

WFP Contribution to Market Development and Food systems in Southern Africa: A thematic Evaluation [2018 to 2021]

Introduction

1) Zimbabwe was one of the six country case studies for a thematic evaluation of the World Food Programme (WFP) market development activities (MDAs) and related food systems support activities in Southern Africa. The evaluation was commissioned by WFP Regional Bureau Johannesburg (RBJ) and covers the period from 2018 to 2021. It was intended to answer the question: “What is WFP’s contribution to market development and food systems and how can such contribution be enhanced to contribute towards Zero hunger?”. The primary user of the evaluation is WFP staff involved in designing and implementing MDAs especially Country Office (CO) and RB staff. Other users are Headquarters (HQ) staff involved in development of guidelines, standards, and procedures for designing, implementing, monitoring, and evaluating MDAs. Relevant partners involved in MDAs may also find the evaluation of use to them.

Context

2) With a good 2020/2021 rainfall season, Zimbabwe recorded an increase in the area planted to maize to 1,951,848 ha with the support of Government and the private sector. Cereal production totalled 3,075,538 tons against a national cereal requirement of 1,797,435 tons for human consumption and 450,000 tons for livestock.¹ This near-record 2021 crop production is expected to improve access to food and engagement in income-earning activities across most of the country through at least early 2022.² The impacts of poor macroeconomic conditions and COVID-19 restrictions will have an impact on the informal sector in rural and urban areas.

3) Underlying the economic challenges are high poverty levels, with 62.6 percent of Zimbabwean households classified as poor (approximately 76 percent in rural areas compared to 38.2 percent in urban areas).³ Poverty is more prevalent in female-headed households (34.4 percent) compared with 30.8 percent in male-headed households.⁴

4) Zimbabwe has more than 15,000 refugees at the Tongogara camp in Chipinge who have fled war, conflict and unrest across the Great Lakes and Horn of Africa regions.⁵ These refugees from the Democratic Republic of Congo, Rwanda, Burundi, Somalia, Ethiopia, and Eritrea have been supported by the World Food Programme (WFP) since 2015 through food and cash.

5) Although stunting has decreased from 32 percent in 2010-11 to 27 percent in 2015 and 23.5 percent in 2018, rates are still extremely high in absolute terms, indicating that food insecurity is still a major problem. Many of Zimbabwe’s socio-economic challenges have a gendered dimension. In recognition of historic gender inequalities, Zimbabwe’s Constitution has enshrined strong provisions for gender equality and women’s rights. The Zimbabwe Agenda for Sustainable Social-Economic Transformation (2013-2018) envisaged an empowered society and a growing economy through food security and nutrition, infrastructure development, nutrition policy and legislation, and improved social services and eradication of poverty through human capital development, empowerment, employment, and gender mainstreaming. The UN system supported these national priorities through the Zimbabwean UNDAF (2016-2020). The new National Development Strategy 1 (NDS1) (2021-2025) builds on this and identifies food security and nutrition as one of the key pillars.⁶

¹ <https://rvaatlas.sadc.int/article/sadc-rvaa-synthesis-report-2021>.

² https://reliefweb.int/sites/reliefweb.int/files/resources/Zimbabwe_Food_Security_Outlook_June%202021_Final_210630%20_2.pdf

³ ZIMSTAT, 2013: Poverty Income Consumption and Expenditure Survey 2011/2012.

⁴ Government of Zimbabwe (2016): Zimbabwe Interim Poverty Reduction Strategy Paper (I-PRSP) 2016-2018.

⁵ WFP Zimbabwe CSP Update #50, 13 September 2021

⁶ http://www.zimtreasury.gov.zw/index.php?option=com_phocadownload&view=category&id=64&Itemid=789.

6) The decline of the country's manufacturing sector over the past 20 years has resulted in de-industrialisation and the emergence of SMEs across key productive sectors. NDS1 seeks to prioritize development and implementation of a national action plan to facilitate the transition from informality to formality by the SMEs sector. Support and development of the SMEs will be critical to achieve targets for the manufacturing sector and will also promote rural industrialisation. A new UN corporation framework is under development to align to the NDS (2021-2025). The Knowledge Transfer Africa (KTA) and the China Aid Agriculture Technology Demonstration Centre (CATDC) are working in conjunction with WFP to pilot the use of a market information system for smallholder marketing in China and the use of the e-commerce online application in the context of Zimbabwe.⁷

Subject of the Evaluation

7) The subject of the evaluation are the MDAs implemented as part of Cash Based Transfers (CBTs) and related agriculture market interventions. CBT in Zimbabwe was planned to be used under CSP [Activity 1](#) (*Provide cash and/or food transfers to the most vulnerable households affected by seasonal food shortages*), [Activity 2](#) (*Provide unconditional cash and/or food transfers and livelihood support for refugees in camps*) and [Activity 7](#) (*Support the creation and rehabilitation of assets for sustainable food and nutrition security*). WFP in Zimbabwe implemented CBTs through retailers for close to four years, albeit with limited MDAs implemented in a structured way as guided by the WFP corporate guidance.

8) The evaluation had two mutually reinforcing objectives of accountability and learning, with greater emphasis given to learning as this is a relatively new and under-evaluated area of WFP work. In Zimbabwe, the evaluation assessed changes that happened to retailers working with WFP without explicitly designed MDAs in ensuring access to food by the people receiving WFP assistance. In addition, the evaluation generated lessons on the WFP relationship with retailers who participated in the urban response programme and explored the potential for multi-sectoral collaboration in the design and implementation of MDAs.

9) In terms of agriculture market interventions, these were implemented under CSP [Activity 5](#) (*Support the development of an efficient local food marketing and procurement mechanism*) and [Activity 6](#) (*Enable farmer organizations to aggregate and market surplus production*). The evaluation generated lessons on how WFP could enhance smallholder farmers' linkages to markets to enhance their incomes and contributions to the local economy in general.

Methodology

10) Data was collected using a mix of methods including: i) in-depth review of documents (Annual Country Reports, Market Functionality Index (MFI)⁸ report, retailer monitoring reports, guidance documents on Smallholder Agricultural Market Support Plus (SAMS+) and other assessments conducted through the retailer contracting process); ii) an innovative qualitative data collection approach called the [Qualitative Impact Assessment Protocol \(QUIP\)](#), to carry out semi-structured interviews and focus group discussions with retailers/market actors in targeted markets; iii) Key informant interviews with WFP staff, government and other stakeholders. The list of stakeholders consulted is found in Annex 1.

11) Data collection took place firstly, on 17th to 29th of May 2021 and a follow up to gather lessons learned on the urban food security resilience programme was conducted on 12th to 30th of July.

12) Analysis of data involved triangulating information from the three sources identified in para 10 above to draw conclusions on WFP contribution to Market development and food systems, and to make recommendations on how this can be enhanced. Gender equality and empowerment of women was mainstreamed throughout the evaluation. Participatory methods of data collection included focus group discussions with men and women retailers. Further, two female local researchers collected data from retailers as a way of building capacity of women in Zimbabwe. Data analysis assessed progress made for women and men over the period evaluated.

Limitations

13) An alternative to the norm methodology was used- the QUIP methodology usually involves 24 qualitative interviews (in Zimbabwe 21 interviews were conducted) and cannot be considered representative of the wider population. Thus, findings cannot be generalized across the wider project target areas. However, the findings offer an opportunity to learn from detailed perceptions of change amongst retailers and how WFP has contributed to that change.

14) In general, the methodological focus on causal mechanisms makes it difficult to capture the seasonality and dynamic nature of changes in assortment, availability, and price. In addition, focus group discussions asked the same questions as key informant interviews and may not have been grouped to elicit the most honest and open responses. Disaggregation under

⁷ WFP Zimbabwe 2020 ACR.

⁸ The **Market Functionality Index (MFI)** is a quantitative measure designed by WFP's Research, Assessment & Monitoring (RAM) and Supply Chain (SC) Divisions to benchmark market functionality along the following nine dimensions: 1) Assortment of essential goods, 2) Availability, 3) Price, 4) Resilience of supply chains, 5) Competition, 6) Infrastructure, 7) Services, 8) Food quality, and 9) Access and protection.

QUIP was not possible due to difficulties with categorization of stakeholders, making it difficult to discern the differences between retailers and wholesalers (large retail chain stores).

Key Findings

15) The evaluation findings and the evidence to substantiate them are presented below along the four evaluation criteria of relevance, effectiveness, impact/contribution, and sustainability.

Relevance Question 1: *To what extent are market development activities and related interventions informed by market inefficiencies identified during relevant WFP multi-sectoral market assessments and country contexts?*

16) WFP implemented CBTs during the rural Lean Season Assistance (LSA) which starts from October of one year through to March or April of the next) between 2018 and 2021 in providing refugee assistance and under the urban social response programme. The relevance of each of these is examined below:

17) Rural Lean Season Assistance. LSA through CBT and engagement of retailers is relevant to addressing food and nutrition insecurity during the lean season usually exacerbated by climatic shocks and macro-economic challenges. In both 2018 and 2019, CBT was provided in the form of liquid cash, mobile money, or vouchers, which was relevant in addressing the needs of people located in different country contexts (rural versus urban) and market conditions.

18) Refugee Assistance was provided through monthly CBT in 2018 but the modalities were shifted to in-kind for 2019 and 2020 due to government’s monetary policies. This flexibility in switching modalities was commendable and relevant in meeting the food security needs of refugees and asylum seekers at Tongogara Refugees Camp (TRC).

19) Urban social assistance and resilience-building was initiated by WFP and partners in response to the growing urban food insecurity⁹. The programme consists of a CBT, resilience building and complementary activities as reflected in **Figure 1**. The programme was started as a pilot in Epworth, Harare in December 2018 reaching a total of 18 990 people through four cycles of mobile CBTs covering the food basket requirements.¹⁰

20) Since then, the programme has been scaled to up to 23 domains¹¹ and the value increased to USD 12. The programme’s objective of boosting the livelihoods of local retailers/ vendors and injection of cash into the local economy is in line with the National Development Strategy 1 (NDS1 2021-2025) that supports the development of Small and Medium Enterprises (SMEs). The Deputy Director of Family and Social Protection and Commissioner for Refugees in the Ministry of Public Service, Labour and Social Welfare spoke highly of the CBT programme in terms of its contribution to the economy and household food security in urban areas.

	2018 PILOT	2019-20 SCALE UP	2020-21 SCALE UP
Cash Transfer Component	18,990 people receiving USD 9 for 4 months in 1 domain	100,000 people receiving USD 9 for 6 months in 8 domains	326,000 people receiving USD 12 in 23 domains
Resilience Building Component	3,798 people through mushroom Projects	Activities suspended due to COVID-19	Agriculture, Informal workers, communal assets, social norms
Complementary Activities	Nutrition, Hygiene, & Protection trainings		

Figure 1: The urban social assistance and resilience programme. **Source:** Zimbabwe WFP CO

1.1 Which market development activities and related interventions have been designed and implemented in Zimbabwe?

Retail

21) WFP in Zimbabwe has not been implementing explicitly designed MDAs with specific objectives except retailer onboarding training. However, retailers have been supported on an as-needed basis. This section will discuss more broadly, the relevance of retailer engagement in the context of Zimbabwe and in informing the design of MDAs. Informants at the national and field levels reiterated that the objective of the WFP retailer engagement was to ensure people receiving food assistance have access to quality, nutritious and affordable food that is available continuously. As such, WFP established

⁹ <http://fnc.org.zw/wp-content/uploads/2019/01/2018-ZimVAC-Urban-Livelihoods-Assessment-Report-1.pdf>

¹⁰ WFP, 2019: Zimbabwe Urban Food Security and Resilience-Building Pilot

¹¹ http://www.zimtreasury.gov.zw/index.php?option=com_phocadownload&view=category&id=64&Itemid=789

partnerships with over 50 retailers including large chain-stores and single smaller stores across the country to deliver CBT to the targeted people. Mobile money was the primary cash disbursement modality in Zimbabwe until government banned bulk payments in June 2020, which forced WFP to switch modalities to cash through remittance exchange¹², and SCOPE E-Voucher¹³.

22) WFP's retail engagement is relevant in supporting the government's efforts to address job losses in urban areas which were estimated to be around 25 percent and 75 percent in the formal and informal sectors respectively¹⁴. Delivering CBT through retailers' existing supply chain is relevant in making markets more efficient, reliable, and resilient.

23) The retailer on-boarding process takes place after the contract has been signed between WFP and the retailer. The purpose is to communicate the contract's objectives, explain WFP performance management processes, and explain the performance expected of the retailers (compliance to contract requirements).¹⁵ A focus group discussion with field officers confirmed that training of retailers was done by WFP ICT, supply chain and field officers and focused on WFP processes related to the CBT programme, use of Point of Sale (POS) system and humanitarian principles on how retailers should relate to beneficiaries including protection, disability and gender issues.

Smallholder Agricultural Market Support

24) Local procurement and Smallholder Agricultural Market Support is provided by WFP working with government and UN partners. The market development activities included: training of farmers on collective marketing and post-harvest management and storage; facilitating farmers to access affordable agricultural input loans from the Zimbabwe Women's Microfinance Bank; training in small grain production, good agricultural practice, post-harvest management, and climate smart agricultural techniques; providing advice on financial literacy and credit management and linking farmers to markets through WFP tenders and a mobile eco-farmer platform.

1.2: Are objectives of the (MDAs) and related interventions in line with the market inefficiencies identified during relevant WFP multi-sectoral assessments?

25) WFP conducted markets assessments in 2018 and 2019 through Vulnerability Assessment and Mapping (VAM) unit to inform programme design – use of CBT and other programme areas. In addition, supply chain team conducts retailer monitoring once a month through monitoring visits at the retailer store, using beneficiaries or customer feedback mechanism or through remote monitoring. Using the Corporate guidance on retail performance monitoring¹⁶ the CO had been conducting qualitative assessments of price; assortment and quality, availability of stock, services, cleanliness of shops and operational compliance issues. The national market assessments in 2018¹⁷ and 2019¹⁸ identified market access issues due to poor communication infrastructure, roads and low competition due to the low participation of traders on the market.¹⁹ In 2021, the CO conducted the Market Functionality Index (MFI), which identified two dimensions - infrastructure and service - as the key market inefficiencies.²⁰ The MFI is a quantitative measure designed by WFP's Research, Assessment & Monitoring (RAM) and Supply Chain (SC) Divisions to benchmark market functionality along the following nine dimensions: 1) Assortment of essential goods, 2) Availability, 3) Price, 4) Resilience of supply chains, 5) Competition, 6) Infrastructure, 7) Services, 8) Food quality, and 9) Access and protection.²¹

26) Taken together, these assessments have been useful in identifying market inefficiencies but have been used to inform the design of MDAs. At the time of the drafting of this summary report, the CO with support from the Kenya WFP Country office was preparing to undertake the Market Systems Analysis (MSA) which is meant to recommend on how to address market inefficiencies identified by the MFI report.

1.3: To what extent are the MDAs and related interventions relevant to the needs of the targeted women and men retailers?

27) There was a mixed picture on the relevance of the retail engagement and related MDAs to the needs of retailers. Most retailers consulted indicated that their engagement and WFP's support they had received was relevant to their business needs. In this case, relevance was associated with business growth, increased skills, and capacities to run their business through the trainings WFP had provided. For the minority (3 out of 16 retailers interviewed) who said the engagement was not relevant to

¹²This is disbursed through a Global Long-Term Agreement (LTA) with Western Union activated to do USD cash disbursements

¹³This is a WFP in-house solution implemented in partnership with chain and single stores across Zimbabwe.

¹⁴ 2020 Zimbabwe Vulnerability Assessment Committee (ZimVAC) Urban Livelihood Assessment Report.

¹⁵ Retail Performance Management Guidance, Supply Chain CBT and markets, 2019.

¹⁶ Retail Performance Management Guidance, Supply Chain CBT, and markets, 2019.

¹⁷ Zimbabwe National Cash Working Group 2018 Market Assessment Report

¹⁸ Zimbabwe Cyclone Idai Affected Areas Market Assessment: All Clusters Report, April 2019

¹⁹ Zimbabwe Cash Working Group, 2018: National Markets Assessment Report and Zimbabwe Cyclone Idai Affected Areas Markets Assessment: All clusters Report.

²⁰ Zimbabwe Market Assessment- Market functionality Index (MFI)

²¹WFP Market Functionality Index Technical Guidance, April 2020.

their needs, this was mainly because of the delayed reimbursements and the unfair competition between big wholesalers/retailers and smaller retailers.

28) A selection of retailers' perspectives on the relevance of the retail engagement is shown in **box 1**.

Box 1: Perspectives of retailers on the relevance of their engagement in CBTs

- "WFP helped me widen my market; my customers have increased" Trader in Chinhoyi
- "The training was very relevant. We were properly equipped on how to deal with WFP customers in the shop and how the whole system works". *Trader in Harare*
- "We were still starting our business and without much experience we benefited a lot from their training especially on customer service". *Trader in Makonde District*
- "The assistance nearly destroyed the business had it not been for the back-up of the shabeen". *Trader in Marondera*
- "The assistance was not relevant, only if they managed to do payments in time it was going to be relevant. All these shelves used to be full, and behind the till there used to be not enough space to walk around, it is now empty". *Trader in Norton*
- "Suffering induced by delayed payments outweigh benefits later attained from the bulk payment" *Trader in Marondera*

29) Non-Governmental Organizations (NGOs) operating at the field level also considered the retail engagement to be relevant to the needs of retailers. They indicated that this engagement had empowered customers with a wider choice of retailers to buy from and were able to make rational choices based on pricing and timing. Further, this had enhanced the quality of service provided by some retailers (e.g., some retailers were doing home deliveries for elderly customers).

30) Consultations with smallholder farmers' cooperative representatives in Mutoko and WFP staff during this evaluation process strongly suggest the agriculture market support received from government and partners working with WFP was relevant in meeting their needs. Inputs assistance to farmers in the form of fertilisers was viewed as relevant in relieving the financial burden and enabled farmers to allocate funds to other farm needs. The door-to-door delivery of farm inputs was relevant in reducing the transactional costs. Further, the training provided by the Department of Agricultural, Technical and Extension Services (AGRITEX) in conservation agriculture was considered useful as it had increased their skills in sustainable farming as well as improved crop quality.

1.4: Are the objectives of MDAs and related interventions in line with national development policy frameworks for achieving zero hunger?

31) WFP's LSA and urban resilience programme is in line with the national food and nutrition security policy²² and the Zimbabwe's harmonised social cash transfer programme that seek to ensure food security and improve nutrition for all vulnerable people in the country.

32) WFP's agricultural market interventions aim to create and enhance inclusive and sustainable markets in Zimbabwe by establishing WFP's local procurement platform and facilitating smallholder farmers' access to and participation in these markets. Procurement by WFP provides smallholder farmers with market for their produce as well as other support activities. This is in line with Zimbabwe's agriculture sector policy that promotes initiatives that improve efficiency of agriculture market systems.

1.5: How can WFP enhance relevant market development programming in Zimbabwe?

33) Retailers NGO local partners suggested several ways in which WFP could enhance the relevance of market development and these are listed below:

- i. Timely reimbursement of retailers as per contractual agreement to avoid the negative effects on their businesses.
- ii. Staggering of beneficiaries so that they do not visit the shops on the same day especially in view of COVID-19 regulations.
- iii. Direct assistance to retailers in the form of loans that can assist the smaller retailer in restocking and ensuring food availability.
- iv. Addressing the competition between big wholesalers and small retailers to ensure the later are not disadvantaged.
- v. Promote resilience building initiatives amongst the communities supported such as income generating activities, crop and livestock farming. In turn, the communities could sell their produce to these retailers thus promoting local economic growth.

2. Effectiveness Question: To what extent did the identified MDAs deliver expected outputs and contribute to the expected outcomes?

Retailer Engagement and Related Interventions

²² <http://fnc.org.zw/wp-content/uploads/2019/01/Food-and-Nutrition-Security-Policy.pdf>

34) While the retailer engagement and related market development interventions in Zimbabwe did not have explicit output and outcome indicators that can be used to measure results, the WFP Corporate Results Framework has a specific output indicator on “Number of retailers participating in cash-based transfer programmes” as well a more general indicator on capacity strengthening “Number of people engaged in capacity strengthening initiatives facilitated by WFP to enhance national food security and nutrition stakeholders’ capacities”. Furthermore, WFP has recently developed four key performance indicators to be measured across all WFP operations that engage retailers, which are part of the MFI dimensions (The nine MFI dimensions and their descriptions are in Annex 2. The four indicators are described below.

- i. **Price:** measured by whether the Price of selected food basket in *WFP contracted shops* are aligned or lower than other stores in the same market; (*can be “WFP engaged shops” in an unrestricted cash environment*)
- ii. **Availability:** measured by the percentage of selected food basket that is in stock during monitoring visits
- iii. **Quality:** measured by food quality score of WFP “engaged” shops increases over time (score from RPME).
- iv. **Service:** measured by Service score of WFP “engaged” shops increases over time.

35) WFP staff at the national and field levels stated that the objective for engaging retailers was generally to maximise the food and nutrition benefits of the people receiving assistance. Hence, the beneficiaries are at the centre of the retail engagement as specified in the WFP retail performance management guidelines²³. While the urban food security and resilience programme have a clear objective: “to boost the livelihoods of local retailers and vendors in the domains through the injection of cash-based transfers, where at least a proportion of which will be utilised through the local economy”, it has no specified indicators to measure these results. However, the corporate indicators are applicable in measuring achievement of this objective.

36) During the follow up data collection on lessons learnt on the urban assistance programme, retailers were asked to rank the overall retailer engagement against a set of questions. The responses are reflected in Figure 2 (N=8).

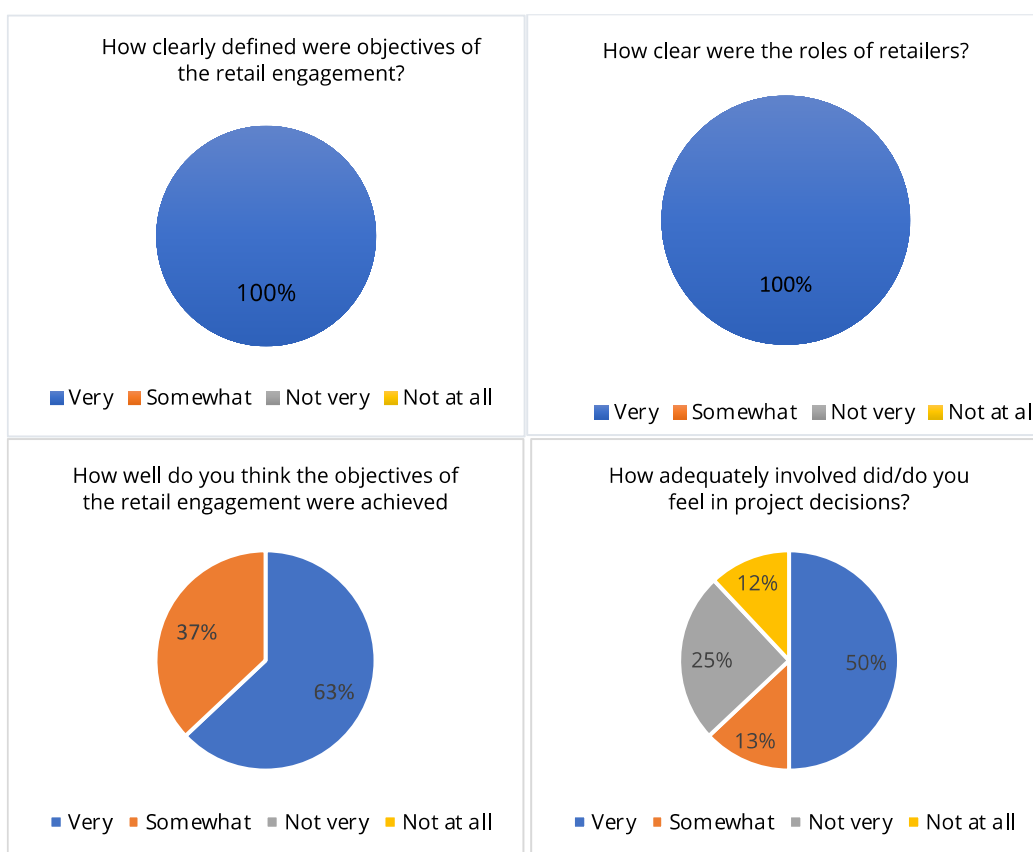


Figure 2: Ranking of retail engagement by sampled retailers **Source:** Data collected by ET.

37) All the 8 retailers sampled in Marondera, Norton and Chinhoyi said the objectives of the retail engagement as well as their roles within the programme had been clearly defined which strongly suggests that the on-boarding training was effective. In terms of achievement of the retail engagement objectives, 5 retailers answered in the affirmative. The 3 retailers who stated that the objective had been somewhat achieved was because of the delayed reimbursements from WFP, delayed receipt of

²³ WFP, 2019: Retail Performance Management Guidance Supply Chain and Markets, July 2019.

technical support on faulty POS machines and perceived incompetence of GOAL²⁴ staff due to what they perceived to be unclear responsibilities between GOAL and WFP. The general sentiments amongst these retailers reporting underachievement of objectives were that the programme gives less priority to retailers' capacity needs. Yet they are expected to perform in order to achieve the objectives of the CBT programme. In terms of participation in project decisions, the results are mixed. 50 percent said they are adequately involved and 25 percent indicated they not very much involved, which is significant.

38) Annex 1 shows the performance monitoring data and the set of indicators used in December 2020, February 2021, and March 2021. There is a generally positive achievement across the majority of indicators assessed (annex 1 shows 8 out of 10 indicators have positive results).

39) The main areas of concerns over the same period were prices of commodities (in terms of differences between chain stores and small retailers; display of prices, inconsistency between displayed prices and printed slips), observation of COVID-19 prevention measures, access and protection issues. There is consensus amongst WFP field staff and retailers consulted that WFP addresses these concerns largely by pressing for retailer compliance and not so much on strengthening the capacities of retailers to deal with the concerns identified. In addition, access and gender is a major constraint with most shops having no facilities to accommodate the needs of disabled, elderly, pregnant and nursing women but not much has been done to address this area of concern.

40) The information generated from the retail monitoring is mainly qualitative and not consistently presented across periods to allow for detailed comparisons. For example, the available monitoring data for 2021 does not allow for analysis of the number of shops/retailers that are meeting the desired criteria (e.g. price, assortment and quality, service etc).

41) In general, all retailers are treated the same in terms of compliance requirements despite their differences in size and location. Differentiation is necessary for WFP to have a nuanced understanding of which retailers need further capacity strengthening initiatives and to monitor their improvements through time.

42) Consultations with retailers indicated that, despite having received very minimal intervention, their participation in the CBT had produced noteworthy results. The benefits mentioned by most contracted retailers were around economic gains and growth in business because of increases in the customers, sales and profit margins. For example, one trader in Chinhoyi reported an increase in sales averaging 25-30 percent between 2018 to 2021. Trading in USD provided stability and improved planning and budgeting and enhanced their stocking abilities. Some retailers also mentioned that their social responsibility to the communities they serve had been boosted. They were able to offer incentives to the customers, such as discounts and transport services for the elderly.

43) These results need to be viewed in the context of location of retailers and the size (wholesalers/chain stores versus the small retailers). As Figure 3 shows, there are marked differences in market share between small retailers located in Redcliff and big wholesalers located in Kwekwe. Focus group discussions with retailers lamented the unfair competition between small traders with wholesalers and other established brands Chain stores. Stakeholder consultations with WFP field Officers, NGO partners and retailers confirm that where smaller retailers are near big wholesalers, customers tend to prefer wholesalers as they tend to offer a better price, provide greater choice and better service (free door to door transport). Consequently, some small retailers reported a decline in numbers of those people targeted by WFP.

²⁴ GOAL is an international humanitarian response agency established in Ireland over 40 years ago.
<https://www.goalglobal.org/countries/zimbabwe/>

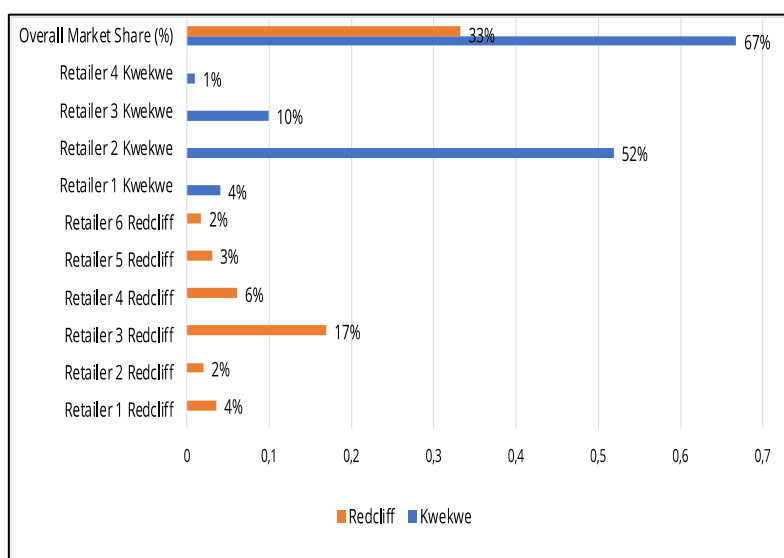


Figure 3: Market Share Analysis in Kwekwe and Redcliff retailers Source: Zimbabwe WFP CO

Smallholder Agricultural Market Support

44) Through the Smallholder Agricultural Market Support (SAMS) project, WFP and partners provided trainings to 4000 smallholders in post-harvest handling, quality control, aggregation, the procurement of inputs, microfinance and collective marketing, thus meeting targets for 2020²⁵. The smallholder farmer representatives consulted confirmed having received the training and attested to its usefulness in developing their capacities to produce and market their produce.

45) In terms of outcomes, the percentage of WFP food procured from smallholder farmer aggregation systems under activity 5 and 6 has fluctuated (see Table 1) since 2018 caused by a combination of climate induced droughts and changing government policies²⁶. Further, the value and volume of smallholder sales through WFP-supported aggregation systems under activity 5 shows 305 percent increase in value and 240 percent increase in volume in 2020 compared to 2019.

Table 1: Zimbabwe CSP Activity 5 and Activity 6 Outcome indicators

OUTCOME INDICATORS	2018	2019	2020	end CSP target
Activity 5: Support the development of an efficient local food marketing and procurement mechanism				
Percentage of WFP food procured from smallholder farmer aggregation systems	10	1.75	4.39	>13
Value and volume of smallholder sales through WFP-supported aggregation systems: Value (USD)	\$434,869.58	\$208,483.88	\$908,576.20	\$351,000
Value and volume of smallholder sales through WFP-supported aggregation systems: Volume (metric tonnes)	1,003.86	764,78	2602.6	900
Activity 6: Enable farmer organisations aggregate and market surplus production				
Percentage of WFP food procured from smallholder farmer aggregation systems	0.6	0.13	0	>3.8
Value and volume of smallholder sales through WFP-supported aggregation systems: Value (USD)	\$21 661.38	\$12 474	0	\$117,000
Value and volume of smallholder sales through WFP-supported aggregation systems: Volume (metric tonnes)	64.93	59.48	0	300

Source: ACR, 2020 report

Factors affecting implementation of MDAs and achievements of outputs and their contribution to outcomes.

46) The factors affecting implementation of MDAs (shown in figure 4) fall roughly into four categories: Macro-economic environment which constitutes the fuel shortages, cash shortages, critical shortage of farm inputs that contributed to scarcity of goods on the market and subsequent commodity prices identified in 2018. Across all periods, the country suffers from policy uncertainty evidenced by numerous statutory instruments dealing with monetary policies designed to control exchange rates and

²⁵ Zimbabwe ACR, 2020

²⁶ Government's introduction of Statutory Instrument 145, which among things imposed strict limits on the volume of cereals and other foods farmers could transport and conditional tenders were negatively impacted. The SI also limited trading in maize, restricting traders from buying from smallholders.

restricting foreign currency use which affected business including retailers as it shall be explained in the impact section below. Climate variability experienced in the form of cyclone Idai in 2019 and the droughts in 2017 and 2018 had an impact on agriculture production and availability of food. In 2021, the country experienced above average rainfall which resulted in a 46 percent decrease in the number of people food insecure due to favourable rainfall conditions.²⁷

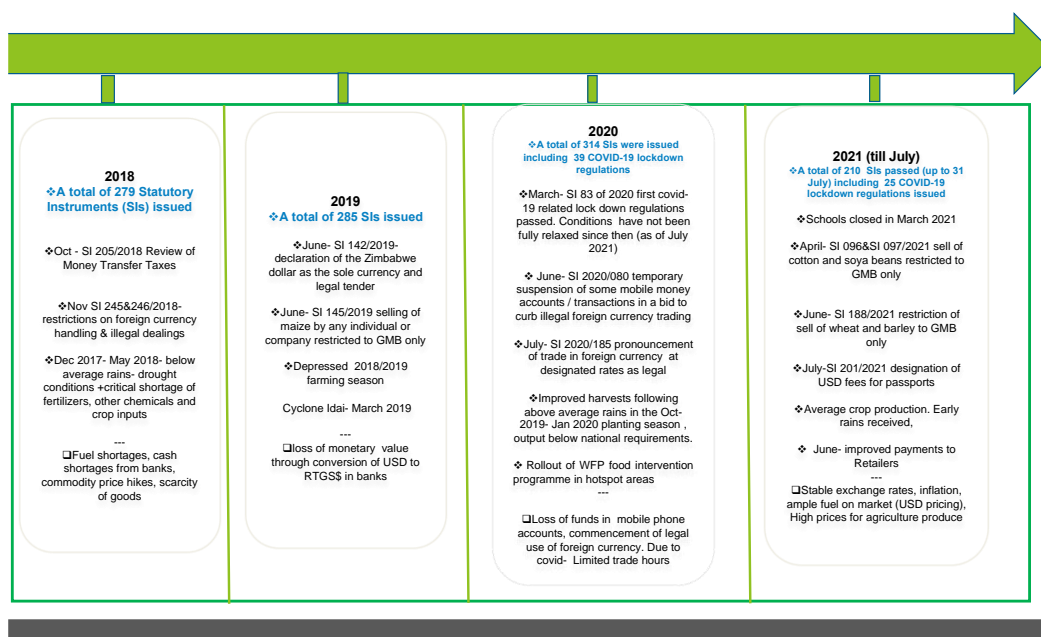


Figure 4: Summary of factors affecting implementation of MDAs in Zimbabwe. **Source:** Data gathered by ET from various literature and key informant interviews

Impact/contribution

3. To what extent are WFP MDAs contributing to improving market efficiencies in Zimbabwe?

47) Impact indicators assessed were those outlined in the evaluation matrix and included: type of change experienced in the past three years per each market functionality KPI, perception on how the change has occurred and the main reason for the change, perception on how the overall business has changed during this period, stakeholder perceptions on role of MDAs in improving KPIs, stakeholder perceptions on how supporting market actors through WFP supported MDAs contribute to positive change in their livelihoods, post-harvest losses, stakeholder perceptions on positive/negative effects of the WFP MDAs.

48) Firstly, the retailers were asked to describe the changes they had experienced in the past three years along the market functionality indicator dimensions of *assortment and quality, availability, price, resilience of the supply chain, infrastructure, service, competition, access, and protection*. The frequency and the direction of these changes are indicated in table 2. Most retailers indicated a positive change in the marketplace competition and assortment and quality reported by 18 and 16 respondents respectively. A greater proportion of respondents also reported positive changes in service (13 out of 21), availability (12 out of 21) and infrastructure (12 out of 21). A negative change in prices in the past three years was reported by 11 out of 21 respondents. There is a significant number of retailers who stated that there had been no change with regards to access and protection (8 out of 21) and the ability to meet the demand in the past three years (7 out of 21).

Table 2: Direction of changes reported by retailers consulted (n=21)

	-	+	0	NA
Changes in assortment and quality in the past three years	2	16	1	2
Changes in availability in the past three years	6	12	3	
Changes in the price in the past three years	11	4	2	4
Changes in ability to meet demand in the past three years (resilience)	5	9	7	
Changes in state of infrastructure in the past three years	3	12	4	1

²⁷ <https://rvaaatlas.sadc.int/article/sadc-rvaa-synthesis-report-2021>.

Changes in service in the past three years	6	13	3	
Changes in competition in the past three years	0	18	2	
Changes in access and protection in the past three years	4	5	8	3

+ **Positive change** - **Negative change** 0 **No change** N/A **The effects were unclear.** Where the total responses are less than 21, the change was not clearly described

Source: Key informant interviews with retailers

49) WFP support is the top causal factor for the changes described, whether negative or positive with 73 out of 73 statements identifying it as such (see **Annex 2** on factors associated with cause and effect). In overall, **greater variety of products** was named as an effect of WFP in 48 statements; only twice was it mentioned as a cause of change. This was followed by **increased growth in business and performance** and **customer service** (reported in 23 statements each) and **stable local markets** (reported in 17 statements) were mainly mentioned as effects of WFP participation.

50) The following pages will discuss the causal links of each KPI based on data gathered through KII and FGDs with retailers. The causal link is basically an arrow linking causal factor a with effect factor b. The 'why' is gleaned from the quote associated to the causal link coded. The number of links represents the strength of the link, whilst the colour of the arrow represents the direction of the link. Green means a positive change in one factor led to a positive change in the other. Red means a negative change in one factor led to a negative change in the other. When arrows are coloured half in green and half in red, it means the factors were (at least partially) inversely linked.

a) Assortment and quality

51) As a measure of market functionality, assortment is measured by stock availability of commodities at the time of the purchase and Quality is measured by food quality score of WFP engaged shops. To evaluate WFP contribution to improvements in Assortment and quality, the evaluation looked at perspectives of retailers in terms of changes in the number of distinct items on sale in the shop and changes in the quality of products sold.

52) The key causal factors that contributed directly to an increase in the assortment (identified as variety of products) were WFP support either mentioned explicitly [E] or implicitly through the urban CBT and the opening of borders when the COVID 19 restrictions were lifted. Through signing an agreement with WFP, the retailers mentioned that they had committed to avail diverse products to people targeted by WFP. Hence, WFP support had several causal pathways that contributed to increased variety of products as shown in **Figure 4**.



Figure 4: Causal links associated with assortment and quality. **Source:** Interviews and FGDs with retailers

53) The reimbursement of retailers using the United States Dollars (USD) enabled certainty amongst retailers to plan and restock based on a stable currency thereby managing supplier price variability. The USD transactions and WFP CBT support to targeted people contributed to increased market demand. The increased demand caused retailers to expand their product ranges to commodities such as dried fish, beans, soya chunks etc and contributed to a variety of products.

54) Data from interviews and focus group discussions with retailers indicate a noticeable increase and diversity in the products sold from 2018 to present. Previously, retailers sold limited products and did not order supplies in bulk due to limited customers. Besides adding diverse groceries to meet the different preferences of their new customers, some retailers had added a few items like kitchen utensils, laundry baskets and other non-food items.

55) When the borders closed in 2020 due to COVID-19, it affected supply chain of commodities and trade in general. In 2021, there was a rebound due to opening of the boards especially for cross-border transport and suppliers' capacity to import and supply goods. In addition, the fiscal policy through the foreign currency auction system enabled suppliers to have capacity to import raw materials to produce the commodities. These macro-economic conditions contributed to increased variety of products.

56) There were reported instances where national economic conditions (reported in 2 statements), the impact of COVID-19 (reported in 2 statements) and limited consumer purchasing power (reported in one statement) contributed to a decrease in stock availability. In addition, some retailers had limited stock available to meet the numbers of people targeted and this ultimately affected the diversity of products available.

b) Availability

57) As a measure of market functionality, availability is measured by the percentage of selected food basket that is in stock. Availability looks at the changes in the scarcity of certain products in the market or shop and in the fear of trader/retailer running out of stock. The key causal factor that led to an increase in stock availability and restocking are reflected in **figure 5**.

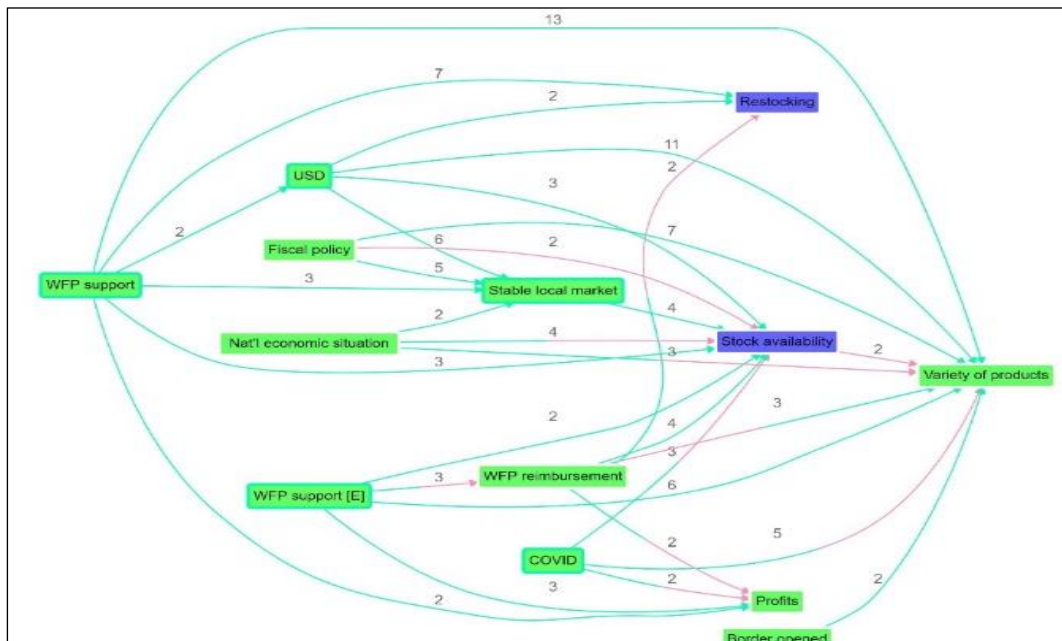


Figure 5: Causal links associated with availability. **Source:** Interviews and FGDs with retailers

58) WFP support in combination with a conducive national economic situation and fiscal policy which allowed trading in multi-currency (including USD) contributed to a stable local market where retailers could purchase their supplies locally and cheaper and thus contributing to an increased stock availability.

59) While WFP initially had a positive effect on retailer performance, the delayed WFP reimbursement contributed to a decrease in restocking of products and other restocking challenges. For example, one retailer first joined the programme in November 2020 but received first payment in February 2021 and had to take a USD loan to stock to meet the demand from people targeted by WFP.

c) Price of products

60) As a measure of market functionality, price is measured by whether the Price of selected food basket in WFP contracted shops are aligned or lower than other stores in the same market (can be “WFP engaged shops” in an unrestricted cash environment). To assess WFP contribution to this dimension of market functionality, the evaluation assessed changes in the prices of certain products and how the retailers’ prices compare to the rest of the market (is the price of that product fair or lower than the same product with other retailers?). The causal links associated with price are shown in **Figure 6**.

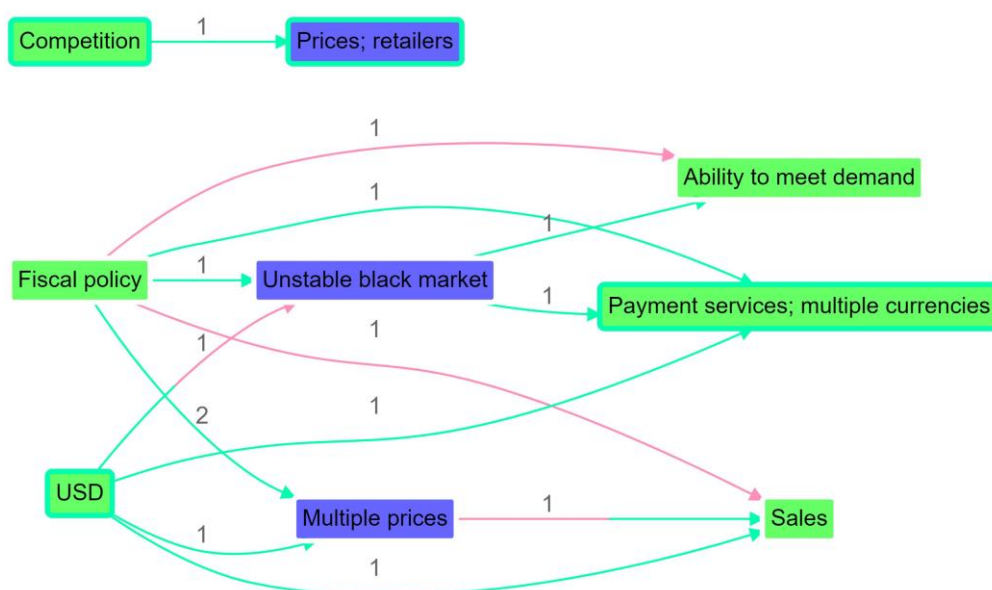


Figure 6: Causal links associated with price. **Source:** Interviews and FGDs with retailers

61) Respondents reported that while prices had generally decreased over the previous three years due to fiscal policy and increased supply of commodities, there was fluctuation in prices of certain items, especially imported or seasonally scarce items like sugar and dairy.

62) One statement from a retailer indicated that they set their prices by comparing to competitors and thus increased competition among retailers (R) had a positive effect on price for consumers. The fiscal policy combined with the use of the USD stabilized local markets by reducing risk associated with fluctuating prices. Stabilized local markets and less reliance on black markets further reduced prices. While retailers relying on black market profits may have lost income with stabilized markets, other retailers began profiting from WFPs interventions directly with consumers.

d) Infrastructure

63) As a measure of market functionality, infrastructure is measured by the type and condition of the physical structures which host shops in addition to, for example, sewage system, electricity, or communication network. Adequate infrastructure contributes both to a well-functioning market and can be interpreted as an indication for different aspects of market efficiency. To evaluate WFP contribution to improvements in infrastructure, the evaluation assessed changes in the state of infrastructure of shops (permanent vs semi-permanent structures or portable units, damages, electricity, water, open sewage/garbage). The retailers were asked whether there had been changes in the state of infrastructure of the shops over the last two years.

64) An interesting finding is that the unstable supply of utilities (water, electricity and waste management) and the negative macro-economic challenges resulted in traders having to find other solutions. In 2019 – 2020 there was an increase in power cuts and some traders especially the big wholesalers purchased generators, inverters and installed solar power. In terms of water supply, some retailers had to dig boreholes to ensure constant supply of water. All these solutions contributed to improved shop infrastructure (**Figure 7**).

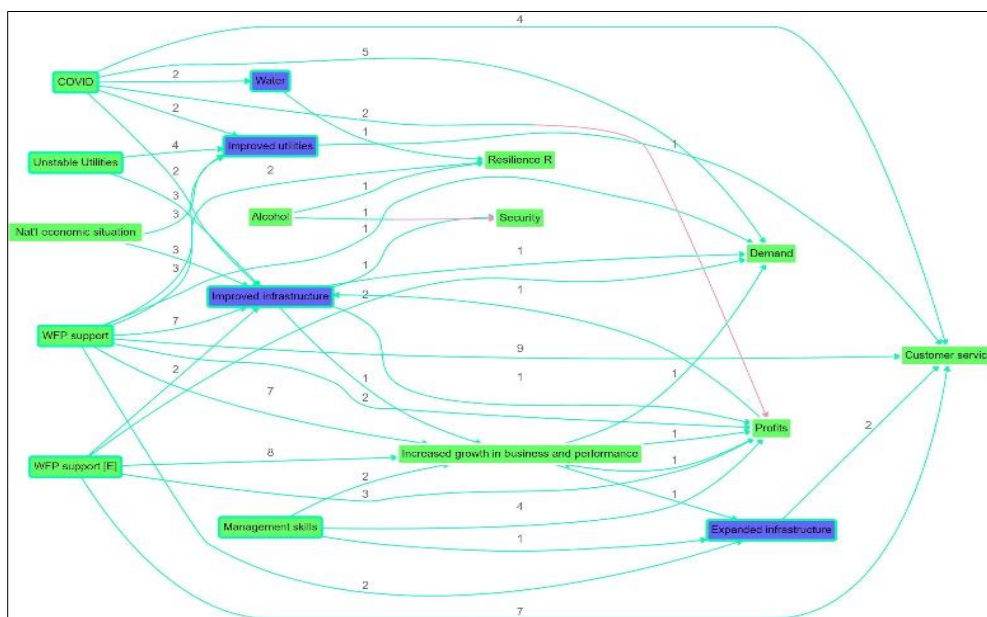


Figure 7: Causal links associated with infrastructure. **Source:** Interviews and FGDs with retailers

65) Another positive causal link to infrastructure identified was COVID-19. Observance of COVID protocols required purchase of hand sanitizers, water dispensers and infrared thermometers, contributing to improved utilities and infrastructure.

66) WFP support contributed to some retailers expanding their shop infrastructure. For example, some constructed flat pavements for people on wheelchairs, renovated and painted their shops, increased security features such as burglar bars on windows and CCTV, added garage, upgraded their computer software, purchase of laptops and additional till machines. To ensure food quality and safety for perishables, some retailers mentioned having purchased refrigerators.

67) Another causal statement pointed to self-motivation, determination, management skills had led to expanded infrastructure, revealing the importance of skills development and motivational opportunities.

e) Services

68) As a measure of market functionality, service is measured by the service provided while shopping as well as during check-out. The level of service is directly or indirectly associated with different features of a well-functioning market such as transparency, competition, or reliability. To evaluate WFP contribution to this dimension, the evaluation assessed the changes

in the shopping experience of customers including people receiving WFP assistance e.g., display, visible tags, number of forms of payments accepted and the waiting time. The causal links in connection with customer services are shown in **figure 8**.



Figure 8: Causal links associated with service. **Source:** Interviews and FGDs with retailers

69) The WFP support [E] consisting of comprehensive training (use of POS machines, customer care, COVID-19 protocols, the importance of keeping shops clean, valuing relationships, humanitarian principles etc), help with advertising using WFP banners contributed to increased customer care as expressed by one retailer below.

“For WFP, additional customer care services have been introduced as this group require guidance and sometimes handholding to ensure they pick only the goods that are prescribed and for the value of vouchers they are tendering. Customers need to see the prices displayed otherwise they will go to the next shop”.

70) As already mentioned, WFP support led to increased growth in business and performance, increased variety of products which promoted community wellbeing and increased customer service. In the past, only cash payments were an acceptable form of payment. The change in fiscal policy allowed for use of different payment options and use of multiple currencies. As such, retailers reported using erasable price tags that are displayed on all items in the shop to make it easier for customers to determine how many items they can pick in line with the value of the vouchers leading to increased customer service. Some retailers reported however, that regular monitoring by council officers discourage the price tags as they recommend using the interbank rate on Real Time Gross Settlement (RTGS) dollar prices and penalties are steep for non-compliance.

71) However, the voucher value led to a decrease in customer service. There was reported confusion amongst people receiving assistance about what could be bought with vouchers. Some customers tried to buy things with vouchers that were not allowed and got frustrated with retailers for following the rules and not giving them what they wanted. Not knowing the balance on the voucher would lead to some customers loading up on goods, only to find that they had less value left on the voucher and had to put things back. These instances contributed to a decrease in customer services. However, some big shops figured out how to check voucher values as shoppers came into the shop.

f) Resilience in the supply chain

72) As a measure of market functionality, resilience evaluates both responsiveness and vulnerability of supply chains. Resilient supply chains underpin the regular supply of a market with goods despite potential disruptions, which is essential to a well-functioning market. To evaluate WFP contribution to resilience of the supply chain, the evaluation assessed the changes in the retailers’ abilities to meet demand, changes in the number of suppliers, changes in the access to smallholder farmers, wholesalers, or other actors within the value chain. The causal links in connection with resilience in the supply chain are shown in **figure 9**.

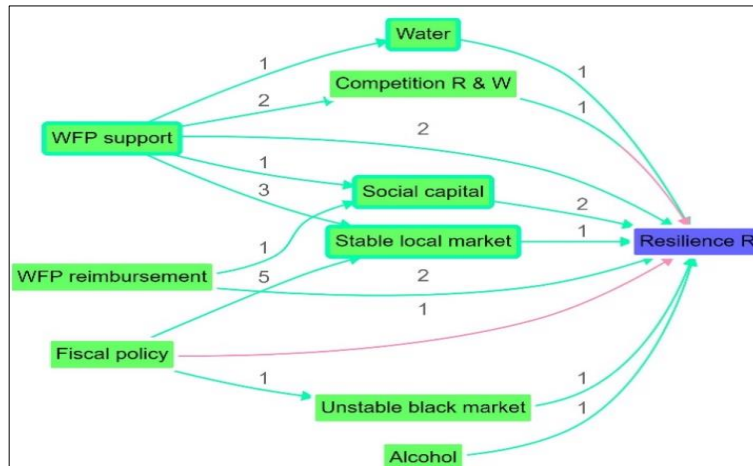


Figure 9: Causal links associated with resilience in the supply chain. **Source:** Interviews and FGDs with retailers

73) WFP support contributed to increased competition between retailers [R] and wholesalers [W] which although had an initial positive change, resulted in a decreased resilience of supply chain. Increased competition between R and W does not appear to be good thing (even though this link is associated with one statement/causal link). When wholesalers sell directly to consumers, they can do so at a lower price than retailers and may put the small businessmen and women out of business.

74) Participating in WFP’s CBT was reported to have contributed to increased social capital where one statement spoke of food hampers being given to WFP supported customers as gifts, stable local market due to the reimbursements being made in USD and this all contributed to increased resilience of the supply chain. There is a strong positive link of fiscal policy contributing to a stable local market. The introduction of the USD in 2020/2021 encouraged availability and assortment of commodities, improved operating environment and retailers could source products from local suppliers thus contributing to the resilience of the supply chain.

g) Competition

75) As a measure of market functionality, competition evaluates if the number of traders in the market and the distribution of power among them guarantee a reasonable level of competition. Competition is critical to a well-functioning market since it forces retailers to improve their efficiency and pushes prices down to the benefit of the end consumer. To evaluate WFP contribution to competition, the evaluation assessed the changes in the number of traders /retailers that control the market. The causal factors that directly led to increased competition are reflected in **Figure 10**.

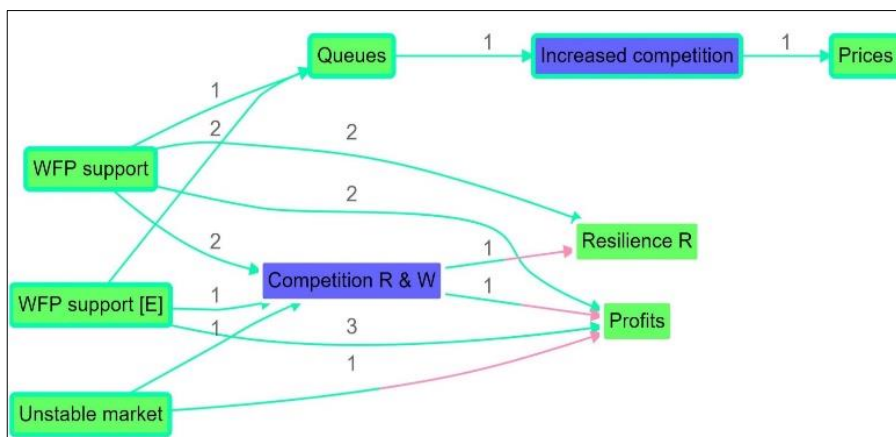


Figure 10: Causal links associated with competition. **Source:** Interviews and FGDs with retailers

76) As discussed in paragraph 69, WFP support contributed to increased competition between retailers [R] and wholesalers [W] which had an initial positive change, but also resulted in decreased profits for smaller retailers. In addition, WFP support through training on customer care contributed to retailers coming up with management tools to keep every customer from arriving on the same day. Many of the respondents mentioned that ‘improved queues’ were due to management practices they developed—either having customers spilt into groups and come on different days, hiring staff to speed up waiting time, checking card balance before customers came into the shop so they did not load a full trolley and not have sufficient funds to pay for it.

77) Inconveniences in the buying channels of large retailers worked to the advantage of smaller retailers (bribes, personal relations, no buying protocols) in sourcing products. This flexibility amongst smaller retailers (reported in one statement) contributed to increased contribution.

h) Access and protection

78) As a dimension of market functionality, access, and protection measures to a large degree market functioning for certain groups of people (both customers and traders) or for everyone. These functionality lapses can be short-lived or prolonged. In the latter case, normally markets adapt to the new circumstances and manage to operate, even though with large degrees of inefficiency. To evaluate WFP contribution to improved access and protection, the evaluation assessed changes in access and protection for consumers (shop's connectivity to main roads, changes in security threats near and around shop for certain groups, social barriers and physical threats for certain groups). The retailers were asked on how access and protection had changed over the last two years. The causal pathways leading to access and protection are reflected in **figure 11**.

79) WFP financial support enabled retailers to purchase solar battery and burglar bars which contributed to increased safety. There was statement pointing to bribery activities which although it was perceived as contributing positively to safety may need to be investigated. There was one reported incident (although the retailer did mention this was common) where people targeted by WFP redeem cash instead of food. For example, if the card has \$80, the person asks to be given \$70 in cash and leaves the change for the retailer to benefit.

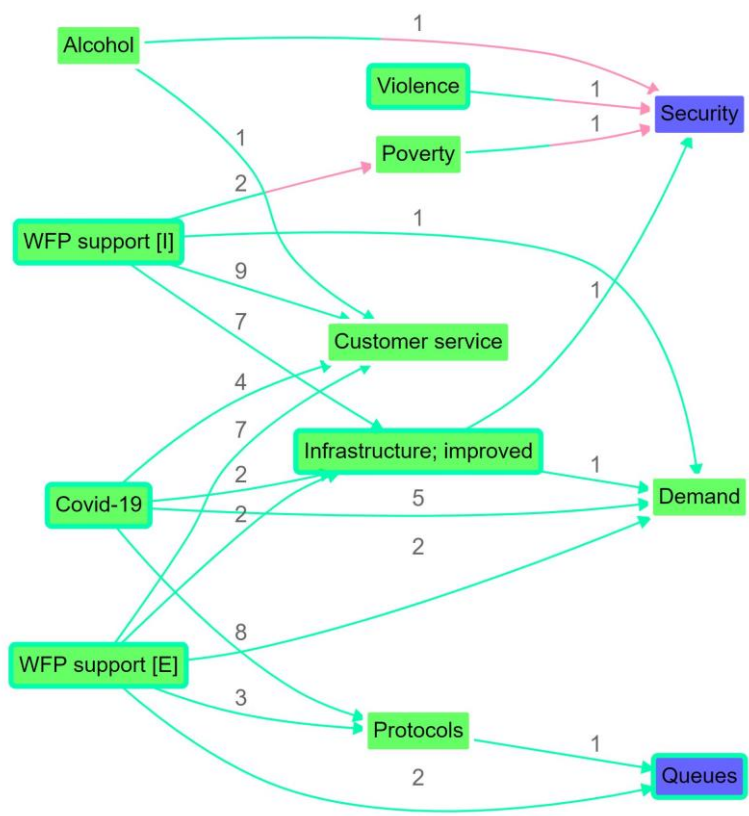


Figure 11: Causal links associated with access and protection. **Source:** Interviews and FGDs with retailers

2. Retailer Business Changes over three years

80) Retailers consulted provided their perception on how their overall business had changed in terms of increased growth and profits.²⁸ There is a strong convergence of evidence that WFP support and the uses of USD as the trading currency directly contributed to increased growth in business and performance. The ET conducted a robustness test that assesses the number of sources that must be removed before no link can be made regarding a factor. There is a robust causal link between (both explicit and implicit) WFP support and an increased growth in business and performance, with a total of 22 statements (Table 3). This is also the case for the relationship between both categories of WFP support and retailers' profits (16 statements) and to a lesser degree for the relationship between WFP support and retailers' income (7 statements).

Table 3: Robustness test on how overall business changed.

²⁸ Income was dropped out in the analysis because it was an infrequent factor.

Robustness test	All sources	WFP support	WFP support [E]
Increased growth in business and performance	22	14	14
Profits	16	11	12
Income	7	3	5

Source: Interviews and FGDs with retailers

81) 'Increased growth and performance' have a centrality rating of 175.7, more than twice as much as any other factor (see **table 4**). This means that it is a central node within the causal map, acting as both a cause and an effect, with 8 statements leading from this factor and 23 statements leading to the factor.

Table 4: Centrality rating of factors in the causal map

Betweenness centrality and factor frequencies¹				
Factor	From	To	Total	Centrality
Increased growth in business and performance	8	23	31	175.7
Customer service	5	23	28	72.82
Queues	2	6	8	64.62
Profits	2	15	17	57.12
Variety of products	2	48	50	51.32
Demand	2	8	10	33.74
Management skills	8	1	9	27.96
Social capital	2	7	9	27.6
Protocols	1	9	10	17.26
Stable local market	8	17	25	16.94
Improved infrastructure	3	13	16	16.24

NB: Factors are listed with highest centrality first.

3. Reported changes in business growth, performance, and profits

82) As **Figure 12** shows, WFP support [E] brought in new customers with USD buying power which led to a reported increase in profits. WFP support [E] broadened the customer base which led to increased business growth and performance. Some retailers reported an average increase in profits of between 30 and 50 percent since inception of WFP CBT programme. Retailer management skills came handy through innovation that allowed some to offer the most competitive prices by buying from cheaper suppliers and maximising on sales volumes.

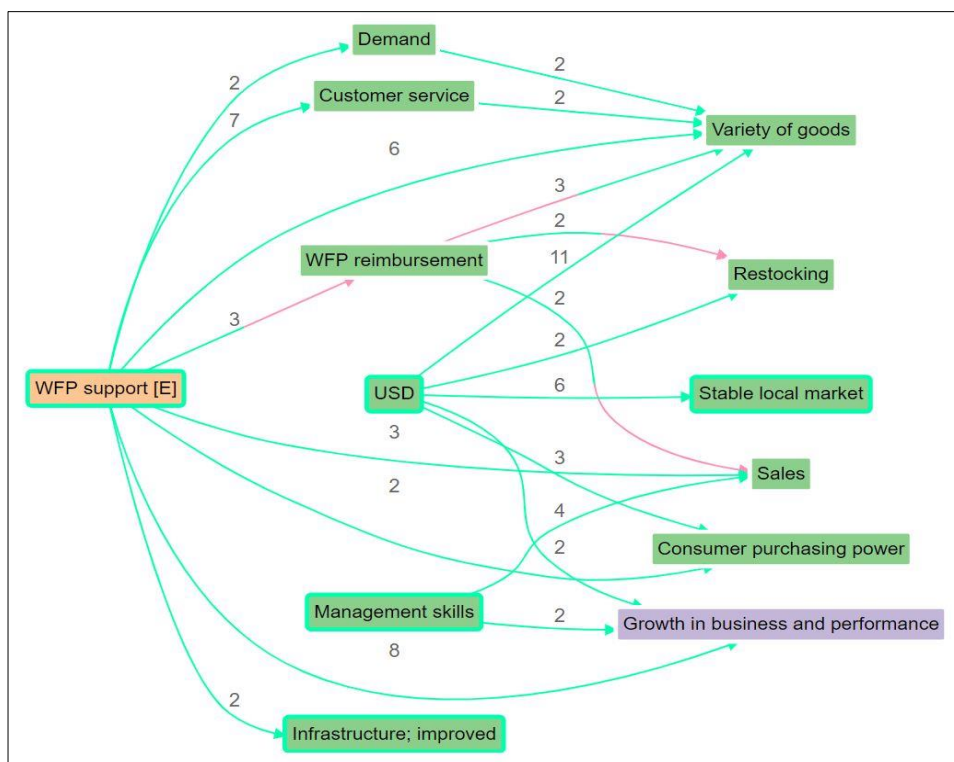


Figure 12: Causal links associated with increased growth in business and performance. **Source:** Interviews and FGDs with retailers

83) As already mentioned elsewhere, delays in WFP reimbursement contributed to reduced profits especially for smaller retailers who were not able to restock and meet demand. During the covid-19 induced lockdown, small retailers' operating hours were disrupted, and this resulted in reduced profits. When WFP was implicitly mentioned, WFP support generally had positive effects on a variety of factors within the market. These included increasing an improved (7) and expanded (2) infrastructure, improved utilities (3), a larger variety of products (13), a financial benefit from transacting in USD (2), more stable local markets (6), better customer service (9), more frequent restocking and higher stock availability (7), higher retailer profits (3).

Impact of Smallholder Agricultural Market Support

84) WFP facilitation of market linkages allowed farmers to sell their surplus produce to the Grain Marketing Board, WFP and other private buyers and enabling beneficiaries to both generate income in the short term and have an outlet for their produce in the future. Despite the successes, the persistent drought affected most of the farmers in terms of total planted area, adoption of moisture conservation techniques and, ultimately, yields.²⁹ Hence, the impacts of WFP's work on smallholder farmer market support will likely be achieved over a long period of time. As confirmed by stakeholders consulted, resilience building takes time.

4. Sustainability

Are the results of WFP contribution sustainable i.e., continuing, or likely to continue after WFP's exit?

85) While all retailers consulted said they will not close their businesses after WFP support ends, there was a likelihood that some results may not be sustained. For example end of WFP support is likely to affect their businesses in twofold. There may be a significant reduction in the customer base and reduction in volume of sales thus reducing income. The smaller retailers will be most affected and they spoke of losing the gains attained through the programme.

86) The big wholesalers expressed that, they will feel the gap when support from WFP ends due to reduced customer base and overall business growth. However, the wholesalers indicated that they would be able to develop other strategies to expand their businesses. The main reasons put forward for smaller retailers were reduction in business growth and limited capacity to grow their business, macro-economic challenges, and uncertainties in the policy environment. COVID-19 remains a major risk, continued restrictions on movement/trade will have a negative effect on the retail business.

87) Sustainability is influenced by the level of engagement of partners in support of the retailers when WFP's support ends. The urban retail engagement currently involves NGOs and WFP with little or no direct participation of local authorities (municipalities) and other community structures.

²⁹ Building resilience of smallholder farmers by increasing small grains production and productivity OSRO/ZIM/702/WFP, FINAL REPORT, Emergency and Rehabilitation Division

88) Climate change was an external factor repeatedly mentioned by farmers, WFP staff, retailers, and implementing partners as affecting sustainability. Indeed, studies show that climate change increases risk and uncertainty in Southern Africa. Observed weather patterns show that the region experienced normal rainfall in only two of the last nine cropping seasons.³⁰ The impacts of changes in temperatures and rainfall patterns have been evidenced by increased water scarcity, pest infestations, increased frequency and intensity of droughts and floods.³¹ The farmer associations consulted concurred that poor climate conditions had led to low production of crops and a threat to food security. For example, climate variability experienced in the form of Cyclone Idai in 2019 and the droughts in 2018 and 2019 had an impact on agriculture production and availability of food in Zimbabwe. On a positive note, Zimbabwe experienced above average rainfall in 2021 which resulted in a 46 percent decrease in the number of people food insecure due to favourable rainfall conditions.³²

89) In terms of **market development** activities, WFP trained extension workers in Good Agricultural Practices and market linkages as well as lead farmers as a pathway to sustainability. However, as already mentioned unfavourable economic conditions and the impact of climate change can potentially have a negative effect on the gains achieved through markets created as a result of WFP.

Conclusions

90) **Conclusions 1.** Consultations with WFP country office staff revealed that to a large extent, MDAs were informed by results from various WFP multi-sectoral assessments (price monitoring, retail performance monitoring, process monitoring, market assessments, Market Functionality Indexes, Market Systems Analysis, etc.). In Zimbabwe, multi-sectoral assessments have been useful in identifying market inefficiencies but have not been used to inform the design of MDAs. Similarly, with the several price and market monitoring done in Malawi, these have not been adequate in informing MDAs in unrestricted cash. The MFIs and MSA conducted in Madagascar are yet to be used in the design of specific MDAs.

91) **Conclusions 2.** There was generally positive achievement across most performance indicators assessed except for prices of commodities, observation of COVID-19 prevention measures, access, and protection issues. Access and gender are a major constraint with most shops having no facilities to accommodate the needs of disabled, elderly, pregnant, and nursing women but not much has been done to address this area of concern. The information generated from the retail monitoring is mainly qualitative and not consistently presented across periods to allow for detailed comparisons. In general, all retailers are treated the same in terms of compliance requirements despite their differences in size and location.

92) **Conclusions 3.** The strong government extension supports positively affected the implementation of agriculture market activities in Zimbabwe. Farmers' associations said the technical advice provided by extension workers was important in contributing towards increased crop productivity.

93) **Conclusions 4.** WFP financial support is the main factor that contributed to increased growth in business and performance in Zimbabwe. WFP financial support had a direct connection to growth in business and performance, positively changed retailers' shops infrastructure and increased retailers' stock capacity and income which also contributed to the development of their business. However, competition is a factor that hindered business development. The increase in competition was a negative indirect effect of COVID-due to restrictions imposed by the pandemic and the reduction on production that led to an increase of the suppliers' prices, which also increased the prices offered by retailers.

94) **Conclusions 5.** While WFP financial support had positive effects on the growth in business and performance, the delays in reimbursements constrained such effects and contributed to reduced profits especially for smaller retailers who were not able to restock and meet demand.

5. Lessons learned on the Urban Food Security Resilience Programme

95) This urban response programme was designed to incorporate active learning throughout the implementation period to ensure that lessons are identified, captured, and used to inform future development of basic safety net models capable of responding to chronic and acute vulnerabilities with a view to generating support for a longer-term engagement for the development of a shock-responsive social protection model for urban areas in collaboration with a dedicated community of practice. One of the learning objectives identified is to

"Review upstream and downstream inefficiencies in the food system based on an analysis of urban-rural linkages to inform national and municipal policy frameworks and related capacity strengthening and financing requirements".

96) The evaluation identified lessons on: (i) how cash injection through CBT boosts the livelihoods of local retailers and contribute to the local economy; (ii) the retail engagement strategy of WFP in the urban response programme in terms of WFP

³⁰ WFP, 2021. Climate Change in Southern Africa. <https://reliefweb.int/sites/reliefweb.int/files/resources/WFP-0000129074.pdf>.

³¹ Ibid.

³² <https://rvaatlas.sadc.int/article/sadc-rvaa-synthesis-report-2021>.

procedures, process, regulations, nature of contracts (iii) factors influencing the performance of retailers in the urban response to inform development of MDAs in different contexts (urban and peri-urban contexts)

5.1 Registration of businesses

97) Of the 8 retailers consulted, 6 had registered their businesses with the local authorities prior to engaging with WFP. Of the two of the businesses who registered later, one was registered with support from WFP and another without any direct nor indirect assistance from WFP. Seven out of 8 retailers have the key business requisites i.e., food handling and operators' licence³³, shop licence fee³⁴, land levy³⁵ and tax clearance indicating that the retail businesses are contributing to the local economy.

5.2 Contractual Agreement between WFP and retailers

98) All retailers indicated that they were compliant with health regulations and fair treatment of customers. Of the 8, one fell short in meeting demand due to delayed payments which affected restocking. Two had challenges with synchronisation due to connectivity and skills gap respectively. Of these two, one acknowledged that the skills gap in synchronization partially contributed to the delayed payments. Four retailers indicated WFP always delayed on payments to a month and more which greatly affected their stocking potential and business performance. Three retailers were highly satisfied with improvements in payments reducing the time taken from 2 weeks to three days, which is commendable.

Box 3A: Retailer Obligations

- Synchronisation of reports daily
- Report any faults with the POS machines to WFP.
- Follow due protocols e.g., not allow beneficiaries to purchase impermissible goods
- Provide quality food at affordable prices.
- Providing health and safe environment for all customers.
- Treat all customers fairly with regards to pricing and services
- Treat customers with respect
- Have food items available for the beneficiaries
- Should treat and serve all customers with integrity.
- Have desired/requisite food items.
- Observe covid regulations such as sanitising customers.
- Issue customers receipts

Box 3B: WFP Obligations

- Process payments within 14 working days
- Provide support in use of the POS machines.
- Provide gadgets for processing beneficiary transactions.
- Train retailers on how to operate the POS machines
- Provide promotional material such as banners.
- Support the retailer with any required support such as operating the POS machines and synchronising sales

5.3 WFP's Payment Procedures

99) Retailers synchronise reports daily and are sent immediately through to WFP server. WFP does a comparison of the submissions and then process the payment claim after verifications.

100) **What worked well with payment procedures?**

- i. Since May/June 2021, processing of payments has greatly improved, it is now more reliable and consistent. Payments are coming through on time as per agreement. The CO has now improved on delays in issuing vendor number which were experienced between January and April 2020 when retailers were contracted. This was done through synchronisation of the payment system between supply chain vendor registration, setting up of POS machines by ICT and contracting through by procurement unit. Currently, finance is creating settlement files every day instead of the 3 days, making the payment system even more efficient.
- ii. The fact that retailers are reimbursed in USD is working well as this is a stable currency. Similarly, with WFP support, retailers could access higher amounts of cash from nostro accounts (USD2,000 per day). Both situations are providing a positive business environment that ensures retailers maintain good stock levels.

³³ The operator's license fee is ZW\$8 400-00 RTGS per quarter and food handlers' licence fee is ZW\$4 200 RTGS per year.

³⁴of \$8000rtgs/annum

³⁵ of about \$17 000/year

- iii. The onboarding training done was highly rated. Retailers were happy with the skills gained and most of the retailers had mastered the synchronisation process and consider the system to be an efficient way of transacting.

101) ***What did not work well with payment procedures?***

- iv. Up until around May/June 2021, WFP had not fully honoured their obligation of paying within two weeks. For the smaller retailers, even the two weeks was rather too long a payment period due to the volatile economy where prices fluctuate regularly. As such, delayed payments had demotivated some retailers and greatly affected business operations.
- v. Although this is beyond WFP's control, bank limits on withdrawals had also not worked well. According to bank regulations, retailers could access only USD1,000 per day. On average if a retailer made daily withdrawals, they could access up to USD25 000 per month. If they earned an average of USD70 000 worth of WFP sales per month, the bulk of their income would be stuck in the bank.
- vi. Wholesale prices are exorbitant for both nostro and Real Time Gross Settlement (RTGS) dollar purchases. Further, retailers cannot access cash from the nostro account but instead, the bank processes transfers to service providers. This process on its own potentially takes up to a week until funds reflect in service provider's account. Another challenge is that some service providers do not accept nostro transfers which limits the options to which the funds can be used.
- vii. Poor network connectivity due to limited access to wi-fi of some retailers had affected synchronisation. The small retailers usually hotspot using their mobile phones, which is not always efficient.
- viii. Synchronisation problems- Although retailers received training, one of them had not fully grasped the procedures resulting in omission of entries causing delay in payments.

102) ***How can payment procedures be improved?***

- i. The proposals from retailers on how to improve payment procedures included: WFP's SC, procurement, ICT and finance to continue working in sync to maintain the current speed of processing reimbursements within a three-day period.
- ii. WFP to engage with wholesalers so that nostro purchases could be done at the same rates as USD cash prices.
- iii. WFP to promote and prioritise interests of the retailers and promptly deal with retailer requests and complaints.
- iv. Engage retailers and other stakeholders for ideas on how to strengthen retail engagement in the CBT programme.
- v. WFP to find the root problem of each issue, resolve it and continuously communicate with retailers.
- vi. More training required on synchronisation of daily transactions.

5.4 WFP's level and effectiveness of communication with retailers

- 103) WFP communicates with retailers through WhatsApp groups, voice calls, emails, virtual meetings, physical presence. A total of four retailers rated the communication with WFP and implementing partners as very effective. Three retailers said it was effective but needed to be improved due to delayed payments and unresolved problems with POS gadgets. One retailer thought the communication was very flawed in some areas due to minimal consultation with retailers as well as delayed payments.

104) ***What worked well with WFP's communication with retailers?***

- i. All retailers concurred that there was a clear communication plan in place in terms of knowing whom to contact for different issues (whether its NGO implementing partner or WFP). In case of delayed acknowledgement of communications, retailers were able to follow up through voice calls. Retailers were satisfied that WFP usually makes sure information reaches them.
- ii. In addition, NGO and WFP staff frequently visit the retail shops during price monitoring and other related assessments, providing a chance for face to face engagement.

105) ***What did not work well with WFP's communication with retailers?***

- i. The retailers felt the communication was mainly about the people targeted by WFP and less on the retailers' wellbeing. Hence, the calls, visits etc. mostly concerned issues of pricing, availability of products and customer care amongst others.
- ii. There were concerns over seemingly unclear responsibilities between WFP and NGO implementing partner officials resulting in retailers being sent back and forth when needing help. The retailers have interpreted this as internal management shortfalls. In addition, some meetings were thought to be ineffective and were perceived as unprofessional- not promoting good corporate governance and transparency. Some meetings are called on short notice with limited regard of retailers' schedules.

- iii. While communicating with WFP was easy, some retailers felt it fell short of providing solutions on some issues.

106) **How can communication be improved?**

Several suggestions were put forward on improving communication between retailers and WFP as follows:

- i. Motivation of all retailers to attend meetings by sending invitations in advance for better scheduling.
- ii. Providing meeting minutes/feedback from meetings.
- iii. Investigating ways of resolving issues outside the formal meetings.
- iv. Develop an official WFP online presence to assist on disbursement days- when official(s) are not physically present.
- v. Invite and consider views from retailers as stakeholders in the programme.
- vi. While communication is good, WFP should be quick in resolving challenges.
- vii. Capacity building of small retailers on opening and use of emails.

5.5 Support received/required from WFP to boost retail business and livelihoods.

- 107) Apart from the opportunity to participate in the market, none of the retailers had received any assistance from WFP. In terms of support required from WFP, the retailers consulted provided the following suggestions:

- i. Taking a business perspective when engaging retailers in CBT as (i) retailers require capital to be able to source and stock more products; (ii) bulk purchases attract discounts, and that arrangement is always lucrative and preferred by smaller retailers and yet lack that capacity to do so.
- ii. Linking retailers to other income generating projects such as chicken and vegetable farming which according to informants would provide more income streams and empower retailers to offer more diverse and healthy options.
- iii. Infrastructure development- in some areas, there are a few boreholes servicing the entire community and the water challenges directly affect businesses and limits growth.
- iv. Access to loans to increase stocks and support other investment opportunities. One retailer stated that through increased business from WFP, they managed to purchase a stand but did not have funding to develop it.

5.6 Support received/required from other organisations outside of WFP.

- i. None of the beneficiaries had received assistance from external organisations. The big four, that is, OK Zimbabwe, TM Pick n' Pay, Spar and N. Richards are generally at an advantageous position. Hence, local council need to priorities smaller retailers in providing land for purchase so that retailers can build their own shops instead of renting.
- ii. Infrastructure development in terms of solar power as currently some retailers travel to nearby towns to get their POS machines charged. In addition, some retailers cannot sell perishables because of lack of refrigerators. Further, installation of tower lights to increase security particularly at night.
- iii. Provision of COVID 19 relief funds for small retailers

Recommendations

- 108) **Recommendation 1:** Informed by the WFP market assessments, the MFI and MSA (once conducted), develop a Zimbabwe retail market engagement strategy with the government, local authorities, and private sector retail industry experts including retailers of different sizes.

The retail engagement strategy besides maximizing purchasing power of people receiving assistance from WFP, should also aim to address supply chain inefficiencies by focusing on capacity building of retailers through:

- i. Linking small-scale retailers to wholesalers and food manufacturers to gain best value of goods in quality, service, and price.
- ii. Supporting retail business to be competitive and sustainable – essentially foster competitiveness in the retail sector to bring costs down and pass gain to the targeted people.
- iii. Enhancing fresh produce supply chain and nutritious food commodities from farm to market.

- 109) **Recommendation 2:** *Taking a transformative approach, identify strategies to strengthen the gender and women engagement in supply chain and retail engagement in the CBT.*

- i. The CO working with NGO partners and the relevant government Ministry should develop a gender action plan for SMMEs and retailers on how the gender and social inclusion gaps can be addressed.

- 110) **Recommendation 3:** *In line with corporate guideline, develop a clear theory of change for Market Development Activities in Zimbabwe with related key indicators that measure results, consistent with the corporate Key performance indicators for market development:*

- i. The CO should build on the findings of this evaluation and develop a proper baseline, and define Key Performance Indicators (KPIs), and consistently track and measure the expected and unexpected outcomes of MDAs (on targeted people, retailers, and the marketplace).
 - ii. In line with the strategy developed under recommendation 1 and informed by the theory of change develop interventions to address identified market inefficiencies: These can include:
 - Support small scale retailers to address Price volatility of goods by the aggregation of volume, negotiated transport and break-bulk efficiency. Consider preferred wholesaler approach where they can access commodities at negotiated prices and through a credit approach to be paid within a stipulated period.
 - In partnership with the local authorities and NGOs, train retailers in relevant topics like stock management to help them become more competitive.
 - Connecting groups of small contracted and non-contracted shops and linking them directly to wholesalers and food manufacturers, which is likely to translate into lower shelf prices.
- 111) **Recommendation 4:** Strengthen Retail monitoring.
- i. Involve the supply chain retail team and VAM during assessment stages to contribute to a deep understanding of market dynamics for better-informed programmatic decisions and risk identification in different contexts.
- 112) **Recommendation 5:** Take a country office Cross-functional approach to market development in targeted areas by encouraging collaboration of different units: programme CBT, VAM, M&E, Gender, Nutrition, and Supply Chain to achieve programmatic outcomes. Supply Chain should be involved in the design, and programme involved in how Supply Chain “delivers” the design of CBT programmes. Learning from Kenya, the CO should ensure from the start of market and retail engagement activities, that efforts are made to break the silos across what have traditionally been supply chain or programme roles.³⁶
- 113) **Recommendation 6: Strengthen multisectoral partnerships in design and implementation of MDAs.**
- i. WFP to engage with government and NGO partners to establish a multisectoral platform that will be involved in the planning, design, and implementation of MDAs.
 - ii. Advocacy by WFP with relevant Government, Donors, Private sector and NGOs to address unreliable access to water and electricity as well as connectivity infrastructure.

Annex 1. Key performance indicators

³⁶ Strengthening local supply chains and retail networks to improve the value of cash for vulnerable communities. The Kakuma and Kalobeyi Model, March 2020.

Key Performance Indicators		Dec 2020 N=71	February 2021 N=80	March 2021 N=94
Quality & assortment	Quality & assortment	99% had good quality & assortment	Availability of maize meal has generally improved, compared to January 2021. Fresh milk was largely scarce in most shops. ³⁷	Assortment mostly satisfactory for most of the retailers.
Availability	Availability of basic commodities	97% had all basic commodities	Stocking levels, for basic commodities, in most retail shops remained good	Availability of maize meal has greatly improved.
Prices	Prices	98% had similar prices in the same operating environment	Commodity prices are low in chain stores compared to small retailers. Most retailers are giving discounts on US\$ cash purchases (incentives)	Commodity prices are low in chain stores compared to small retailers. Most retailers are giving discounts on US\$ cash purchases (incentives)
	Price display	90% were clearly displaying the prices	Prices are clearly displayed in most shops, together with the official exchange rate.	Prices are clearly displayed in most shops, together with the official exchange rate.
	Consistency between Displayed Prices and Printed Slips	89% were consistent in their pricing	Prices are clearly displayed in most shops	Prices are clearly displayed in most shops, together with the official exchange rate.
Service	Quality of Service	99% gave good quality service	One chain store in Mutare providing transport for people receiving assistance from WFP	Mostly satisfactory for most of the retailers monitored
	General appearances & cleanliness	99% of shops were quite clean		
	Itemised receipts of items sold	Most gave itemised receipts of items they sold to customers.		
Access & Protection	Access & Protection	Most shops have no facilities to accommodate the needs of disabled, elderly, pregnant and nursing women		
Compliance to COVID-19	Compliance to COVID-19	7% of assessed retailers not complying with COVID-19 prevention measures	About 2% of assessed retailers not complying with COVID-19 prevention measures,	About 2% of assessed retailers not complying with COVID-19 prevention measures,

³⁷ This was a national shortage that was necessitated by incessant rains received during the monitoring period. Production of milk was consequently affected.

Annex 2: Table with the top 15 factors that led to change or suffered a change in retailers' business

Factor frequencies¹ - Factors that contributed to changes in retailers' business in Zimbabwe - factors are listed with the most frequent first. Showing numbers of links from and to each factor;			
factor	from (cause)	to (effect)	total
WFP support	73	0	73
Variety of products	2	48	50
WFP support [E]	43	0	43
COVID	33	0	33
USD	29	3	32
Increased growth in business and performance	8	23	31
Customer service	5	23	28
Stable local market	8	17	25
Fiscal policy	17	0	17
Profits	2	15	17
Improved infrastructure	3	13	16
Stock availability	0	16	16
Hygiene	0	14	14
Nat'l economic situation	11	0	11
~Stock availability	2	8	10
Community well-being	0	10	10
Demand	2	8	10
Protocols	1	9	10
Restocking	1	9	10
~WFP reimbursement	6	3	9
Management skills	8	1	9
Social capital	2	7	9
~Variety of products	0	8	8
Improved utilities	1	7	8
Payment options	0	8	8
Queues	2	6	8
Resilience R	0	7	7
WFP reimbursement	4	0	4

¹ Some data (148 codings) excluded by filters.

Annex 3. List of stakeholders consulted

	Gender	Designation	Organisation	Location
Non-QuIP				
1.	M	Head of urban programme	WFP	Harare
2.	M	Supply Chain Officer	WFP	Harare
3.	M		WFP	Harare
4.	F	Head, Monitoring and Evaluation Unit	WFP	Harare
5.	F	Head of VAM	WFP	Harare
6.	F	VAM	WFP	Harare
7.	M	Procurement	WFP	Harare
8.	M	Finance	WFP	Harare
9.	F	CBT Programme Policy Officer	WFP	Harare
10.	M	Deputy Director of Family and Social Protection and Commissioner for Refugees	Government Stakeholder – Ministry of Public Service, Labour, and Social Welfare	Harare
11.	M	Urban Resilience Program Manager	CARE Harare South	Harare Urban
12.	M	Project Co-ordinator	DanChurchAid (DCA)	Harare Urban
13.	M	Senior Meal Officer	GOAL	Marondera
14.	M	Team Leader	Mercy Corps	Mutare
15.	M	Schemes Overall Chairperson	Chitora Horticultural Schemes,	Mutoko
16.	M	Chairperson, Chitora 3	Chitora 3Horticultural Schemes	Mutoko
QuIP Key Informant Interviews				
District	Retailer	Age	Gender	Location
Nemakonde	17.	M	Chinhoyi	
	18.	M	Chinhoyi	
	19.	F	Chinhoyi	
	20.	M	Alaska, Chinhoyi	
	21.	F	Shackleton, Makonde District	
	22.	M	Shackleton, Makonde District	
	23.	All M	Chinhoyi	
Cheguturu Rural	24.	M	Norton	

	25.	M	Norton
	26.	M	Norton
	27.	2 M, 1 F	Norton, Chegutu Rural District
Hatfield	28.	M	Hatfield, Harare
Buhera	29.	F	Dorowa, Buhera District
	30.	F	Dorowa, Buhera District
	31.	F	Murambinda, Buhera District
	32.	M	Murambinda, Buhera District
	33.	M	Murambinda, Buhera District
	34.	2 M, 1 F	Murambinda, Buhera District
Marondera	35.	M	Marondera
	36.	M	Marondera
	37.	F	Marondera
	38.	3 M, 1 F	Marondera

Annex 4. List of acronyms

ACR	Annual Country Report
AGRITEX	Agricultural, Technical and Extension Services
CATDC	China Aid Agriculture Technology Demonstration Centre
CBT	Cash Based Transfer
CO	Country Office
CSP	Country Strategic Plan
CWG	Cash Working Group
ET	Evaluation Team
FGD	Focus Group Discussion
HQ	Headquarters
ICT	Information Communication Technology
IT	Information technology
KII	Key Informant Interviews
KPI	Key Performance Indicators
KTA	Knowledge Transfer Africa
LSA	Lean Season Assistance
M&E	Monitoring and Evaluation
MDA	Market Development Activities
MFI	Market Functionality Index
MSA	Market Systems Analysis
NDS	National Development Strategy
NGO	Non Governmental Organization
POS	Point of Service
QuIP	Qualitative Impact Assessment Protocol
RAM	Research, Assessment & Monitoring
RBJ	Regional Bureau for Southern Africa
RIAB	Retail-in-a-Box
RTGS	Real Time Gross Settlement
SAMS	Smallholder Agricultural Market Support
SME	Small Medium Enterprises
SMME	Small Micro Medium Enterprise
TRC	Tongogara Refugees Camp
UNDAF	United Nations Development Agency Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
VAM	Vulnerability Assessment Mapping
WASH	Water, Sanitation, and Hygiene
WFP	World Food Programme