Many rural communities in Tala, south-west Bangladesh are vulnerable to environmental hazards including water-logging, arsenic contamination, salinity and cyclones. Pre-crisis market assessment (PCMA) is used to support humanitarian programming based on an understanding of daily needs, how these change during crises, and how local market systems respond to these needs.

Using vulnerability and risk assessment (VRA) allowed Oxfam to test the assumptions of humanitarian programme staff and provide a richer, more detailed analysis of the local context. The combination of PCMA with VRA can subsequently be used to facilitate better contingency planning to improve the efficiency and effectiveness of emergency responses.
1 INTRODUCTION

Oxfam’s one programme approach brings together humanitarian, development and influencing in a joined-up system capable of addressing current crises while delivering systemic and long-term change at scale. The aim is to foster resilient and sustainable development, which means ‘development that does not cause or increase risks, stresses and volatility for people living in poverty, and which increases resilience despite shocks, stress and uncertainty’. Progress towards resilient and sustainable development is continuous and constantly shifting as circumstances, contextual experiences and systems change. In many countries there are humanitarian, development and influencing activities all taking place at the same time; yet Oxfam’s approaches within these areas can remain quite separate. One of the best opportunities for integrating both humanitarian and development activities is in pre-crisis preparedness: understanding societies’ needs on an everyday basis and how those change with a crisis.

2 COMBINING THE VRA AND PCMA APPROACHES

In order to develop more systematic links between humanitarian and development activities, Oxfam has piloted combining Pre-Crisis Market Analysis (PCMA) – a typically humanitarian approach – with an approach more associated with development, Vulnerability and Risk Assessment methodology (VRA) to understand where there are mutual areas of benefit and corroboration. The pilot took place in Tala, Bangladesh in November 2016. So far, VRA had been conducted as a standalone process in 12 countries and PCMA had been completed in 7 countries. This was the first time both had been brought together. Oxfam sees this as a key innovation in its programmatic approach in fragile and conflict-affected contexts which can ultimately support better collaboration and interaction between humanitarian and longer-term development actors and processes.

VRA is a multi-stakeholder process bringing together a diverse range of stakeholders to facilitate a better understanding of how risks, shocks and uncertainties impact individual and community development trajectories. Using a ‘knowledge group’ with representatives drawn from different stakeholder groups, the aim is to build consensus on the main hazards and social issues affecting people in a designated location through a process of dialogue and analysis. This analysis is used to prioritize vulnerabilities, risks and to identify existing capacities which can subsequently lead to the joint development of measures to reduce risk, enhance wellbeing and promote resilient development. In this way Oxfam seeks to build peoples’, communities’ and systems’ absorptive, adaptive and transformative capacities in the face of change.

PCMA is used to support the design of appropriate contingency planning and programming that recognizes the role that markets play. Markets-based programmes are seen as having a huge potential to effect change if they can be developed correctly. They are relevant in both humanitarian and development contexts. Long-term markets-based programmes provide opportunities to strengthen markets through addressing policies, regulatory and legal frameworks;
developing markets through building demand; and addressing structural barriers to efficient supply. By integrating preparedness and resilience activities into development programmes, market strengthening can be linked to disaster preparedness and contingency planning, supporting markets to adapt more responsively to humanitarian crises and allowing humanitarian interventions to move beyond being simply ‘market sensitive’ (e.g. cash transfer programmes).

Markets-based programmes are based on market assessments which identify what markets exist, how they are accessed, how they function and what barriers exist for growth and sustainability. PCMA can be used to assess existing income market systems (i.e. those from which people derive an income) and expenditure market systems (i.e. commodities or services purchased). It cannot be used to assess new market opportunities. 4

The VRA and PCMA approaches were chosen because they have several areas of mutual collaboration, including

- Taking a pragmatic, systems-based approach, the steps of which can be adapted to suit a given context, priority theme and/or operating reality;
- Focusing on including multiple stakeholders across different vertical and horizontal layers, e.g. at multiple points in governance structures or between different management layers;
- Engaging in solution-oriented thinking and action planning;
- Identify coping strategies and existing behaviours for different stakeholders and trying to enhance or improve these as part of any intervention.

A successful PCMA should be based on an analysis of people’s needs in a given situation and how those needs may change as a result of a stress or shock. The analysis should also put household needs in the context of their economic profile and livelihood strategies. 5 The needs analysis is best supported by a thorough analysis of the context so we can understand what constitutes vulnerability, for whom, from what and from where. Together the needs and context analysis should identify: the target area (for a potential future response), the target population, population needs, coping strategies and behaviours pre- and post-crisis and critical markets used by the target population. The findings from the VRA can also be used to cross-check and potentially validate the information available from secondary sources which can then feed into the PCMA.
Table 1: Areas of collaboration between the VRA and PCMA

<table>
<thead>
<tr>
<th>Steps in the VRA</th>
<th>VRA contribution to the needs analysis needed for a PCMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre assessment context analysis: desk review of secondary sources (Preparation work)</td>
<td>VRA review can add information on:</td>
</tr>
<tr>
<td></td>
<td>• Demographics of intervention area to help identify target beneficiaries</td>
</tr>
<tr>
<td></td>
<td>• Income sources and livelihood options of target beneficiaries</td>
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<tr>
<td></td>
<td>• Social norms</td>
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<tr>
<td></td>
<td>• Existing coping strategies/typical behaviours</td>
</tr>
<tr>
<td></td>
<td>• Key influencers/gatekeepers in the area</td>
</tr>
<tr>
<td>Step 1</td>
<td>VRA identifies the hazards and issues people are vulnerable to and the relative ranking of each hazard, so no assumptions need to be made by the PCMA team. It also adds depth to our understanding of the specific situation faced by the target population, especially if considering a multi-sector approach and/or a multi-hazard environment</td>
</tr>
<tr>
<td>Initial vulnerability assessment</td>
<td></td>
</tr>
<tr>
<td>Identifying problems and issues facing the community</td>
<td></td>
</tr>
<tr>
<td>Step 2</td>
<td>This step generates both consequences of the hazards and initial ideas about how to reduce the vulnerability of social groups and promote their resilience. Ideas relevant to markets-based programming can be specifically taken forwards but it is also interesting to compare the ideas generated with activities of other development actors in the location and with which populations.</td>
</tr>
<tr>
<td>Impact chain exercise</td>
<td></td>
</tr>
<tr>
<td>Assessing the impacts of hazards and issues and their implications over time</td>
<td></td>
</tr>
<tr>
<td>Step 3</td>
<td>This activity focuses on further exploring the solutions suggested in the impact chain exercise. It ensures recognition and integration of indigenous knowledge and existing coping strategies in the process, as well as developing a shared understanding of the change needed (i.e. anything that requires a significant shift away from an existing practice is likely to meet with resistance). From this knowledge, the needs of the community can be identified and staff responsible for emergency response and contingency planning can consider how appropriate a response activity might be, based on existing practices.</td>
</tr>
<tr>
<td>Adaptive capacity analysis</td>
<td></td>
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<tr>
<td>Further exploring the vulnerability reduction measures identified during the impact chain exercise</td>
<td></td>
</tr>
<tr>
<td>Step 4</td>
<td>Similar to the ideas generated in the impact chain exercise, the measures identified during this stage can be cross-referenced with other activities happening in the same location with other stakeholders, allowing for more holistic programming and fostering of partnerships with stakeholders in other sectors. This information feeds directly into an analysis of the enabling environment within which critical market systems operate, which is a key component of the market analysis completed during the PCMA.</td>
</tr>
<tr>
<td>Aligning findings with opportunities</td>
<td></td>
</tr>
<tr>
<td>Working out which of the measures identified can be incorporated into existing or new development plans or activities</td>
<td></td>
</tr>
</tbody>
</table>

3 EXPERIENCES FROM BANGLADESH

Tala Upazila is a local government sub-unit of Satkhira District (Khulna Division) situated in the south-west of Bangladesh. Communities in Tala rely heavily on agriculture and fish farming for their livelihoods, but suffer from a number of disruptive hazards including water logging, arsenic contamination, salinity and cyclones. Oxfam was interested in seeing how the VRA–PCMA approach could be used to support future markets-based responses and associated contingency planning. It was therefore known in advance that PCMA would focus on WASH needs and related markets. This provided the opportunity to modify the VRA
approach to target a specific set of hazards (i.e. those related to WASH) to see if it would work. During a standard VRA process this targeting of specific hazards would not happen.

**How Oxfam changed the VRA approach to support PCMA**

Oxfam followed the four-step process of the VRA, and six new activities were added to the steps in order to gather the information needed for the subsequent PCMA. The steps in the VRA process are:

- **Step 1**: Initial vulnerability assessment
- **Step 2**: Impact chain exercise
- **Step 3**: Adaptive capacity analysis
- **Step 4**: Aligning findings with opportunities.

The ‘knowledge group’ included representatives from local government departments (livestock, water, fishery and agriculture), Food and Agriculture Organization, male and female community leaders and teachers, youth and key economic groups, e.g. fisherfolk, farmers and livestock owners.

**New activity 1: Prioritizing identified hazards and risks using a WASH lens (added during step 1 of the VRA)**

Before interacting with the VRA knowledge group, local NGO staff identified a list of 13 hazards and stresses faced by the community in Tala. This included natural, natural but man-made, and social hazards and risks. This pre-prepared list of hazards was presented to the knowledge group who were asked whether they agreed with the list and if any issues had been missed. The knowledge group added a further five issues: lightening, suicide, dowry payments, sexual harassment of women and tornados. In the normal VRA process the knowledge group is asked to rank the whole list based on how likely it is for the hazard to hit the community and also how big the impact would be. For the purposes of this combined approach the knowledge group was asked to rank the hazards in relation to their impacts on WASH (behaviours, services or infrastructures). This meant that while social issues such as early marriage, dowry payments and sexual harassment were considered significant hazards faced, they did not appear in the shortened list of WASH-related hazards which would be given further consideration throughout the VRA. The top four hazards chosen were: water logging, arsenic contamination, salinity and cyclones.

**New activity 2: Seasonal calendar (added during step 1 of the VRA)**

Creating a seasonal calendar is not normally part of the VRA methodology but it is a key component of PCMA. It was therefore added during the VRA in Tala, and included points relevant to income and expenditure that could be fed into the PCMA seasonal calendar. The second analysis of the calendar that occurred during the PCMA with a different group of study participants corroborated and enriched the discussions during the VRA. It was particularly useful to be able to use the visual representation of different social, cultural and livelihood patterns to identify where risks overlap and/or where key livelihood events such as harvest might be affected. This more systematic cross-cutting awareness was further enhanced by the impact chain exercise which looked at not only primary but also second, third and fourth road impacts as consequences of how hazards escalate
and propagate through services, livelihoods and systems.

New activity 3: Defining livelihood and social groups (added during step 2 of the VRA)

Previous work on the PCMA process showed the importance of disaggregating crisis impacts across different social groups. The knowledge group were asked to develop socio-economic profiles of the vulnerable groups they identified in order to develop a better understanding of the types of income sources these groups had, what assets they owned and what choices they made about expenditure, e.g. house type, education status, payment for healthcare and school services, as well as personal and social activities. It was also important to note community-specific concerns or nuanced experiences so that the design of subsequent interventions could be tailored (to some extent) to the specific needs identified for each group rather than assuming 'one size fits all'.

New activity 4: Defining specific WASH hazards (added during step 2 of the VRA)

The impact chain usually considers the impacts of hazards and issues and their implications over time by mapping all of their impacts throughout the system. In this instance, the knowledge group was asked to consider specifically the impacts on WASH as a result of the hazards identified. Five key WASH needs were identified for further analysis: safe water, personal hygiene, waste management, menstrual hygiene and latrines/sanitation.

New activity 5: Mapping WASH behaviours in a non-crisis (normal) time and crisis time (added during step 3 of the VRA)

Understanding people’s behaviours in both crisis and non-crisis times is a critical component of PCMA, because by understanding behaviours it is possible to identify their needs, how these are met, and how people interact with markets. Based on the five key WASH needs identified during the impact chain exercise, the knowledge group was asked to identify current coping strategies for each of the vulnerable groups under consideration during crisis and non-crisis times.

New activity 6: Recommendations (modelled on step 4 of the VRA)

The knowledge group was asked for their ideas on what could be done to address the WASH impacts identified during the impact chain exercise and also to take note of current NGO/government practice, so that contingency planning could align with other interventions.

4 LESSONS LEARNED

Basing the VRA analysis around WASH hazards added depth to the context and needs analysis required as part of the PCMA process, and changing some of the activities to be WASH-focused worked well. The process allowed five key WASH needs to be identified for further analysis: safe water, personal hygiene, waste management, menstrual hygiene and latrines/sanitation. This fed directly into the choice of critical markets for analysis during the PCMA.
NGO staff assumptions were highlighted successfully. When the local NGO staff were asked to rank the hazards identified during the initial vulnerability assessment, they ranked salinity as the most important hazard for consideration and placed water-logging lower down. However, the knowledge group felt that water-logging was a more significant hazard in the community because it caused problems and widespread impacts every year, whereas they had learned to tolerate drinking more salty water and relied on annual rains to dilute the impact of salt water on crops. This highlights the importance of involving a diverse range of stakeholders in this type of analysis process and being open to responding to what communities identify as their most significant needs.

The VRA provided valuable information for the PCMA, but it should not be viewed as a replacement for important secondary data collection linked to needs analysis. The outputs from the VRA process are largely qualitative, as it is not designed to generate quantitative data; however, the needs analysis and subsequent market analysis completed through the PCMA does need quantitative inputs to be able to assess whether or not the market is functioning sufficiently to cover the gap in needs which occurs during crisis time.

5 WAYS FORWARD

Underpinning both the VRA and PCMA approaches is an understanding that Oxfam will continue to work with marginalized and vulnerable populations, which means that we need to assess and continually monitor what constitutes vulnerability, for whom, from what and from where. Oxfam therefore needs to work in a more unified way so that its humanitarian and development streams are mutually supportive. This can only be enabled by more embedded monitoring of vulnerability indicators and the impacts of contingency planning, preparedness work (no-regrets actions) and development activities on overall levels of vulnerability to identified hazards. One potential opportunity is to use the findings from the impact chains developed during the VRA to inform baselines and subsequently use them as part of monitoring processes; however, this requires further thinking and development.

Working with other organizations to understand their response approaches and development activities in Tala was interesting, and showed the value of comparing and discussing the different activities happening in the same geographic location for the same beneficiaries. In one situation, a family had received two latrines from two separate NGOs in the same year. By fostering additional partnerships with stakeholders in other sectors, more holistic programming becomes possible.

NOTES

2. International Rescue Committee (2016). *Revised Pre-Crisis Market Analysis (PCMA)*. IRC.
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For further information on the issues raised in this paper please email policyandpractice@oxfam.org.uk

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