

# WASH MARKET-BASED PROGRAMMING IN EMERGENCIES



Water, sanitation and hygiene (WASH) emergency responses affect markets, intentionally or not. WASH hygiene supplies (such as soap) and services (such as latrine desludging) are often bought and sold in a market before, during and after a crisis. Aid responses significantly affect that market – both by buying from it and by providing alternative (often free) supplies. Aid that is not market-aware may cost more, put suppliers out of business, raise prices and undermine recovery.

Instead, aid agencies can work with functioning markets to supply quality goods quickly and cheaply, respond to local preferences, and give people the dignity of purchasing power and choice. They can also contribute to post-disaster recovery through repairing and developing local markets.

Innovative market-based WASH programming lacks an evidence base. For this reason, OFDA funded Oxfam to develop new methods and test them in urban, pre-crisis, protracted emergency settings in Bangladesh, South Sudan, Haiti, Indonesia and Zimbabwe.

## Why do WASH market-based programming?

### Key benefits:

- **Appropriateness and dignity:** People can purchase according to their needs and preferences.
- **Improved efficiency of programme delivery:** Using existing supply chains can be cost-effective, reduce duplication and provide supplies quicker through market actors who are already present.
- **Contribution towards market rehabilitation and economic recovery:** Strengthened markets can support recovery and resilience through restoring or increasing livelihood opportunities.

## What is WASH market-based programming (MBP)?

WASH MBP uses the market to deliver essential WASH goods and services, or restores and develops the market system. Market analysis assesses the market system's capacity to *supply* essential WASH commodities and the level of *demand*. Understanding WASH demand is critical, as it is driven by complex factors such as people's knowledge of the health risks. Demand may therefore need stimulating through, for example, hygiene promotion.

Market systems are composed of a web of producers, distributors, traders, service providers and consumers operating within an institutional and regulatory environment. Major disasters may destroy a market, but in smaller or protracted crises, **markets are often the principal means by which people obtain critical commodities**. If humanitarian agencies do not consider the market, interventions can accidentally do harm – undermining demand and putting traders out of business.

## Approaches to WASH market-based programming

MBP approaches will vary according the phase of an emergency, the capacity of the market system and the time and resources available. Broadly, MBP approaches include those that *use* an existing market, those that *restore* or *support* the market and those that aim to strengthen or develop it:

1. **Use of markets:** If the market is functioning adequately, it can be used to provide relief and basic services through, for example, purchasing goods in the local market for aid distributions instead of importing, and supporting demand through e-vouchers or cash.

2. **Support markets:** Rehabilitation or strengthening of weak or damaged market systems to enable market actors to recover (for example through grants to repair equipment).
3. **Develop markets:** A longer-term approach which aims to expand or diversify existing markets or to introduce new commodities to improve access and/or improve quality.

More detail on different approaches to WASH MBP can be found in [briefing note 1](#).

## How to do WASH market-based programming

WASH MBP uses a project cycle approach. The main difference is that *market analysis* is the MBP form of assessment. Supported by standard surveying methods, there is a range of market analysis toolkits, including Emergency Market Mapping and Analysis, Pre-Crisis Market Analysis (PCMA) and Rapid Assessment of Markets (RAM). The required skills and time vary from minimal (for a RAM) to extensive (for a PCMA). A summary of the three tools can be found [here](#).

More information about market analysis can be found in [briefing note 3](#).

## Organizational learning

The organizational commitment and resourcing required for in-depth MBP is significant. Learning generated by Oxfam's WASH MBP programme demonstrated that:

1. Before investing in a market analysis, the senior managers of an organization must understand the level of organizational investment required and clearly commit to implementation;
2. MBP programming is likely to require integration with other humanitarian or development programmes and is more sustainable if it links with ongoing projects;
3. MBP funding often straddles relief and development and benefits from longer funding cycles;
4. Market systems, and therefore MBP, extend across NGO geographical and sector boundaries. Cluster coordination is therefore essential to promote coherence.

For more on organizational requirements see [briefing note 4](#).

## Monitoring and evaluation

Oxfam commissioned the development of a generic WASH MBP monitoring and evaluation (M&E) framework and associated ICT tools which can be adapted to different contexts. As well as using standard M&E methods, MBP M&E measures whether MBP performance is at least as effective as traditional humanitarian delivery and assesses its ability to restore and strengthen markets and livelihoods. It also addresses concerns such as:

- Reduced quality control when WASH is delivered by independent, private sector actors and reduced accountability to sector standards;
- Unintended exclusion of the most vulnerable people who lack purchasing power.

For more information see [briefing note 5](#) and the [M&E Framework](#) and [Guidance](#).

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