
- Does the price they charge for water change during the year? If yes, how does it change and when? What do you do if the price increases?
- How far do you travel to buy water?
- How much time do you normally wait to buy water once you reach the sales point?
- Do you buy water throughout the year?
- Can you always afford water? If no, why not? What happens when you cannot afford water?
- When you buy water, what are the steps you take to purchase it?
- Can you give the name and contact number of the vendor you bought water from last time?
- Do you pay any transportation cost to get to/from your water collection/purchase point? If yes, how much do you usually pay for a return trip?
- Do you face any risks or feel unsafe travelling to access water?

60 - Adapted from: Weatherall, J. and Wallushe Saul, R. (2019). Mapping the water market system in Maiduguri: Market assessment report and recommendations for pilot activities. CRS.

QUALITATIVE QUESTIONS (DEMAND-SIDE INTERVIEWS)

COLLECTION AND TRANSPORTATION OF WATER TO THE HOUSE IN CASE THEY COLLECT WATER AT WATER POINT:

- Are there water collection points that are free, and others that are paid? Describe which are free and which people have to pay for.
- For the water you have to pay for, who owns/manages the water points?
- If people pay for water, how much for a 20L jerry can? Note: the range for different water sources if prices differ.
- Does the price stay the same throughout the year? If not, when does it change? By how much? Note: record differences for different water sources.
- Does everyone in the community pay the same for water? Why/why not?
- Is there sufficient water for everyone in the community? If not, what do people do to get sufficient water?

BUYING WATER FROM PRIVATE WATER VENDORS:

- What type of water vendors are there in this area? Approximately how many of each type are there?
- What type of water vendors do you/people who live here most frequently buy from? Why?
- Where do you go to buy water from water sellers? Follow-up questions: how far do you travel? Or do they deliver to your house?
- Do people feel safe buying water from the water seller? Are there any challenges you face buying water there? Explain.
- How does the process work for buying water from the water vendor? Describe the process. Follow-up questions: does he/she pass you a full jerry can and you give back an empty one? Does he transfer water to your jerry cans? Do you call him/her when you need water? Does he/she charge a delivery fee?
- How much do you normally pay? Is the price always the same? What things affect the price charged by pushcart sellers or other water vendors? Are there particular times of year when water prices increase or decrease and why? What causes these price changes?
- Would you say the water available is generally affordable for households like yours? Can everybody afford the price for a jerry can (or other volume)? If not, who in the community can't afford it?
- Is the price of the water seller the same as in the communal/private/other water point?
- Who establishes the prices of water? Do you think the prices charged are fair? Why/why not?
- Is the water of the water seller treated? Do you consider the water available with water sellers safe? Why/why not?
- How many water sellers operate in your community or neighbourhood?
- Is there always enough water available to purchase from water sellers? If not, why? What do people do when there isn't enough water available?
- Is there any community mechanism to manage the distribution/access to water? If so, how does this work?

ANNEX 6: EXAMPLE OF SUPPLY-SIDE INTERVIEW QUESTIONS (QUANTITATIVE AND QUALITATIVE)

QUESTIONS FOR BOREHOLE OWNERS, MARKET ASSESSMENT IN NIGERIA[61]

QUANTITATIVE QUESTIONS (BOREHOLE OWNER SURVEY)

CUSTOMERS AND CATCHMENT AREA

- Which communities does your water cover?
- Who are your customers?
- How many individual households with individual containers do you sell to each day?
- How many Individual households fetch water with their own cart from you each day?
- How many water sellers do you sell to each day?
- Does the number of customers you have ever change during the year? If yes, when?
- Are you always able to provide enough water to fulfil the demand of your customers? If no, why not?

TECHNICAL, OPERATIONAL & YIELD INFORMATION

- How much do you charge for your water per jerry can?
- Do you ever provide water without charge? If yes, to who? And why?
- Does the price you charge stay the same throughout the year?
- If no, what are the most important factors that affect the price you charge?
- Do you extend credit to any of your customers?
- Are there any rules or laws (either formal or informal) that govern the prices you can charge customers?
- Is the water you provide treated? How?
- Do you monitor the quality of your water?
- Who do you go to for heavy maintenance? What are your main maintenance expenses? How often do you have to pay for them?

SERVICE PROVISION, OPERATIONAL COSTS AND GENERAL BUSINESS OPERATIONS

- How many days a week do you provide services?
- Between what hours is the pump operating each day?
- How many tanks do you fill per day?
- Has the influx of IDPs increased demand for the water you produce and sell? If yes, have you been able to meet this demand?
- If demand for water were to increase, would you be able to increase the amount of water you are selling?
- If yes, what increase in demand could you accommodate? (as jerry cans per day)
- If yes, what would happen to the price you charge your customers?
- On average, how much do you spend each month on running this business?
- Do you have access to credit? If yes, who provides you credit and for what? Do you repay with interest?
- Does the cost of running your business change during the year?
- Is this your main business and source of income?
- Do you invest in improving your system? If yes, what areas do you invest in?

61 - Adapted from: Weatherall, J. and Wallushe Saul, R. (2019). Mapping the water market system in Maiduguri: Market assessment report and recommendations for pilot activities. CRS.

QUALITATIVE QUESTIONS (INTERVIEWS WITH BOREHOLE OWNERS)

GENERAL INFORMATION ABOUT THE WATER SUPPLY IN THE AREA:

- How many boreholes do you have functioning in your property?
- Is this the main source of income for you? Do you operate other businesses? Why/why not?
- How many boreholes exist in the area? Who operates these other boreholes?
- Which geographic areas do you cover with your water supply?
- What are the current challenges/trends in relation to water access in the area?
- What coping mechanisms do you see people using when there is insufficient water access?

COOPERATION AMONGST WATER SUPPLY ACTORS:

- Who would you say are the main actors involved in the water supply market in the area? Facilitate participants to summarise information in a market map if possible.
- Is there an association or union for borehole owners? If yes, what is its role? Are you a member? What are the reasons for joining/not joining? What are the fees/costs associated with membership? Do you have contact information for the association?
- Are you aware of any requirements from the government to register, have a licence etc. to engage in the water supply sector?

CUSTOMERS AND DEMAND:

- Who are the main types of customers buying directly from you?
- What % of water do you sell to each customer type?
- Does demand for your water stay the same throughout the year? If no, when does it change?
- Are you able to meet current demand among your customers for water? If no, why not?
- Would you be able to increase supply to meet an increase in demand for water? If yes, what impact would this have on quality, price? What challenges might you face in increasing supply?
- What are the main preferences and demands from your customers (in terms of quality, treatment, quantity, delivery, other)?
- What challenges do you and your customers face in accessing water?

PRICE:

- What are the current prices you sell water for (by litre, m3)? Does the price you sell at depend on the type of customer? If yes, how does it differ?
- What are the main factors that determine water prices in the area? Probe on fuel cost, running costs, government regulation, demand, availability, quality of water, volume sold etc.
- Is there any regulation of price by the government? Do vendors tend to abide by this?
- How are prices for water set? Do you set your prices in coordination with other water suppliers?
- How much on average per month do you spend on the following: staff / employees, compound maintenance, compound repairs and improvements, fuel, transportation, storage, other (specify)? Do these costs vary throughout the year? Do you ever have challenges covering your operating expenses?

CHALLENGES:

- What are the main challenges you are currently facing in running your business?
- How do you think these challenges could be addressed?
- What do you think could be done by a) government, and b) humanitarian agencies, to facilitate better access to water for the most vulnerable people?

ANNEX 7: MARKET MAP EXAMPLES

The examples below show a market system at two different points in time, capturing changes before and after a crisis has occurred. 'Before' and 'after' market maps are not always required though, and it is often sufficient to have a market map capturing only the situation at the time the assessment took place. However, especially where there have been significant disruptions to markets, it is essential to understand where disruptions have taken place, and these should be indicated on maps of crisis affected markets.

The below examples show two versions of a market map, representing the context of Lebanon before and after the influx of refugees from Syria.

Figure 8: Baseline market system map (pre-crisis), North Bekaa Lebanon, Summer 2011

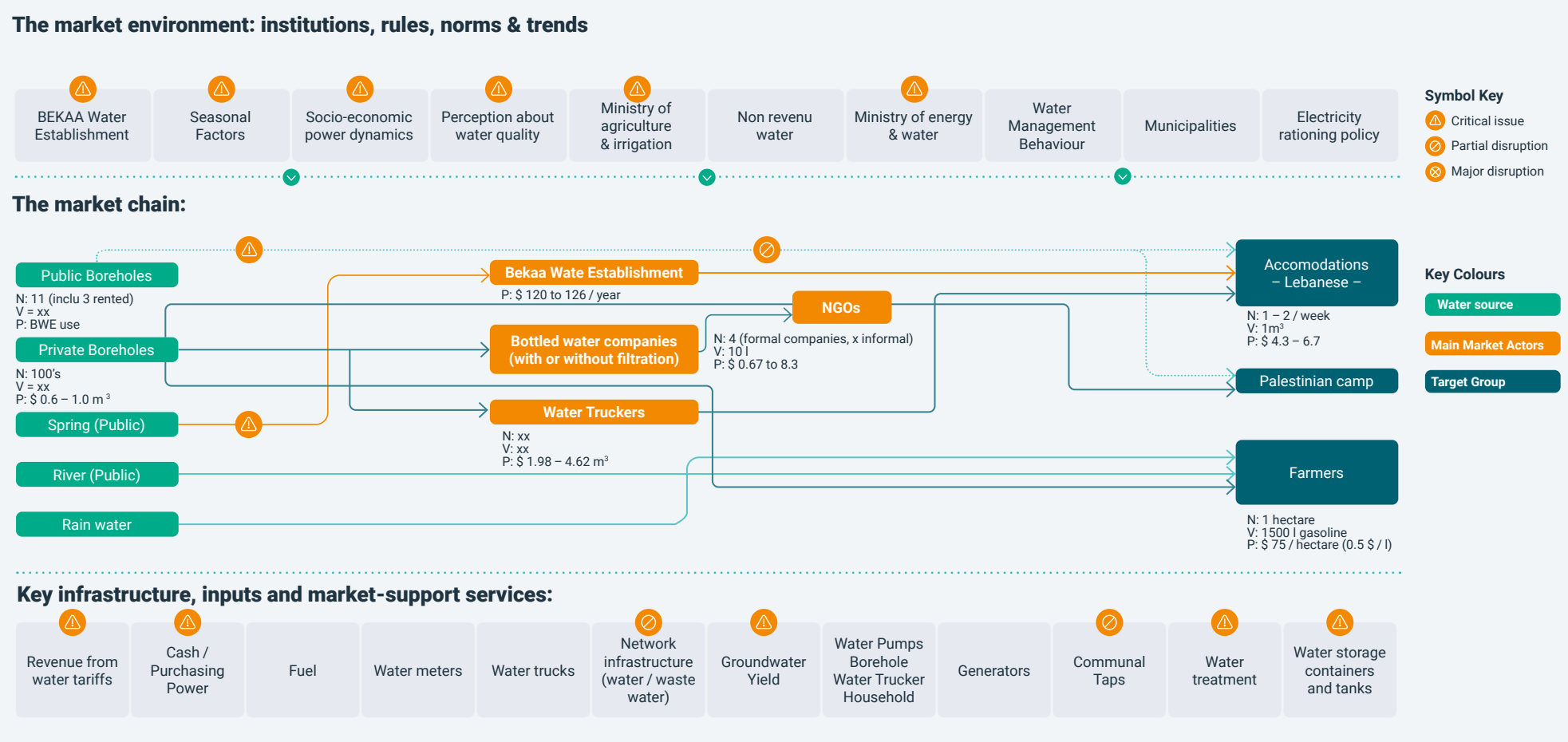
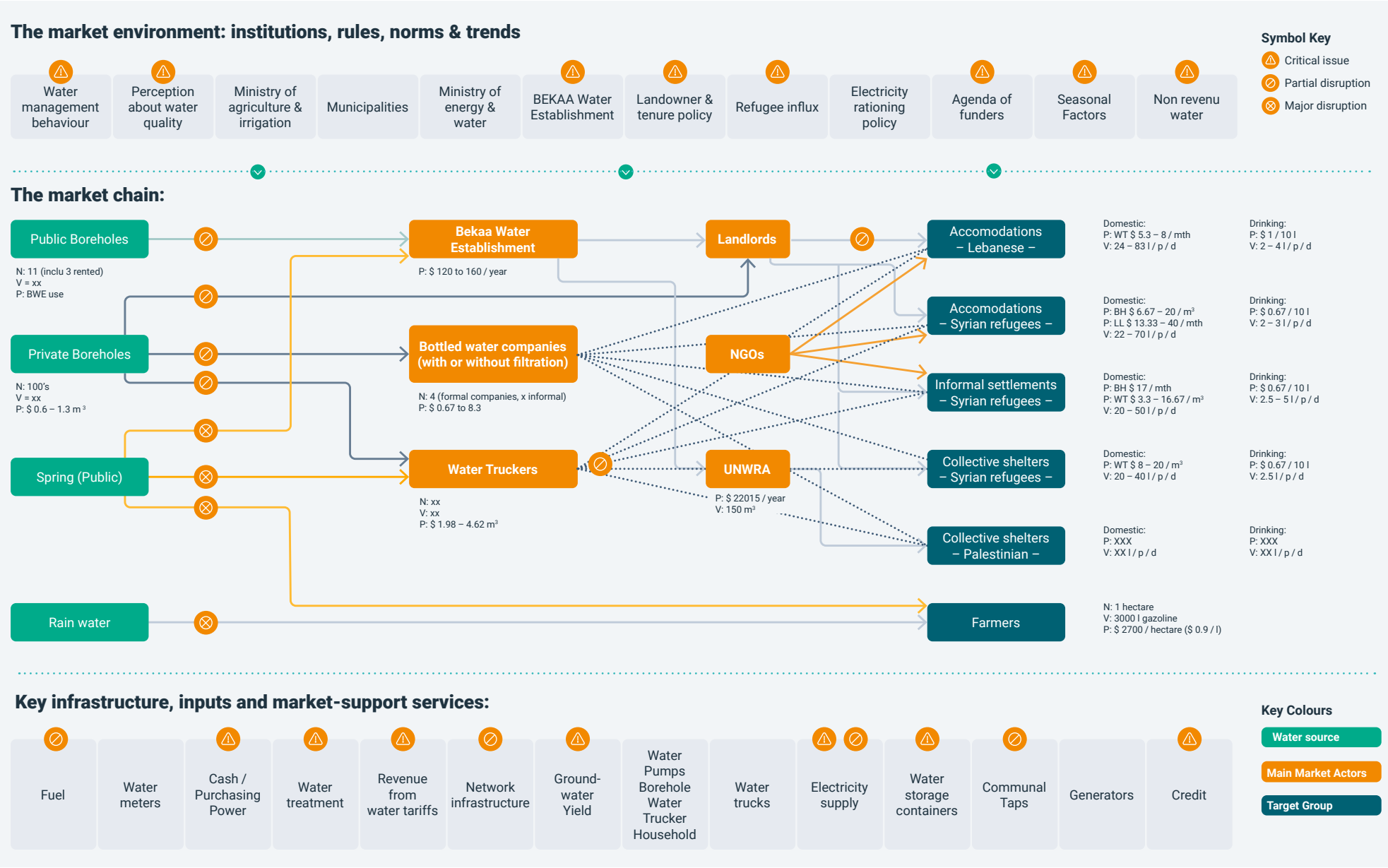


Figure 9: Emergency-affected market system (post-crisis), North Bekaa Lebanon, Summer 2014



TIPS FOR CREATING MARKET MAPS

MARKET ACTORS:

- Attempt to place all actors on the map.
- Consider linkages between all actors and indicate these in the middle of the diagram, according to available data. (For advanced market maps, thick lines can be used to indicate strong links and thin lines for weak links)

MARKET ACTORS:

- Annotate the market map with any disruptions or barriers in the market chain, such as by placing an 'X' where these occur.

QUANTITATIVE DATA:

- Add key quantitative data to the market map – this could be the price of an item as it moves through the supply chain, or the number of water trucking providers.
- Use only the data that is most relevant to understanding the market system and its ability to provide the relevant goods or services to the affected population.

It is possible to develop complex market maps with lots of information from a range of market actors. Especially as you obtain data during market assessment, the market map can become more detailed and complex.

However, consider the purpose of the market map: to summarise the key relevant information affecting the market system being assessed.

It may be best to produce a simple market map with only top-line key information that affects delivery of goods and services to the affected population. This is especially true when communicating information to managers and external audiences for easy understanding.

The market map can be accompanied by a descriptive text, explaining the information contained in the map and highlighting key data.

ANNEX 8: ANALYSING MARKET SYSTEM CAPACITY AND FUNCTIONALITY – CONSIDERATIONS

The following lists various considerations for this analysis and can be used both before and after a crisis occurs. This is not an exhaustive list as there will be additional factors based upon the specific market system and the context.

CAPACITY OF MARKET ACTORS AND SERVICE PROVIDERS:

- Do they offer the goods and services needed by affected population to meet and sustain minimum WASH standards?
- Do they offer goods and services in sufficient quantities or at a sufficient scale?
- If they do offer goods and service, but at an insufficient scale, do they have the capacity to scale up to meet people's needs in a short time?

VOLUMES AND LEAD TIMES OF GOODS AND MATERIALS:

- Does the monthly need of the affected population exceed the supply capacity of the market?
- If so, can market capacity be increased?

PRICES OF GOODS AND SERVICES:

- Are there elevated prices and are these the result of a disruption or inefficiency in the market chain?
- How are the prices compared to pre-crisis period, and how does this affect willingness to pay? Is there inflation?
- Do increases in prices affect a wide range of goods, indicating that markets are highly integrated?

PRESENCE OF UNCOMPETITIVE MARKET BEHAVIOUR:

- Is there evidence of cartels or a monopoly that affects the supply or price of goods/services or may affect a market-based intervention to address this?

DEMAND-SIDE BARRIERS:

- Are there barriers on the demand-side that are likely to have an impact?
- For example, do people have a strong preference for using flush toilets, that make direct-drop latrine designs not viable, even if direct drop user interfaces are available in the market?

MARKET ENVIRONMENT RESTRICTIONS:

- Are there limiting factors due to regulations or policies that make certain interventions not possible?
- This is discussed in terms of policies on cash transfers in (Section 3.3.2), but there may be WASH specific or land use policies that can have an effect.

SUPPORT SERVICES LIMITATION:

Are there limiting factors as result of inadequate support services such as transportation or electricity?

EFFICIENCY AND EFFECTIVENESS[62]

- Efficiency refers to the ability of a programme to achieve its intended objectives at the least cost possible in terms of use of inputs (*i.e. capital, labour and other inputs*).
- Effectiveness relates to how well outputs are converted to outcomes and impacts (*e.g. reduction in poverty gap and inequality, improved nutrition, reduction in school dropout, increased use of health services, asset accumulation by the poor, increased smallholder productivity, social cohesion*). [DFID]

62 - CaLP. Glossary of Terms

RETURN TO CHAPTER 3

ANNEX 9: CALCULATING A MINIMUM EXPENDITURE BASKET (MEB)

1. WHAT IS THE MEB?

The identified needs of the affected population are often captured in a MEB, which can include essential WASH goods and services. **The MEB is defined as what a household requires to meet its basic needs** – on a regular or seasonal basis –and its average cost.[63] However, an MEB does not necessary equate to all the essential needs of a household – it is intended to exclusively capture the needs that a household must cover entirely or partly through the market.

- It is usually calculated by the CWG, often with technical support from a consultant or CashCap, or by agencies such as WFP or UNHCR.
- It is a tool for calculating multipurpose cash transfer value (although the MEB value tends to differ from transfer value).
- Clusters / sectors (including WASH) are expected to contribute to this multi-sectoral process.

2. PURPOSE/FUNCTIONS

The MEB can serve several functions:

- It is a holistic reflection of need, often based on the perceptions of the crisis-affected population, including those needs that fall outside of traditional sectors (such as communication or transport).
- By determining the components of a MEB in a particular context, we know which goods and service-related markets should be included in a Multi-Sector Market Assessment.
- The MEB, alongside a gap analysis, helps to determine the required transfer value for MPC in a particular context, and directly relates to identifying the objectives of a programme and reflects the vulnerability of the target group.
- The MEB can also support household profiling, coordination, market analysis, and monitoring,[64] through the following activities:

- **Household profiling:** by identifying characteristics of those who cannot meet their essential needs and support decisions on transfer value amounts
- **Multisector coordination and programming** (with government, partner organisations and donors): by contributing to MPC transfer value harmonisation and through profiling.
- **Market and supply analysis**: by informing which goods and services to include by showing which essential needs households cover through the market.
- **Monitoring:** by assisting the monitoring of immediate and longer-term outcomes through analysis of expenditure trends against the MEB and help establish a basket against which to monitor market prices and the cost of living.

63 - Husain, A., et al. (2020). Minimum Expenditure Baskets: Guidance Note. WFP
64 - Adapted from: Husain, A., et al. (2020). Minimum Expenditure Baskets: Guidance Note. WFP

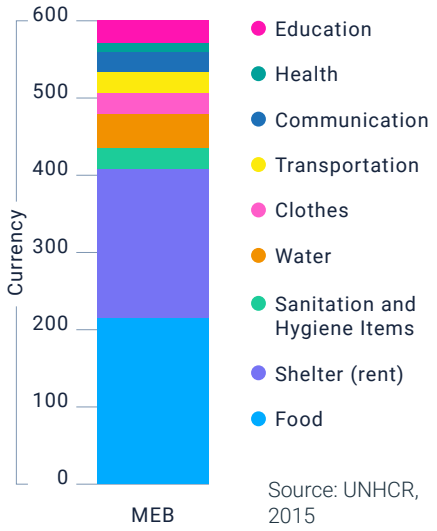
KEY RESOURCES:

Operational Guidance and Toolkit for Multipurpose Cash Grants (UNHCR) - Minimum Expenditure Basket: Operational Guidance and Toolkit for Multipurpose Cash Grants, pages 22 -25

Minimum Expenditure Baskets. Guidance Note. December 2020 (WFP)

Baizan, P. and Klein, N. (2019). Minimum Expenditure Basket (MEB): Decision Making Tools. CaLP

Figure 10: MEB from Syria Crisis: Lebanon



Source: UNHCR, 2015

3. APPROACHES TO CALCULATING THE MEB:[65]

There are three approaches to calculating the MEB. The decision of which approach to take will not be led by the WASH sector, but rather by an agency leading on MPC (such as WFP or UNHCR).

However, the WASH sector should participate in the discussions on the choice of methods, as it will impact the WASH information needs for the MEB and how assistance is delivered to the target population.

- **Expenditure-based approach**
  The expenditure-based approach to constructing a MEB relies on household-level expenditure data to examine the consumption behaviour of households.

- **Rights-based approach**
  The rights-based approach entails defining a detailed list of the items that make up the MEB reference basket, using those needed to cover essential needs, using SPHERE standards, and pricing them using current market prices. The reference basket is typically produced or crosschecked through FGDs with the population of interest, partners, and key informants. It is usually put together based on the needs of an average-sized household.

- **Hybrid approach**
  A hybrid approach combines information from the expenditure-based and rights-based approaches.
  This means making sure that the MEB is consistent with the actual consumption behaviour of the population of interest as found in expenditure data, while keeping the rights-based lens. The exact method is subject to the availability of expenditure data and other information on essential needs, as well as the objective of the MEB.

Typically, the hybrid approach is most used, followed by the rights-based approach. A strictly expenditure-based approach is seldom deployed.

INTERVIEWS AND FGDs FOR MEB CALCULATION

Use FGDs and individual interviews to understand the essential expenditures of any given emergency and their minimum costs. It is important to check the MEB result with the real circumstances of the population of interest. FGDs and/or key informant interviews can be held when starting work on the MEB and after a result is obtained, to ensure that the MEB is a true reflection of needs and priorities.

MEB SHOULD NOT BE CONFUSED WITH THE TRANSFER VALUE:[66]

The MEB is fixed for a given emergency unless there are significant changes in prices or needs.

In contrast, the transfer value may change based on the availability (value and coverage) of other humanitarian assistance, such as government interventions, the targeting strategy and criteria (*e.g. wider coverage with a reduced grant versus targeted coverage with a bigger grant*), or the programme objective (*e.g. livelihoods recovery*) and any additional cash requirements households may have.

This might lead to a gap in covering affected people´s basic needs if there are not enough conditions to cover the full gap.

65 - Adapted from: Husain, A., et al. (2020). Minimum Expenditure Baskets: Guidance Note. WFP
66 - Adapted from: UNHCR, CaLP, DRC, OCHA, Oxfam, Save the Children, WFP. (2015). Operational Guidance and Toolkit for Multipurpose Cash Grants

CONSIDERATIONS WHEN CALCULATING AN MEB:

- Consult and involve stakeholders across different sectors
- Determine the objectives of the MEB exercise before starting
- Itemise the goods and services to be included in the MEB based on needs assessment information
- Distinguish between recurrent costs (*e.g. water*) and one-off but predictable costs (*e.g. latrine construction*). Households will often use whatever resources they have to meet priority needs, even if it means converting one form of aid to another.
- Take note of what may change by season or stage in the emergency response (needs, availability of goods and services, and prices).
- Multi-sector market assessment
- Assess the necessity of different MEB values. In some contexts, there may be big price differences between different geographic areas/regions or among different livelihood groups (*e.g. pastoralists versus agricultural households*).
- Ensure that sector-specific recommendations on items and their quantities and standards required are reflected in the MEB calculation
- Check with stakeholders
- It is necessary to verify and revisit the MEB periodically, at least once a year.

INFORMATION NEEDS AND SOURCES FOR MEB APPROACHES:

Figure 11: Information needs and sources for MEB approaches (WFP, 2020)

INFORMATION NEED	SUGGESTED SOURCES	EXPENDITURE-BASED	RIGHTS-BASED
Qualitative understanding of essential needs for the population of interest	• FGDs with key informants or population of interest • Literature review of existing information on the the essential needs of the population of interest	✓	✓
Representative household survey with detailed expenditure module	• WFP essential need assessment, emergency food security assessment or comprehensive food security and vulnerability analysis or other representative, pre-assistance baseline survey • National holsehold budget surveys, household income and expenditure surveys, living standard measurement surveys, or other large-scale houlsehold survey	✓	
List of "rights-based" needs	• Clusters, CWG, other interagency forum • Sectorial assessmens, other secondary information		✓
Price information	• Price data series covering the area of interest for relevant food and non-food items and services from WFP (Dataviz has up-to-date price information) or partners • Price indices from national statistical offices • Prices derived from household expenditure data where quantities are also reported	✓	✓

4. HOW THE WASH SECTOR CAN CONTRIBUTE TO THE MEB PROCESS

The MEB calculation is part of a wider process that is not led by WASH, but that WASH participates in.

Involvement of WASH agencies in the MEB process can help them to promote usage of MPC by the target population to meet their WASH needs.

Expenditure-based approach: conducting (or contributing to) expenditure surveys

The implications of selecting an expenditure-based approach means surveying the WASH expenditures of households. This may require identifying which expenses are seasonal, which are recurrent, and which are one-off expenses, and this will require inputs from the WASH sector. An expenditure-based approach can also be problematic from a WASH perspective: households may not be spending their limited resources on WASH goods/services in order to meet their other basic needs. Where this is likely to be the case, the WASH sector may advocate for a rights-based or hybrid approach to ensure WASH needs can be included within the MEB.

On the other hand, expenditure surveys may find households spending an excessive percentage of their income on WASH, indicating potential difficulty for people to meet other needs. This may also indicate a need for WASH supply-side market-based interventions to increase the availability of affordable goods and services.

Rights-based and hybrid approaches: identifying WASH items

MEBs built by the CWG or other interagency coordination forums are often constructed following the rights-based approach, with each sector or cluster contributing to the needs in their respective sectors.

In some contexts, the MEB is verified through multi-sector market assessment. In such cases, the WASH sector can play a verifying role for the WASH component of the MEB. Additionally, market assessments may be led by an agency such as REACH, which will involve a collaborative process using agency enumerators, in which WASH agencies may be involved.

STEPS FOR CALCULATING MEB:

Expenditure-based approach:

- Prepare the expenditure data
- Select the reference cohort: identify households “just able to meet their essential needs”.
- Establish the food basket: calculate mean (median) food expenditures. Price the basket using market prices or prices derived from the household data.

Rights-based approach:

- Establish the food basket: define a list of relevant, locally preferred and available food items and their quantities.
- Establish the non-food basket: define a list of essential non-food items relevant to the population of interest and their quantities. The list of WASH items is usually put together by the WASH sector.
- Price the reference basket: use current market prices for the food and non-food items in the reference baskets to calculate the price of the basket.

MONITORING SYSTEMS

Monitoring is an important component of MPC. The price monitoring of WASH goods and services (that are included within a MEB) is of particular interest to the WASH sector. Multi-sector monitoring systems may be established for this purpose (see Chapter 5: Market Monitoring). The WASH sector will contribute to these systems, by first providing up-to-date quality standards of WASH items that are covered by the MEB. The prices of these items will be monitored, which may involve WASH agencies taking part in data collection and sharing of price data.

YEMEN JOINT MARKET MONITORING INITIATIVE (JMMI), MONTHLY OVERVIEW[67]

INTRODUCTION:

The Yemen JMMI was launched by REACH in collaboration with the WASH Cluster and the Cash and Market Working Group to support humanitarian actors with the harmonisation of price monitoring among all cash actors in Yemen.

METHODOLOGY:

Data was collected through interviews with vendor key informants, selected by partner organisations from markets of various sizes in both urban and rural areas. Following data collection, REACH compiled, cleaned and analysed all data, through detailed follow-ups with partners. Findings are indicative for the assessed locations and time frame in which the data was collected.

OVERVIEW OF MONTHLY PRICE CHANGES

ASSESSED ITEMS	JAN 2021 PRICES	FEB 2021 PRICES	CHANGE (FROM JAN)
WASH SMEB	13,790	15,775	14%
SOAP (100G)	180	200	11%
LAUNDRY POWDER (100G)	130	140	8%
SANITARY NAPKINS (10 PACK)	600	600	0%
WATER TRUCKING (1M3)	2000	2600	30%
TREATED WATER (10L)	100	100	0%

IRAQ JOINT RAPID ASSESSMENT OF MARKETS (JRAM)[68]

To assess market health and the feasibility of introducing cash-based programming in Telefar, the CWG conducted a JRAM in Telafar and surrounding areas.

The JRAM was launched in April 2017 with the aim of establishing a harmonised, collaborative mechanism for conducting market assessments in newly accessible areas of Iraq.

Data collection was conducted jointly by CWG partners, with coordination and technical oversight by REACH.

The primary objectives of the JRAM were to understand the impact of the protracted crisis on markets, specifically infrastructure, security and supply, the price and availability of key goods, the ability of traders to respond to an increase in demand.

67 - Yemen WASH Cluster, Intersector Cash and Markets Working Group, REACH. (2021). Yemen Joint Market Monitoring Initiative (JMMI), February 2021 Situation Overview
68 - Cash Working Group and REACH. (2018). Iraq: Joint Rapid Assessment of Markets (JRAM)

ANNEX 10: USE OF MULTI-PURPOSE CASH FOR WASH OUTCOMES[69]

WASH SUB-SECTOR	DESCRIPTION OF MPC PRACTICES
WATER	MPC has a strong role to play in overcoming financial barriers to water access. MPC can be used by households to purchase water outside the home (water points, vendors, water trucking), to pay for piped water supply in the home (utility bills) or potentially, to purchase HHWT. For MPC, safe water or HHWT should be available locally, affordable, and physically accessible. Households must prioritise purchasing safe water, be aware of how to access it and have safe water practices. **INCLUSION OF WATER COSTS IN MEBS** • When water and water-related costs (such as HHWT) are included in MEBs, they represent an average of just under 5% of the total MEB value, reflecting global affordability thresholds for water. • In developing MEBs, documenting how the quantity of items and their costs are determined is good practice. This involves context-specific analysis of local needs and discussion with sectors, including WASH specialists, as to what households could (and would) purchase with MPC and therefore what items should be included. In contexts where piped water to accommodation is provided, the average cost of water utility bills has been used as the reference for the MEB, based on reported expenditure data for those who were able to meet their basic needs. • MPC has often been used as a standalone modality and, for the WASH sector, there is a lack of practices demonstrating how MPC can be combined with other interventions to achieve WASH outcomes. Meanwhile, it has been noted that, in most humanitarian contexts, other modalities (market support to improve water availability, quality and governance, hygiene awareness to improve safe water practices, etc.) need to be used in combination with MPC. **MONITORING OF WATER OUTCOMES WHEN MPC IS USED:** • MPC is more likely to be spent on water or HHWT in contexts where recipients are used to paying for them, and monitoring of expenditure will reflect this. • The MPC value rarely covers all the basic needs of a crisis-affected household and while it is likely that water will always be prioritised by MPC recipients, there is a risk that they may purchase low quality (and therefore cheaper) water. • Expenditure data should therefore be analysed together with data on the quality and quantity of the water accessed. • Spending on water is likely to be underreported by beneficiaries, as cash is fungible and there may be recall bias. • MPC is a demand-side intervention, supporting beneficiaries to buy water when it is available, but MPC cannot be used to overcome supply-side barriers which are dependent on water infrastructure.

69 - Adapted from Barbiche, J. and Collins, O. (2020). Evidence building for cash and markets for WASH in emergencies: Practices related to the use of multipurpose cash for WASH outcomes. Global WASH Cluster

WASH SUB-SECTOR	DESCRIPTION OF MPC PRACTICES
SANITATION	MPC can be used to cover regular sanitation costs (such as desludging for households using onsite sanitation systems), paying for sanitation utility bills (when connected to sewage networks), or contributing to irregular or ad-hoc costs such as latrine rehabilitation or construction. While MPC can contribute to meeting these costs, in contexts where sanitation facilities are lacking, the main barrier to improved sanitation may not be financial. In such situations, MPC will likely play a limited role in improving access to sanitation. MPC can be effective in contexts where there is a good governance of the sanitation sector and beneficiaries have regular and predictable sanitation-related expenses. The use of MPC for the construction or rehabilitation of sanitation facilities is enabled when housing conditions are stable, there is a demand for improved sanitation facilities and the costs are low. In cases where new sanitation infrastructure needs to be built, or existing infrastructure must be rehabilitated, these costs are relatively high, often one-off, and also varied from one household to another. Such costs are difficult to cover with monthly MPC transfers, which are calculated based on averages. **INCLUSION OF SANITATION COSTS IN MEBS:** There is limited evidence of practices involving the inclusion of sanitation costs in MEBs. Examples include: • The cost of digging and maintaining a latrine pit included as a one-off annual expense, which was spread out over the monthly MEB calculations. • The cost of latrine cleaning kits. • Calculation of sanitation costs based on different scenarios, depending on housing conditions: These have involved: (1) cost of desludging septic tank, (2) access to sewage network, paid for via utility bills, and (3) cost of desludging of pit latrines. • The costs for solid waste management collection, desludging of wastewater and latrine and holding tank maintenance • The cost of renting accommodation that meets housing standard which include access to toilets and bathing **MONITORING OF SANITATION OUTCOMES WHEN MPC IS USED:** • As regular expenditure linked to sanitation is generally very low, monitoring for MPC and sanitation has focused more on access to toilets and less on sanitation-related expenditure.

WASH SUB-SECTOR	DESCRIPTION OF MPC PRACTICES
HYGIENE	MPC is well-suited as a modality to meet the hygiene needs of affected populations in many humanitarian contexts, as hygiene items are a regular and predictable expense, hygiene markets are typically resilient in times of crisis and most families will purchase basic hygiene items such as soap or water containers. The cost of hygiene items is commonly and easily integrated into MEBs. Hygiene items corresponding to humanitarian standards must be available on the local market, and there should be demand for these products so that households prioritise buying hygiene items when given the choice. Households must be aware of where to access hygiene items and have safe baseline hygiene practices. **INCLUSION OF HYGIENE COSTS IN MEBS:** • Items, units and average prices provided by the WASH Cluster, reflecting the standardised 'Dignified Hygiene Kit', in line with Sphere standards. • To calculate MPC transfer values it is necessary to identify which items need to be bought regularly and which are one-off purchases. • Including the cost of soap as a regular monthly expense, whereas the cost of other hygiene items are included as an annual expense (reusable menstrual products, underwear, jerrycan, bucket with a lid and bucket for handwashing) which is spread out and calculated monthly. **MONITORING OF HYGIENE OUTCOMES WHEN MPC IS USED:** • The percentage of expenditure on hygiene items is in general relatively small, but includes a wide variety of items (depending on the context), such as soap, nappies, jerrycans, buckets, basins, etc. • Expenses are in general lower than what has been planned in the MEB, but as the value of hygiene items is often small (soap etc.) this may go unmeasured and there may be underreporting by beneficiaries. • While MPC is routinely designed to meet hygiene needs, some documentation suggests that beneficiaries are not always able to prioritise hygiene items when other needs are more pressing. • Monitoring can go beyond monitoring hygiene-related expenditure and assess access to and use of hygiene items for those receiving MPC.

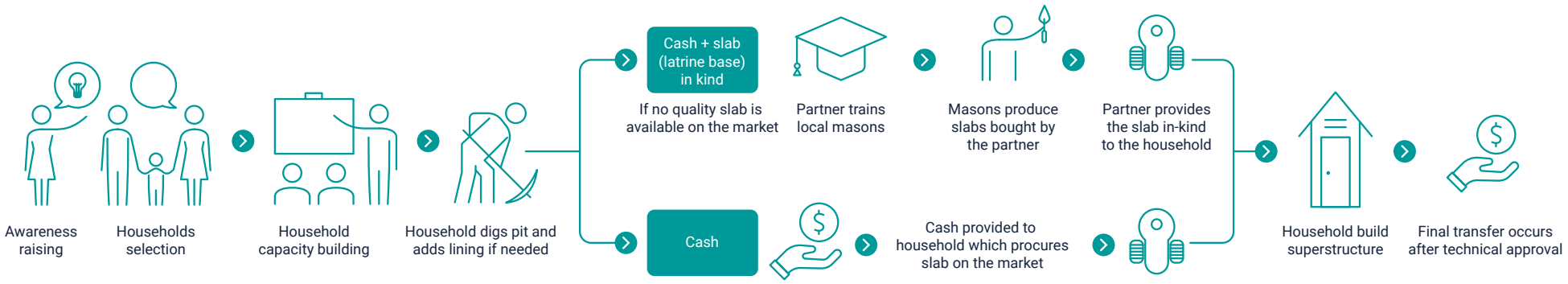
ANNEX 11: POTENTIAL QUESTIONS FOR FSP INTERVIEWS

Potential questions in FSP interviews may include:

- Description of the financial services offered
- Impact of the crisis on the service provider
- Geographical area of coverage, both in terms of locations of branch offices or reach of extension workers and locations of customers/users
- Numbers, locations of branches
- Number of customers, users, overall and for specific financial services
- Costs associated with transactions (list amounts/percentages) of all fees, including any different costs structures for different size of business (*e.g. lower costs for higher volumes of transactions*)
- Experience working with humanitarian or government aid or social protection systems
- Capacity to expand, in terms of volume of transactions and/or geographic reach, and limitations
- Requirements of customers (*e.g. government issued ID cards, use of technology*)
- Technology (credit cards, RFID tokens)
- Security – both for safety and information security
- Data protection policies and regulation
- Impact on financial services of government policies, regulation
- KYC government regulations

ANNEX 12: CASH FOR LATRINE PROGRAMMES – CONSIDERATIONS

Figure 12: Considerations for cash for latrines programmes[70]



- Match the latrine or sanitation facility design with the toilet culture of the affected population.
- Get buy-in and ensure two-way communication with multiple stakeholders throughout the intervention. Ensure authorities and host communities are aware of and support the project, consider concerns of displaced people in their diversity at the design and planning stages and involve them in the determination of targeting criteria and their clear communication. Ensure that feedback is used to adapt the project.
- Check and monitor availability and prices of quality material and technical expertise on the local market.
- Plan how to mitigate environmental impact related to the collection of local materials, thus avoiding tensions with the host community.
- Carry out appropriate training and provide technical guidance to ensure quality control throughout the project. Households should get technical support to self-organise, purchase or collect appropriate materials and construct a high-quality latrine. Trained experts should verify the pit and slab strength and dimensions as well as the quality of the super structure (full structure) before the final cash transfer.
- Ensure timely disbursement of the cash. Ensure safeguards are in place to avoid fraud and corruption.
- To maximise WASH outcomes from a cash for latrines intervention, ensure that the core WASH activities (such as appropriate hygiene training, social and behaviour change activities, complementary cash for soap or hygiene items) are in place.
- Cash for latrines might not be appropriate in contexts where people are on the first rung of the 'sanitation ladder', which requires demand creation and behaviour change.

70 - Adapted from: UNHCR. (2018). Cash for latrines: key learning and checklist

Based on the information collected during the assessment phase, select which part of the latrine construction should be supported through cash transfer:

Cash for superstructure only:

- The cash is provided after completion of the latrine (instalments can also be planned, depending on the need for pit lining and possibilities to collect construction material).
- Slabs are bought/produced and distributed by the implementing partner.
- Conditions for cash disbursement: approval of self-collected materials, pit and finalised latrine, as well as handwashing station.

Cash for slab and superstructure:

- The cash is provided in instalments; one part up front to cover the cost of the slab, lining and superstructure materials if needed, and the rest after completion. Households buy slabs from masons selected and trained by the programme.
- Conditions for cash disbursement: pit is approved, good quality slab is purchased, self-collected materials are approved.

ANNEX 13: TYPES OF WASH MARKET SUPPORT INTERVENTIONS[71]

Market support in the water subsector includes:

- Supporting local private water market actors to provide good quality and affordable water or water treatment services and products in preparedness or during emergencies.
- Including CBOs (such as women groups, youth groups and faith based networks) in market-based water supply management strategies using a business-oriented approach similar to those used in supporting the private sector (*e.g. supporting local, voluntary organisations to become professionalised water service providers*).
- Supporting public or semi-public institutions, such as water utilities, by providing financial or technical assistance so they may resume operations or ensure continuity of services during emergencies.
- Improve policies and regulation related to the delivery of water to ensure coverage affected areas, avoid wastage, maintain an efficient and sustainable water revenue collection system, keep water affordable and ensure quality and continuity of water supply.
- Creating or improving labour skills for water market systems, including vocational training for technicians working on water supply in emergencies, or supporting entrepreneurs to establish or run water businesses. Gender analysis should be performed to consider opportunities for women.
- Social marketing to improve the uptake of HHWT products, addressing both supply and demand barriers at the same time.
- Creating microfinance products to trigger investments by poor households in safe water systems (connection to water networks, rainwater catchments, protected hand-dug wells, household water filters, etc.).

Market support in the sanitation subsector includes:

- Creating and nurturing businesses that build and repair toilets and empty septic tanks and soak pits by supporting them with grants, material or training and finding solutions to improve their financial viability.
- Social marketing to improve sanitation demand (through behaviour change communication (BCC) and marketing techniques).
- Improving supply by supporting private companies to design, produce, market and distribute products adapted to customers' needs and preferences.
- Creating microfinance products to trigger investments by poor households in sanitation infrastructure, particularly household toilets.
- Supporting the sanitation labour market through vocational training for technicians building and repairing sanitation systems, or supporting entrepreneurs to establish or run sanitation businesses. Gender analysis should be performed to consider opportunities for women.
- Developing and improving the implementation of national sanitation policies that govern the provision and management of sanitation during emergencies and in recovery and preparedness.
- Supporting public institutions, such as sanitation utilities, by providing financial, material or technical support in preparedness or during emergency response.
- Supporting CBOs to provide sanitation services in emergencies (such as waste collection).

Market support in the hygiene subsector includes:

- Supporting private sector actors (producers, wholesalers, retailers) to supply hygiene items through training and signing procurement framework agreements for items needed in emergency response. During emergency response, support can be provided by facilitating or subsidising transport, energy supply, stocks, or rehabilitation of infrastructure.
- Social marketing to improve both demand and supply for certain hygiene items, such as handwashing devices or jerrycans with taps. Demand is strengthened or created through BCC and marketing techniques. Supply is improved by supporting traders or companies to design, produce, market, and distribute hygiene products that meet beneficiaries' needs and preferences.
- Improving policies that govern the market for hygiene items, such as easing the process for importation and reducing taxation levels for menstrual products, in an emergency context or as a resilience building measure. Improving market policies could also include establishing quality standards for water storage containers (or for hygiene kits that should be distributed in emergencies), developing policies that would encourage private actors to produce and distribute appropriate and affordable hygiene items and setting up policies that strengthen demand for certain hygiene items.
- Supporting CBOs (such as women's groups and youth groups) to produce hygiene items locally (chlorine, menstrual products, soap, detergent, or face mask).

71 - Adapted from: Barbiche, J.C. and Collins, O. (2020). Evidence Building for Cash and Markets for WASH in Emergencies. Global WASH Cluster

ANNEX 14: EXAMPLE OF DETAILED FINANCIAL ANALYSIS

LIFE-CYCLE COST ANALYSIS FOR WATER TREATMENT PLANT OPERATIONS IN SOUTH SUDAN[72]

OPERATIONS & MINOR MAINTENANCE EXPENDITURE	Unit	Quantity	Rate (SSP)	Frequency	Cost (SSP)	Cost (USD)	
SALARIES					**84000.00**	**$**	**560**
WTP Manager	Per pp/month	1	30000.00	1	30000.00	$	200
WTP Supervisor	Per pp/month	1	15000.00	1	15000.00	$	100
WTP Assistant 1 (tap stand - households)	Per pp/month	1	8000.00	1	8000.00	$	53
WTP Assistant 2 (tap stand - bicycle vendors)	Per pp/month	1	8000.00	1	8000.00	$	53
WTP Assistant 3 (tanker filling station)	Per pp/month	1	8000.00	1	8000.00	$	53
Guard (Armed security - inc. Food and monthly incentive)	Per pp/month	2	4500.00	1	9000.00	$	60
Incentives for Water Management Committee	Per pp/month	6	1000.00	1	6000.00	$	40
OPERATIONS					**21000.00**	**$**	**87**
Office supplies	Per month	1	1000.00	1	1000.00	$	7
Communications	Per month	1	4500.00	1	4500.00	$	30
Transportation (technician, supervisor, manager)	Per month	1	7500.00	1	7500.00	$	50
Desludging Pump Rental (2x a year for 2 days) [YEARLY cost]*	Rental days	2	12000.00	4	8000.00	$	53
CONSUMABLES					**2606750.00**	**$**	**203**
Chlorine (powder)	Kg/per day	1.5	616.67	30	27750.00	$	185
Aluminium Sulphate (Coagulant)	Kg/per day	9	120.00	30	2700.00	$	18
WATER QUALITY MONITORING					**1545.25**	**$**	**10**
FRC and pH (daily) - at source level (DPD1 & Phenol Red)	Per day	2	3.24	30	194.16	$	1
FRC and pH (biweekly) - 10 x2 household x 4 tablets a month x every other week (DPD1 & Phenol Red)	Every two weeks	2	3.24	160	517.76	$	3
Chemical (selected parameters) 6 month interval (LAB) **	Every 6 months	1	5000.00	2	833.33	$	5.56
IN STOCK FOR MINOR REPLACEMENT/CONTIGENCY*					**14591.67**	**$**	**97**
Consumables for 2 months	Per month	1	38450.00	1	3204.17	$	21
Galvanised Steel pipes 3"	Metres	4	35400.00	1	2950.00	$	20
Assessories	Assorted	1	22500.00	1	1875.00	$	13
Installation &Commissioning (Labour)	No	1	52500.00	1	4375.00	$	29
Maram	Trips	16	26250.00	1	2187.50	$	15
TOTAL OPERATION & MINOR MAINTENANCE EXPENDITURE						**$**	**957**

72 - Adapted from: Matoso, M. (2018). Supporting sustainable water service delivery in a protracted crisis: Professionalizing community-led systems in South Sudan. Oxfam

CAPITAL MAINTENANCE EXPENDITURES

COMPONENT	Quantity	Year ofconstruction	Total Cost (USD)	Replacement Freq	2017	2018	2019	2020
Intake Pump - GRUNDFOS DWK 80.22 pumps	1	2017	$ 2,000.00	10	$ 200.00	$ 200.00	$ 200.00	$ 200.00
Drainage pump - Booster Pump GRUNDFOS DWK 80.22 pump	1	2017	$ 2,000.00	10	$ 200.00	$ 200.00	$ 200.00	$ 200.00
Distribution Fittings	1	2017	$ 2,145.00	10	$ 214.50	$ 214.50	$ 214.50	$ 214.50
Elevated Water Storage Tank	1	2017	$ 4,020.00	10	$ 402.00	$ 402.00	$ 402.00	$ 402.00
Photovoltaic solar modules YINGLI SOLAR SW250	38	2017	$ 11,400.00	20	$ 570.00	$ 570.00	$ 570.00	$ 570.00
AC solar pump controller (inverter) LORENZ PSK2-7 5.5kVA	2	2017	$ 5,000.00	20	$ 250.00	$ 250.00	$ 250.00	$ 250.00
				TOTAL PER ANNUM	**$ 1,836.50**	**$ 1,836.50**	**$ 1,836.50**	**$ 1,836.50**
				TOTAL PER MONTH	**$ 153.04**	**$ 153.04**	**$ 153.04**	**$ 153.04**

PROJECTED REVENUE

REVENUE SOURCES PER MONTH (30 DAYS)	Unit	Rate (SSP)	Quantity	Revenue(SSP)	Revenue (USD)
USER TYPE 1: HOUSEHOLDS				**34200**	**$ 228**
3 x Jerry cans per household/per day over a month	76	5	6840	34200	$ 228
USER TYPE 2: BICYCLE VENDORS				**36000**	**$ 240**
80 x Jerry Cans per bicycle vendor per day over a month	30	0.5	72000	36000	$ 240
USER TYPE 3: WATER TANKERS				**105840**	**$ 706**
Daily water needs for Tankers/Cubic litres over a month	230	15	6900	103500	$ 690
Filling Station entry fee per tanker/per day over a month	13	6	390	2340	$ 16
TOTAL per month				**176040**	**$ 1,174**

ANNEX 15: EXAMPLES OF WASH OUTCOME INDICATORS (WASH SECTOR SPECIFIC MBP)

WASH OUTCOME INDICATORS FOR WASH SECTOR SPECIFIC MBP:

OVERALL EXCRETA DISPOSAL INDICATOR:
% of targeted population that is aware of the availability of, has access to, and use sanitation facilities that meet SPHERE standards

OUTCOME	INDICATOR
AVAILABILITY	% of targeted population located in close proximity to markets where sanitation products/services are available, according to the perceptions of both service providers and the targeted population and according to market data*
ACCESS	% of targeted population, including people with disabilities, that can access sanitation facilities, according to the self-reported level of access and according to data on affordability, where relevant*
QUALITY	% of targeted population with sanitation facilities services that meet quality standards (SPHERE)*
AWARENESS	% of targeted population that reports knowing quality standards of sanitation services (according to SPHERE) and how to access these services
USE	% of targeted population that reports using sanitation facilities

OVERALL HANDWASHING INDICATORS:
% of targeted population that is aware of the availability of and has access to handwashing products that meet SPHERE standards
% of targeted population that practises handwashing with soap

OUTCOME	INDICATOR
AVAILABILITY	% of targeted population located in close proximity to markets where handwashing products are available, according to the perceptions of both service providers and the targeted population and according to market data*
ACCESS	% of targeted population, including people with disabilities, that can access handwashing products, according to the self-reported level of access and according to data on affordability, where relevant*
QUALITY	% of targeted population with access to handwashing products according to quality standards (SPHERE)*
AWARENESS	% of targeted population able to report 3 of 5 critical times for handwashing
USE	% of targeted population washing hands with soap at critical times, according to self-reporting and/or observation of the presence/absence of soap and water for handwashing

*For Availability, Access, and Quality, it is recommended to see market-specific indicators provided in section 5.2 to assess the achievement of these outcomes.

OVERALL MENSTRUAL HYGIENE INDICATOR:
% of targeted population with appropriate menstrual products available that meet SPHERE standards and who access, use, and are aware of safe menstrual hygiene practices

OUTCOME	INDICATOR
AVAILABILITY	% of targeted population located in close proximity to markets where menstrual products are available, according to the perceptions of both service providers and the targeted population and according to market data*
ACCESS	% of targeted population, including people with disabilities, that can access menstrual products, according to the self-reported level of access and according to data on affordability, where relevant*
QUALITY	% of targeted population with appropriate menstrual products meeting Sphere standards and according to the perceptions of the quality by the target population*
AWARENESS	% of targeted population that knows how to access menstrual products and aware of practices for proper use, care and/or disposal of menstrual products
USE	% of targeted population practicing menstrual hygiene using menstrual products, according to self-reported use

*For Availability, Access, and Quality, it is recommended to see market-specific indicators provided in section 5.2 to assess the achievement of these outcomes.

ANNEX 16: POSSIBLE OUTPUT INDICATORS FOR ASSESSING AVAILABILITY, ACCESS, AND QUALITY

AVAILABILITY OUTPUT INDICATORS

To assess Availability, it is recommended to measure outputs using three types of information:

- Perceptions of vendors/service providers
- Perceptions of targeted population
- Market data

For each of these types of information, the programme can choose from a list of possible indicators.

PERCEPTIONS OF VENDORS/SERVICE PROVIDERS:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
Percentage of traders who report an increase in business compared to their expectations due to their participation in the voucher programme	• Interviews with traders	**Possible questions:** • Have you seen an increase in business since participating in the voucher programme due to your business's participation in the programme? • To what extent has your business increased compared to your expectations as a result of participation in the voucher programme? • A 5-point Likert scale can be used to measure satisfaction along a spectrum from 'business has decreased significantly' to 'business has increased significantly'.
Proportion of (supported) traders and service providers who report benefitting from market support activities	• Interviews with traders	**Possible questions:** • Are the various support activities the trader received suitable for his/her business? • How did these activities benefit the business? • Have there been any negative consequences as a result of taking part in the programme? • Do they feel better equipped to deal with changes in markets due to emergencies? • Did the support services provided (in their opinion) increase their business management knowledge and skills, and how?
Percentage of traders reporting satisfaction with their involvement in the programme	• Interviews with traders	**Possible questions:** • Are you satisfied with your business's involvement in the programme? • Why are you satisfied/dissatisfied? • A 5-point Likert scale can be used to measure satisfaction along a spectrum from 'very unsatisfied' to 'very satisfied'.

PERCEPTIONS OF TARGETED POPULATION:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of households reporting having found [soap] available from vendors	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions:** • Is soap available for you to purchase from vendors (in a nearby market)?
% of households reporting that [latrine pit emptying] services are available [within 2 weeks of requesting service]	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions:** • Do latrine pit emptiers perform services within 2 weeks of requesting service?
Average duration that [water treatment packets] are unavailable at retailers	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions:** • Are water treatment packets ever unavailable for you to purchase from retailers? • For how long are water treatment packets typically unavailable?
Proportion of targeted population satisfied with the availability of [water supply] services	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions:** • Are you satisfied with the availability of water supply services? • A 5 point Likert scale can be used to measure satisfaction along a spectrum from ‘very unsatisifed’ to ‘very satisfied’.

MARKET DATA

Lastly, it is possible to measure changes in availability according to market monitoring data. Market monitoring is discussed in Chapter 5. Here, an example of market monitoring data collection is given for latrine pans.

Items measured in market monitoring:

LATRINE PAN

- Number of traders who supply [latrine pans] meeting specifications agreed in the programme
- Volume of [latrine pans] provided through retailers
- Price of [latrine pans] sold by retailers
- Number of [latrine pit emptying] labourers actively working
- Volume of [latrine pans] left in trader's stock
- Number of days needed to restock [latrine pans]
- % of retailers restocking [latrine pans] in the past 30 days
- Average duration that [latrine pans] are unavailable at retailers
- Number of types of [latrine pans] that are available from retailers

The above data from market monitoring will be used to measure changes in availability:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
Increase in number of traders who supply [latrine pans] meeting specifications agreed in the programme	• Baseline market data • Updated market monitoring data	Compare the baseline number of traders with the mid/end-line number of traders
Amount of increase in volume of [latrine pans] provided through retailers	• Baseline market data • Updated market monitoring data	Compare the baseline volume of pans provided (or sold) with the mid/end-line volume of pans provided (or sold)
Price of [latrine pans] sold by retailers has decreased or stayed the same	• Baseline market data • Updated market monitoring data	Compare the baseline price of latrine pans with the mid/end-line price of latrine pans

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
Increase in the number of [latrine pit emptying] labourers actively working	• Baseline market data • Updated market monitoring data	Compare the baseline number of labourers with the mid/end-line number of labourers
Increase in volume of [latrine pans] kept in stock by traders	• Baseline market data • Updated market monitoring data	Compare the baseline stock volume with the mid/end-line stock volume
Number of days needed to restock [latrine pans] has decreased or stayed the same	• Baseline market data • Updated market monitoring data	Compare the baseline days needed to restock with the mid/end-line number of days
% of retailers restocking [latrine pans] in the past 30 days	• Baseline market data • Updated market monitoring data	Compare the baseline percentage of retailers with the mid/end-line percentage of retailers
Average duration that [latrine pans] are unavailable at retailers has decreased by X days	• Baseline market data • Updated market monitoring data	Compare the baseline duration of unavailability with the mid/end-line duration of unavailability
Increase in the number of types of [latrine pans] that are available from retailers	• Baseline market data • Updated market monitoring data	Compare the baseline number of types of pans with the mid/end-line number of types of pans

ACCESS INDICATORS

To measure Access, it is recommended to monitor outputs using three types of information:

Items measured in market monitoring:

- The self-reported access of targeted population.
- The reporting of access barriers by the target population.
- Measurement of the affordability of WASH goods/services.

The programme may also set an output for the access to funds by the target population (in CVA programmes, for instance).

LEVEL OF ACCESS REPORTED BY THE TARGET POPULATION:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of target population reporting physical access to market locations where [soap] is sold	• Interviews with target population • Quantitative data	**Possible questions:** • Are you able to get to a market to purchase soap? • How far is the nearest market where you can purchase soap? • How long does it take you to travel to shops where soap is sold? • How much is the fare that you have to pay to get there?
% of target population who are satisfied with the accessibility of buying [soap]	• Interviews with target population • Quantitative data	**Possible questions:** • Are you satisfied with the way you travel to the market to purchase of soap? • Are you satisfied with the convenience of how you purchase soap? • A 5-point Likert scale can be used to measure satisfaction along a spectrum from 'very unsatisifed' • to 'very satisfied'.
% of target population able to access funds for the purchase of [soap]	• Interviews with target population • Quantitative data	**Possible questions:** • Are you able to correctly use the means of accessing funds/vouchers (ex. mobile money, e-vouchers) in order to purchase soap? • Note: this question is not asking if the respondent has enough money, but instead asks how they access the cash/vouchers through the programme.

BARRIERS REPORTED BY THE TARGET POPULATION:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of target population reporting barriers in accessing [soap] in the marketplace in the last 30 days	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions:** • Have you experienced barriers in accessing soap in the market in the last 30 days? • Barriers should be listed in qualitative data collection, see box below.
% of target population reporting barriers in accessing funds or making transactions in the last 30 days	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions (ask both):** • What challenges/barriers, if any, have you experienced in accessing funds? • What challenges/barriers, if any, have you experienced when making transactions in the last 30 days? • Barriers should be listed in qualitative data collection, see box below.
% of households reporting feeling safe accessing funds and accessing markets to purchase [soap]	• Interviews with target population • Qualitative data • Quantitative data	**Possible questions (ask both):** • Do you feel safe while accessing funds? • Do you feel safe while accessing markets to buy soap? • Barriers should be listed in qualitative data collection, see box below.

BARRIERS

It is important to identify barriers to access in qualitative data collection. The programme team and MEAL colleagues should actively be looking for potential barriers that are limiting the access of the target population, either to funds supported through the programme (in the case of CVA), and/or to WASH goods and services in the market. Barriers can be identified in parallel with quantitative data collection, such as in household interviews and through exercises intended specifically to elicit the reporting of barriers, such as in FGDs. Barriers should be periodically reviewed by the programme team with actions planned to address them, including by adapting the delivery of the programme.

AFFORDABILITY OF WASH GOODS/SERVICES:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of target population reporting being able to pay for [soap] at current prices (given the amount of funds provided, in CVA)	• Interviews with target population • Quantitative data	**Possible questions:** • Have you paid for soap in the past 30 days? • What price(s) have you paid? • Are you able to pay for soap at this price?
% of target population who report being satisfied with the affordability of [soap]	• Interviews with target population • Quantitative data	**Possible questions (ask both):** • Are you satisfied with the affordability of soap? • A 5-point Likert scale can be used to measure satisfaction along a spectrum from 'very unsatisifed' to 'very satisfied'. • If cash transfers are made available this question will often remain as the transfer might not cover enough for all WASH needs or it can be asked for products outside the supported goods.

QUALITY INDICATORS

As with all types of programming, WASH technical standards, such as through SPHERE or those set by national standards, must be followed. This may entail monitoring the quality of goods sold by vendors under a CVA programme, monitoring the correct installation of WASH facilities, or monitoring the practices followed by service providers.

Having a robust system of technical quality monitoring is an important element of the programme. It is important that the programme specify all technical standards in agreements with businesses who are engaged in the programme.

The specifics of quality monitoring will be highly dependent upon the technical area of programming.

QUALITY OF WASH GOODS/SERVICES:

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of [menstrual products] sold by vendors that meet minimum technical standards	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Use vendor monitoring checklists which contain minimum technical standards.
% of [menstrual products] supplied by wholesalers to retailers that meet minimum technical standards	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Use vendor monitoring checklists which contain minimum technical standards.
% of vendors selling multiple types of [menstrual products]	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Establish criteria/examples to determine whether each product is sufficiently different to be classified as being of a different 'type'
% of target population purchasing [menstrual products] that meet minimum technical standards	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Use monitoring checklists which contain minimum technical standards.

INDICATOR	DATA SOURCE	DEFINITIONS/REMARKS
% of target population who are satisfied with quality of [menstrual products]	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	**Possible questions:** • Are you satisfied with the quality of menstrual products in the market? (Specific products may need to be listed or shown to the respondent). • A 5-point Likert scale can be used to measure satisfaction along a spectrum from 'very unsatisfied' to 'very satisfied'.
% of water tanker trucks transporting water in approved containers meeting minimum technical standards	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	• Use records of checklists which contain minimum technical standards.
% of households with water stored with > 0.2 mg/L free residual chlorine	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Use free residual chlorine monitoring tools.
% of households with latrines constructed according to approved designs, signed off by site inspector	• Target population • Interviews with traders/ service providers • PDM surveys • Inspection records of goods/services • Technical records	Use installation completion records with checklists for minimum technical standards.

ANNEX 17: EXAMPLE - PCMA BANGLADESH

EXAMPLE: PCMA IN BANGLADESH[73]

BACKGROUND:

Gaibandha District, located in northern Bangladesh, is chronically affected by seasonal floods during the months of July to September. Oxfam facilitated a PCMA in Gaibandha to consider scenarios of both seasonal floods and extreme floods. The assessment sought to understand existing levels of market functionality and to anticipate how markets might respond after a shock occurs. This was used in preparedness and contingency plans by informing the design of appropriate emergency response interventions, as well as recommending mitigation measures to be implemented before a shock occurs. The critical market systems selected for the PCMA included bathing and laundry soap, Oral Rehydration Solution (ORS), menstrual products (cotton cloth and sanitary napkins), water containers, and concrete latrine slabs and rings.

FINDINGS:

The assessment found that all items typically provided in-kind by relief actors during flood emergencies are already available in sufficient quantities within the local market, and all are items that are regularly purchased by the target population. During periods of flooding, the target population's access to markets actually improves. The barrier was not found to be a lack of items in the marketplace, but rather a lack of purchasing power at the household level during flooding, due to a lack of seasonal income. Discussions with target groups highlighted that the preferred modality would be a voucher system, in which the voucher would be limited to the selection of pre-approved products. It was recommended to develop a basket of essential WASH goods to determine the value of vouchers to be led by the WASH Cluster and adopted by all WASH response stakeholders.

It was also found that the in-kind provision of toilets as a post-emergency measure, a typical activity amongst relief actors, creates a parallel market that does not address underlying issues related to inadequate sanitation coverage. At the time of analysis, several development actors were in the process of introducing sanitation marketing programmes, with an objective of providing affordable, pro-poor financing options specifically for household latrines. Thus, it was recommended that any post-emergency sanitation interventions should aim to link target beneficiaries to these programmes, as opposed to providing in-kind provision of hardware. In areas where these programmes did not exist, it was recommended that relief actors aim to provide sanitation materials through the local market, such as through commodity vouchers for full or partial cost of latrine construction. The analysis found that WASH actors could work to support small-scale sanitation businesses in developing low-cost toilet designs that would be appropriate in flood-prone areas. In engaging the market environment, the analysis recommended working with the local government to ensure that minimum quality standards of latrine products are met by market actors.

73 - Adapted from: Wildman, T. (2016). Pre-Crisis Market Analysis (PCMA): Wash NFI and sanitation hardware market systems, Fazlupur and Fulchari unions, Gaibandha district, Bangladesh. Oxfam

ANNEX 18: WASH SECTOR/CLUSTER INFORMATION MANAGEMENT ACTIVITIES

The following is a summary of information management activities of the WASH Sector, typically undertaken by an information management officer (IMO):

WASH IMO ACTIVITIES

REQUIREMENT	ACTIVITY
Track coverage of WASH CVA	Collection of data through 4Ws, documenting which agencies are conducting which types of MBP in what locations.
Identify gaps or duplication in coverage	Information sharing, including through dashboards and maps, on MBP interventions to WASH and other partners. Maintain database of partners and focal points with their contact details.
Support monitoring for MPC	Identify monitoring needs and information requirements for MPC established by CWGs and MPC leads.
Support technical coordination	Maintain database of which agencies are implementing MBP by type and provide analysis of types of interventions undertaken by the sector. Share information with TWGs for capacity building and tool development initiatives.
Measure progress against objectives	Disseminate indicators, and collect reporting on indicators, as agreed by the sector.

ANNEX 19: CWG RESPONSIBILITIES – EXAMPLE COUNTRY TOR

SUMMARY OF THE IRAQ CWG TOR[74]

BACKGROUND

The CWG for Iraq was established in August 2014 as a TWG within the Inter Cluster Coordination Group (ICCG) to ensure that MPC interventions in Iraq are coordinated and follow a common rationale and approach. The CWG is actively attended by over 20 members, including NGOs, UN Agencies and donors. The working group is chaired by UNHCR and co-chaired by Mercy Corps. The CWG reports to the Humanitarian Country Team (HCT) through the ICCG. The CWG also activated two technical Task Forces:

- Targeting and Vulnerability Task Force (TVTF)
- Market and Market Monitoring Task Force (MMTF)

These Task Forces are called on an ad hoc basis to advise the CWG on specific technical matters, such as:

- the amount of the MEB,
- the update of technical tools for market assessments and monitoring of prices,
- the review of household assessment tools, and
- vulnerability criteria for eligibility for MPC.

The CWG closely coordinates with REACH for the Joint Rapid Assessment of Markets (JRAM) and the Joint Price Monitoring Initiative (JPMI).

OBJECTIVE

The overall objective of the CWG for Iraq is to offer a technical platform to promote a coordinated and harmonised implementation of MPC and sectoral cash-based interventions, while enhancing the quality in design and implementation of cash and voucher programmes throughout humanitarian responses for Iraq. The work of the CWG rests on the underpinning principle that MPC is part of the humanitarian response and aims at supporting the most vulnerable households to meet their basic needs, thereby enhancing their capacities to access rights and services. The CWG is also serving as technical support to sectoral cash-based interventions (CBIs) which cover a variety of programmes (including vouchers, unconditional and conditional CBIs).

74 - https://washcluster.net/sites/default/files/2018-07/GWC%20Minimum%20Requirements%20for%20National%20Humanitarian%20WASH%20Coordination%20Pla..._.pdf

The specific tasks of the CWG are to:

1. **Advocate for and support the development of shared positions and policies on CBIs within humanitarian planning**
   Based on analysis of data and implementation of programmes, develop shared positions and policies related to cash and voucher transfer programming; formulate strategy and defence of MPC and develop MPC chapter in the HRP; support development of a cash based response strategy within the HRP and contingency plans; lead the CWG in humanitarian pooled fund processes and in CERF applications.

2. **Ensure coordination of MPC programmes**
   Consolidate, harmonise and promote the use of most appropriate and efficient cash and voucher delivery mechanisms through coordination, information sharing and dissemination; coordinate MPC across Iraq, including representation at the ICCG and support to sub-national CWGs, where needed. Establish standards for information management, including 3/4Ws, activity info, post distribution monitoring, and regular CWG products (maps, dashboards, etc..); as appropriate; engage in data management to support coordination of activities and avoid duplications; support in data analysis to assess impact of CBIs in Iraq.

3. **Ensure harmonisation of standards and practices**
   Establish standards and common approaches to ensure effective and complementary approaches in cash and voucher transfer programming; support the development and adoption of common tools for assessment, targeting and post-distribution monitoring; ensure cohesion and compliance with HRP strategic priorities. Support clusters/sectors in selecting, designing and utilising appropriate cash/voucher options for responses to populations affected by conflict (displaced, returnees, host communities, etc.); develop and update guidance products for cash actors on MPC, based on current experience and best practice.

4. **Promote the inclusion and capacity building of new partners in the implementation of MPC and cash-based programming, with a specific focus on national NGOs**
   Support capacity building initiatives for new partners and national NGOs on MPC strategic objectives, activity info reporting, endorsed CWG tools. Liaise with REACH to support capacity building on JRAM and JPMI.

5. **Promote linkages and coordination with government social protection mechanisms**
   Pursue linkages between cash-based responses in humanitarian programming and national social safety nets, specifically by establishing a technical dialogue with the Ministry of Labour and Social Affairs.

ANNEX 20: CVA PROGRAMMING FOR MENSTRUAL PRODUCTS

Key considerations for provision of menstrual products through CVA assistance include:

INFORMED CHOICE	Through in-kind distributions, women and girls are obliged to use one type of menstrual product. However, preferences will differ from one individual to the next and may be influenced by age and knowledge of available products. Humanitarian actors now have the possibility to offer a range of high quality items supplied by market actors, which are governed by global quality specifications (developed by UNFPA, UNICEF and UNHCR), including Disposable Pads, Reusable Pads, Menstrual Cups and Tampons (to be developed in 2021). If CVA programmes are designed correctly, they have the potential to offer individuals a choice of menstrual products. This requires collaborating with market actors to ensure both a variety and quality of products is available. Informed choice also means notifying intended users of the availability of all types of products, how they work and where they can access them, to enable informed decision.
AVAILABILITY OF A VARIETY OF QUALITY ITEMS	Through MBP, humanitarian actors can engage in market shaping activities that fast-track market access to menstrual products by connecting local retailers and wholesalers to manufacturers of menstrual products. This will increase the quality and variety of menstrual products available to beneficiaries and the host community during and after a MBP intervention has been introduced.
BARRIERS TO ACCESS	Providing menstrual products through CVA can limit access to the product for women and especially adolescent girls, when men or other caregivers in the family do not recognise or deprioritise their needs (for a range of different reasons). Menstruation is often a taboo so is rarely discussed; or the way in which women and girls manage menstruation is dictated by cultural norms, irrespective of their preferences. Removing direct access to these products may create more barriers to access them and reinforce negative coping mechanisms (with increased risk of sexual and reproductive health, and GBV).
CONSIDERATIONS FOR ADOLESCENT GIRLS	Accessing products via the marketplace poses some unique challenges for adolescent girls. Due to age, gender roles, cultural limitations, GBV risks and other factors they have different / less opportunities to access the market on their own. In addition, adolescent girls are not a homogenous group; while some may live in a family, others could be married, separated, or unaccompanied without a female caregiver. If adolescent girls cannot be reached through CVA, consider targeting female caregivers and making additional menstrual products available in schools, Women and Girls Safe Spaces (WGSS) and other places frequently visited by girls.
WHO CAN SELL MENSTRUAL PRODUCTS	Women and girls prefer receiving or buying menstrual products from women. When MHM is adopted in MBP, vendors should be screened to identify relevant women led businesses. If there is no / inadequate coverage of female vendors, this can inhibit women and girls from buying menstrual products.

ALL WHO MENSTRUATE	Menstruation is experienced by most but not all women, and some people who menstruate are not or do not identify as women. This may include transgender or binary people. When designing MHM programmes in MBP, it is important to consider these vulnerable groups. They may not be comfortable or feel safe to disclose that they menstruate and can therefore be excluded from menstrual products provision through CVA. A mitigation strategy is to include additional free supplies of menstrual products in key locations including WGSS or healthcare facilities.
ADDITIONAL CHALLENGES	As with other products, CVA programming for menstrual products leads to a sudden influx of cash that can have unexpected consequences. Prices of menstrual products may suddenly increase if supply cannot meet demand, creating barriers to access, and local markets may not provide an acceptable quality / variety of menstrual products. Before CVA is introduced, make sure quality products are available and work with wholesalers and manufacturers to increase the availability of the types of menstrual products on the market.

WASH Cluster
Water Sanitation Hygiene

DEVELOPED BY:

OXFAM | GERMAN WASH NETWORK

SUPPORTED BY:

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