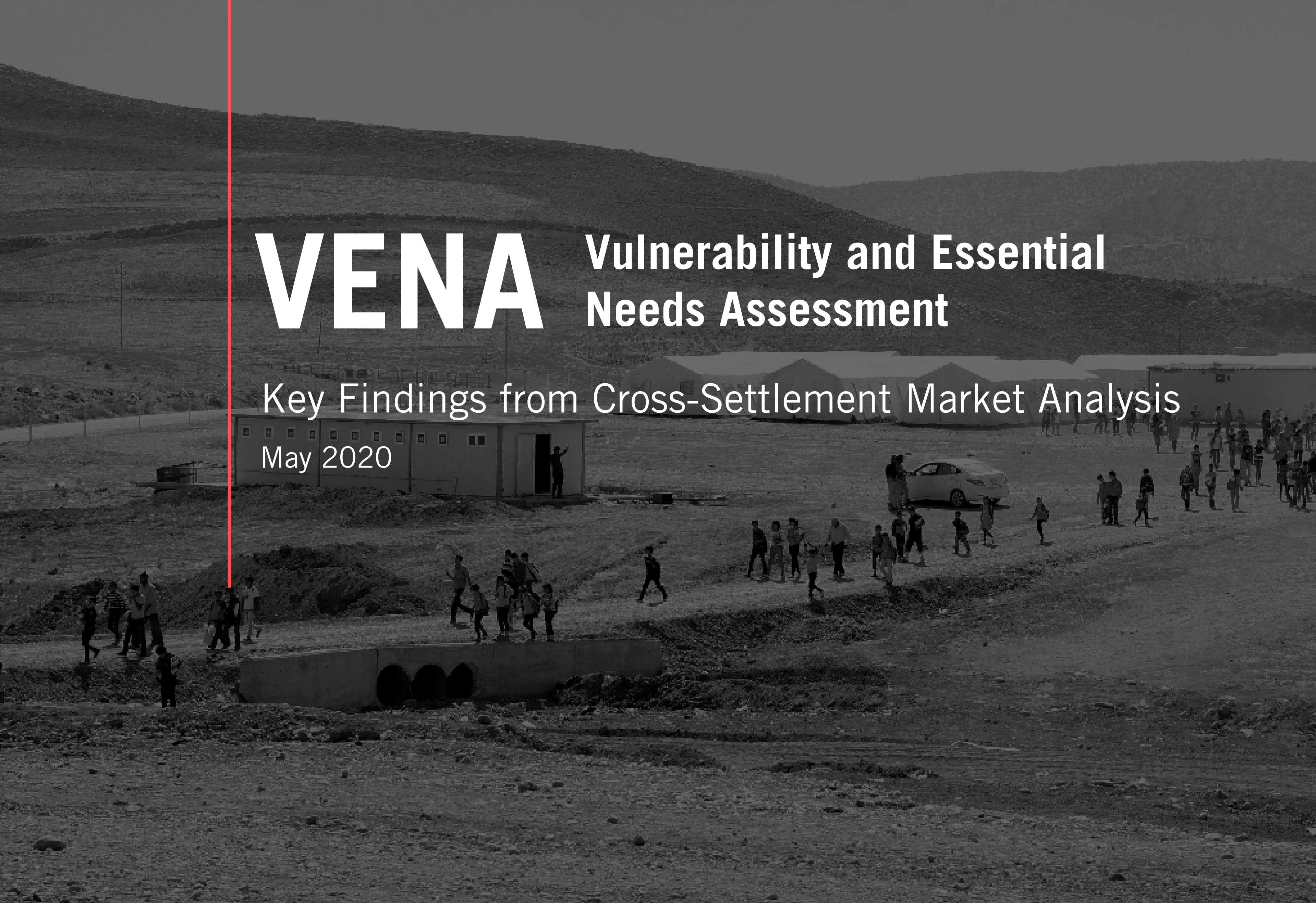


VENA Vulnerability and Essential Needs Assessment

Key Findings from Cross-Settlement Market Analysis

May 2020

REACH Informing more effective humanitarian action

1 METHODOLOGY

Background on the VENA

- **VENA (Vulnerability and Essential Needs Assessment)**
  - Jointly conducted by REACH, WFP, and UNHCR and designed in close coordination with sector experts
  - Aimed to establish a common understanding of:
    - **Essential needs** among refugees living in settlements in Uganda
    - Households' **capacity** to meet those needs
    - Factors influencing household **vulnerability**: demographic, economic, protection-related
- Divided into two sections: a **household survey** and a **market component**

Methodology of VENA market component

- A mixed-methods assessment of **cash feasibility** and **market functionality** among Uganda's refugee population
  - ***Secondary data review:*** Desk review of available market assessment reports to identify info gaps
  - ***Quantitative tool:*** Market trader survey administered in core markets serving refugee settlements, covering 34 key commodities
    - 2,820 trader interviews across 111 markets
    - Retailers, producers, wholesalers
  - ***Qualitative tool:*** Semi-structured interviews with key informants (KIs) with strong overall knowledge of their markets
    - 35 KI interviews across 13 settlements
- Data collection from 9 August to 7 October 2019 across all 13 major refugee settlements in Uganda
- Findings are indicative, not representative

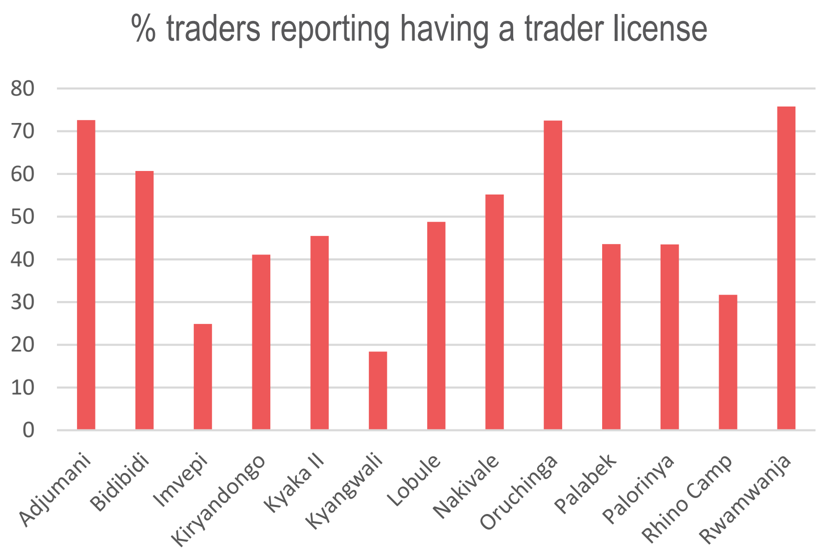
2 KEY FINDINGS

Market and trader characteristics

- Assessed markets varied greatly in size (< 100 to > 2,000 traders), with those inside refugee settlements usually smaller and more temporary/makeshift
- 55% of interviewed traders were male, 45% female
- 66% host community members, 34% refugees (largely from South Sudan and DRC)
  - Percentage of refugee traders far higher in Kyaka II (73%) and Nakivale (70%), attributable to these settlements' longevity and greater access to finance
- 81% retailers, 22% producers, 9% wholesalers
- Only 18% reported employing others (generally just 1 other person)
  - Lack of capacity to hire more?

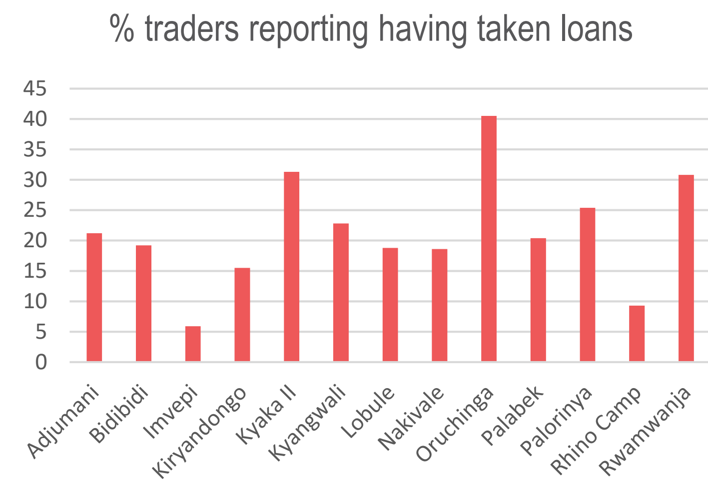
Market operations

- 71% of producers served < 50 customers per week; retailers generally 50-100 per week, wholesalers > 100 per week
- Half of traders reported not having a trading license, with this lack much more common among small-scale producers and retailers
    - *Most common reasons:* lack of enforcement; did not know how to obtain a license



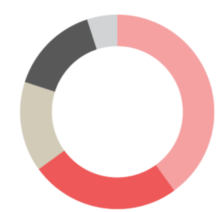
Market operations

- 22% of traders reported having used credit or loans to fund their businesses
  - 28% of wholesalers, but only 8% of producers
- Of those using credit:
  - 25% relied on formal sources (i.e. banks)
  - 55% on semi-formal sources (VSLAs, MFIs)
  - At least 15% on informal sources
- Strong variation among settlements in both use and sources of finance



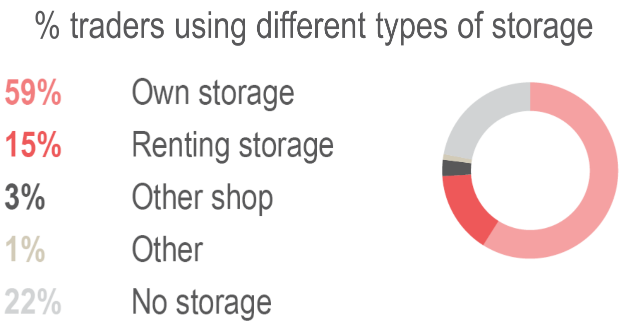
Most common sources of loans/credit

40%	VSLAs
25%	Banks
15%	MFIs
15%	Family / friends
5%	Other



Market operations

- 59% of traders relied on their own storage space, whether in their shops or at home
- 15% rented storage space
  - Median amount spent: 35,000 UGX/month
- 22% reported having no storage options at all
  - 40-45% in Palabek, Nakivale, Imvepi, Palorinya



- Other expenses required for traders to operate:
  - Registration fees to local authorities (example: median of 75,000 UGX in Adjumani)
  - Market dues (62% of traders, median of 6,000 UGX monthly)

Supply and demand

- Markets in and near the settlements depend heavily on **well-maintained roads** and **transportation infrastructure** in order to function.
  - Most interviewed traders sourced nearly all of their commodities from suppliers outside their sub-county
- **Seasonality** was the primary factor affecting supply, demand, and prices for many market commodities, both food and NFIs:
  - Predictably, supply for fresh foods tends to be highest during rainy and harvest seasons, while demand and prices tends to be lowest
  - For non-fresh foods, both supply and demand peak near harvest time, though supply is at its lowest (and prices highest) just before harvest time
  - Most NFIs had steady supply and demand throughout the year, with some exceptions:
    - Educational items: spike in demand at the beginning of each school term
    - Shelter items: higher demand during dry seasons

Ability to scale up

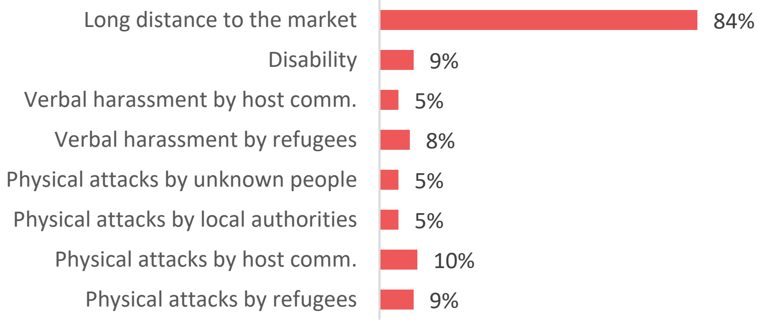
- **Nearly all traders self-reported…**
  - No issues scaling up to meet doubled demand
  - Could sell all the same items at the same prices
  - Could scale up using current suppliers only
  - Could scale up within one week

- **However…**
  - Wholesalers in food and energy items were more likely than retailers to foresee potential supply difficulties and a need to raise prices
  - 78% of traders reported never taking out a loan: may indicate lack of access to credit, especially among traders who report not meeting access criteria
  - Traders who lack storage, or who are using all their available storage, would not be able to easily scale up; may incur additional costs in rent
  - High competition among traders results in small customer bases and small-scale operations
  - Potential accessibility issues caused by remoteness of refugee settlements

Barriers to access

- **Most households are able to physically access marketplaces...**
  - Just 8% of households reported significant barriers to reaching their nearest marketplace (highest percentage: Imvepi, 17%)
  - Most commonly reported barrier by far was long distance to the marketplace

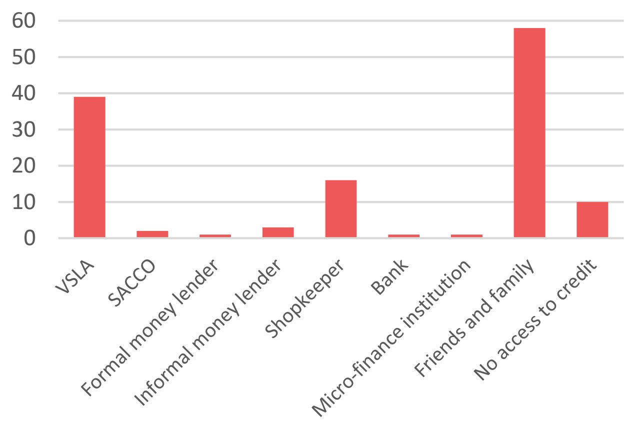
Among HHs that reported barriers to physical market access, most commonly reported barriers



- **...but getting there can be difficult.**
  - 91% of HHs most commonly walked to their nearest marketplace, likely due to a lack of funds for transport
  - Median travel time was 30 minutes, with a maximum of 3 hours: prohibitive for many PSNs, particularly those with physical disabilities

Barriers to access

- **Nearly all household credit is informal or semi-formal.**
  - 90% of HHs report access to some sort of credit...
  - ...but almost exclusively through friends and family (58%), VSLAs (39%), or shopkeepers (16%).



- **Safety and security issues in markets are relatively uncommon, but still problematic.**
  - 16% of interviewed traders reported ever having faced a security incident, almost always theft.
  - Yet theft was a concern to the point that traders reportedly slept in some markets to protect their stock.
  - In Kyaka II and Rwamwanja, incidents related to refugee-host community tensions were the most commonly reported (verbal harassment, fears of attack).

VENA Market Overview (country-wide)

VENA Vulnerability and Essential Needs Assessment

Market Analysis
March 2020

Market Overview in Refugee-Hosting Areas of Uganda

UGANDA

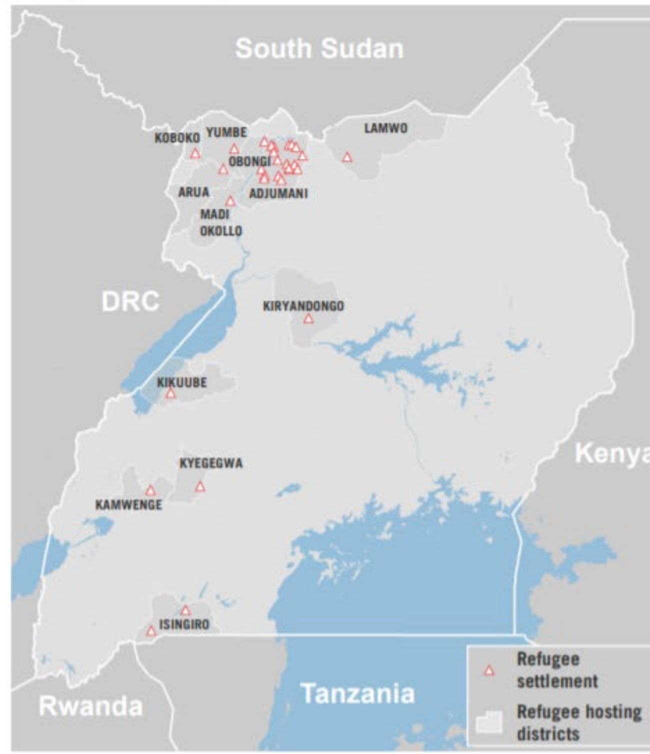
INTRODUCTION

Uganda is the top refugee-hosting country in East Africa, as well as one of the largest refugee-hosting countries in the world. The current protracted refugee situation and the continuous influx of refugees from neighboring countries has led to more than 1.3 million refugees and asylum seekers currently residing in Uganda. More than 850,000 refugees have fled to Uganda from South Sudan, as well as more than 380,000 from the Democratic Republic of Congo (DRC), 39,000 from Burundi and most of the rest from Somalia, Rwanda, Eritrea, and other African countries. It is expected that the influx of refugees from DRC and South Sudan, with limited opportunity for return, will continue due to the lack of political solutions to the ongoing crises.

The high numbers of refugees in Uganda, their range of origins, their varying lengths of displacement, their different levels of income, and their differing exposure to protection risks mean that households have varying degrees of vulnerability, and this impacts their capacities to meet their essential needs.[2] Because of these diverse vulnerabilities and capacities, there is a need for a humanitarian delivery system that allows the type and size of assistance to individual refugees and their households to be aligned with their socioeconomic needs. There has been a growing understanding in the humanitarian response that refugees' access to markets plays a vital role in their ability to improve their resilience and self-sufficiency. Markets provide refugee populations with the goods needed to ensure survival and protect livelihoods in the immediate aftermath of a disaster and in the longer term.

It is within this context that REACH, the World Food Programme (WFP), and the United Nations High Commissioner for Refugees (UNHCR) conducted a joint market assessment, as part of the Vulnerability and Essential Needs Assessment (VENA), with the aim to overcome gaps in information on the market systems within and nearby refugee settlements. The assessment explored market functionality and capacity, and specifically looked at factors related to access, availability, capacity, seasonality, and safety and security in the market. It also assessed the potential for the introduction of market-based assistance to meet essential needs from the market perspective. The assessment aimed to provide important information to potential cash actors working in the refugee response in order to inform evidence-based programming.

Map 1: Refugee settlements in Uganda



1 Figures based on United Nations High Commissioner for Refugees and Office of the Prime Minister population figures updated as of 31 October 2019. https://data2.unhcr.org/en/country/uga

2 Based on the definition of the basic needs approach developed by the International Labour Organisation in 1976, essential needs refers to "*Essential goods, utilities, services or resources required on a regular, seasonal, or exceptional basis by households for ensuring survival and minimum living standards, without resorting to negative coping mechanisms or compromising their health, dignity and essential livelihoods assets.*" The ILO report for the 1976 World Employment Conference defined basic needs in terms of food, clothing, housing, education, and public transportation. Employment was both a means and an end, and participation in decision making was also included. WFP, "Essential Needs Assessment, interim guidance note," July 2018.

https://www.impact-repository.org/document/reach/9eb05200/REACH_UGA_VENA_Market-Analysis-Overview_March-2020.pdf

VENA Market Factsheets (settlement)

VENA Vulnerability and Essential Needs Assessment

Market Analysis
November 2019

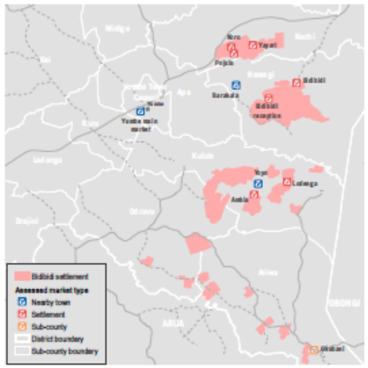
Market Factsheet: Bidibidi Settlement — UGANDA

CONTEXT AND METHODOLOGY

Uganda is one of the world's top refugee-hosting states, having taken in more than 1.3 million refugees who exhibit diverse vulnerability profiles and capacities to cope.[1] Due to these variations, there is a need for a humanitarian delivery system that allows actors to more closely align the modality and amount of assistance provided with individual refugee households' economic and protection-related needs.

The objective of this market analysis, conducted under the framework of the Vulnerability and Essential Needs Assessment (VENA), was to assess market functionality and capacity in the vicinity of Uganda's refugee settlements and to understand the potential for market-based assistance to meet essential needs. Data collection took place between 9 August and 7 October 2019 in 13 refugee settlements.[2] Two parallel methodologies were employed: 2,820 structured individual interviews were conducted with market traders in or near each assessed settlement, supplemented by 35 semi-structured interviews with key informants who had knowledge of local markets. The assessment was led jointly by REACH, the World Food Programme (WFP), and the United Nations High Commissioner for Refugees (UNHCR), with support from five additional partners (see page 5). Findings refer solely to the situation during the data collection period and should be considered indicative only.

AREA COVERED BY FACTSHEET



MARKET AND TRADER CHARACTERISTICS

Refugees living in Bidibidi accessed markets within and outside of the settlement, all of them serving both refugees and host community members. The size of the markets varied greatly. Some markets, particularly those within the settlement, had under 50 traders operating regularly, whilst Yumbe market, a sub-county level market outside the settlement, had approximately 2,000 traders. Most markets operated every day, though Koro Market was reported to operate once a week. All markets were comprised of temporary structures, aside from Yumbe market, which also had permanent structures.

11 Total number of markets assessed near this settlement (via 178 trader interviews and 4 key informant interviews)

Gender of interviewed traders:

41.6% Female
58.4% Male

Population group of interviewed traders:

68% Host community
32% Refugee

4.2% of traders interviewed reported employing at least one other person.

Top 3 nationalities of interviewed traders:

Uganda	66.3%
South Sudan	29.2%
Sudan	3.9%

Classification of traders interviewed:[3]

Retailers	79.8%
Producers	81.4%
Wholesalers	17.6%

Top 3 most common types of market customers reported by interviewed traders:[3]

Host community near settlement	91%
Refugees living in the settlement	87.6%
Non-governmental Organisations (NGOs)	42.1%

VENA UGANDA — Market Factsheet: Bidibidi Settlement

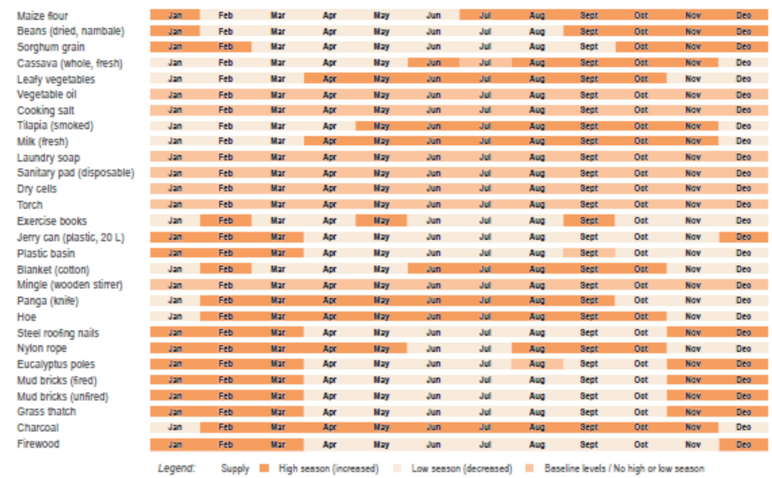
SUPPLY, DEMAND, AND PRICES

Though certain market items such as dry cells, sanitary pads, and charcoal were reported to have a constant demand and supply, other commodities were found to be impacted by seasonality or the provision of humanitarian assistance. Traders reportedly experienced a high demand for scholastic materials such as pens and exercise books at the start of the school term, for instance. Moreover, the supply of food items was particularly affected by changes in seasons, with commodities such as leafy vegetables and cassava becoming less available during dry seasons, resulting in shortages.

Sources, prices, and restocking data for selected items[4] sold in or near this settlement, as reported by interviewed traders:

Commodity	Most common source of item	Item price in markets in or near this settlement (October 2019)[5]	Median # of days that remaining stock is estimated to last	Estimated median amount of time item remains in stock before sale
Maize flour	Retailer outside the subcounty	3,000 UGX[6] /Kg	7 days	One to four weeks
Beans (dried, nambale)	Retailer outside the subcounty	3,000 UGX /Kg	14.5 days	One to four weeks
Sorghum grain	Retailer outside the subcounty	909 UGX /Kg	14 days	One to four weeks
Cassava (whole, fresh)	Own production	411 UGX /g	2 days	Less than one week
Leafy vegetables	Own production	794 UGX /g	2 days	Less than one week
Laundry soap	Retailer outside the subcounty	4,000 UGX /Kg	14 days	One to four weeks
Sanitary pad (disposable)	Retailer outside the subcounty	3,000 UGX /packet	30 days	More than one month
Exercise books	Retailer outside the subcounty	400 UGX /piece	30 days	More than one month
Jerry can (plastic, 20 L)	Retailer outside the subcounty	5,000 UGX /piece	30 days	More than one month
Blanket (cotton)	Retailer outside the subcounty	No data	30 days	More than one month
Mud bricks (unfired)	Own production	No data	60 days	More than one month
Grass thatch	Retailer outside the subcounty	No data	21 days	One to four weeks
Charcoal	Retailer within the subcounty	251 UGX /Kg	7 days	One to four weeks
Firewood	Retailer outside the subcounty	167 UGX /Kg	5 days	One to four weeks

Seasonal fluctuations in supply for selected items[4] sold in or near settlements in Northwest, Uganda, as reported by key informants (KIs):[7]



https://www.reachresourcecentre.info/country/uganda/cycle/23834/#cycle-23834

REACH Informing more effective humanitarian action

3 Market Analysis Task Force – COVID-19 Market Monitoring

REACH Informing more effective humanitarian action

Market Analysis Task Force

COVID-19 Market Monitoring

Market Analysis Task Force

Refugee Settlement Price and Market Functionality Snapshot, 15-30 April 2020

UGANDA

OVERVIEW AND METHODOLOGY

Uganda is one of the top refugee-hosting countries in the world, with a protracted refugee situation and ongoing influxes of refugees from neighboring countries. The country hosts 1,423,740[1] refugees as of 30 April 2020, with nearly 94% of refugees living in settlements primarily in the West Nile and Southwest regions of Uganda.

Due to the changing situation since the Ugandan government introduced COVID-19 containment measures in mid-March 2020, there is a risk that markets could be significantly affected and beneficiaries receiving cash assistance may not be able to access critical goods. The main objective of this market monitoring assessment is to understand the impact of COVID-19 on commodity prices and functionality of markets in refugee communities across Uganda and provide timely information to actors on a regular basis.

Data was collected remotely through key informant telephone interviews with traders, individuals selling key commodities, in markets across 13 refugee settlement locations from 15-30 April 2020. Key informants were purposively sampled, meaning the findings are indicative only. The figures represented in this factsheet are presented at the national and regional[2] level, unless stated otherwise.

While limitations in remote data collection (for more details see textbox on page 2) made it impossible to calculate a reliable estimation of the April 2020 MEB price, this market monitoring excercise aims at providing accurate figures of MEB prices in future rounds.

KEY FIGURES

194 traders interviewed nationwide

55 traders interviewed in Southwest Region

139 traders interviewed in West Nile Region

Uganda Minimum Expenditure Basket (MEB)

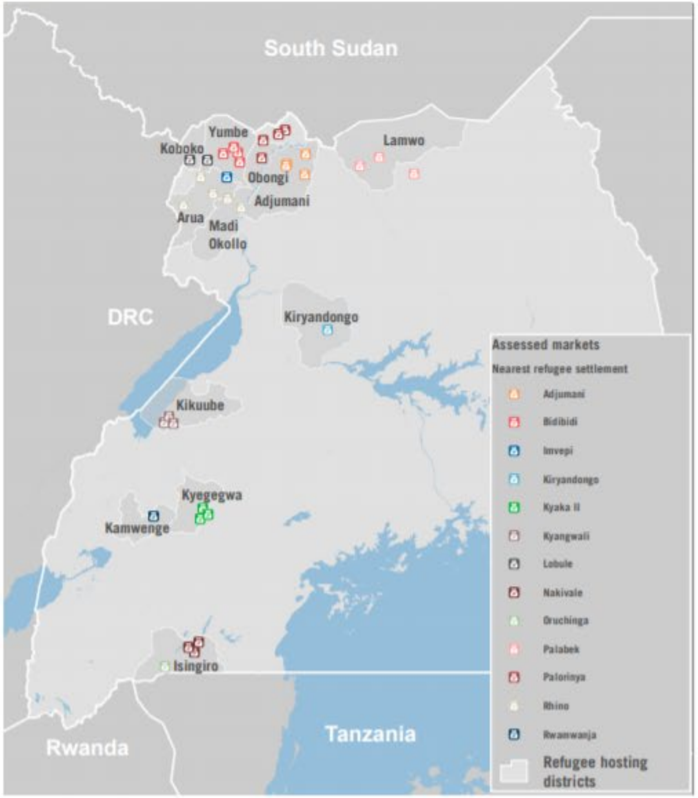
Food Items (monthly)			
Maize flour	44 kg	Cassava (fresh)	3 kg
Beans	27 kg	Salt	1 kg
Sorghum grain	8 kg	Leafy vegetables	15 kg
Oil	4 L	Fish (smoked)	3 kg
Milk	2 L		
Non-Food Items (monthly)			
Laundry soap	2.25 kg	Clothing*	3,806 UGX
Firewood	165 kg		
Other Components (monthly)			
Water*	3,750 UGX	Livelihoods*	37,705 UGX
Education**	22,667 UGX	Transport*	11,001 UGX
Health*	2,669 UGX	Communication*	4,256 UGX
Lighting*	5,000 UGX		
Other Items (once per year)			
Reusable sanitary pads	8 pc	Saucepan	3 pc
Jerry can (20 L)	2 pc	Plate	5 pc
Jerry can (5 L)	1 pc	Serving spoon	2 pc
Bucket with lid	1 pc	Cup	5 pc
Blanket	5 pc	Mingle (stirrer)	2 pc

The MEB represents the minimum culturally adjusted group of items required to support a five-person refugee household in Uganda for one month. Several core items were identified as being required once per year, so the total cost was divided by 12 to calculate the monthly amount. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations.

The MEB's contents were defined by the Cash Working Group in consultation with relevant sector leads. Some components were calculated based on item cost and others through a combination of analysis of household expenditures and sector-expert opinion.

*The starred items or components were calculated based on average sectoral or component cost per month based on expenditure data.
**Education costs were calculated based on average cost per school year.

Map 1: Assessed settlements



Latest reported cost of the **full MEB** (March)[3]: **502,711 UGX**

Latest reported cost of the **food MEB** (March)[3]: **333,619 UGX**

COVID-19 Market Monitoring: Key Findings

- Some commodities experienced a **nationwide increase in price** since March, such as **milk (+100%), grains (sorghum +50%, maize +30%), and laundry soap (+65%);**
- The price of certain items **spiked in certain settlements** in the West Nile region, such as cooking salt in **Adjumani (+133%), beans in Palorinya (+100%), and maize flour in Imvepi (+67%);**
- 66% of all vendors assessed nationwide **reported a decrease in the number of vendors** in marketplaces
- 55% of all vendors assessed in the Southwest region **reported difficulties in obtaining enough supply** to meet demand;
- 55% of all vendors assessed nationwide **reported concern that their stocks will run out** within one week following data collection.
- Only 19% of traders in West Nile region reported **accepting mobile money payments**, compared to 58% of traders in the Southwest region.
- The top challenges reported by traders were **lack of customers (26%) and public and private transport restrictions limiting access to markets (25%).**

Questions?

Thanks for your attention!