Market strengthening

• OXFAM SOUTH SUDAN
Reviving market flowchart

Understanding Oxfam Cash and Market landscape

Oxfam appetite for market support

Why market strengthening

Targeting of traders

Criteria and success

Linking traders with suppliers

Cross cutting considerations

Follow up activities

Coordination

Inbuilt Exit strategies

Impact

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Understanding Oxfam Cash and Market landscape

Oxfam uses market-based programming (MBP) in emergencies to support or develop local market systems. Oxfam uses the word cash and market programming interchangeably for any form of CVA programming.

Oxfam is one of the partners that have signed up to the Grand Bargain and denotes our ambition in the CVA programming.

Oxfam has subscribed to CCD globally and country level including South Sudan and equally a member to the CWG.

Oxfam Cash and market programming in South Sudan started in 2013 in Upper Nile – Melut, Kaya, Genderesa.

Oxfam Cash and Market programming staff capacity is resourced at country level, regionally, globally (New York, Brussels, Oxford) to look at strategic and operational side of CVA supply chain.

Oxfam has a Cash and market position white paper, and this underpins the need for country programme, regions to embrace working with, through and supports markets.
Oxfam appetite for market support

- Market is inseparable from people
- Market can re-bounce back
- A penny invested to support market has a long term economic and social impact on communities
- Taking deliberate action to support market will restore market to full functionality (scale feasible for cash transfers to needy)
Why market strengthening

- Addressing long distance work and associated risks
- Enabling easy delivery of humanitarian assistance through CVA
- Niche markets emergence

| Market is a trigger for social and economic growth (employment, niche product Dev't and improve access to services through infrastructural growth) |
| Market is a SafetyNet for goods (gap filling in time of shortage) addressing the demand side |
| Market can lead to township growth – they are catching points for urbanization |
| Market is a partner that can ease delivery of humanitarian assistance (cost effectiveness, efficiencies compared to in kind assistance) |
Targeting of traders' process

1. Clearly transparently defined criteria
2. Work with local trader union leadership/Local authority
3. Deliberately target businesswomen
4. Prioritize traders impacted seriously by shock
5. Target marketplaces with low functionality (assessment findings)
6. Be careful about intra trader selection process, be objective and sensitive!
Criteria and success

Markets with low functionality (extract of market assessment)

- Goods availability, market days, number of customers accessing goods in nearby markets etc.

Operation management (scoping)

- Average trading capital,
- Stock management – Storage, restocking time lapse, average customer size, modes of transportation

Experience (scoping)

- Traders with experience in business but loss operating capital

Rumbek – BMZ project, Akobo (GFFO, DEC, Oxfam Hong Kong) Pibor (Irish Aid), Nyirol (GFFO, DEC). A total of 140 Traders reached across the period of 7 years
Cash determination and payment

- Surveyed average individual operating capital (Scoping results)
- Unit prices for basic items (determine reasonable items for starting)
- Cost of transportation
- Unconditional/conditional grants and cash at hand
- Possible storage improvement

Average trader cash grants range between 2000 USD – 3000 USD as one off
Linking traders with suppliers

IDENTIFY A TRADE SUPPLY LINE

LINK LOCAL TRADERS TO SUPPLIERS

FACILITATE FOR THIS FIRST-TIME CONNECTION AS GOOD TAKE OFF
Cross cutting and complementary

- Gender inclusion (women traders)
- Location are physically accessible (Security underpins all)
- Caught demand – Cash or voucher activities
- Decentralize markets to wider geography
- Select residents or at least a balance of Host and other segments of population to reduce conflict
Follow up activities

Conducting capacity building on topics; business plan, bookkeeping, Know your customers (KYCs), supply management

Monitoring activities such as coaching

Attend traders’ regular meetings to understand challenges but also opportunities
Work closely with local authorities such as chamber of commerce and investment, RRA/C,

Work with local trade union

Other partners through knowledge sharing etc
Inbuilt exit strategies

Involved the local structures such as trade union

Support the capacity building side of the intervention

Link local traders with prospective suppliers
Impact

Oxfam has successfully supported the markets in remote locations (Nyirol, Akobo east, Akobo west, Rumbek centre, Nyal)

Cash based assistance (Vouchers and cash) become feasible due to market improvement, though not solidly owned by Oxfam as other partners do CVA which can trigger market development

More cash circulation in local economy (CVA) multiplier effect

Possibility of employment for women and youth either through development of SMEs or employment from traders

Local traders have space to support delivery of humanitarian assistance, their capacity and appetite for CVA increased
Challenges

Targeting can be difficult and needs to be done in a transparent manner with participation of local structures to reduce conflicts.

High mobility of population leads to market failure – market is inseparable from people.

Inflation is a major concern and access to foreign currency in remote location who need to trade within the region – borders is hard.

Most rural traders have limited literacy skills, business skills etc. so makes other good practices in business such a record keeping very difficult.
Recommendation

Integrate
• Integrate literacy and numeracy as part of capacity building

Promote
• Promote women participation in business

Target
• Target low market functionality areas to decentralize markets bringing goods closer to people

Have
• Have phase out monitoring plan
THE END