**SWAZILAND MINISTRY OF AGRICULTURE**



# MARKET ASSESSMENT – CASH BASED TRANSFER MODALITY OPTIONS: SWAZILAND

**DECEMBER 2016**



_____Shiselweni Region Food Security and Resilience_____

# Contents

## List of Maps

## List of Tables

## List of Figures

## Acronyms

| | |
|---|---|
| AGOA | African Growth and Opportunity Act |
| CBT | Cash Based Transfer |
| CPI | Consumer Price Index |
| CSI | Coping Strategy Index |
| CSO | Central Statistics Office |
| C&V | Cash and Vouchers |
| FAO | United Nations Food and Agriculture Organization |
| FCS | Food Consumption Score |
| HDDS | Household Diet Diversity Score |
| IPC | Integrated Food Security Phase Classification |
| KCal | Kilocalorie |
| KG | Kilograms |
| Km | Kilometers |
| Lt | Litres |
| M | Metres |
| MMAC | Maize Marketing Advisory Committee |
| MoA | Ministry of Agriculture |
| MT | Metric Tonnes |
| MoT | Ministry of Trade |
| NAMBORD | National Agriculture Marketing Board |
| NDMA | National Disaster Management Authority |
| NMC | National Maize Corporation |
| RBJ | Regional Bureau Johannesburg |
| RCS | Red Cross Swaziland |
| RDA | Regional Development Area |
| SACU | South African Customs Union |
| SAGIS | South African Grain Information Service |
| SME | Small and Medium Enterprises |
| SOMI | Swaziland Oil Milling Industry |
| Swazi VAC | Swaziland Vulnerability Assessment Committee |
| SZL | Swaziland Lilangeni/Emalangeni |
| TWG | Technical Working Group |
| USD | United States Dollars |
| VAC | Swaziland Vulnerability Assessment household Report |
| VAT | Value Added Tax |
| WB | World Bank |
| WFP | United Nations World Food Programme |
| WVI | World Vision International |
| ZAR | South African Rand |

## Acknowledgments

## Key Findings

The Market Assessment's intervention modality selection process identified the following key findings:

- **A total of 35 markets in 29 Tinkhundla across the country's 4 regions were assessed**. In total, 12 wholesalers, 64 medium vendors, and 43 small traders/retailers were interviewed using a structured questionnaire for a total of 119 traders.

- The **key variables considered for CBT transfer modality selection** were: the capacity of markets to supply an adequate amount of food requirements, road quality, strength of mobile network, number of traders and their trade volume size, traders' ability to absorb additional demand, food price stability over time, historical trade trends, previous intervention modality experience in the Inkhundla, security concerns, proximity to borders and contextual factors.

- The market assessment found that **cash is a viable option for at least 13 of the 29 assessed Tinkhundla**. In these Tinkhundla, direct cash delivery to beneficiaries is recommended. The market will ensure that adequate food is available at an average price level for the season.

- The market assessment found that **vouchers are a viable option for at least 12 of the 29 assessed Tinkhundla**. In these Tinkhundla vouchers were preferred to cash due to the market's proximity to a border where cheaper goods can be found, or due to insecurity reasons or due to high transport costs. It is important to note that markets, however, are functioning and are integrated with adequate storage capacity.

- The market assessment found that **two Tinkhundla could support 'cash and vouchers'**. Cash is feasible in the urban area in the Inkhundla, while vouchers were recommended for the markets in the Inkhundla located close to a border or where traders mentioned a preference for vouchers due to insecurity.

- The market assessment found that **two Tinkhundla out of the 29 assessed were recommended for in-kind distributions**. These were markets with very high food prices and poor storage capacity and where roads and mobile network were poor. Shops in these markets were also few and small in size.

- **Interviewed traders identified:** low consumer demand (24.4 per cent of traders) and limited trader's capital (10.7 per cent of traders) as key constraints to trade. These are typically constraints that can be addressed through the use of CBT interventions. Other key constraints to trade mentioned by the interviewed traders were: shortage of supply (19 per cent), insecurity (19 per cent), transport limitations (15.5 per cent), competition (9.5 per cent) and food assistance (1.8 per cent).

- **The main security issue/concern for traders in Swaziland is theft (shoplifting) and robberies (sometimes armed)**. This issue was raised by 19 per cent of interviewed traders as a key concern.

- **Low trader's storage capacity usage** (on average only 23.4 per cent for wholesalers, 37.2 per cent for medium vendors and 28.5 per cent for retailers of their total storage capacity was in use in November 2016), indicates that a CBT intervention could effectively build on local traders' storage capacity to supply food to the food insecure.

## Executive Summary

In late 2016 MoA requested WFP to conduct a market assessment to determine the functionality of food market systems (for maize, rice, beans and cooking oil) in Swaziland. The market assessment was undertaken to analyse Swaziland's food market environment, structure and network. The assessment shed light on financial and physical infrastructure, trader typology, trader limitations and constraints to trade as well as covering market functionality throughout different seasons in a year.

A participatory process of detailed data analyses and discussion through a five-day long, open-door forum ensured the findings from the market assessment guided the market assessment's Technical Working Group (TWG) in selecting the most appropriate intervention modality by market and Inkhundla. The TWG was also trained on WFP Trader Survey Market Decision Making Tool to support them in their decision making.

This report outlines the Regions and Tinkhundla where the market assessment's TWG, (who were composed of representatives from Swaziland's Government, NGOs and UN Agencies), agreed on markets be suitable for cash, vouchers and/or in-kind interventions as well as highlighting the reasons behind the selection.

The key variables considered by the TWG in their CBT modality selection process covered: market trade capacity, market functionality, seasonality, food source, market context and surrounding infrastructure, food price trends, insecurity, macroeconomic policies and previous CBT experience in the Inkhundla. For more data please refer to the 'Swaziland Market Assessment Report: December 2016'.

The findings from the market assessment had as aim to inform the design and implementation of humanitarian food assistance programmes in the country for the 2016-17 lean season. Even though exhaustive the market assessment focuses primarily on assessing markets, as a result the CBT selection modality was undertaken from a market perspective. For a more encompassing overview of CBT viability, agencies may find it beneficial to further assess CBT feasibility through other specific assessments such as and not limited to finance, IT, security, logistics, and procurement assessments.

# Section 1: Humanitarian Scenario in Swaziland

## 1.1 Food security situation

From Swazi VAC 2016 Report: The survey collected information on household food consumption for analysis of the Food Consumption Score (FCS), which is used as a proxy for household food security. The FCS is a measure of dietary diversity, food frequency and the relative nutritional importance of the food items consumed by household members over a recall period of seven days. A high FCS increases the probability that a household's nutrient intake is adequate. The FCS is used to classify households into three groups: poor, borderline or acceptable food consumption, by aggregating households that have similar dietary patterns and access to food. The food consumption score for Swaziland is reported based on the standard thresholds: Poor food consumption (0—21), Borderline food consumption (21.5—35), Acceptable food consumption (> 35).

Of the rural population, 73 per cent of households have acceptable food consumption, 22 per cent borderline and 5 per cent poor food consumption (**figure 1**). The Manzini and Lubombo regions have a higher per cent of households with borderline and poor food consumption (6 per cent poor and 24 per cent borderline).

**Figure 1: Food Consumption Score: Swaziland 2016**
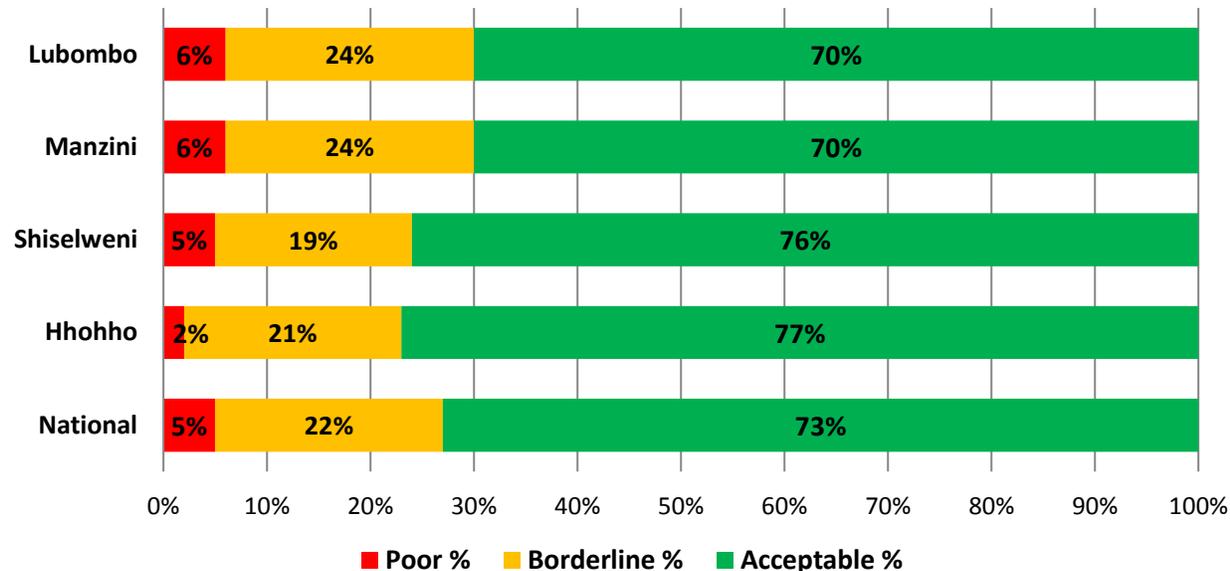


**Source:** Swazi VAC Report 2016

The analysis of the Food Consumption Score (FCS) trends for the past five years shows, a decrease in the proportion of households with acceptable food consumption score, from 76 per cent to 73 per cent (**figure 2**), indicating deteriorating food consumption levels in the country mainly as a result of the current drought.

1

**Figure 2: Food Consumption Score: Swaziland 2012 – 2016**
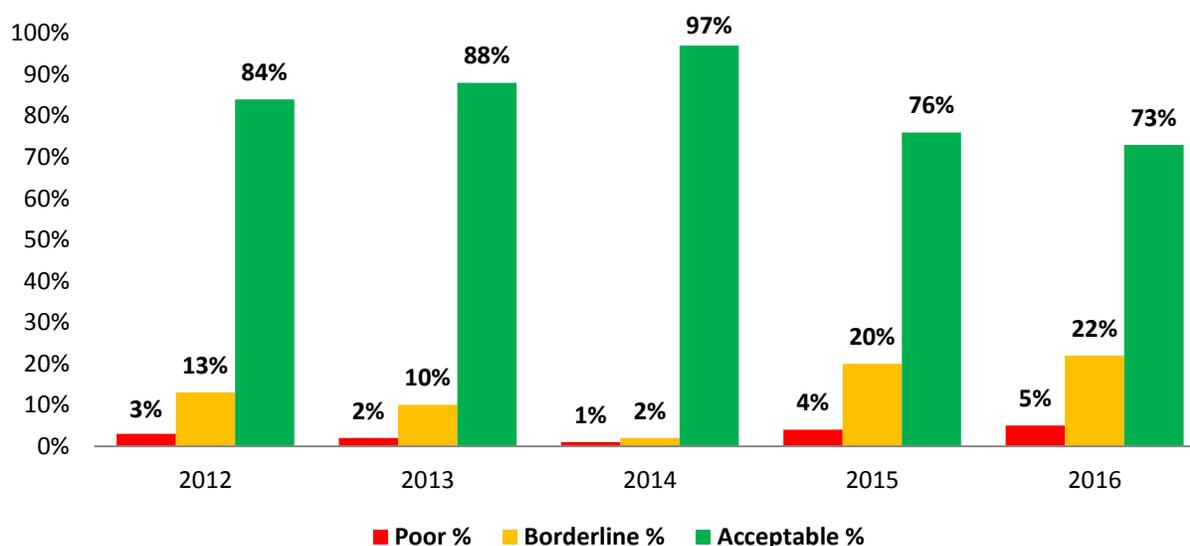


**Source:** Swazi VAC Report 2016

The Coping Strategy Index (CSI) measures behaviour, the strategies that people or households employ when they cannot access enough food. These coping strategies are easy to observe. An increased CSI indicates a worsening food security condition.

The Lubombo region (**figure 3**) had the highest mean coping strategy index 17.7, above the national average of 14.4. This was followed by the Shiselweni region (16.6). This indicates that households in the regions were employing more negative higher coping strategies as a result of the shocks affecting households. The regions faced higher food insecurities when compared to the other regions mainly due to the impact of the drought and other shocks i.e. death of a household member. The level of negative coping in Manzini and Hhohho regions are lower than the national average at 13.7 and 9 respectively. Female-headed households have a higher CSI (15) compared to male headed households (CSI 14) indicating the varying vulnerability degrees due to gender. This also represents the varying degrees in the impact of shocks and the implemented coping strategies in the various households and their response.

**Figure 3: Mean Coping Strategy Index (CSI) by Region and Household: Swaziland 2016**
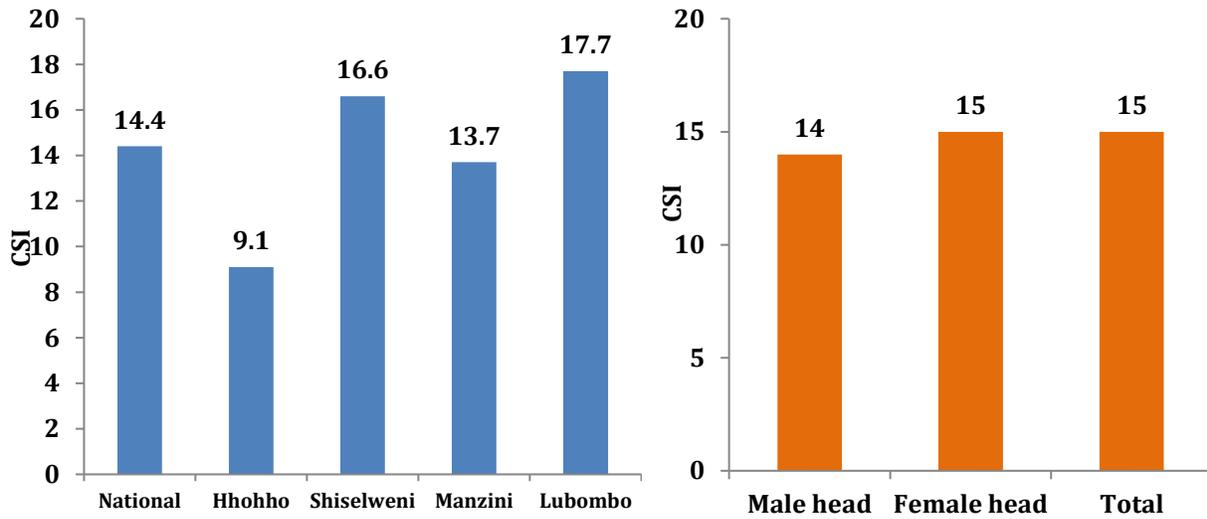


**Source:** Swazi VAC Report 2016

Overall 11 per cent of households reported having experienced the death of a household member in the last 12 months (**figure 4**). The Manzini region had the highest households experiencing deaths in the past 12 months, followed by the Shiselweni region followed by Lubombo. The Hhohho region had the lowest per cent of households experiencing death in the past 12 months. The death of a household member, especially if it's the breadwinner in the household, can increase the vulnerability of any household.

**Figure *4*: Per cent of surveyed Swazi households with deaths in last 12 months**



**Source:** Swazi VAC Report 2016

3
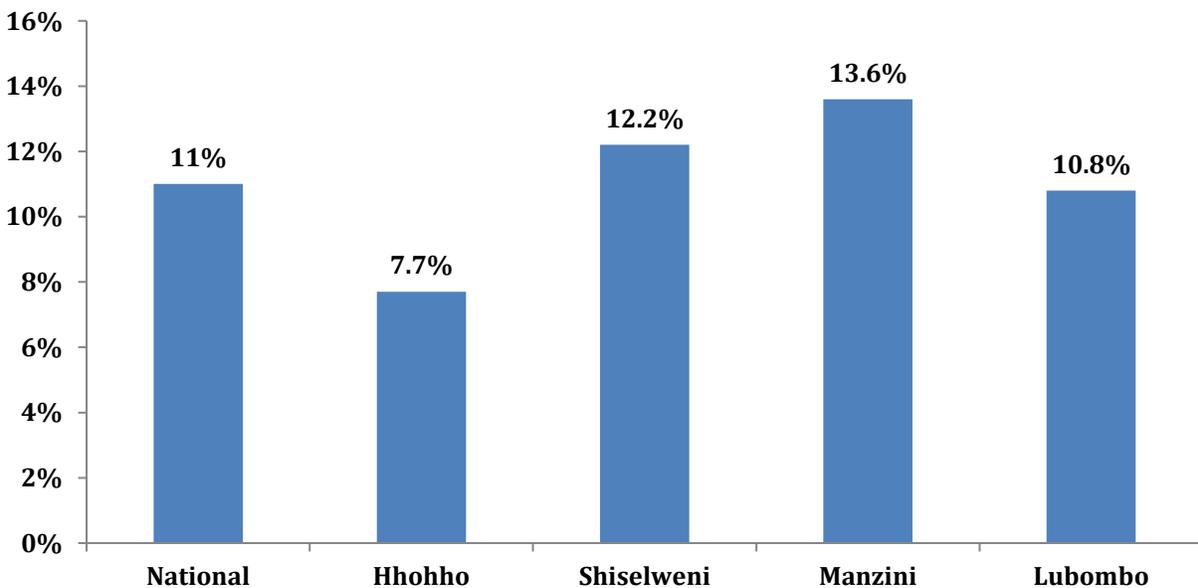
The livelihood coping strategies are used to better understand the longer-term coping capacity of households and are divided into 3 categories i.e. Stress, Crisis and Emergency. Responses are used to understand the stress and insecurity faced by households and describes their capacity regarding future productivity. Unlike the consumption based coping strategies, the recall period is 30 days instead of 7, and it does not capture the number of times each strategy was undertaken.

**Figure 4: Livelihoods Coping Strategies: Swaziland 2016**
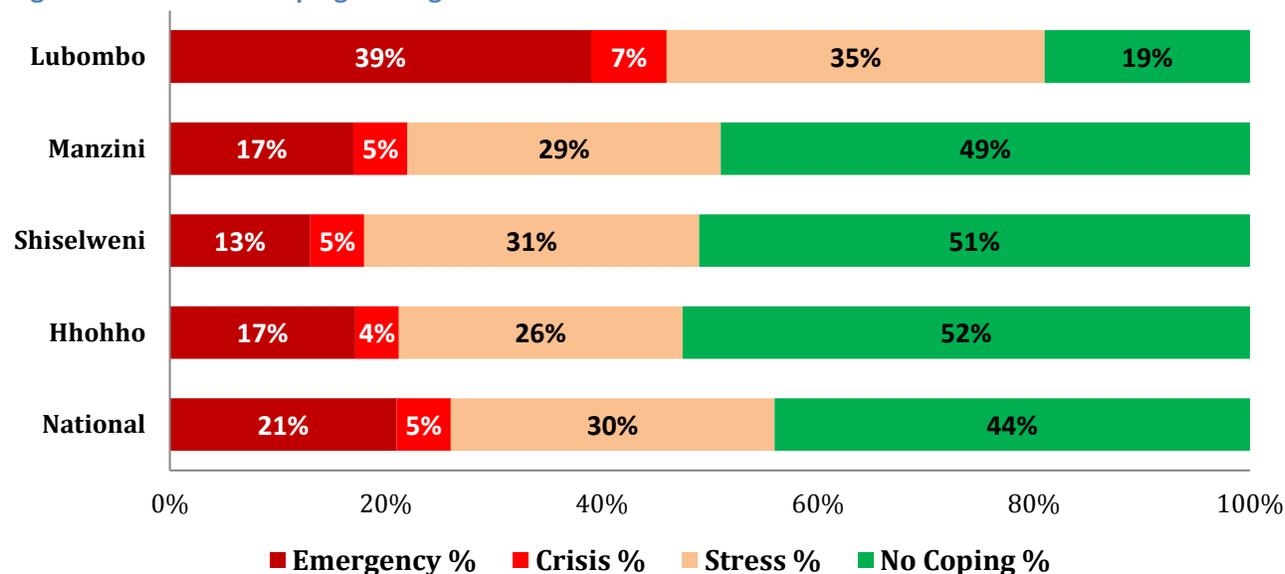


**Source:** Swazi VAC Report 2016

Close to 21 per cent of the households surveyed stated that they are employing emergency coping strategies such as selling off productive assets. Emergency coping strategies are more difficult to reverse and more dramatic in nature. Five per cent of households are employing crisis strategies such as selling productive assets directly reduce future productivity, including human capital formation. Thirty per cent of households are employing stress strategies such as spending savings, selling off assets and 44 per cent of households are not using any negative coping strategies. The Lubombo region reported the highest per cent (39 per cent) of households employing emergency coping strategies. **Figure 5** shows the proportion of households who employ livelihood coping strategies by administrative regions.

**Figure 5: Household Assets Depletion and Food Security Status by Livelihood Zone**
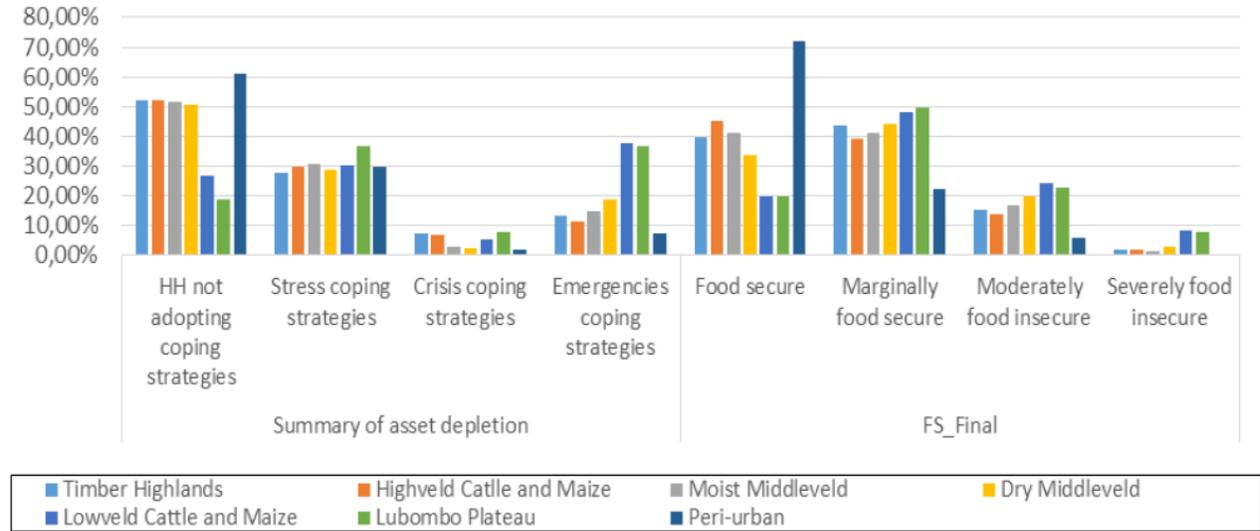


**Source:** Swazi VAC Report 2016

**Figure 6** represents a summary of asset depletion and household food security levels by livelihood zones. The Lowveld cattle and Maize and the Lubombo Plateau employed higher emergency coping strategies and had the highest food insecure population. The marginally food secured households averaged above 40 per cent in all the livelihood zones besides the peri-urban.

The IPC analysis (**figure 7**) shows that 5 per cent of Swaziland's households are using high coping levels while 35 per cent are employing medium coping levels while 60 per cent have low or are not employing any coping means. The Shiselweni and Lubombo have the highest per cent (9 per cent and 6 per cent respectively) of households having a high CSI, which points to high per cent in the regions under stress.

**Figure 7: CSI IPC Categories: Swaziland 2016**
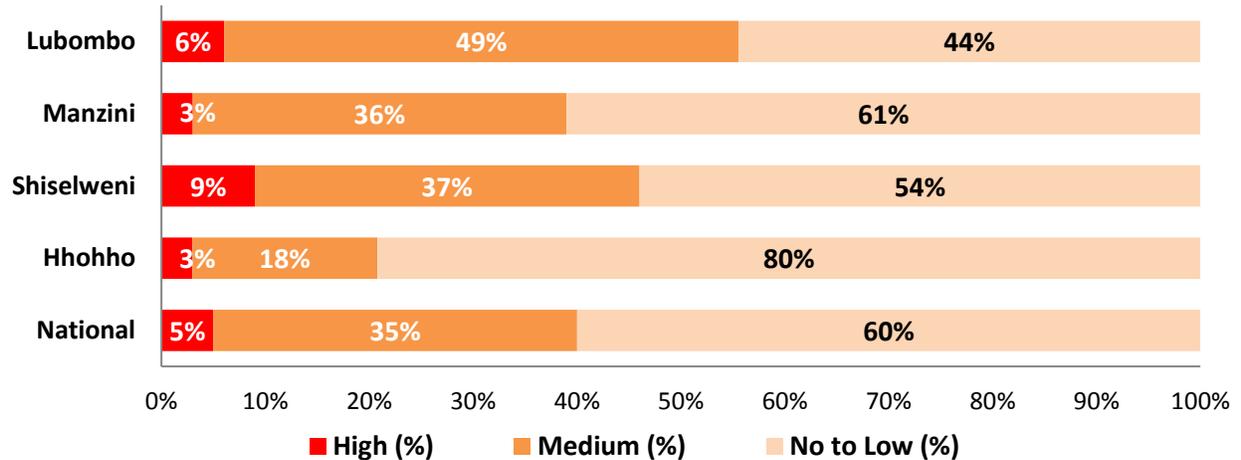


**Source:** Swazi VAC Report 2016

Dietary diversity is a qualitative measure of food consumption that reflects households' access to a variety of foods and is also a proxy for nutrient adequacy of the diet for a household's diet. The household dietary diversity score (HDDS) in a snapshot is meant to reflect the economic ability of a household to access a variety of foods. HDDS is meant to provide an indication of a household's economic access to food, thus items that require household resources to be obtained, such as condiments, sugar, sugary foods, and beverages, are included in the score. It represents the number of food groups consumed over a given period. It targets individuals, households and women. The International Food Policy Research Institute (IFPRI) thresholds for Household Dietary Diversity Score (DDS) are used in this report: 6+ = good dietary diversity, 4.5–6 = medium dietary diversity, <4.5 = low dietary diversity.

Overall, 31 per cent of the total rural population has low HDDS, with 54 per cent at medium and 15 per cent with high dietary diversity (**figure 8**). The Lubombo region had the highest number of households (35 per cent) with low HDDS implying that households were consuming very few food groups such as cereals and pulses, resulting in poor nutrition. Shiselweni and Manzini had above 30 per cent of households with poor HDDS. The Shiselweni region and the Hhohho region had the highest per cent of households with medium HDDS, which places the households at risk since with further shocks households might fall into the low HDDS category.

**Figure 8: Household Dietary Diversity Groups: Swaziland 2016**
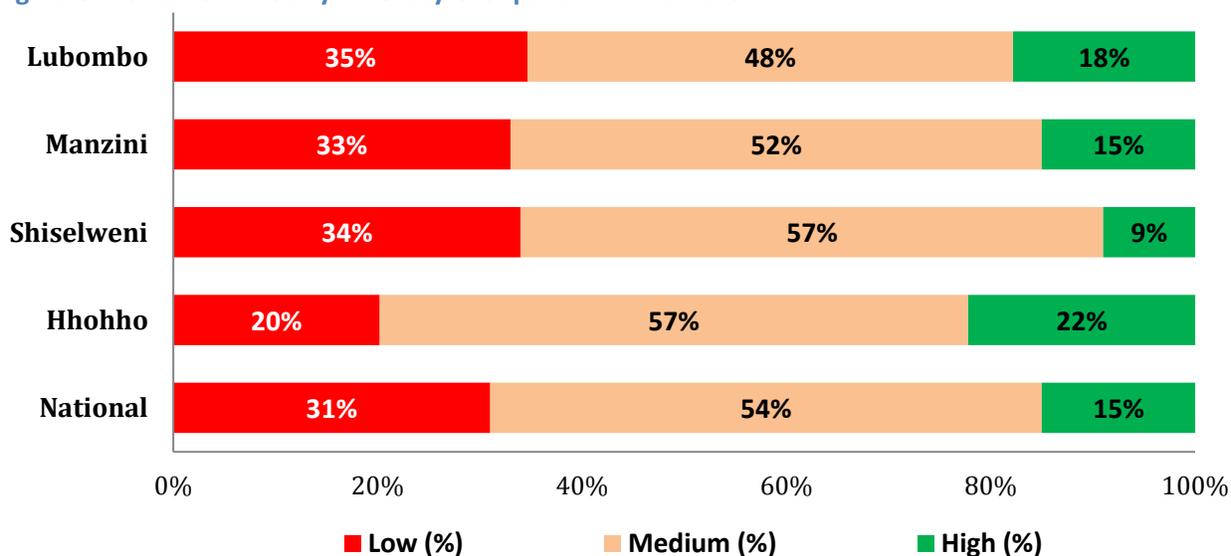


**Source:** Swazi VAC Report 2016

This indicator is a proxy for adequacy of caloric intake by household members. The number of meals consumed within households averaged to 2.5 meals per day for adults (18 – 59 years) for both male and female with the Lubombo region below the national average. The results also show that children (<5 years) are mostly given preference during meal times as they averaged 3.5 meal per day (**figure 9**). Even

6

though the number of meals per day is at the recommended levels, nevertheless there is a need for further analysis of the nutrition intake of the different age groups.

**Figure 9: Number of Meals per day by age groups: Swaziland 2016**
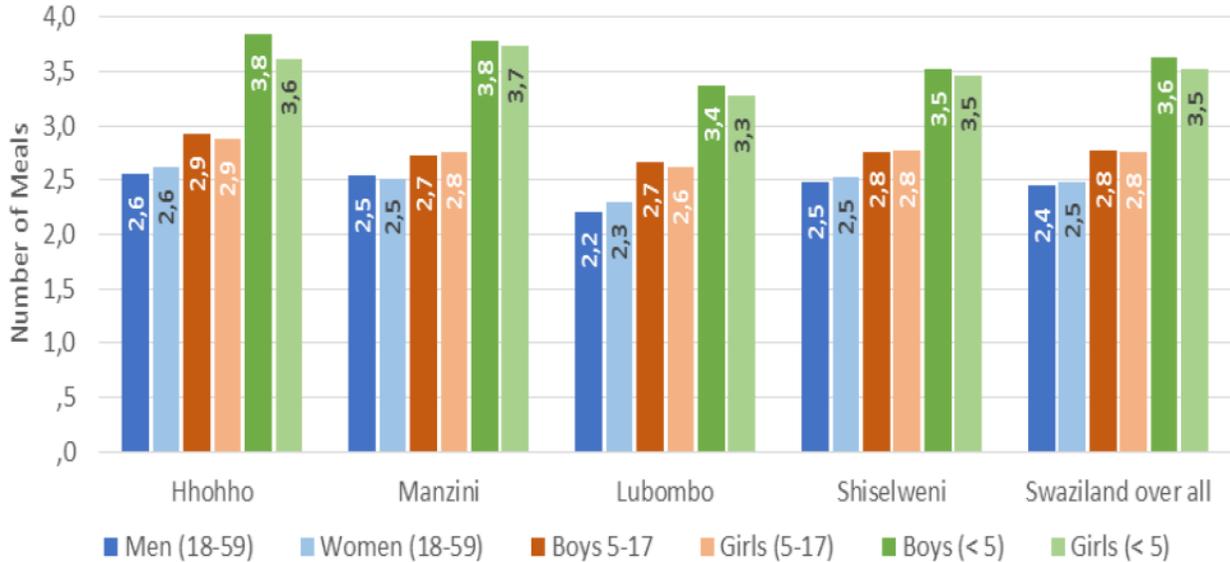


**Source:** Swazi VAC Report 2016

The household food expenditure share is an indicator of current economic vulnerability. It is the per cent of total household expenditure devoted to food over the reference period. Households spend a large proportion of their income on food (greater than 75 per cent) are vulnerable to food deprivation because, regardless of their current food consumption status, any reduction in income would likely be accompanied by a reduction in food consumption or the quality of food eaten.

Overall, 21 per cent of households spends more than 75 per cent of their income on food (**figure 10**), with the Manzini (26 per cent) and Shiselweni (25 per cent) region having a higher per cent of households in this category. Rapid inflationary changes influencing prices have a greater impact on households' purchasing power, by reducing expenditure on non-food items and savings, thereby predisposing households to further food security shock increasing their vulnerability. The Hhohho region has the highest proportion of households spending less than 50 per cent of their income on food (63.6 per cent). This can be attributed that mainly food sources from the region are from own production. This allows investment on productive assets key for the resilience of households to food shocks.

**Figure 10: Household Food Expenditure Share: Swaziland 2016**
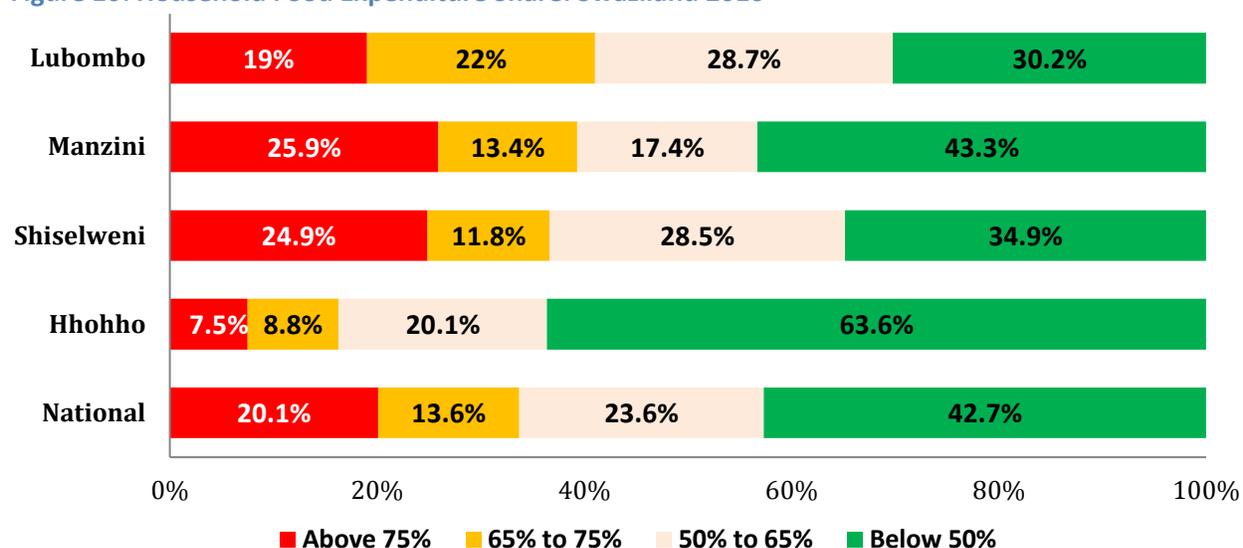


**Source:** Swazi VAC Report 2016

The 2nd projection for the period October 2016 – February 2017 presents a worsening situation with an increase in the number of people facing livelihood and food deficit across all regions in the rural areas. An estimated 638,252 (phase 2 – 4) of the population will face livelihood deficit with a projected 350, 069 (phase 3 -4) facing food deficit (**table 1**). As indicated in the previous scenario, Lubombo and Shiselweni regions continue to have higher numbers of the vulnerable population estimated at 108,460 and 100,115 respectively. The Manzini region shows signs of stabilising with only 1 per cent increase from the 1st scenario projection which translates to an estimated 79,296 people who will continue to require some urgent livelihood and food or cash interventions. A significant increase of 21 per cent is noted in the Hhohho region with the numbers of vulnerable people shooting up to 62,198. The number of Swazi's categorised as experiencing stress in terms of access to food and income for survival is estimated at 288,182. The situation could rapidly deteriorate due to the effects of the lean season hence the need to be monitored closely. The population at watch (IPC Phase 1) is estimated at 272,291, representing 29 per cent of the rural population.

**Table 1: Vulnerable Population by Regions – 2nd IPC Projection (Oct. 2016 – Feb. 2017)**

| Region | Rural Population | Phase 1 | Phase 2 | Phase 3 | Phase 4 |
|---|---|---|---|---|---|
| **Hhohho** | 248 791 | 87 077 (35%) | 99 516 (40%) | 62 197 (25%) | |
| **Lubombo** | 197 201 | 39 440 (20%) | 49 300 (25%) | 78 880 (40%) | 29 580 (15%) |
| **Manzini** | 264 321 | 105 728 (40%) | 79 296 (30%) | 66 080 (25%) | 13 216 (5%) |
| **Shiselweni** | 200 230 | 40 046 (20%) | 60 068 (30%) | 70 080 (35%) | 30 034 (15%) |
| **Average** | | 272 291 (29%) | 288 182 (31%) | 277 239 (31%) | 72 831 (9%) |

**Source:** Swazi VAC Report 2016

## 1.2 CBT in Swaziland:

In view of the magnitude of the impact of the two consecutive years (2014-15 and 2015-16) of drought on the population, the Swazi government declared a State of National Emergency. The Government has made efforts to address the growing humanitarian needs in collaboration with partners, coordinated by the NDMA. A donor conference was held to brief the donor community on the National Drought Emergency Mitigation and Adaptation Plan (NERMAP) 2016-2022 and the current situation of the drought in the country. The NERMAP 2016-2022 had estimated that from March 2016 a minimum of 300,000 people, (about one-third of the population), would be in need of food assistance. The government committed substantial resources for the emergency and has requested technical and financial assistance from the international community to support the emergency response plan.

In line with government's requirements, WFP upscaled its interventions in Swaziland in the fourth quarter of 2016, with cash and in-kind distributions. Three Tinkhundla were selected to pilot a cash intervention: Mandlangempisi, Lugongolweni and Nkilongo (see **map 1**).

## Map 1: WFP Swaziland EMOP 200974: Food & Cash Assistance
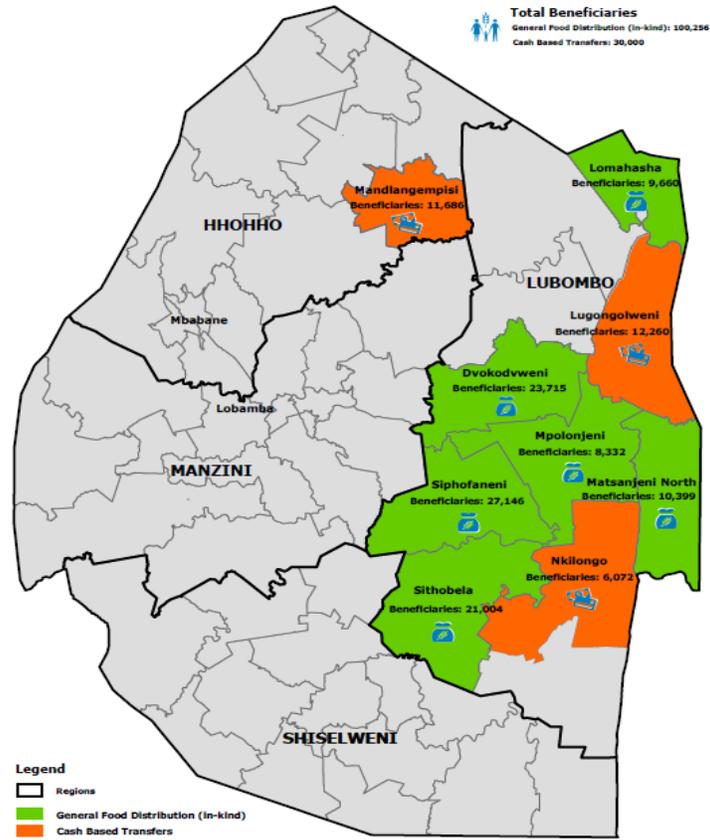


**Source:** WFP Swaziland CO

## Section 2: Objectives, methodology and limitations

### 2.1 Objectives

MoA requested the market assessment to determine the functionality of food market systems (for maize, rice, pulses and cooking oil) in Swaziland. The market assessment was also undertaken to inform the design and implementation of humanitarian assistance programmes in 2016-17. The market assessment covered the country's 4 regions, all of which had been identified by a prior Swazi VAC food security assessment to be highly food insecure for the 2016/17 consumption season. This market assessment identified whether local markets have the ability to effectively respond to increased consumer demand by verifying adequate food supply sources/levels and that the likelihood that food prices will remain stable in the short and long term. Specific objectives of the assessment include the following:

| | |
|---|---|
| **Market structure** | Identify the key actors and institutions as well as assessing the supply chain for cereals (maize grain, maize meal and rice), pulses (sugar beans) and vegetable oil |
| **Availability of food items** | Analyse current and projected availability of cereals, pulses and cooking oil in local markets across Swaziland |
| **Market integration** | Establish how well the source and supply markets are linked |
| **Market patterns** | Analyse volumes stored and traded, price levels and trends, price setting behaviour, competition and seasonality |
| **Capacity to meet consumer demand** | Analyse the market's potential to respond to current and transfer-induced increases in consumer demand, e.g. through storage facilities, stocking levels, stock replenishment lead-time, etc. |
| **Use of markets** | Analyse physical and economic access of the food insecure populations in the country to local markets, how they (the markets) respond to price variations of food and non-food commodities, distance of the vulnerable populations from markets and their road access to their key markets, etc.<br><br>Analyse the market's potential or capacity to respond to current and transfer-induced increases in consumer demand, e.g. through assessing the number of traders by operational capacity, storage facilities, stocking levels, stock replenishment lead-time; |
| **Overall market environment** | Analyse the role and implication of government policies and regulations, road and transport infrastructure and the socio-political situation on trade patterns and volumes |
| **Provide recommendations on:** | ▪ The most appropriate assistance modality for the assessed Inkhundla<br>▪ How to address the identified bottlenecks for traders to meet increased demand and strengthen respective supply chains. |

On the backdrop of the Market Assessment data collection phase, MoA coordinated a three-day inter-agency analysis session to analyse which was followed by a one-day, open door discussion session aimed at making sense of the market data and selecting the most appropriate food intervention modality by market and Inkhundla.

## Section 3: Household's access to markets

Households' physical access to a market is an important precondition for a cash and voucher intervention. If markets are far from intended beneficiaries, located in difficult to reach areas or in areas where there are high levels of crime/insecurity, then it is recommended to select another intervention modality rather than a market-based one. Some questions in the market assessment survey which covered accessibility to markets included road type and average furthest household walking distance to the market.

**Figure 11: Market Source Road Type**
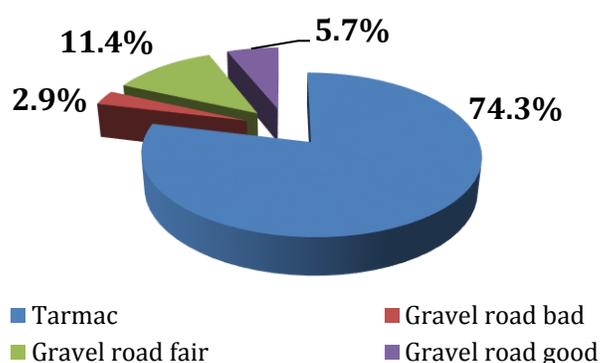


Regarding road type 80 per cent of the market, source roads were reported to be in good condition. Of these 74.3 per cent were tarmacked and 5.7 per cent were good quality gravel roads. Only around 3 per cent of assessed markets were accessed via bad gravel roads which can cause transport delays during heavy rains (**figure 11**).

**Source:** Swaziland Market Assessment

When looking closer at road type and viability by region (**table 2**) it is possible to identify those regions where accessibility to markets may be an issue. These tend to be the more mountainous and isolated parts of Swaziland which are primarily accessed through gravel roads notably: Hhohho and Lubombo.

**Table 2: Per cent of market source road type by Region**

|                               | Hhohho | Manzini | Shiselweni | Lubombo |
|-------------------------------|--------|---------|------------|---------|
| **Tarmac**                    | 30     | 100     | 100        | 71.4    |
| **Gravel road - good condition** | 10     | 0       | 0          | 14.3    |
| **Gravel road - fair condition** | 50     | 0       | 0          | 14.3    |
| **Gravel road - bad condition**  | 10     | 0       | 0          | 0       |

**Source:** Swaziland Market Assessment

**Table 3: Furthest average walking distance from the household to the market (km)**

| District | Kms |
|----------|-----|
| Hhohho | 7.1 |
| Manzini | 5.6 |
| Shiselweni | 4.8 |
| Lubombo | 8.6 |

**Source:** Swaziland Market Assessment

Accessibility should also be analysed in terms of household walking distance to the market. Household distance to the market can be a determining factor towards defining the transfer modality as distance to a market can exacerbate a beneficiary's vulnerability to theft and attack as well as possibly cause them to incur increased expenses for travel and transportation. CBT response modalities should include travel and transportation expenditures in the transfer value provided as well as opting for the modality which provides the least risk to the beneficiary. **Table 3** outlines the average furthest distance households live from a particular market that they (the households) access by foot. The table identifies that households tend to live relative close (under 10kms) to the market. The region with households living the furthest distance away from a market was Lubombo where households would walk on average 8.6kms to reach a market. This translates to just under 2hrs by foot at an average speed of 5kms per hour. In Manzini furthest households were just under 6kms from markets. If walking this would translate to just over 1hr by foot, however, as Manzini is an urbanised region with a wide peri-urban area, most people would take kombies as public transport.

## Section 4: Mobile network coverage and bank accounts

Swaziland has only one mobile network service: MTN. Mobile network coverage is particularly important for cash transfers as mobile phones can be used as a transfer mechanism to provide food insecure populations with cash in a timely manner and at a limited cost to the donor. MTN has good coverage even though calls and SMSes are more expensive than in neighbouring South Africa or Mozambique (**map 2**).

**Map 1: MTN Swaziland Mobile Network Coverage**



**Source:** MTN Swaziland

**Figure 12: Per cent of respondents using cash**



25.2%

74.8%

■ Yes

■ No
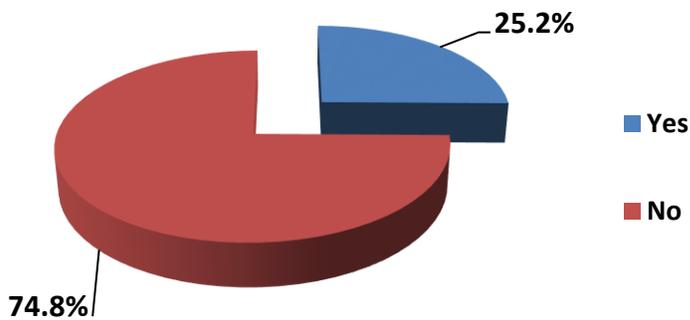
**Source:** Swaziland Market Assessment

Even though being available in the country, cash is not widely used by traders. Only 25 per cent of the interviewed traders mentioned using cash for trade (**figure 12**). Several reasons were given for the lack of use of cash. The main ones being: lack of cash vendors in rural areas to access e-money as well as limited mobile network coverage in some rural areas.

Bank accounts are important if traders are accessing and using a large amount of funds. With regard to CBT, bank accounts would facilitate a smoother and more reliable system to transfer funds from a humanitarian organisation and/or Government to a trader.

**Figure 13: Per cent of respondents with/without a bank**
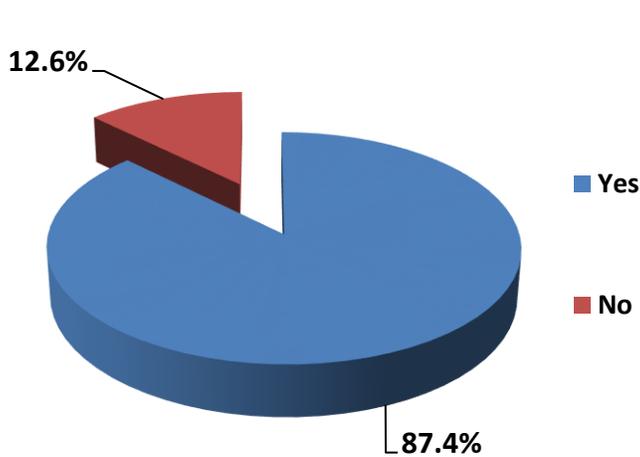


Over three-quarters, (87.4 per cent) of interviewed traders said they had a bank account (**figure 13**). Just under 13 per cent do not, which means that the latter traders are unlikely to be able to deal with large volumes of trade.

**Source:** Swaziland Market Assessment

## Section 5: Security Issues

Swaziland is not a country where security concerns are high nevertheless some regions were singled out for possible security concerns. The security issues reported (**figure 14**) are concerns which were raised by traders and the food security key informants which were met within the different regions. The main security issues raised were: theft and robberies in Hhohho (mentioned by 35 per cent of traders as serious security issues), theft and armed robbery in Manzini (mentioned by 45 per cent of traders), robbery in Lubombo (mentioned by 2 per cent of traders) and break-ins and shoplifting in Shiselweni (mentioned by 7 per cent of traders), see **figure 14**.

All key informants welcomed a CBT intervention to support the most food insecure. Nevertheless, key informants raised security concerns regarding possible intra-household conflicts resulting from a cash injection into the homestead (an issue raised specifically in Hhohho and Shiselweni key informant discussions). For example, some expressed concern that households may use the cash received to buy goods other than food or that it may trigger domestic disputes about who is in charge of the money transferred, hereby showing that sensitization and advocacy may be required ahead of intervening with a CBT.

**Figure 14: Tinkhundla Reporting Security Issues with CBT Modality**
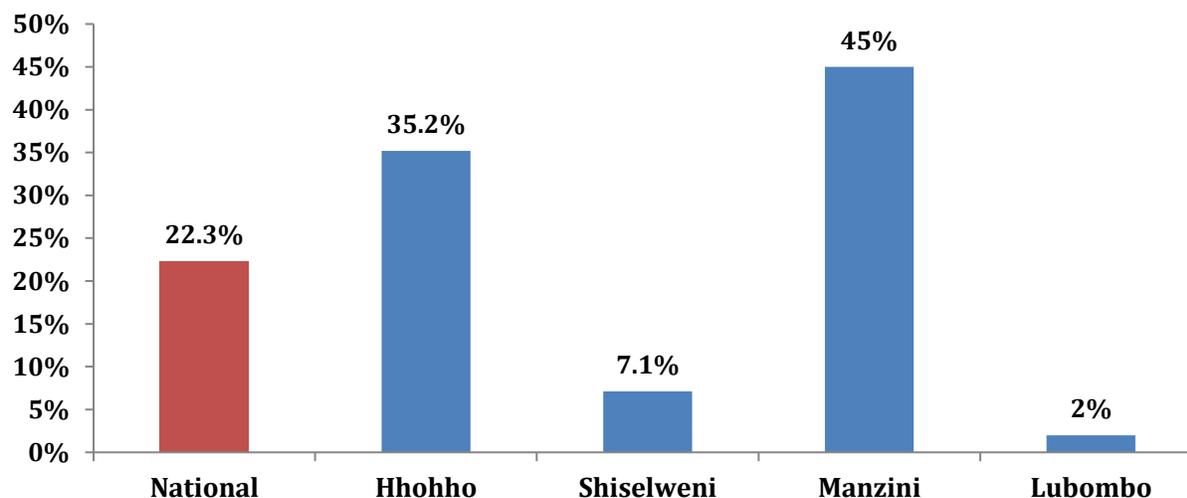


**Source:** Swaziland Market Assessment

## Section 6: Methodology

MoA set-up a Technical Working Group (TWG) to finalise the market assessment tools and take part in data collection. The TWG was composed of representatives from MoA, CSO, NDMA, Red Cross, WVI, and WFP. The working group analysed the collected market data. Once the data collection teams returned from 'the field' MoA set-up three days of data analysis, including consolidation of findings. The three-day data analysis session was followed by a one-day intervention modality selection process.

Prior to the CBT modality selection process, the TWG was trained on assessing markets through WFP's Trader Survey Decision Making Tool. This tool outlines the 12 minimum key questions covering food security's 4 dimensions (availability, access, utilisation and stability) which need to be answered and the 4 key conditions which need to be met in order to make an informed decision as to the most appropriate CBT intervention modality to use by market/Inkhundla.

The CBT modality selection process took place in an open door plenary session, lasting one day to which all development actors in the country were invited to attend. During this process, the preliminary data analysed by the Technical Working Group (comprised by all enumerators of the market assessment hereby including representatives from MoA, CSO, NDMA, Red Cross, WVI, and WFP) was presented by the market and by Inkhundla. What followed was a series of in-depth data analyses presentations and discussions based on:
- Eye-witness accounts from a representative of the team who visited the market
- The market assessment collected data
- Previous intervention experience in the Inkhundla

In particular the TWG looked at the following indicators to guide its selection of most appropriate CBT modality by market/Inkhundla: food insecure caseload by Inkhundla, number of traders by operating size, total trade by commodity (maize meal, maize grain, rice, sugar beans and vegetable cooking oil), total trade by commodity season (lean and post-harvest), restocking frequency by season, restocking units by season, source of commodities by season, road infrastructure to commodity source markets, number of days it takes for food to be restocking, current storage utilization, total market storage capacity, average household furthest walking distance from the market, insecurity, trader constraints to trade, mobile phone network, respondents with a bank account, respondents using MTN's mobile money transfer system, customer's request for credit, trader's ability to meet increased demand without increasing price, food price trends, macroeconomic policies (trade subsidies/bans and restrictions), previous CBT experience in the Inkhundla.

These discussions resulted in unanimous decisions regarding the type of intervention modality (cash voucher and/or in-kind) best suited for an Inkhundla.

**Figure 15: Photos of the TWG during data analysis session**



**Source:** Swaziland Market Assessment

## Section 7: Market intervention modality options

**Table 4** shows that in 13 (45 per cent) of the 29 Tinkhundla assessed, cash was found to be the best-suited intervention modality. Vouchers were found to be the most appropriate option in 12 (41 per cent) of the 29 Tinkhundla, food in-kind was found to be the most appropriate modality for 2 (7 per cent) of the 29 assessed Tinkhundla, and cash, as well as vouchers, was also found to be the best-suited modality in 2 (7 per cent) other Tinkhundla.

**Table 4: Intervention modality by Council and number of CBT beneficiaries by modality**

| Modality | Inkhundla | # of Inkhundla | % of Inkhundla |
|---|---|---|---|
| Cash | Mbabane, Mandlangempisi, Pigg's Peak, Timphisini, Ntfonjeni, Lobamba Lomdzala, Mkhiweni, Kwaluseni, Manzini, Lugongolweni, Lugongolweni, Nkilongo, Sigwe, Mtsambama, | 13 | 45 |
| Vouchers | Mayiwane, Motjane, Mhlambanyatsi, Ngwempisi, Ntondozi, Lomahasha, Siphofaneni, Mpolonjeni, Mhlume, Gege, Matsanjeni South, Hosea | 12 | 41 |
| Cash & Vouchers | Dvokodvweni and Maseyisini | 2 | 7 |
| Food | Lubuli and Nhlambeni | 2 | 7 |
| Total | | 29 | 100 |

**Source:** Swaziland Market Assessment

Topography (mountainous area), proximity to borders, road quality and financial service infrastructure, beneficiary distance to market, security issues, price variability, average market trade levels and storage capacity, trader constraints and trader supply source, were only some of the key indicators used to assess a market. Some of the main concerns the technical group raised with regard to intervention modality were to do with markets' trade volumes, proximity to borders, insecurity and road viability. A more in-depth overview of reservations and comments by the district are available in the CBT Modality Selection Report (WFP 2016b).

**Map 3** outlines the CBT intervention modality by area. It clearly illustrates what type of intervention modality is recommended by Inkhundla. Blue striped Tinkhundla refers to areas recommended for cash. These are generally the more urban parts of the country. The orange coloured areas are Tinkhundla where vouchers were recommended. These are Tinkhundla where markets are functioning but banks are limited and proximity to the South African and Mozambican border where goods are cheaper and vouchers would ensure local traders would benefit from the CBT intervention, by linking beneficiaries to food in their shop. Specifically, traders were requesting use of vouchers to limit the risk of buying stock which would remain unsold. The areas colour-coded in orange with blue stripes refers to Tinkhundla where cash and vouchers were recommended; cash was recommended in the urban area of this council while vouchers were recommended for the rural areas where road infrastructure was bad, transport costs high, and financial

services (banks, ATMs, etc.) non-existent. Finally food in-kind was recommended for the areas colour coded in green. These were Tinkhundla where markets were not integrated and had limited functioning capacity, road infrastructure and mobile networks were bad, and beneficiary distance to the market was far.

**Map 2: Intervention Response Modality by Council**
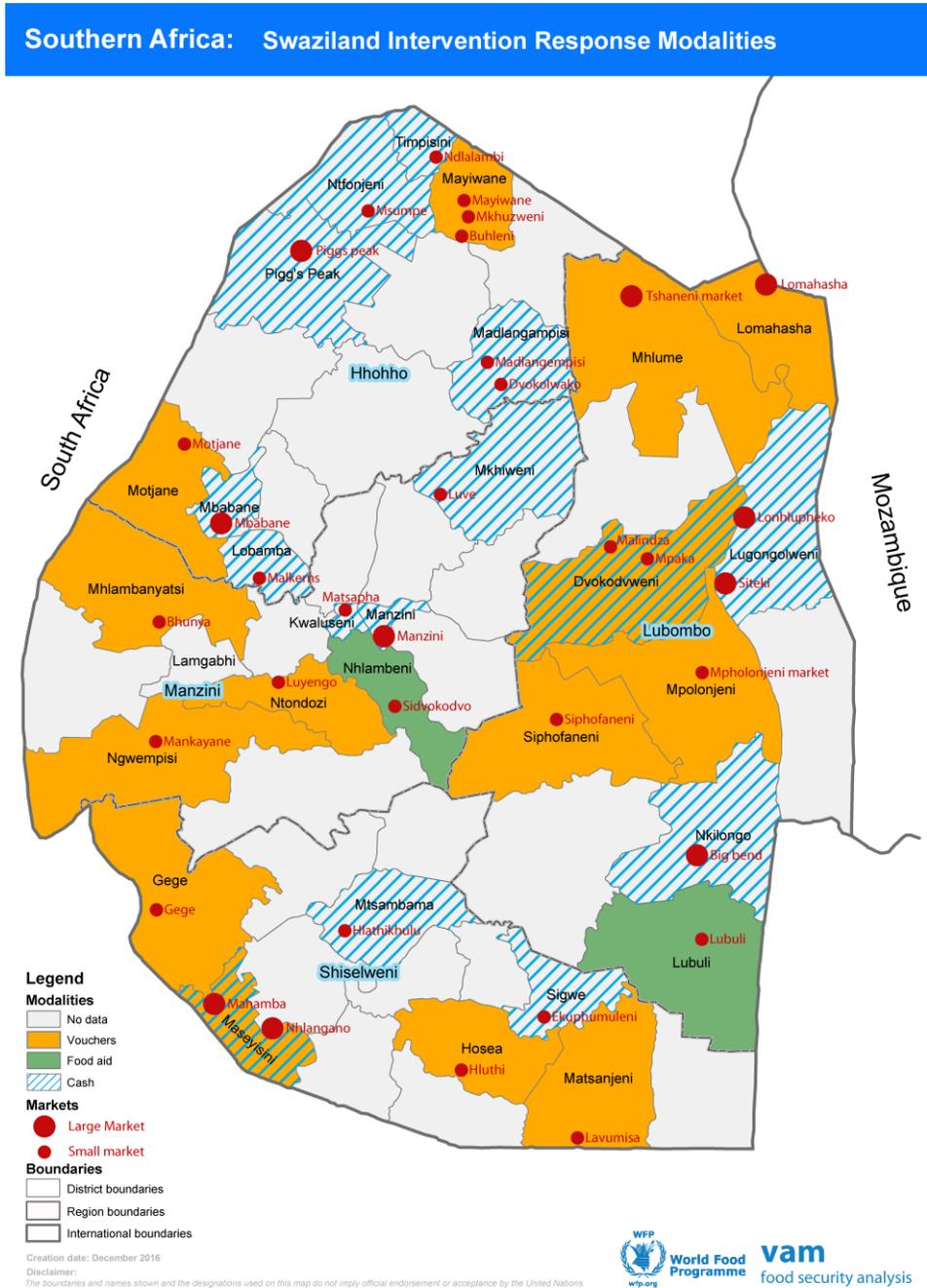


**Source:** Swaziland Market Assessment

## Section 8: Intervention modality selection by district

Below are a series of tables outlining the unanimous recommended intervention modality by Inkhundla in Swaziland. Each table outlines the region of the assessed Inkhundla, the name of the Inkhundla and the name of the market/s, in the blue box. This is followed by a row outlining the recommended intervention modality by Inkhundla and reasons given by the TWG for the intervention modality recommendation. The final row in the table outlines the constraints the intervening agency should keep-in-mind as they set-up their intervention.

### 1. Mayiwane Inkhundla – Hhohho (Markets Assessed: Mkhuzweni; Buhleni; Mayiwane)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Vulnerable population in Mayiwane is supported by the 3 markets in Mayiwane (Mkhuzweni, Buhleni and Mayiwane). Vouchers are being recommended over cash since MTN coverage is not reliable.  Buhleni is walking distance from Mkhuzweni (10kms). |
| **Constraints/ points to consider** | Theft a concern (mainly from shop staff). Due to Swaziland's high chronic malnutrition vouchers will improve micronutrient intake and improve food diversity. Storage capacity a concern in Mayiwane market as well as road access during the rainy season |

### 2. Mbabane Inkhundla – Hhohho (Market Assessed: Mbabane)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Mbabane is an urban setting and the population here has an urban livelihood which cash will support best. Cash will also help with transport issues as in urban areas people move around with public transport. Markets in and around Mbabane are functioning well, have adequate stock, good supply roots. |
| **Constraints/ points to consider** | Main constraints are high food prices (around 50% above average for the time of year) traders' upfront cash and customer's lack of liquidity which limits demand. Mentioned theft was from staff members. Swap to vouchers if micro nutrient deficiency is a concern and food diversity needs to be improved. |

### 3. Mandlangempisi Inkhundla – Hhohho (Markets Assessed: Dvokolwako; Mandlangempisi)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Markets found to be operating adequately and network reception is good. WFP and WVI are already undertaking a cash food assistance program in the Inkhundla for over 11,000 beneficiaries. |
| **Constraints/ points to consider** | The main constraints relate to low demand and expiring food which indicates that customer liquidity is low. Swap to vouchers if micro-nutrient deficiency is a concern and food diversity needs to be improved. |

## 4. Pigg's Peak Inkhundla – Hhohho (Market Assessed: Pigg's Peak)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Urban area with functioning markets. Storage capacity is adequate to meet needs and traders can increase supply to meet demand without increasing prices. |
| **Constraints/ points to consider** | Prices are high leading to lack of demand, high transport costs also an issue. Shop's staff and customers were shoplifting and people requesting for credit had increased compared to last year. The traders' average provision of credit was high at 50% of last month's sales. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 5. Timphisini Inkhundla - Hhohho (Market Assessed: Ndlalambi)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Market infrastructure is good (roads, storage, banking infrastructure, supply source and restocking) only network coverage was average-to-bad. The traders are being affected by lack of upfront cash which reduces supply volume and from lack of trader liquidity which reduces demand. |
| **Constraints/ points to consider** | Robbery in the retail store.  The mobile network is average-to-poor. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 6. Ntfonjeni Inkhundla - Hhohho (Market Assessed: Msumpe)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Market infrastructure is good (roads, storage, banking infrastructure, supply source and restocking) only mobile network coverage was average-to-bad. The traders are being affected by the lack of upfront cash which reduces supply volume, and from lack of trader liquidity which reduces demand. Traders can easily double their restocking capacity within less than a week. |
| **Constraints/ points to consider** | There was a robbery in the retail store. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 7. Motjane Inkhundla - Hhohho (Market Assessed: Motjane)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Only one trader interviewed as enumerators experienced a language barrier with the 2nd trader. There are only 2 shops in the market. Motjane is close to the border and only 10kms from Mbabane meaning that customers prefer to buy maize meal in South Africa where it is cheaper and other goods from Mbabane. Motjane market is very much under-utilized. Motjane is also not a drought affected area meaning that harvests tend to be good and this area is also a maize growing area. Therefore, households tend to grow enough for own consumption. Vouchers are recommended for this market since it will ensure beneficiaries will buy from the market shops and not go to Mbabane or South Africa to purchase their food. |
| **Constraints/ points to consider** | Storage capacity to meet vulnerable caseload is low. A lot of pre-planning required. Proximity to Mbabane and South Africa raises competition where goods can be found at a cheaper price. |

## 8. Lobamba Lomdzala Inkhundla – Manzini (Market Assessed: Malkerns)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Seasonal business as the areas is in close proximity to Swazi CAN which is a pineapple business and employees work in specific seasons affecting demand during specific times of the year. Storage capacity is good, traders' ability to increase supply to meet demand is adequate. Good source markets and main constraints are seasonal business and traders' lack of credit to buy upfront goods |
| **Constraints/ points to consider** | Mobile network is average to poor and needs to be verified |

## 9. Mhlambanyatsi Inkhundla – Manzini (Markets Assessed: Bhunya)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | This market is functioning well with a new forest industry (Montigny) in the area bringing a lot of customers. Storage is good and traders able to increase capacity. There is definite trader preference for vouchers due to insecurity issues. The traders feel vouchers will be safer than cash/e-money as they have recently been robbed. The mobile network is good. |
| **Constraints/ points to consider** | Traders' preference for vouchers |

## 10. Mkhiweni Inkhundla – Manzini (Market Assessed: Luve)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Market infrastructure is good (mobile network, roads, storage, supply source, restocking) and traders mentioned ability to double restocking volumes meeting increased demand without worry of increasing prices (as prices are determined by the source market not the number of customers). Main constraints point to low demand from customers, seasonal business and lack of trader capital all issues supported by a CBT intervention |
| **Constraints/ points to consider** | Food aid in the Inkhundla is negatively affecting traders' business. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 11. Kwaluseni Inkhundla – Manzini (Markets Assessed: Matsapha)

**Intervention:**  Cash for Inkhundla

| | |
|---|---|
| **Reason** | The key market for Swaziland as supplies the whole country with food commodities. Market infrastructure, (finance, roads) and mobile network is good |
| **Constraints/ points to consider** | High crime rate a concern for cash. Preference on e-money.  Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 12. Ngwempisi Inkhundla – Manzini (Markets Assessed: Mankayane)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Close to the South African border (10-12kms) hence vouchers preferred over cash since beneficiaries would opt to buy cheaper goods in South Africa if given cash. The market is functioning well and has adequate storage capacity. Traders' ability to increase stock to meet demand is good and mobile network and finance infrastructure is good. |
| **Constraints/ points to consider** | Close proximity to the SA border hence vouchers over cash |

## 13. Manzini Inkhundla – Manzini (Markets Assessed: Manzini)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | The key market for Swaziland as supplies the whole country with food commodities. Market infrastructure, (finance, roads) and mobile network is good |
| **Constraints/ points to consider** | High crime rate a concern for cash. Preference on e-money |

## 14. Ntondozi Inkhundla – Manzini (Markets Assessed: Luyengo)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | There is a high number vulnerable caseload group in the market's sphere of influence and high crime rate brings preference to vouchers/e-vouchers. Market infrastructure is good (road supply, mobile network) even though storage capacity is below requirement, however, Ntondozi population also covered by other markets. |
| **Constraints/ points to consider** | Robbery (one shop attacked 3 times this year and the 2nd shop doesn't carry hard cash).  The traders have all moved to using cash now. The traders also mentioned a preference for vouchers for beneficiaries. |

## 15. Nhlambeni Inkhundla – Manzini (Markets Assessed: Sidvokodvo)

**Intervention:** Food Aid for Inkhundla

| | |
|---|---|
| **Reason** | There is only one big shop which services the area hence has a monopoly on prices. The market is located in a drought-stricken area hence there is high demand for food. SPAR, the main shop, restocks on a daily basis as it has limited storage capacity. |
| **Constraints/ points to consider** | Limited market functionality and high food prices with important vulnerable caseload in a drought-stricken area |

## 16. Lomahasha Inkhundla – Lubombo (Market Assessed: Lomahasha)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Vouchers preferred due to the proximity to the Mozambican border and beneficiaries may decide to go to Mozambique if cash/e-money is given as goods are cheaper there. Market is functioning well with adequate storage capacity |
| **Constraints/ points to consider** | Mozambican/SA mobile network available which forces users to roam when using the network. Close to Mozambican border where food prices are cheaper |

## 17. Siphofaneni Inkhundla – Lubombo (Market Assessed: Siphofaneni)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | The market has good infrastructure (roads, finance, supply source, mobile network, storage) however traders complain of high levels of competition especially from beer bars where beneficiaries would likely be spending their cash. Hence to secure their sales traders prefer the use of vouchers than cash. |
| **Constraints/ points to consider** | High competition from other shops so traders prefer vouchers. Also a lot of beer bars close to shops in Siphofaneni which means there is a high likelihood that cash can possibly be misused for alcohol purchase |

## 18. Lugongolweni Inkhundla – Lubombo (Markets Assessed: Lonhlupheko and Siteki)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | The mobile network is good. There is already a cash intervention in the Inkhundla, market infrastructure is good (road, storage, finance, supplier). Constraints relate to low customer liquidity and competition from other regions. Traders can comfortably double restocking volumes in Siteki while storage is limited for Lonhlupheko. |
| **Constraints/ points to consider** | Findings based only on one trader as the second trader was shut. Therefore, data is limited and could explain the low storage capacity. Findings based only on one trader as the second trader was shut. Therefore, data is limited and could explain the low storage capacity. |

## 19. Dvokodvweni Inkhundla – Lubombo (Markets Assessed: Malindza and Mpaka)

**Intervention:** Cash for Mpaka and Vouchers for Malindza

| | |
|---|---|
| **Reason** | For Mpaka: Market infrastructure is good (mobile network, roads, storage, supply source, restocking) and traders mentioned ability to double restocking volumes meeting increased demand without worry of increasing prices (as prices are determined by the source market) <br> For Malindza: Market infrastructure is good (storage, roads, sourcing locations close by, mobile network). The small stock is not moving but big bags are selling. Trader's preference on vouchers as they are assured of sales. |
| **Constraints/ points to consider** | For Mpaka: Suppliers delay in restocking causes delay in restocking days. Robbery in the area. Only one outlet that currently uses cash <br> For Malindza: Food aid in the Inkhundla is negatively affecting traders' business. <br> Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 20. Mpolonjeni Inkhundla – Lubombo (Market Assessed: Mpolonjeni)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | The markets are functioning well. The only issue is related to high transport costs due to bad quality roads with lots of potholes. Therefore the recommendation is for vouchers so that traders can offset the cost of transport and purchase of goods with the assured sale of their produce. |
| **Constraints/ points to consider** | Very bad road conditions limit trade and increase transport costs. Possibly need to get wholesalers involved to provide goods upfront. |

## 21. Nkilongo Inkhundla – Lubombo (Market Assessed: Big Bend)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Cash is recommended as the market infrastructure is good (roads, sourcing, storage and mobile network) and there is already a cash intervention in the Inkhundla |
| **Constraints/ points to consider** | WFP/WVI cash intervention already taking place in the Inkhundla. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 22. Mhlume Inkhundla – Lubombo (Market Assessed: Tshaneni)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Close to the South African border (less than 10kms) hence vouchers preferred over cash since beneficiaries would opt to buy cheaper goods in South Africa if given cash. The market is functioning well and has adequate storage capacity. Traders' ability to increase stock to meet demand is good. |
| **Constraints/ points to consider** | Close proximity to the SA border hence vouchers over cash. The mobile network is poor. |

## 23. Lubuli Inkhundla - Lubombo (Market Assessed: Lubuli)

**Intervention:** Food Aid for Inkhundla

| | |
|---|---|
| **Reason** | There is only one supermarket in the market food sold is expensive. The market is located in a heavy drought affected area. |
| **Constraints/ points to consider** | High food prices |

## 24. Gege Inkhundla – Shiselweni (Market Assessed: Gege)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Only retailers in the market, no supermarkets. Low volume of food sold in this market as people buy from across the border at cheaper prices. The border with SA is about 5kms away. The market has good infrastructure even though functioning below capacity. Traders are of a small category. |
| **Constraints/ points to consider** | If food aid provided it will negatively affect the local market which is already struggling. Cash is also not an option due to the close proximity with SA where goods are cheaper. The main road is being tarmacked though which could improve trade. |

## 25. Sigwe Inkhundla – Shiselweni (Market Assessed: Ekuphumuleni)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | Red cross has a cash intervention in the area. NMC also has a maize grain depot. Traders can increase capacity. |
| **Constraints/ points to consider** | Storage capacity is limited and market's suppliers (source market) are far adding to the transport cost. Vouchers could be an option if they do not cause friction with the beneficiaries receiving cash. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

## 26. Matsanjeni South Inkhundla – Shiselweni (Market Assessed: Lavumisa)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Close to the South African border (less than 1km) hence vouchers preferred over cash since beneficiaries would opt to buy cheaper goods in South Africa if given cash. The market is functioning well and has adequate storage capacity. Traders' ability to increase stock to meet demand is good. |
| **Constraints/ points to consider** | Close proximity to the SA border hence vouchers over cash. |

## 27. Hosea Inkhundla – Shiselweni (Market Assessed: Hluthi)

**Intervention:** Vouchers for Inkhundla

| | |
|---|---|
| **Reason** | Distance from Hluthi to other markets is far. Traders find transport costs high and have a preference for vouchers as they would need their food sales to be assured. |
| **Constraints/ points to consider** | Possible friction with Red Cross cash intervention as using two different types of interventions in the same Inkhundla. |

## 28. Mtsambama Inkhundla – Shiselweni (Markets Assessed: Hlathikhulu)

**Intervention:** Cash for Inkhundla

| | |
|---|---|
| **Reason** | The market has good infrastructure (roads, finance, supply source, mobile network, storage, etc.). Lots of wholesalers and supermarkets |
| **Constraints/ points to consider** | Food aid distribution in the area which can negatively affect traders. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

| 29. Maseyisini Inkhundla – Shiselweni (Markets Assessed: Nhlangano and Mahamba) | |
|---|---|
| **Intervention:** Cash for Nhlangano; Vouchers for Mahamba | |
| **Reason** | For Nhlangano: Market has good infrastructure (roads, finance, supply source, mobile network, storage, etc.). Lots of wholesalers and supermarkets.<br>For Mahamba: Poor storage capacity and traders inability to increase supply mainly due to lack of upfront cash and competition from the border. SA border is less than 5kms away and customers buy from SA where goods are cheaper. Hence a cash intervention would likely see traders use cash in SA to buy food. Vouchers would ensure they use the local market. |
| **Constraints/ points to consider** | For Mahamba: Close proximity to SA border so cash is not the best option. Food aid is also not an option as it would seriously affect the already limited market trade further. Possibly switch to vouchers if micro-nutrient deficiency is deemed to be high and diet diversity needs to be improved. |

**Source**: Swaziland Market Assessment 2016

## Section 9: Conclusions and recommendations

### 9.1 Conclusion

A technical working group (TWG) was set up by Swaziland's Ministry of Agriculture (MoA) after having collected market data from 29 of the country's most food insecure Tinkhundla. The TWG, which was made up of 13 people from six different agencies (MoA, CSO, NDMA, Red Cross, WVI, and WFP), proceeded to analyse and assess the market data to help guide humanitarian cash based transfer (CBT) food assistance interventions for the 2016-17 lean season.

The TWG was trained on WFP's Trader Survey Market Decision Making Tool and made use of Swaziland's 2016 market assessment findings to help guide its decision making on CBT modality. In particular, the TWG considered 17 market indicators covering multiple market-related aspects: market trade capacity, market functionality, seasonality, food source, market context and surrounding infrastructure, food price trends, insecurity, macro-economic policies and previous CBT experience in the Inkhundla.

The TWG found that:
- Cash was a viable option for at least 13 (45 per cent) of the 29 assessed Tinkhundla;
- Vouchers are a viable option for at least 12 (41 per cent) of the 29 assessed Tinkhundla;
- Food In-Kind was recommended for 2 (7 per cent) of the 29 Tinkhundla assessed;
- Maseyisini and Dvokodvweni were the only Tinkhundla (representing 7 per cent of assessed Tinkhundla) recommended for combined cash and vouchers.

It is important to note that even though the report provides clear findings and recommendations on the type of intervention modality to be employed by market/Inkhundla, these findings/recommendations are to be understood to be derived from a market perspective. More assessments covering other areas of CBT intervention such as logistics, procurement, IT, finance, security, etc. are further recommended in order

to have a more holistic view of the issues/constraints affecting a particular market/Inkhundla. Nevertheless, due to the multi-agency approach employed as well as the use of primary data covering multiple different indicators, this CBT assessment can be taken as an important benchmark in the process of establishing the most appropriate CBT intervention modality by market/Inkhundla in Swaziland.

## 9.2 Recommendations

The assessment team has proposed a set of recommendations to be followed up on by the Swaziland inter-agency cash and voucher working group. These recommendations aim to: support CBT interventions during 2016-17, improve market monitoring approaches and better prepare Swazi VAC for future market assessments it plans to undertake:

- Cash is a viable option for at least 13 (45 per cent) of the 29 assessed Tinkhundla. These markets are fully functioning with good roads, good financial infrastructure, adequate storage capacity, quick restocking, and decent mobile network. In these markets, direct cash would suffice and the market will ensure that adequate food is available at an average price level for the season.

- Vouchers are a viable option for at least 12 (41 per cent) of the 29 assessed Tinkhundla. These markets are functioning and infrastructure is good (good roads and adequate storage capacity). These were either border markets where customers often go across the border to buy cheaper food or where traders specifically requested a voucher intervention for security reasons or due to high transport costs. A business to business model may be required for some of the vouchers markets.

- Food In-Kind was recommended for 2 (7 per cent) of the 29 Tinkhundla assessed. These were notably Tinkhundla where markets had high food prices and poor storage capacity and where roads and mobile network were poor. Shops were also few and small in size.

- Maseyisini and Dvokodvweni were the only Tinkhundla (representing 7 per cent of assessed Tinkhundla) recommended for combined cash and vouchers. Cash is recommended in the Tinkhundla markets which are highly functional and vouchers are being recommended in the markets which are found in close proximity to the border and where traders outright requested vouchers be used instead of cash.

- Set-up an inter-agency CBT working group (CBTWG) in Swaziland to share information on ongoing interventions, to ensure interventions are harmonised and to act as a platform where support and suggestions can be provided.

- Ahead of a CBT intervention sensitise traders on the upcoming intervention well in advance allowing the traders enough time to buy the required food volumes to last at least one month of food need requirements.

- Review Swaziland's national food price monitoring system to align it with CBT requirements (units of measure, standards of data collection, market selection and reporting format/s).

- Monitoring of food volumes, cash distributions and food prices on the markets is a must before, during and after the cash/vouchers intervention modality has taken place.

- WFP to start-up mVAM as a way to monitor food prices in remote markets.

- Include a question in Swaziland's annual VAC Assessment identifying which markets vulnerable households' get their food requirements from. Emphasising on location rather than shop name.

- Ensure a CBT intervention balances out support between shops owned by nationals and those by foreigners. This will ensure possible tension and conflict between different communities with regard to the received assistance is limited.

- Verify with local traders on their preferred intervention modality. A number of traders mentioned that competition between traders is very strong in Swaziland. Often they mentioned preferring vouchers to cash distributions as this would guarantee consumers would purchase food from them rather than a competitor, thereby limiting the trader's exposure to risk.

- Monitor security concerns across the country to see if any recordings occur as a result of the interventions.

- Due to high levels of chronic malnutrition in the country review feasibility of selecting vouchers over cash in collaboration with nutrition units/agencies, as vouchers are typically the favoured market-based modality to improve nutrient intake and increase diet diversity.

- A nutrition survey is recommended to enable a more in-depth understanding of the malnutrition situation in Swaziland.

- Be ready to switch intervention modality in a short space of time (within a month). This will be particularly important if you come across markets where abnormal price spikes are taking place.

- If considering using cash/ e-money, ensure a good mobile network is available in the region and free solar charging points are set-up for beneficiaries to charge their phones with.

- The findings from the market assessment as well as from the CBT selection modality process are to be taken as recommended modality interventions specifically related to market functionality, constraints and contexts. To have a more holistic overview of the of most suitable intervention modality for the Tinkhundla agencies may wish to further assess CBT feasibility through other specific assessments such as and not limited to: finance, IT, security, logistics, and procurement.

## Section 10: References

- AFDBa, 2016, '*AFDB Socio Economic Database, 1960-2016*', Knoema, https://knoema.com/AFDBSED2016v1/afdb-socio-economic-database-1960-2016?tsId=1214410

- AFDBb, 2016, '*African Economic Outlook (AEO)*', http://www.afdb.org/en/countries/southern-africa/swaziland/swaziland-economic-outlook/

- Agbiz, 2016, '*Agbiz updates' ,* Agriculture Business Chamber*, www.agbiz.co.za*

- Central Bank of Swaziland, 2016, 'Recent Economic Developments: July/August, 2016', http://www.centralbank.org.sz/publications/economy/August2016.pdf

- CFSAM, 2015, '*Crop and Food Security Assessment Mission*', Joint Assessment United Nations Food and Agriculture Organization and United Nations World Food Programme, https://www.wfp.org/content/swaziland-fao-wfp-crop-food-security-assessment-mission-july-2015

- IFAD, 2016, '*Rural Poverty Portal, Swaziland Statistics'*, https://www.ruralpovertyportal.org/country/statistics/tags/swaziland

- Swazi VAC, 2016, 'Swaziland Vulnerability Assessment Committee Report', Swaziland Vulnerability Assessment Committee: Government of Swaziland, http://documents.wfp.org/stellent/groups/public/documents/ena/wfp286710.pdf

- WB, 2016, '*Swaziland Overview*', http://www.worldbank.org/en/country/swaziland/overview

- WFP, 2016, '*Swaziland*', https://www.wfp.org/countries/swaziland

- WFP, 2016a, 'Dataviz.vam', http://dataviz.vam.wfp.org/Agroclimatic_Charts

- WFP, 2016b, '*Swaziland Market Assessment Report: 2016*', United Nations World Food Programme,

- TECHNOSERVE, 2013; '*Increasing Maize Productivity and Food Security in Swaziland*', TECHNOSERVE, Swaziland

**Swaziland Government**