

Market and Supply Chain Monitoring Toolkit

A HRD, PIQA, AND GSCM COLLABORATION – APRIL 2021

WHY MONITOR MARKETS?

Markets play a key role in the response to and recovery from a crisis or in ensuring quality of on-going emergency and development programming. Understanding how local, national, and international markets function, and how market actors and households interact is therefore a critical step in designing effective emergency or development programs and making critical adaptations to them. Monitoring markets over the life of a program or during a crisis can help managers



identify whether changes in the supply of, or demand for, key commodities risk further escalating market anomalies, and can help identify strategies to mitigate the impact of such changes.

Before implementing market monitoring tool within your country program (CP), consider the following questions:

- Are you finding that there is either no, or insufficient, secondary market monitoring data available?
- Do you implement resource transfer programming (e.g. cash, vouchers or in-kind)?
- Do you need to determine if the value and level of assistance you are providing remains adequate?
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If you answer ‘**yes**’ to any of the questions above, you may want to consider using the Market & Supply Chain Monitoring toolkit (MSC) or other market monitoring tools such as MIRA or MARKit.

MARKET MONITORING VS. MARKET ASSESSMENT

Once you have determined you need market data, you need to determine which approach to take. Market **assessments** are one-off exercises to gain a full picture of market functionality and accessibility. Market assessments may lead to market monitoring and vice versa. Market assessments are linked to but is separate from market **monitoring** which is the periodic collection of data including but not limited to prices in markets before, during, and or after a shock has occurred.

SECONDARY DATA REVIEW

Before collecting primary market data, consider what data your Country Program (CP) already has access to; who is collecting market data? What commodities are they tracking? What markets are they tracking? How often do they collect and report on this data? Many CPs have access to data through the Famine Early Warning Systems Network (FEWS.net), Food and Agriculture Organization (FAO),

ReliefWeb, and the World Food Programme (WFP) reports. Next, consider what gaps have been identified and are needed to be filled potentially through primary data collection.

SHOULD I USE THE MSC?

The purpose of the MSC exercise is to provide CPs with a better understanding of the dynamics of local and national markets and supply chains for critical goods and services with impacts on households and vendors. This supports early action and preparedness, ultimately ensuring more efficient and timely response to emergencies. This exercise is meant to be a joint endeavor between CPs' Program and Operations teams to support the CPs' decision making and inform stakeholders. The MSC creates a bank of primary market data in a country/context which is crucial for supporting adaptations to current programming and securing new emergency grants.

HOW DOES MSC WORK?

The MSC is CRS' light-touch and rapid rollout monitoring toolkit intended to identify general trends in markets, including impacts on households, vendors, and implications of local conditions on supply chains. The MSC uses short, monthly phone or in-person surveys that track (1) market access, availability, and affordability of market goods at the household level; (2) prices and business challenges at the vendor level; and (3) disruptions and challenges at the supply chain level. The surveys take place over seven days once a month. Data is entered directly into CommCare to produce country-level PowerBI dashboards using established templates that show trends and 'red flags' requiring further monitoring and possible intervention. The main advantage of the MSC is its simplicity, low cost, and ease in setting up, making it a good fit for rapid-onset or short-term crisis scenarios. The MSC's case study approach provides a snapshot of market behavior at a given time compared to other CRS market tools that use statistically significant sampling and longitudinal trends and are larger time and resource commitments (MIRA and MARKit).

The lives and livelihoods of disaster-affected populations are heavily impacted by ever-changing market dynamics during emergencies. In Zimbabwe during the COVID-19 pandemic, indefinite lockdowns and various governmental policies caused food prices to increase. Through using the MSC tools, CRS Zimbabwe was able to review price trends and request additional funding for minimum expenditure baskets (MEB) from the Bureau of Humanitarian Assistance (BHA).

