

Module 2: Baseline Assessment

SESSION 5: MARKET ASSESSMENT

FACILITATOR NOTES

Presentation	<i>Market assessment.ppt</i>
Handouts	<ul style="list-style-type: none">• <i>H2.5 Handout 1 - Market Exercise</i>• <i>H2.5 Handout 2 - Answer Sheet for Market Exercise</i>• <i>H2.5 Handout 3 - Basics of Market Assessment</i>• <i>Interview form 2 - Market visit and trader interview format</i>
Practitioners' Guide Reference	Chapter 3 HOW TO GATHER BASELINE INFORMATION. <u>Activity 3. Visit Market and Carry Out Trader Interview</u> Annex: Market Assessment in HEA
Session time	1 hour 45 minutes

Purpose and content

To explain what we mean by 'markets' and the importance of the market in HEA, and to enable participants to gather market-related information in the field.

Objectives

At the end of this session, participants should be able to:

- List the key connections between poorer and richer households, and between households and different types of market
- For any section of Interview Form 2, explain in broad terms why that information is needed in HEA
- Carry out their first interview with market traders and collect data from a market using Interview Form 2

Key learning points

- In HEA, we need to know about households' connections with markets, and how those markets function, because they are the main way poorer households get food, income, and the things they need to live (salt, soap, oil, etc).
- The main markets we are concerned with in HEA are the markets for staple food crops, livestock, cash crops and, importantly, labour.
- Any shock - even a production shock - has market effects in terms of prices and levels of supply and demand. These market effects in turn have household consequences.
- Understanding markets also helps us judge the extent to which people will be able to use the market to cope after a shock.

When to run this session

This is Session 5 in the Baseline Assessment Training Module.

Handouts

- *H2.5 Handout 1 - Market Exercise*
This exercise consists of a number of simple questions which aim to get participants thinking about the market connections between people and places and about the sorts of market-related questions that would help in understanding livelihoods.
- *H2.5 Handout 2 - Answer Sheet to Market Exercise*
This provides some suggested answers to the market exercise.
- *H2.5 Handout 3 - Basics of Market Assessment*
This provides:
 - A summary of the market information that is needed in HEA and of how it can be obtained.
 - An extract from Interview Form 1 - Zone or district level key informant interview format, showing the market-related information that can usefully be obtained at the district level
 - A useful reference table that summarises, for each step in the HEA framework, why we need to know about markets, what exactly we need to know, and how we obtain that information.
- *Interview form 2 - Market visit and trader interview format*
This is the form used for collecting information during market visits and for trader interviews.

Session plan

Session plan summary		
Activity	Methodology	Timing
1. Why are markets important in HEA?	Plenary discussion	5 minutes
2. Connections between households and markets	Group exercise	20 minutes
	Plenary discussion	15 minutes
3. What do we need to know about markets in HEA?	Presentation	20 minutes
4. Review of market section of <u>Interview Form 1</u> Review of <u>Interview Form 3</u> (market visit and trader interview)	In plenary or small groups: Review of market section of <u>Interview Form 1</u>	10 minutes
	Review of <u>Interview Form 2</u>	45 minutes
5. Wrap up	Plenary wrap up	5 minutes

Total	2 hours
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ACTIVITY 1: WHY ARE MARKETS IMPORTANT IN HEA?

(5 MINUTES)

Start with the presentation, stopping at slide 2: *What is a market?* Just read out the description, and then ask participants to name the four most important types of markets that we usually need to consider in HEA. These are markets for staple food crops, livestock, cash crops and, importantly, labour.

Then ask participants to brainstorm why markets are important in HEA. Make sure the main points come out, which are that:

- All households rely on markets to a greater or lesser extent, both to **purchase the goods and services** they need and to **earn an income**. This is particularly true of **poorer households**, who are typically dependent on the market for food for much of the year and on the casual labour market for cash.
- Any **shock** - even a production shock - has market effects in terms of prices and levels of supply and demand. These market effects in turn have household consequences.
- How markets function (e.g. how the demand for labour, or the price of grain, varies between good and bad years) also affects the extent to which people will be able to use the market to **cope after a shock**.

Show slide 3 of the presentation (*Why do we need to know about markets?*) which summarises the first point.

Do not go on to slide 4 yet - first, do the exercise.

ACTIVITY 2: CONNECTIONS BETWEEN HOUSEHOLDS AND MARKETS

(35 MINUTES)

Ask participants to divide into groups and distribute the exercise sheet, *H2.5 Handout 1 - Market Exercise*. The aim of the exercise is to get participants to start thinking about (i) the connections between households and different market levels; and (ii) the sorts of questions that need to be asked in order to understand these connections and which are included in *Interview Form 2*. In this way the exercise aims to link the role of the market in the HEA framework to practical market inquiry in the field.

The exercise is a simple one, that aims to fit in with the level of market analysis usually undertaken in an HEA baseline assessment by team members who are not market specialists. Make sure participants understand this, so that they do not feel they are required to think up overly elaborate or complicated answers.

When they have finished the exercise, go through the answers. Distribute and refer to the answer sheet *H2.5 Handout 2 - Answer Sheet for Market Exercise*.

ACTIVITY 3: WHAT DO WE NEED TO KNOW ABOUT MARKETS IN HEA?

(20 MINUTES)

Now go through the rest of the presentation, starting with slide 4 which is where you left off. The presentation goes through what we need to know for each step of the HEA framework and how we get that information. Refer at the beginning to the graphic on the last page of *H2.5 Handout 3 - Basics of Market Assessment* (extracted from the Practitioner's Guide) which provides a useful summary of the market information requirements for HEA.

ACTIVITY 4: REVIEW OF MARKET SECTION OF INTERVIEW FORM 1 AND INTERVIEW FORM 2

(50 MINUTES)

You have now laid the basis for going through those interview forms or parts of forms related to obtaining information on markets. . If you have enough facilitators, you can do this in small groups; otherwise, review the form together in plenary.

First, consider the market-related information that can usefully be obtained through interviews with **key informants at the district level** by going through the market-related section of Interview Form 1. This is reproduced on page four of *H2.5 Handout 3 - Basics of Market Assessment*.

Go through this line by line, checking as much as possible with participants that they understand what needs to be asked and why.

Then move on to the **interview form for traders**, Interview form 2 - Market visit and trader interview format. Make sure each participant has a copy of the form. Go through it in the same way, line by line. Try and relate the different sections back to the points made in the presentation on why the information is needed.

ACTIVITY 5: WRAP UP

(5 MINUTES)

Refer participants to *H2.5 Handout 3 - Basics of Market Assessment* which summarises some of the points covered in the session and in the *Practitioners' Guide*.