

# FINAL REPORT

Post-Crisis Market Based Business Continuity Plan  
for  
**Strengthening Community Preparedness,  
Rapid Response and Recovery  
(SCOP-R3) Project**



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## LIST of ACRONYMS

BC	Business Community
BCC	Business Continuity Concept
BCP	Business Continuity Plan
CAO	Chief Administrative Officer
CCI	Chamber of Commerce and Industries
CDMC	Community Disaster Management Committee
CSO	Civil Society Organization
CVA	Cash and Voucher Assistance
CfF	Cash for Food
CfW	Cash for Work
DCA	Danish Church Aid
DCC	District Coordination Committee
D-CCI	District-Chamber of Commerce and Industries
DPs	Development Partners
DRRP	Disaster Preparedness Response Plan
DRR	Disaster Risk Reduction
DRM	Disaster Risk Reduction and Management
DRRM	Disaster Risk Reduction and Management
EWS	Early Warning System
FGD	Focus Group Discussion
HA	Humanitarian Agency
KII	Key Informant Interview
LDCRP	Local Disaster and Climate Risk Plan
LDMC	Local Disaster Management Committee
LEOC	Local Emergency Operation Center
MDC	Market Development Committee
MDMC	Municipal Disaster Management Committee
NEEDS	National Environment and Equity Development Society
NFI	Non-Food Item
PA	Practical Action
PCMA	Pre-Crisis Market Assessment
SCM	Supply Chain Management
SCORP3	Strengthening Community preparedness, Rapid Response and Recovery
SWM	Solid Waste Management
TOR	Terms of Reference
UNDP	United Nations Development Programme
WFP	World Food Programme

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The study team would also like to extend their special thanks to the field team members of NEEDS and SCORP3, who sincerely facilitated and supported this exercise in every thick and thin. Their association encouraged us to think innovatively and apply practical knowledge and ideas in implementing this pioneer initiative i.e., the development of Post-Crisis Market based Business Continuity Plan.

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## EXECUTIVE SUMMARY

The Market Based Business Continuity Plan for the four municipalities – Beldani, Dodhara Chandani, Bhimdutt and Parshuram is developed following a wholesome approach with an objective to facilitate the continuity of business activities, even in the event of the any crisis or disaster. The BCP contains measures, arrangements, strategies and procedures necessary to resume critical market services until the return to normal business operations. Though initial objective of the study prioritized three market products – Rice, Lentil and Soap, but the exercise later on adopted a more holistic approach observing the characteristics of the market which were relatively small in size and largely dominated by retailers trading in multiple products.

This study adopted a very comprehensive methodological approach to understand the market, impacts of disasters on market and analyzed the constraints that undermine functioning post disaster. The study collected primary data through a consultative and participatory approach engaging with stakeholders – traders, wholesalers, mill operators, market development committee members, representatives from municipality and the communities who are dependent of these local markets for their grocery and non-grocery needs. The study also reviewed the historical disaster data, and its impact on market. A good mix of both type of information helped to better understand the larger perspective of market-based disaster risks and measures to augment continuity of business activities in crisis.

The analysis section primarily focused on creating a risk landscape of the market situation, the actors in market and the communities that are dependent on market. A business impact analysis was carried out to evaluate the potential impact of disaster in supply of critical food or non-food items. For example: the market system in a city is not any independent entity but relies on the other systems like transportation, human resources, infrastructure and assets, warehouses and godowns for effective delivery of essential items. Therefore, in business impact analysis, it is important to analyze all systems that complements the business process. The recent disaster incidents, efforts and investment, results and lessons learned including views and perceptions of local partners and stakeholders were elaborately discussed, deliberated and analyzed to better articulate the grounded version of the business continuity concept. The analysis section analyzed these components and broadly classified them into two categories – Market Actors & Assets, and Infrastructure. This section also reviewed the existing plans, and policies of local governments that either promoted or undermined the functioning of market.

The strategy of this BCP focused on three key broad elements – **Marketplace and Assets; Business Process and People; Existing and Potential Risk**, and action plans were developed for all possible scenarios in the disaster context – **Before, During and After Disaster** for the market products. At product level, the strategy focused on the business practices and supply chain model of the marketplaces with reference to all three scenarios of disaster risk management. The strategy strongly promotes the idea of risk informed development and the introduction of risk impact analysis for making municipal development (including marketplaces) risk sensitive and disaster friendly. The strategy highlights the function of stakeholders and the role of municipalities in managing and reducing the disaster risk. It advocates for strengthening the partnership between the private sector and municipalities aimed at jointly developing the market services and secure business and promote continuity of market functions in crisis.

The strategy examined the nexus between the local market and the role of humanitarian agencies, particularly in timely delivery of emergency relief and other humanitarian support to the local communities in crisis. In addition, the impact of cash and value voucher to local communities and

grant and subsidies to business communities on functioning of marketplaces was also explored and assessed. The footprint of the business continuity strategy demands decentralization of marketplace activities aimed at expanding their outreach and making access easy to the market services during crisis.

The discussion on business continuity strategy is strongly induced by the existing and potential risks that the marketplaces are exposed and under threat of. Different risk scenarios including COVID-19 and their influences and implications on the existing business model and practices are appropriately developed, studied and interweaved into the strategies just discussed above. While converting the strategies into action plans, both the risks (existing and potential) are further scaled down to the three different phases of disaster risk reduction and management targeting continuity of business practices and market services in crisis. The role and contribution of all relevant partners and stakeholders are also aligned with the above three phases of risk reduction and management. The integration of market-based risk analysis and appropriate solutions into the local level DRRM plans is counted as the key element in this direction.

## Chapter 1 – Background and BCP Development Approach

### 1.1 Introduction

Oxfam Nepal, in partnership with NEEDS-Kanchanpur, has been implementing a project on – “Strengthening Community Preparedness, Rapid Response and Recovery in Nepal (SCOPR3)” in 40 different communities across four municipalities in Kanchanpur District in Sudurpaschim Province of Nepal. The project ensures that the communities affected by recurrent disasters in highly vulnerable areas have enhanced capacities for disaster preparedness, response, and recovery, and are better equipped to co-lead relief and recovery efforts in collaboration with local authorities, with the overall aim of reducing vulnerability and suffering among the disaster-prone communities.

The project was initiated after the COVID-19 pandemic in Nepal. One of the important lessons from the COVID-19 pandemic is market systems and business needs to continue functioning in the aftermath of disasters, so that humanitarian response activities are not hampered. Humanitarian Response is market-based, and it is important to maintain the information of the market system by any DRR or humanitarian agencies for timely and effective response. The project carried out a Pre-Crisis Market Assessment (PCMA) in the project municipalities and assessed the critical markets of essential items – Rice, Lentils, and Soaps. However, the assessment was not targeted to facilitate the business continuity of market services in crisis situation. It is therefore essential to develop a **Business Continuity Plan (BCP)** of critical goods and services to ensure effective delivery of humanitarian support during the crisis situation. The DRRM Act-2017 of Nepal has also provisioned a mandatory clause to public enterprises and business establishments to develop both Disaster Management Plan and Business Continuity Plan to guarantee the continuity of their business and market services in crisis.

The ‘Market based Post-disaster Business Continuity Plan’ is a wide-ranging plan designed and developed to facilitate the continuity of the market-based business activities, even in the event of any crisis or disaster. This plan though discusses the business as a whole, but it has targeted to provide an in-depth assessment linked to three key products i.e., Rice, Lentil and Soap. The business continuity plan aims at keeping the critical operations of the market functioning and thus continue its regular business activities even under unusual circumstances created by any natural or man-made disaster. It contains measures, arrangements, strategies and procedures necessary to resume critical services until the return to normal business operations.

### 1.2 Rationale

The SCOPR3 Project aims to implement a market-based humanitarian response program that will focus on building the capacity of local governments, relevant institutions, and private business entities of selected marketplaces in ensuring the safeguarding of infrastructure and continuity of supply of essential goods and services during the crisis situation. The selected municipalities in the Kanchanpur and Dardeldhura districts are prone to frequently occurring disasters like floods, cold waves, fire and landslides in some cases. In 2021 alone, around 300 houses were inundated and around 200 *bighas* of standing crops were damaged due to flood in the Mahakali River. Also, the COVID-19 cases were recorded high in this district primarily because of a high percentage of Nepali migrants returning from India using open border. Such frequently occurring disasters and the COVID lockdown had cut off the supply of essential items and hindered the humanitarian response in the area. Therefore, it becomes urgent to access and understand the market risks and integrate risk reduction to give continuity to business activities in crisis. This initiative is expected to ensure the supply of essential goods both to local communities to meet their daily needs and humanitarian agencies to provide emergency relief while in crisis. This BCP will help in this direction and capacitate relevant agencies and marketplaces including business practices to prioritize DRR and become more resilient to potential crisis in the region.

### 1.3 Objectives

- To build on PCMA and its findings conducted by the SCOPR3 targeting project municipalities and their marketplaces.
- To develop a thorough understanding of business model and practices of selected marketplaces of project municipalities in all three phases: pre, during and post crisis/disaster.
- To develop a Business Continuity Plan [targeting food and sanitation product - rice, lintel and soap wherever feasible and possible] of marketplaces with an aim to secure business continuity of market services as a whole during crisis.
- To develop a set of suggestions and recommendations targeting key stakeholders, who have direct stake and critical role in securing marketplaces and ensuring continuity of their business even during the crisis.

## 1.4 Scope of Work

The marketplaces of four SCORP3 partner municipalities from Kailali and Dadeldhura districts of Sudarpasshim Nepal were considered as a case-study for the development of this Post-Crisis Market based Business Continuity Plan. The marketplaces selected for this study belonged to the following four partner municipalities of the project: Beldadi Rural Municipality, Bhimdutta Municipality, Dodhar Chandani Municipality and Parshuram Municipality. The BCP development process engaged multiple stakeholders from different levels including Oxfam's regional, country and project level representatives; implementing partner (NEEDS) and project (SCORP3) members; representatives of DPs, partner municipalities, district level CCIs, Market Development Committees, business communities and others. Besides, the process conducted an in-depth investigation of markets' risks and explored their different facets in all three phases (pre, during and post) from disaster and climate risk perspective. The views and suggestions received from different sources were categorically discussed, analyzed and integrated in formulating the business continuity solutions.

## 1.5 Approach and Methodology

The approach chosen to undertake this assignment was simple, systematic and based on scientifically and systematically laid steps and processes. Primarily, the objective and scope of work has guided the overall approach adopted by this exercise. At large, the approach was participatory, consultative and hence offered sufficient engagement opportunities to different direct and indirect partners and stakeholders relevant to this assignment. The approach focused on collection of relevant information at different levels using both primary and secondary sources. The approach precisely focused on collection of both qualitative and quantitative data using multiple sources as also outlined below. A good mix of both type of information helped to better understand the larger perspective of market-based disaster risks and measures to augment continuity of business activities in crisis. To achieve the above stipulated objectives, the approach used both the desk review as well as first-hand data collection methods. The knowledge and insights gained through the review of suggested documents served as the starting point and also as the backbone of this exercise. The secondary sources of information mainly included project document, local level disaster plans, progress and mission reports, relevant publications, media clippings, images and reports and so on. The collection and analysis of views and perspectives of relevant stakeholders were primarily done through the field visit where different group of stakeholders were consulted and interviewed using multiple methods as also explained below (refer table 2).

**The overall approach adopted by this study was further divided into following four phases-**

### A. Inception Phase

The inception phase started with an online introductory meeting with Oxfam (members of regional and country office), NEEDS and SCOPR3 team active on the ground. A presentation was made by the consultant, where the original TOR was reviewed while the proposed approach and revised work plan were discussed and agreed. This phase was also used in reviewing relevant secondary documents collected from multiple sources including from the municipalities and project office in the field (see table 1). To facilitate the KII, FGD and consultation meetings, three separate sets of questionnaires were developed targeting different group of respondents selected from different institutions (see table 2) including local communities. Incorporating all the above developments, an inception report was prepared and submitted while comments and remarks received were carefully considered in the follow-up activities.

### B. Data Collection and Field Visits

**i) Secondary Sources of Information-** following documents and reports were collected using multiple sources of secondary information dominantly from the field. The relevant secondary information was thoroughly reviewed, analyzed and referred where found suitable.

**Table 1: Secondary Source of Information Collection**

SN	Information - Desk Review	Sources
i	BCP strategies, models and best practices	Search engine
ii	Municipalities' Risk profile – mainly DPRP and LDCRP	Project Municipalities
iii	Project Document; Progress, Monitoring and Mission reports	Oxfam, NEEDS, SCOPR3
iv	Store inventory, Procurement data, Storage capacity,	Wholesaler, Mill and Warehouse

**ii) Primary Sources of Information-** The primary sources served as the dominant suppliers of the first-hand information which ultimately helped to understand the views and perspectives of partner local governments, marketplaces and service providers about the existing business models and practices applied on the ground. The bulk of primary data collection happened in the field, whereby marketplaces of all four partner municipalities were visited. The field level activities mainly included observations and consultations with different groups of partners and stakeholders using multiple methods like meetings, interviews (KII) and FGDs (refer table 2).

**a) Interviews using KII methods**

Majority of partners and stakeholders in the field were interviewed using KII method. Two different sets of semi-structured questionnaires were used to interview both the non-market and market based key informants (see table 2). The interviews mainly aimed at understanding the market-based business models and practices and to what extent they are exposed and how they are managing the existing and potential disaster risks in the municipality. The discussion also explored views and perspectives of different stakeholders and their role and contribution in making marketplaces safe, secured and resilient to disaster risks. Besides, the investigation further analyzed the municipality led DRRM focused initiatives and how closely they have integrated the market-based risks and vulnerabilities in their action plans. The discussions categorically examined the risk related events, progress, challenges and barriers in all three phases (pre, during and post), which are critical to secure business continuity of any marketplaces.

**Table 2: Primary Sources of Information Collection**

<b>SN</b>	<b>Selected Respondents</b>
<b>A</b>	<b>Interviews using KII method</b>
i	Oxfam, NEEDS and SCOPR3 representatives
ii	Municipal Representatives- Mayor, Dy-mayor, WC, CAO, DRR FP Business communities, D-CCI, MDCs
iii	DPs- DCA, Mercy Corp, UNDP, WFP PA and others
iv	Market based- Wholesalers, Warehouse and Mill Operators, Soap Factory
<b>B</b>	<b>Community Meetings/ Focused Group Discussion (FGD)</b>
i	Local communities and CDMCs

**b) Community Consultations/Focused Group Discussions (FGDs)**

This was another most important part of the approach which involved FGDs with disaster affected communities selected from four different partner municipalities. A 'checklist open-discussion' method was used to facilitate FGDs with local communities. Considering the key research issues and concerns, a checklist of questionnaires was prepared in advance, which was also tested before rolled out in the field. The community groups were fairly represented by both men and women and the views, opinion and feedbacks received from them were quite in-depth and insightful. Several community level market-based concerns and challenges were reported, and some practical measures and solutions were also suggested in the focused group discussions.

**C. Data Analysis and Reporting**

Both the primary and secondary data collected from multiple sources using varying methods were thoroughly and carefully processed, reviewed and analyzed. Different methods of data analysis were used to screen and draw valuable findings and inferences to solicit the business continuity of the marketplaces. Based on the data analysis result, the views and perceptions of different stakeholders including local communities were categorically compiled and recorded particularly from the perspective of market-based business models and practices and associated limitations and barriers, challenges and opportunities owing to the continuity of market-based services during the disaster. The analysis and findings deliberated the overall scenario of risk landscape encompassing all three phases (pre, during and post) of disaster risk reduction and management.

Following a purposely evolved reporting structure, a Draft Report is prepared and submitted. All relevant feedback, comments and remarks received on the draft report will be minutely reviewed and integrated in the final report. The Draft Report is sufficiently informative, evidence based, analytical, forward looking with equal emphasis on key findings, challenges and way forward. Different methods of presentations like; texts, infographics, highlights, figures, images, tables, schematic diagrams, matrixes are scientifically used to make the BCP practical, user-friendly and implementable in the local context.

## Chapter 2 – Market Based Risk Mapping

### 2.1 Profiling the Context – Market Risks and Stresses

Market Based Programming are generally used by the humanitarian agencies in emergencies to support and develop local market system to meet the needs of the crisis affected communities. The study builds on the premises that the market system should be functional during the events of disasters and should respond to the humanitarian needs in the region. Therefore, it becomes critical to understand both the existing and potential risks that can undermine the functionality of the market to support humanitarian response and how these risks should be minimized. This section of the report highlights the risks and stresses to the existing markets selected from the partner municipalities in two districts.

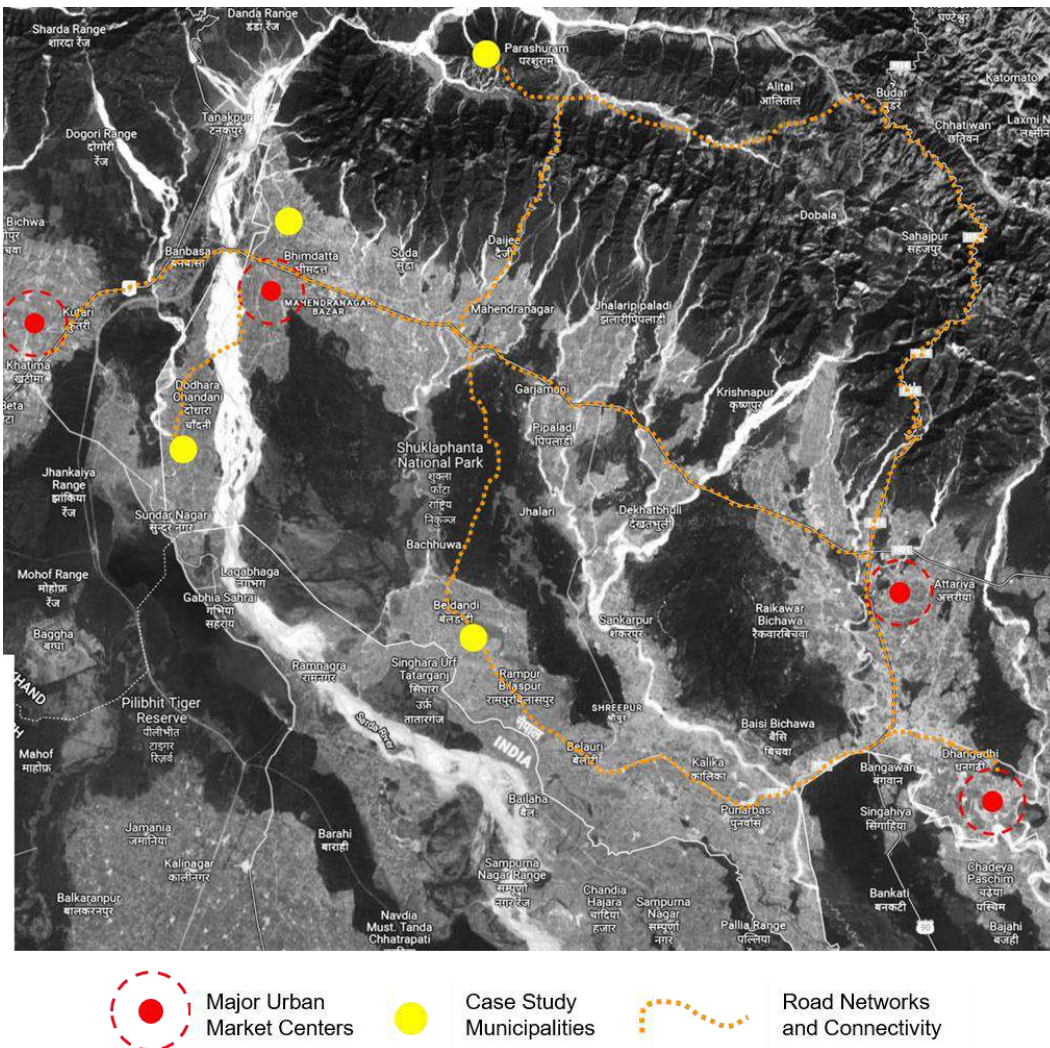


Figure 1: Connectivity and Proximity of the municipalities to the Major Urban Market Centers

The above map shows the proximity and connectivity of the case study municipalities to the existing urban markets which are the major centers for supply chain of essential good and items in these municipalities. These markets include Dhangahi, Attariya and Mahendranagar Bazaar in Nepal and Khatima Bazaar in India. Apart from these people, also rely on small markets on located on small villages along the Indian Border.

### ***Beldandi Rural Municipality***

Beldandi Rural Municipality is located in south of Kanchanpur district adjacent to the Shuklaphanta National Park. It is well connected by the road network and is approximately 50 Kms from Dhangadhi and 32 Kms from Mahendranagar Bazar in Bhimdutta. These are the two major urban centers in the region and biggest market for the supply of essential items to the Beldandi bazaar. There are two road network that connects Beldandi to Dhangadhi and one road network to Mahendranagar bazaar.

There are three smaller markets in the municipality that serves to the needs of the existing 21,949 population in the area. These markets are Chawanni Bazaar in Ward 2, Beldandi Bazaar in Ward 1 and 2, and Kharighat Bazaar in Ward 3. The inhabitants of the municipality are dependent on these three markets for the daily needs' items, grocery, clothes etc. However, lot of people also visit neighboring markers on the Indian border for the purchase of their daily items. The population is spread across the 37.2 sq.km of municipal area with local markets located on the main road that passes through ward 1 and 2. During a KII with Community Disaster Management Committee, it was found that some settlements have to walk or cycle for at least 30 – 45 minutes to reach the market for buying necessary food and non-food items.

There were no proper roads and it used to get flooded previously. We have taken shelter in Jharnasagar school during the flood. But there has been no inundation from the last 2-3 years so we can easily access the market. However, the market is far and it take us approximately 30 minutes to reach the market by walking or in a cycle. Sometimes we also go to market in India to buy home items – Member of Jharnasagar Disaster Management Committee.



Figure 2: Chhawani Bazar and the Green Belt in Beldandi Rural Municipality

The municipality is vulnerable to flood and inundation, but other incidents of hazards have also been identified during the KIIs which possess risk like animal terror, pests, fire hazards etc. However, for the study the following risks and stresses has been identified which can impact the functionality of the market. These threats have been

prioritized and ranked to understand what are the pressing issues that has direct impact on the market led activities.

**Table 3: Hazard Incidents in Beldandi Rural Municipality from 2002 – 2022**

S. N	Incidents	No. of Incidents	Affected Families	Estimated Losses (in Rs)
1	Fire	3	3	50,25,000

Source: Nepal DRR Portal

**Table 4: Market Risks and Stresses in Beldandi Rural Municipality**

S. N	Risks and Stresses	Remarks
1	Flooding and Inundation	No immediate threat to the market as markets are located at a higher level than flood plains. However, in case of bigger flooding in the area, the markets can be inundated.
2	Animal terror	No immediate threat to the market, the animals usually are threat to the farmlands and settlements located near the buffer zone of the National Park.
3	No Registration of Shops	Most of the shops are not registered in the municipality as many of them are located on the government land ( <i>ailani jagga</i> ) in the area which is declared as green belt. No registration has resulted in less investment by the owners on the structure and municipality is also not able to gain revenues through property tax.
4	Old Construction	Most of the shops are located in old buildings which were not built for commercial purpose and doesn't adhere to building control measures.
5	Fire	Fourteen incidences of fire <sup>1</sup> with an estimated losses of 5 million have been reported in the municipality. The market management committee also identified fire as major threat to their shops and existing business.
6	Pandemics and Epidemics	During COVID-19 the market was closed for a week but there was not big difficulty in procuring and brining necessary stuffs from Mahendranagar and Dhangadhi market. People faced challenges in accessing market as it was only open for certain hours a day following the COVID-19 protocol by the Government.
7	No Insurance and Compensation for Traders and Shop Keepers	This is a persistent stress for market. There is no compensation mechanism for any damage to market caused by any incident.
8	No space for storage of food items	There are no godowns and structures where traders and wholesalers can stock food items for a longer period of time. This issue was brought by market management committee during the KILLS.

### ***Dodhara Chandani Municipality***

Dodhara Chandani Municipality is located on the banks of River Mahakali on east side of Kanchanpur Districts and borders with Uttarakhand in India. The municipality is approximately 16 Kms from Mahendranagar bazar and is accessible by road through the newly constructed bridge on the Mahakali River. Previously, when there was no bridge, it was connected to Bhimdutta municipality through a suspended bridge and through a road connection via India. The total area is 56.84 sq.km and the total population of the municipality is 39,253. There are 10 wards in the municipality for the administrative functions and governance.

There are five existing markets and weekly markets (*hatiya*) for trading of goods and supplies in the municipality. These are Babathan Bazaar in Ward 7, Health post Bazaar in Ward 6, Kalika Bazaar in Ward 9, Chandani Bazaar in Ward 4 and Chakki Bazaar in Ward 1. As per the LG profile of the Municipality, there are a total of 216 commercial businesses registered in the municipality of which 39 are grocery stores, and 42 are agriculture related firms. There is both wholesale market and retail market in the municipality, and people buy rice, lentils, cooking oil, flour, beans and vegetables produced by mills in the municipality. Almost 65% of the total land in the municipality is agricultural land, and people grow rice, beans, sugarcane, vegetables for commercial purpose in the municipality. However, they import lentils and soaps as there is no lentil production in the municipality. Apart from the existing local markets, people also rely on Melaghat Bazaar and Khatima Bazaar in the Indian State of Uttarakhand across the border.

<sup>1</sup> <http://drrportal.gov.np/>

The municipality is vulnerable to floods and fire hazards. As per the information of Nepal DRR Portal 12 incidences of fire and forest fire has been reported in the municipality and one incidence of flood has been reported in the municipality. However, this municipality was cut off from the market last year when the dam on ongoing construction of bridge was washed away by flood waters. The municipality in its LG profile has identified flood, fire, epidemics, animal terror, pests, winter storm, thunder and bird flu as the probable threats and risk to the municipality.

**Table 5: Hazard Incidnets in Dodhara Municipality from 2002 – 2022**

S. N	Incidents	No. of Incidents	Affected Families	Estimated Losses (in Rs)
1	Floods	1	1	
2	Fire	11	11	11,20,000
3	Animal Incidents	5	12	30,000

Source: Nepal DRR Portal



Figure 3: A section of Dam washed away by flood in Mahakali river in an under construction Bridge (Source: Onlinekhabar)

The following risks and stresses have been identified which can impact the functionality of the market. These have been prioritized on the basis of KII with market management committee, municipal officials, and community members.

**Table 6: Market Risks and Stresses in Dodhara Chandani Municipality**

S. N	Risks and Stresses	Remarks
1	Flooding and Inundation	The municipality is vulnerable to floods from two rivers both on east and west of municipality. In case there is heavy flooding which destroys access road to the municipality, it can cause threat of supply chain of essential items. The market areas are inundated during heavy rainfall. Last year the supply chain was cut-off when the section of dam on the under-construction bridge was washed away by flood in Mahakali River.
2	Animal terror	It is not an immediate threat to market but a threat to livestock, agriculture production and human settlements in the area.
3	No Registration of Shops	The municipality is still in process of identifying and registering shops. Only 219 commercial business has been registered in the municipality.
4	Old Construction	Most of the buildings are old and are not constructed as per the building bye laws. The Municipality has identified earthquake as priority hazard with risk on

		the market areas. The municipality is yet to enforce building control measures in an effective way.
5	Fire	Lot of areas in the municipality are grassland where fire incidents are common, and there has been reported incidence of fire each year in the municipality which has resulted in economic loss.
6	Pandemics and Epidemics	COVID-19 had severe impact in the municipality during the lockdown. However, there was no any challenge of food security in the community. This was because of agrarian economy and people sharing food ration within community. However, the lockdown had impact on the marginalized communities as their daily jobs were hampered.
7	No Insurance and Compensation for Traders and Shop Keepers	No insurance or compensation mechanism are available to the traders from municipality or market committee in case of any incident.
8	No space for storage of food items	There is no dedicated warehouse or space for storage for food items like rice. The wholesalers and traders only have limited stocking which lasts for about a few days in case of disruption of supply chain.

### ***Bhimdutta Municipality***

Bhimdutta Municipality is located on the bank of the river Mahakali on the west, and borders with Uttarakhand in India. It is one of the largest cities in Nepal with a total area of 171.24 square kilometers and a total population of 104,000 with a decadal growth rate of 2.77. The Mahendrangaar bazaar is one of the largest markets in the region and serves the needs of adjoining districts in the upper region of Churia Hills.

The municipality is prone to flooding and inundation especially in the low-lying areas near the Mahakali River. Each year during the rainy season, the market area is heavily inundated and makes it difficult for the commercial businesses to continue. Though there is an ongoing effort to fix the drainage and road system by the municipality but without considering the existing buildings level on the ground. This can create seepage of rainwater into existing low-lying commercial areas in the city.



Figure 4: Water Logging in Market and ongoing Drainage construction in Bheemdatta Municipality

The heavy rainfall also causes flooding and inundation in the residential and agricultural regions of the city. The heavy rainfall in 2021 inundated communities and settlement and swept away a section of road in ward 12 of the municipality. It also affected the standing crops and harvested crops as water completely flooded the different regions of the city.

Most of the crops were damaged last year. The flood water came inside the house and all the harvested rice got soaked in water and turned black. We had to destroy most of it as we couldn't sell it in mills and we had to buy rice from market – Ward Level Disaster Management Committee, Ward 12, Bhimdutta Municipality

The following table provides information on major disaster incidents and estimated losses in Bhimdutta municipality from 2002 till 2022.

**Table 7: Hazard Incidents in Bhimdutta Municipality from 2002-2022**

S. N	Incidents	No. of Incidents	Affected Families	Estimated Losses (in Rs)
1	Floods	1	0	0
2	Fire	58	62	59,09,700
3	Heavy Rainfall	6	9	5,88,000
4	Thunderbolt	3	80	-

Though there has not been a major impact on the market due to recent hazards in the area, however haphazard construction practices, impact of rainfall on productivity, and lack of coordination among city actors and markets at times create disruption of supply of essential good and items. The ongoing city level drainage improvement project is frequently causing water logging in the market area, which is not only making the market services inaccessible but it is adding risk of water borne diseases. The following risks and stresses were identified and prioritized based on KIIs with concerned stakeholders.

**Table 8: Market Risks and Stresses in Bheemdatta Municipality**

S. N	Risks and Stresses	Remarks
1	Flooding and Inundation	The municipality is vulnerable to floods in wards adjacent to the river Mahakali. However, this doesn't directly threat the market. Market is at risk from unmanaged drains which causes inundation and seepage in the market areas.
2	Animal terror	No direct threat of animal terror on market. However, stray cattle have been growing issues in the municipality which causes accidents each year.
3	Old Construction	Some buildings in the commercial areas are old and requires maintenance.
4	Fire	Fire is the most common hazard in the municipality both in commercial and residential areas. It has causes massive damage to property and business.
5	Pandemics and Epidemics	COVID-19 had severe impact in the municipality during the lockdown. It directly impacted the business and industry (mills) producing rice and lentils and supply chain business was temporarily impacted during the lockdown. However, local government facilitated and supported the traders to bring and supply essential items.
6	No Insurance and Compensation for Traders and Shop Keepers	Not all shopkeepers and small traders insure their business. So, in case of any damage, they have to bear the risk themselves.

### **Parshuram Municipality**

Parshuram Municipality is located in Dadeldhura district of Sudur Pashchim Province. The municipality shares boundary Aalital Rural Municipality in the east, Mahakali River in the west, mid-hill in the north and Chure range in south. The total municipal area is 441 sq.km and is divided into 12 wards for effective governance and administration. Out of total area, 80% is occupied by forest areas and rest are the agricultural lands and human settlements. The human settlement is spread across all the 12 wards of the municipality. There is just one major market in ward 12 of the municipality on which the entire community is dependent for their daily needs.



Figure 5: Market Section in Parsuram Municipality

During the KII, it was found that the market doesn't have immediate threat from any disaster however, the biggest stress to the market is the supply chain which is interrupted due to bad road conditions especially during the monsoon. There are two major access road to Parshuram Municipality – one from the Mahendranagar via Daijee which is hardly used as transport route because of bad road condition, and another is the Highway that connects Dadeldhura region with Attariya and Dhangadhi. The local traders in the market trade rice, lentils and soaps that are brought from the major urban markets.

In terms of vulnerability, the municipality is vulnerable to flood threats in the Rangoon River and Mahakali River. The Rangoon River flows on the south of the market road and joins the Mahakali River in the west of the Municipality. During the monsoon, settlements across the Rangoon River find it difficult to access market. The communities and settlements staying closer to the Indian border prefer shopping in the Indian market as it is easy to access through boat and also relatively cheaper.

The following table provides information on major disaster incidents and estimated losses in Bhimdutta municipality from 2002 till 2022.

**Table 9: Hazards Incidents in Parshuram Municipality from 2002-2022**

S. N	Incidents	No. of Incidents	Affected Families	Estimated Losses (in Rs)
1	Floods	2	4	-
2	Fire	2	2	-
3	Heavy Rainfall	3	3	-
4	Thunderbolt	4	18	-

Source: Nepal DRR Portal

The major risks and stresses for the market has been identified and prioritized based in the KIIs with the relevant stakeholders in the following table.

**Table 10: Market Risks and Stresses in Parshuram Municipality**

S. N	Risks and Stresses	Remarks
1	Flooding and Inundation	The road that connects the municipality to Budar and nearest highway is vulnerable to flood incidents during the monsoon which impacts the supply chain.
2	Old Construction	A study on disasters in Parshuram <sup>2</sup> shows that there are 241 Kaccha house which are vulnerable to the impacts of disaster. Some of the buildings in the market area are also Kaccha houses.
3	Fire	Incidences of fire has been recorded in the municipality; however no immediate threat has been identified for the market.
4	Pandemics and Epidemics	The COVID-19 had disrupted the supply chain of essential items for a week; however, it didn't create much issues of food security in the municipality.
5	No Insurance and Compensation for Traders and Shop Keepers	Not all shopkeepers and small traders insure their business. So, in case of any damage, they have to bear the risk themselves.

## 2.2 Current Risk Management Practices

There are not predefined risk management practices for the market either developed by the municipality or the Market Development Committee (MDC). Both the institutions are working on ad-hoc basis to deliver services to the citizens. The participating municipalities have taken some steps towards development of acts, plans and policies to minimize risks due to disasters in the region but these initiatives do not provide specific action plans for market related risks. Some of the ongoing practices include:

### Preparation of Emergency Preparedness Plan

The municipalities have prepared a local level emergency preparedness and response plan to minimize the risk and impact of disasters in the municipalities. These plans highlight the emergency preparedness, roles and responsibilities, and stockpiling of the necessary equipment and materials for search and rescue mission. These plans don't highlight the market-based humanitarian response mechanism and strengthening the market for response. Parshuram and Dodhara Chandani have prepared a DPRP, Bhemdatt has prepared an EPRP and Beldandi has prepared a LDCRP plan.

### Representation of MDC in LDCM

The Disaster Management Committee at the municipality invites members of MDC in their monthly meeting to discuss ongoing plans, programs and any disaster events in the municipality. These meetings are conducted either every month or on need basis. During the KII, it was found that members of MDC participate in these meetings and existing market challenges are discussed. But no concrete action has been taken by the municipality to strengthen the capacity of market to respond to disaster.

### Emergency Ration Support

The MDC supports municipality through rations or fund for emergency support during disasters. The MDC doesn't have any guidelines or terms of reference highlighting their roles and responsibilities during disaster. Some of the MDC are working as informal network of shops and traders, and are not registered in municipality.

### Land Use Planning

Dodhara Chandani has taken a step ahead towards preparation of Risk Sensitive Land Use Plan of their municipality. Similarly, Beldadni is delineating the green zone and residential zone in their rural municipality. Parshuram has taken an initiative of collecting data to inform evidence-based decision making in their municipality.

<sup>2</sup> Disaster Vulnerability Assessment in Parshuram Municipality, Dadeldhura, Nepal

**The Dhangadhi and Mahendranagar** are the two major markets that are accessible to partner municipalities in a situation of small-scale disaster. In case of any mega disaster and blockade or breakdown of transportation link, the local markets will not be able to sustain their supplies and services even for 3/4 days. Although the local populations maintain some food stock (mainly rice) at home, they are largely dependent on local markets for other essential goods and services. In case of poor and marginalized communities, household level stocking is very limited. In this case, a fully operational warehouse is critical for stocking essential goods (food items, NFIs, medicines and others) to meet urgent demands of local populations in emergency situation. However, operation of warehouse was found a major concern of local authorities including business communities. There is a fear that the goods put in stock may be damaged or get rotten if there is no any major disaster for few years.

To solve this issue, a tripartite agreement is suggested between the municipality, market-based business communities and major suppliers of goods to the local markets. The suppliers can maintain their stock in the warehouse and supply following the demand from the local market. At the same time, they will replenish the goods on regular basis to maintain the full stock in the warehouse. This arrangement offers a 'win-win' situation to all the three parties. The local business communities will get their supply on short notice while the supplier will save lots of hassles (including transportation cost) by stocking their supplies locally and lastly, municipality will be able to guarantee sufficient stocking of essential goods without risking of any harm or damage of goods. At the end, the local community will benefit by having fully operational warehouse in their municipality. This will significantly add to better preparedness contributing to business continuity of market services in crisis.

## 2.3 Role of Key Stakeholders

The major stakeholders in ensuring the continuity of market systems include the local government, the market development committees of existing markets, chamber of commerce and industries, community-based disaster management committees, transport and supply chain, local industries and mills, and law enforcement agencies like police and others. All these institutions and agencies have their own roles in ensuring the supply of essential food and non-food items in the markets, and outreach of the communities to these markets. The study has summarized roles and responsibilities of these institutions based on the KIIs conducted in the participating municipalities.

**Table 12: Role of Key Stakeholders in Market Continuity**

S. N	Key Institutions	Roles
1	Local Government	<ul style="list-style-type: none"> <li>- Prepare local acts, guideline and policies for disaster management, and market-based emergency response. The participating municipalities have prepared DPRP, EPRP and LDCRP but it doesn't highlight the impact on market and role of market in responding to disaster needs.</li> <li>- Act as a coordinating, facilitating and communicating agency for effective response during a disaster.</li> <li>- Ensure building byelaws are strictly implemented in the market areas, build infrastructure for hazard management and effective delivery of market-based services.</li> </ul>
2	Market Development Committee	<ul style="list-style-type: none"> <li>- Effective monitoring of available stock of food items and non-food items which are needed during response.</li> <li>- Identify possible risks and threats to market, coordinate with municipality and respond to the risks.</li> <li>- Liaison with municipalities and service providers for insurance and other compensation plans in case of the damage to the shops in the markets.</li> <li>- Work out modalities for credit-based supply of essential food items during response phase.</li> </ul>
3	<sup>3</sup> Market Traders – Processors, Wholesalers, Producers, Stockist,	Facilitation of buying, selling and supply of market products.

<sup>3</sup> The scope of this BCP was limited to four partner municipalities (urban and rural) and their local markets. In this situation, the market traders outside local markets were not directly contacted and consulted. The information provided in this report related to market traders were largely received at the market places from multiple partners and stakeholders.

4	Law Enforcement Agencies	- Coordinate with municipalities, and market communities in providing security to transport and supply chain of essential goods, rescue and supply of food and non-food items to disaster affected communities.
5	Development Partners and other Private Agencies	<ul style="list-style-type: none"> <li>- Promote local economy during response by enabling and creating mechanism for local traders to supply to the needs of disaster affected community.</li> <li>- Value Chain Development of Local Products in the Market.</li> <li>- Coordinate with Municipality and Market Actors in events of disaster.</li> </ul>

## Chapter 3 – Business Impact Analysis

### 3.1 Market Systems Impact

#### 3.1 Market Systems Impact

A Business Impact Analysis is a process to evaluate the potential impact of an accident or disaster event on the operations of critical business. It is an essential component of the Business Continuity Plan. The Business Impact Analysis explores any threat and vulnerabilities that can halt the operations of a business. For example: the market system in a city is not any independent entity but relies on the other systems like transportation, human resources, infrastructure and assets, warehouses and godowns for effective delivery of essential items. Therefore, in business impact analysis, it is important to analyze all systems that complements the business process.

The study focuses on three essential products from a market risk perspective that were identified in the Pre-Crisis Market Analysis by Oxfam. These include Rice as Staple Food, Lentils as Complementing Good and Soap as WASH Product. The following tables provides key risks and impacts on the business of three key essential items that are prioritized in the humanitarian response in the PCMR study by Oxfam. The impact has been classified on two major key elements – Market Actors & Assets and Infrastructure.

**Table 13: Potential Risk and Impact on Market Actors and Infrastructure**

Actors	Potential Risk	Impact
<b>Producers/Farmers</b>	Low Quality Seeds	Low Production and Low Quality of Food Grains – Rice and Lentils
	Incessant Rainfalls	Inundation of field and damage to standing crops
	Pests	Low Production of Food Grains
	No Storage for Harvested Crops	Damage due to rodents and seepage of water
<b>Local Mills</b>	Location	Risk to flooding, inundation and erosion
	Built Structure	Threat to fire hazard, earthquake etc.
	Low Local Production	If local production is low, the mills producing, and threshing rice and lentils will have low output
	Access to Local Traders	Local Traders largely buy from large urban market centers and wholesaler. There is a small market for local mills in the municipalities
<b>Warehouse Operators</b>	Fire	Damage to crops and other items
	Location (Flood Plains)	Flooding, Inundation or Risk of Erosion
	Seepage of Rainwater	Damage to food grains
	Built Structure	Threat to hazard from earthquake or
	Pests and Rodents	Damage to food grains
<b>Wholesalers &amp; Retailers</b>	Hazards	Risk to fire, flooding and erosion
	Vandalism	Looting during emergency situations
	No Land Tenure	Eviction and Low investment in business
	No Insurance	Risk to business is solely on the business owner

<b>Infrastructure</b>	<b>Potential Risk</b>	<b>Impact</b>
<b>Road Networks</b>	Inundation and Flooding	Delay in the transport of food and non-food items, damage to vehicles and products
	Land Erosion	Delay in Transport
	Stray Cattle	Accidents and loss of business and resources
	Landslides	Delay in Transport and Possible Accidents

There are other attributes that contribute to the market risk which directly impacts the market continuity and business services.

### **Informality of Market**

Most of the shops and businesses in the market are not registered in the municipalities. Simultaneously, some of the businesses are located on government land, *ailani jagga*, and don't have security of tenure. These possess risks for business and markets. Due to informality of the nature of business, the traders are not able to invest more into their business – creating assets, building infrastructure for storage etc. and also have perpetual fear of eviction. In case of Beldandi, the marketplace is located on the Green Belt, and most of the buildings are on government land. Secondly, the informality nature of business restricts humanitarian agencies to partner with the traders at local level to deliver critical humanitarian needs in a municipality. It is therefore critical for the businesses to register themselves, and municipality to legitimize the land tenure for markets to grow and continue the business.

### **Lack of Understanding of Risk**

The study shows there is a low level of understanding of risk among the market development committee actors in the participating municipalities. The MDC are only responsible for development of markets and monitoring the uniformity for the price of goods in the market. However, they don't carry out any specific works to minimize the risks in market. The MDC do realize the potential risks that can hamper supply chain of essential goods in the market but haven't prepared any contingency plans to minimize those risks. For example: In Parshuram, the MDC understand the potential threat to the supply chain due to landslide or flood in the Rangoon River, however, they haven't prioritized any stocking mechanism in the municipality.

### **Market Risks not Integrated into DPRPs**

All the participating municipality have prepared contingency plans like DPRPs and LDCRPS. These documents provide details information on preparedness level of the municipality and roles and responsibility of concerned stakeholders during emergency. But these documents don't highlight the risks to the markets and role of market management committee in delivery of humanitarian responses. It is imperative for municipalities to integrate market risk in DPRPs or develop a separate risk assessment for markets and allocate budget for supporting business continuity plans.

### **Lack of Coordination among MDCs, Local Government and Development Partners**

Some of the Market Development Committees function as loose networks and yet not registered as formal bodies in the municipality. There seems to be low level of coordination among the disaster actors in the Municipality and the Market Management Committee. Market led response is not prioritized by the Local Government and Humanitarian Agencies in event of disaster in the municipalities. This needs to be prioritized, and MDCs needs to be formalized with a proper Terms of Reference guiding their approach in responding to events of disaster.

### **Limited Access of Marginalized Communities to Markets**

The markets in Parshuram and Beldandi are relatively small markets located in the center of city, which makes it difficult for the distantly located communities to access them especially during disaster. The communities in these regions are mostly dependent on agriculture for sustenance. They usually grow rice and other grains, but it doesn't sustain for a whole year, and they largely depend on markets for food and non-food items.

For example: The marginalized communities in Beldandi have smaller land holdings usually 1 to 2 Katta (2645 sq.ft) for residential and agriculture use. These small land holdings don't produce enough to sell in market and sustain. Most of these communities have male members working as daily labor in India while the women work in fields or daily labor jobs in the village. Access to market is critical for these people as they rely for their food and non-food needs in the market. Since, they have limited access to market and which gets restricted during disaster (e.g., Pandemic), they market should develop some approach to reach out to these communities through innovative ways.

## 3.2 Challenges and Prospects

The idea of market continuity or business continuity is relatively a newer concept in terms of preparing a market for humanitarian response program. Based on the KII with stakeholders from municipalities, market development committees, and community members - they appreciate the idea of making market resilient to risks and threats and delivering humanitarian responses through them. However, there are some challenges that needs to be addressed in preparing the plan.

### Challenges

- The market actors and MDC have relatively no or less knowledge on Risk, Risk Informed Decision, Risk Informed Business etc. Their knowledge, understanding and capacity need to be built to better understand the risks and prepare to invest in order to reduce and manage the risks.
- Disaster and market led response has not been an important agenda for the municipalities and other relevant actors of this field. This should be treated with immediate effect and a process should be put in place for building this concept as a priority issue for the municipalities for responding to the humanitarian crisis.
- There has been a progressive investment in the DRR sectors by the municipality, and new acts and policies are being implemented by the municipalities. However, there is no investment in making market and market systems resilient by the municipalities. Concurrently, the municipal level disaster plans don't highlight the risk and threats to the market.
- The humanitarian world and market systems are working in silos with very limited interaction during disaster. Though humanitarian agencies are dependent on market for delivery of response, but there seems to be a gap in coordination, and linkages between two institutions.
- The marginalized communities should be prioritized during the disaster event. The marginalized communities have no stock of food items and are more vulnerable to disaster risk. So, market should cater to the needs of such groups, particularly during crisis.

### Prospects

- This agenda is slowly gaining momentum among the humanitarian actors and institutions across national and local level.
- The Municipality, Market Development Committee, CCI and other stakeholders are receptive of the idea of having a business continuity plan for their existing local markets. The municipality is ready to integrate this idea in the Disaster Management Plan and other related initiatives and support the market entities in their municipality.
- The selected local markets have significant advantage of linkage and access to four different major market centers (Dhangahi, Attariya, and Mahendranagar in Nepal; Khatima and Banbasa in neighboring Indian town) which facilitate them to remain functional and operational during crisis and blockade of any of the above market places. This situation ultimately contribute towards business continuity of market places in crisis.
- The Business Communities and institutions like Market Development Committee and Chamber of Commerce and Industries are willing to support and do necessary advocacy and campaign for establishing this concept as priority agenda of local level DRRM planning and interventions.

- The present local governments are significantly empowered and are given full responsibility of all cycles of disaster risk reduction and management. This situation has compelled municipalities to adopt a more holistic and integrated (including multi-sectoral and multi-disciplinary) approach to DRRM. This has improved the prospect of market-based risks assessment including risk reduction and risk management with definite priority and interest.
- The trend of creating DRR Fund at the municipality level is also helpful in solving market based disaster risks to ensure continuity of business and market services in crisis. The receptive and positive views of CCI and humanitarian agencies will add impetus in prioritizing market bases risks and locally found solutions.
- The practice of developing DRR plans (DPRP, EPRP, LDCRP) at the local level and commitment of local authorities (primarily the municipality and humanitarian agencies) to integrate market based risks and business continuity concept into the above plans will directly lead to the institutionalization of this concept.
- Recently, capacity building of local governments and other relevant partners and stakeholders is the priority of concerned agencies of national government (MOHA, MOFAGA, NDRRMA and others), UN and other development partners. Appropriate integration of market based business continuity concept into the ongoing capacity building programme will be significantly helpful in championing and establishing this concept as priority agenda of local level DRRM plans and initiatives.

## Chapter 4 – Business Continuity Strategies

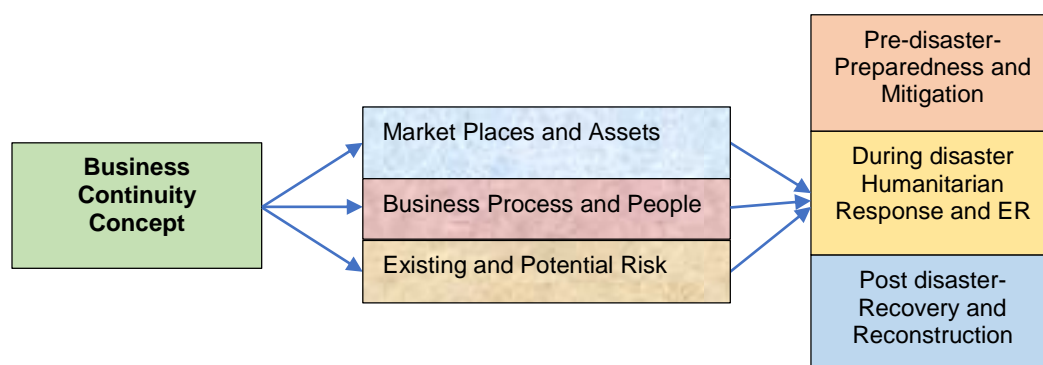
### 4.1 Business Continuity Concept (BCC)

It is important to discuss and understand the business continuity concept in the given context. The contextualization process has precisely followed the fundamentals of the standard business continuity concept, which is derived from the insightful assessment of relevant references collected from multiple secondary sources. In this case, the context is largely guided by the situation and prospects of the four project marketplaces that were studied and analyzed at length. The recent disaster incidents, efforts and investment, results and lessons learned including views and perceptions of local partners and stakeholders were elaborately discussed, deliberated and analyzed to better articulate the grounded version of the business continuity concept. Similarly, the experience, challenges and lessons of COVID-19 were also examined and processed. In addition, the business continuity of the marketplaces is viewed from the three suggested market products, and they are- rice, lentil and soap. Several key elements are categorically diagnosed while the relevant findings and results are appropriately structured and integrated later into the development process of the business continuity strategy and plan. The marketplace and assets, business process and people including key partners and stakeholders and existing and potential risks are the three key broad elements that are significantly considered and applied. Besides, few other relevant issues specific to any particular marketplaces or partner municipalities are also measured.

**Table 14: Three Key Elements of Business Continuity Concept**

SN	Key Elements	Detailed Description	Remarks
1	Market Place (including weekly market)	Physical location, land tenure, accessibility, open spaces, connectivity,	
	Assets	Land and buildings, market infrastructure and services, storage and warehouse, cold storage, transport, disaster fund,	
2	Business Process	Sales and purchase, supply-chain, Business registration and Insurance	
	People- partners and stakeholders	Business houses and support staff Municipality, MDC, CCI, Humanitarian agencies, NGOs, CSOs and local communities	
3	Existing Risk	Earthquake, Flood, Inundation, Fire, Heavy Storm, Wild animal attack, Insects-agriculture, Limited building approval, Absence of BC; Disruption of critical infrastructure and services- power, transport, communication, roads and bridges, drains, SWM and others	
	Potential Risk	Mega disasters like earthquake and flooding, Vandalism, Conflict	

The above three elements are closely inter-linked and therefore they need to be seen in a more collective manner. The business continuity plan is also looked at from the larger frame of all three disaster conditions: before, during and after disaster. Improved preparedness is fundamental to business continuity of marketplaces in crisis. The whole process of investigation as well as development of business continuity action plan have strictly followed the above framework from the perspective of three broad elements just discussed above. This has allowed the process to undertake a truly systemic and integrated approach and offer a wholesome and localized strategy leading to a practical and implementable business continuity plan.

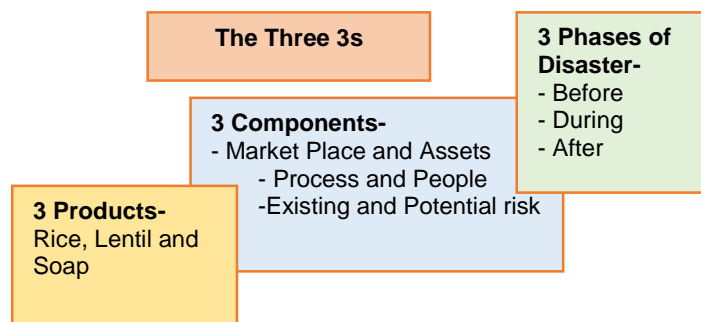


The views and opinion of local communities and how they managed and experienced in recent disaster in their municipalities is also assessed while conceptualizing the concept. In addition, the community level assessment intently explored the intricacy of their linkage and dependency on local markets during the crisis. The

unpredicted weather and changing climate calendar have apparent impact on local produces and yields<sup>4</sup> which directly influences the marketplace decisions. The discussions suggested that the market-based business continuity cannot be found only by focusing the diagnosis and prescription at the marketplace level. The solutions therefore must be found in a wholesome and larger perspective considering multiple elements and situations and engaging relevant partners and stakeholders as also outlined above.

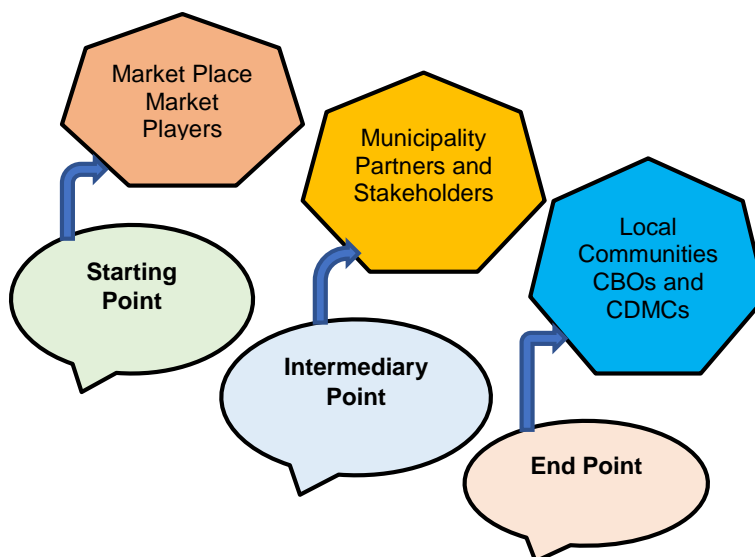
## 4.2 Business Continuity Strategy

The business continuity strategy is closely driven and guided by the business continuity concept. The three 3s are the basic premise of this strategy. The three 3s are closely interlinked and therefore both the decisions and actions demand a coordinated and collaborated approach on the ground. The business continuity strategy adopted a truly holistic and integrated approach, which advocates for a sincere and sustained multi-sectoral and multi-stakeholders' engagement and contribution. The solution embraces



simultaneous interventions at multiple points that fall within the business chain of the marketplaces. The latter is considered as a starting point which stretches down to the community level as an end point. Further, there are several other intermediary points which needs to be mobilized and oriented in order to be able to strengthen the connects between the two ends. On the other hand, the strategy also highlights the reinforcement of business continuity prospects by managing the dependency between the market and its local communities which demands an integration of strategic engagements at both the ends including at the intermediary point.

At the product level, the strategy focused on the business practices and supply chain model of the marketplaces with reference to all three scenarios of disaster risk management. With the same reference, the strategy also evaluated the measures to be considered to secure the continuity of business activities in case of significant crisis. The inter-relation between the local agriculture produces and purchase and sale of three products through marketplaces including the storage quality and capacity both at the public and private level were also closely explored and investigated. The business continuity of the marketplaces is found over stretched due to disruption in supply of basic services (like electricity supply to keep the rice mills operational to process the paddy grains into rice) and its impact on the availability of essential products particularly during the time of disaster. The situation of linkage between the local products and local markets is sufficiently probed as it has a strong potential to aid market continuity in crisis.



Several elements are covered while developing practical strategies linked to the 3 components. The physical characteristics of the marketplaces and available infrastructure and services and their performance during the crisis were closely observed and assessed. In this case, the role of weekly market<sup>5</sup>, which is a dominant phenomenon of the local marketing system is also explored and analyzed. The road connectivity with both the

<sup>4</sup> It was reported that the Beldadi municipality used to produce *chana and bhatmas* (used as lentil) in huge quantity which is now reduced to quantity only enough to meet the household level needs. This is mainly because of unpredictable climate and constantly changing weather calendar.

<sup>5</sup> A temporary and tradition market for sale and purchase of basic needs and other essential items. The weekly market is a loose market which is often put in on the road-side on a fixed day of the week. The weekly market is still popular in many municipalities of Nepal. It also facilitates the buying and selling of local and household level products. This practice is more prevalent in Dodhar Chandani municipality where presence of Indian traders is more common.

regional (Dhangadhi and Mahendranagar) and Indian border markets is found critical for the post crisis business continuity of the marketplaces. An appropriate management of open Indian border with involvement of both side of authorities will aid smooth functioning of local marketplaces in serious crisis<sup>6</sup>. The strategy significantly examined the nexus between the local market and role of humanitarian agencies, particularly in timely delivery of emergency relief and other humanitarian support to the local communities. In addition, the impact of cash and value voucher to local communities and grant and subsidies to business communities on functioning of marketplaces was also explored and assessed. The footprint of the business continuity strategy demands decentralization of marketplace activities aimed at expanding their outreach and making access easy to the market services.

Likewise, the strategy strongly promotes the idea of risk informed development and the introduction of risk impact analysis for making municipal development (including marketplaces) risk sensitive and disaster friendly. The strategy categorically highlights the important function of different group of stakeholders (business houses, MDC, CCI, DPs and others) and measures to secure and enhance their contribution in strengthening the business continuity prospect. The role of municipalities and their efforts in managing and reducing disaster and climate change risk is central to the long-term solution. The role of weather forecast in strengthening the market-based disaster preparedness is also discussed and evaluated. The strengthened partnership between the private sector and local municipalities is critical, which suggests a more intense and effective partnership aimed at jointly developing the market services to secure the market continuity and offer benefits to both business houses and local communities. The strategy informs that the process of institutionalization is indispensable for the sustainability and resiliency of the business continuity strategy.

The discussion on business continuity strategy is strongly induced by the existing and potential risks that the marketplaces are exposed and under threat of. Different risk scenarios including COVID-19 and their influences and implications on the existing business model and practices are appropriately developed, studied and interweaved into the strategies just discussed above. While converting the strategies into action plans, both the risks (existing and potential) are further scaled down to the three different phases of disaster risk reduction and management targeting continuity of business practices and market services. The role and contribution of all relevant partners and stakeholders are also aligned with the above three phases of risk reduction and management. The integration of market-based risk analysis and appropriate solutions into the local level DRRM plans is counted as the key element in this direction.

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<sup>6</sup> At this moment, open Indian borders are not well regulated and therefore illegal and unofficial method of buying and selling is common between the two sides. This situation will not help when a bulk of purchase is needed in case of any crisis.

## 4.3 Business Continuity Action Plan

SN	Activities/Actions	Responsible Lead-Supporting agencies	Time Frame
<b>1</b>	<b>Market Places and Assets</b>		
<b>A</b>	<b>Pre-disaster</b>		
i	Develop Market-based DRR Plan engaging all key partners and stakeholders and update the same in every two years.	MDC-Municipality, BCs and HAs	Short-term
ii	Establish Market-based DRR Fund and its operational manual.	MDC-Municipality, BCs and HAs	Short-term
iii	Establish Market-based DRR Volunteers and its operational manual.	MDC-Municipality, BCs and HAs	Short-term
iv	Conduct orientation and training programme on market risk assessment and business continuity planning targeting key stakeholders with an aim to integrate the above issues as priority agenda. Key stakeholders are like- Municipality, MDCs, BCs, CCIs and other market players (wholesalers, transporters, supporting staff and others).	Municipality- CCIs, MDC, BCs and HAs	Ongoing process
v	Ensure market based business communities and supporting staff are appropriately vaccinated and aware of safe and healthy living protocol.	Municipality- MDC, BCs and HAs	Ongoing process
vi	Conduct market surveys and risk assessment to assess quality of market-based infrastructure and services and their appropriate solutions (roads and accessibility, drainage, SWM, open spaces, business insurance and others).	Municipality- CCIs, MDC, BCs and HAs	Short-term
vii	Develop practice of conducting DRM related drill and simulation exercises to provide practical training exposure to market-based business communities.	MDC-Municipality, BCs and HAs	On regular interval
viii	Conduct market surveys to better understand the stocking status of marketplaces with reference to supporting humanitarian needs based on recent experience and potential threats.	Municipality-MDC, BCs and HAs	On appropriate interval
ix	Prioritize market-based interventions like- security of land tenure; implementation of building permit and building approval, quality assurance and others.	Municipality- CCIs, MDC, BCs and HAs	Short to medium term
x	Ensure better coordination with local municipality and development agencies to promote risk sensitive development and avoid creation of new risks to marketplaces.	CCIs- MDC, BCs and HAs	Ongoing process
xi	Establish Warehouse of appropriate size and quality choosing risk free location and develop its operational manual engaging all three parties namely municipality/MDC, major suppliers and local business communities	Municipality- CCIs, MDC, BCs and HAs	Short to medium term
xii	Ensure installation of fire extinguisher in all shops at marketplaces to better manage the fire incidents and related damages and losses.	Municipality- CCIs, MDC, BCs and HAs	Short term
xiii	Prepare to decentralize business outlets down at neighborhood level (with priority to vulnerable areas) to facilitate easy reach and accessibility to market services in crisis.	MDC- BCs	Short to Medium term
xiv	Explore prospect of introducing online business and lay necessary infrastructure to connect people with market.	CCIs, MDC, BCs and HAs	Short to medium term
xv	Establish necessary contact with financial institutions to access soft loan/credits to give continuity of market services in crisis.	CCI, MDC- Financial Institutions, BCs	Short to medium term
xvi	Ensure that emergency communication tools are procured and available for use in crisis.	MDC-BC and HAs	Short to medium term
xvii	Maintain Roster of Suppliers and Transporters	MDC, BC, HAs	Short-term
xviii	Secure open space close to market place (easily accessible) and make it operational by connecting with basic facilities (water, electricity, sanitation and others) to use as concentration point in case of emergency.	Municipality- MDC, BC, HAs	Short to Medium term
<b>B</b>	<b>During-disaster</b>		
i	MDC should call urgent meeting and engage all business communities and relevant partners to review the market status and take necessary decisions as required.	MDC-Municipality, CCI, BC and HAs	Short-term
ii	Conduct quick assessment of marketplaces to understand and evaluate disaster impact on market services and business communities including supporting staff and labors.	MDC-BC and HAs	Short-term

iii	Review regular supply-chain mechanism and reorient according to the need in crisis time.		
iv	Mobilize Market-based DRR Fund and DRR Volunteers and initiate emergency response with an aim to bring market services back in operation as soon as possible.	MDC-BC and HAs	Short-term
v	Share D/L assessment of marketplaces with higher authorities (municipality, CCI, DDMC, HAs and others) including in LDMC and DDMC (where relevant) and seek necessary grant and support to fix and give continuity to the market services	MDC-BC, Municipality and HAs	Short-term
vi	Communicate with suppliers and traders' network for immediate supply of necessary relief items, medical kits and food items.	MDC-BC and HAs	Short-term
vii	Open and operate decentralized outlets of marketplaces particularly in areas which are largely disconnected with marketplaces.	MDC-BC and HAs	Short-term
viii	Use local media (TV, radio, FM, newspaper, social media and others) to communicate and disseminate market-based disaster risk and relevant decisions in crisis.	MDC-BC, Media and HAs	Short-term
<b>C</b>	<b>Post-disaster</b>		
i	Conduct PDNA of marketplaces using quick method and by engaging relevant partners and stakeholders of this domain.	MDC-CCI, BC, Municipality and HAs	Short-term
ii	Develop a Recovery Framework and Recovery Plan targeted to marketplaces.	MDC-CCI, BC, Municipality and HAs	Short-term
iii	Develop an institutional mechanism to implement market focused Recovery Plan.	MDC-CCI, BC, Municipality and HAs	Short-term
iv	Coordinate with relevant agencies and mobilize fund to support implementation of market focused Recovery Plan.	MDC-CCI, BC, Municipality, DDMC, and HAs	Short-term
v	Develop an inter-agency monitoring committee to support implementation of market focused Recovery Plan.	MDC-BC, Municipality and HAs	Short-term
<b>2</b>	<b>Business Process and People/institutions</b>		
<b>A</b>	<b>Pre disaster</b>		
i	Ensure the supply chain is risk informed and prepared to re-orient as per the need in crisis situation.	MDC-BC	Short to Medium term
ii	Revisit the contractual agreements and make them more risk sensitive and supportive in crisis situation.	MDC-BC	Short to Medium term
iii	Maintain suitable network and relation with relevant agencies (including CCIs and HAs) in order to be able to mobilize their support in crisis.	MDC-BC	Short to Medium term
iv	Revisit municipal level DRR plans (DPRP and LDCRP) and initiatives and advocate for integrating marketplaces risks and business continuity agenda in appropriate detail.	MDC-BC, Municipality, HAs	Short to Medium term
v	Strengthen MDCs position, ensure their legal validity (registered to appropriate government agencies) and revisit their scope of work and enhance their engagement and make them more accountable to market-based risk and business continuity in crisis.	MDC-BC, Municipality	Short to Medium term
vi	Strengthen disaster risk governance to better manage the risks in a more coordinated and harmonized manner by engaging all relevant partners and stakeholders of this field.	MDC-BC, Municipality, DDMC	Short to Medium term
vii	Strengthen municipal level DRR Fund and ensure that it is also available to support market-based risk reduction and management.	MDC-BC, Municipality	Short to Medium term
<b>B</b>	<b>During disaster</b>		
i	Revisit business processes and practices and re-adjust as per the need in crisis situation.	MDC-BC	Short-term
ii	Reorient and explore alternatives to give continuity to supply chain activities (transportation route, market demand, labor supply, distribution channel, credit and payment and others)	MDC-BC	Short-term
iii	Activate and establish necessary contact with relevant agencies to mobilize their support and resources to secure business continuity of market services in crisis.	MDC-BC	Short-term

iv	Request municipality to call LDMC meeting and present market level risk assessment report to seek necessary support from relevant agencies.	MDC-Municipality, BC	Short-term
v	MDC should take lead and coordinate with local authorities and other relevant agencies and support in solving market-based priority risk management issues.	MDC-BC, Municipality, HAs	Short-term
<b>C</b>	<b>Post disaster</b>		
i	Monitor, review and reflect (lessons learned) progress in implementation of market-based Recovery Plan as envisioned.	MDC-BC, Municipality, HAs	Medium term
ii	Review implementation of business continuity plan on regular basis and suggest necessary improvisation with the	MDC-BC, Municipality, HAs	Medium term
<b>3</b>	<b>Existing and Potential Risk</b>		
<b>A</b>	<b>Pre disaster</b>		
i	Develop contextual (market based) risk knowledge and information base to support integration of market-based disaster risks into DRR Plans (municipal and market level) and initiatives.	MDC-BC, Municipality, HAs	Short-term
ii	Capacity building in application of DRR tools in developing market based BCP and their integration in DRR Plans and initiatives	MDC-BC, Municipality, HAs	Short-term
iii	Develop appropriate understanding of post-crisis market based BCP and its application in crisis situation.	MDC-BC, Municipality, HAs	Short-term
<b>B</b>	<b>During disaster</b>		
i	Ensure application of relevant tools, activation of response and recovery mechanisms and availability of funds to address market-based disaster risks and support business continuity of the marketplaces.	Municipality-MDC, HAs, BC	Short-term
ii	Ensure safeguarding of market-based business communities, assets and infrastructure during crisis.	MDC-BC and HAs	Short-term
<b>C</b>	<b>Post disaster</b>		
i	Document experience and lessons learned from relevant market based DRR interventions and efforts.	MDC-BC and HAs	Medium-term

## Chapter 5 – Operationalization of Business Continuity Plan

### 5.1 Roles and Functions

The business continuity plan must be shared with all key local level partners and stakeholders active in the field. At the same time, the market-based risks and their impact on business practices and market services should also be thoroughly discussed and understood with reference to the three phases of disaster risk management (pre, during and post). The operationalization of the BCP should be a shared responsibility and therefore key partners like business communities, local municipality, market development committee, development partners and local communities including CDMCs should join hands for ensuring a successful implementation of this plan. The activities proposed under the action plan has flexibility to implement in phases based on the priority set by the municipality in consultation with other relevant partners and stakeholders of this field. A more integrated and joint effort is recommended to operationalize this plan on the ground. The plan does not prescribe any new structure; however, it suggests to re-define and re-orient the existing roles and functions of the available entities and partners directly linked to this agenda. The suggested roles and functions are as below.

#### 5.1.1 Business Communities-

The business communities need appropriate knowledge and understanding of the market-based risks and their impact on business and overall functioning and services of the marketplaces. The municipality in collaboration with the relevant agencies including development partners should develop and implement a tailor-made awareness raising and knowledge building programme to educate, expose and make the business communities accountable to the market level risks and their timely solutions. To facilitate this process, a market based DRR committee and DRR fund should be established and operationalized with immediate effect. Each marketplace should access their risk and develop their DRR plan in active engagement of the larger business communities including relevant partners and stakeholders. Following a multi-stakeholders engagement process, the DRR plan should be updated at-least once in every two years. The market based DRR plan must be aligned to the larger DRR plan and initiatives (DPRP, LDCRP, LEOC) of the municipality. The community should support and empower Market Development Committees (MDCs) and held liable towards addressing market-based priority risks aimed at contributing to the continuity of the market services.

#### 5.1.2 Local municipalities-

The local municipalities and their DRR team (including DRR focal person) should be appropriately oriented and trained about the marketplaces risks and their impact on business continuity of market services in crisis. The municipality team should understand and appreciate the role of marketplaces and the linkage between the business continuity and timely distribution of post-crisis emergency support to the local communities. The municipality should take pro-active measures to categorically integrate marketplaces risks into municipality level DRR plans and initiatives. The existing DRR plans like DPRP, LDCRP and others should prioritize and integrate marketplaces risks and their appropriate solutions grounded to local situation and context. The DRR fund should offer necessary flexibility to source marketplaces risk management activities as identified by the DRR plans. This would be the first step towards acknowledging and institutionalizing the market-based risks into the regular municipal system of disaster risk reduction and management.

In addition, the municipality should support and empower MDCs and ensure their effective and intense engagement in DRR meetings and decisions. The MDCs should be encouraged to share and inform about marketplaces risks and action plan to their appropriate solutions. The safety and security of the marketplaces should receive added attention while marketplace focused activities like approval of building plan, application of building code, grant of land tenure and improvement of infrastructure and services should be implemented on priority basis. Further, to facilitate the above activities, a 'market-place volunteers' should be created, trained and mobilized in crisis situation.

#### 5.1.3 Market Development Committees (MDCs)-

The MDCs must represent their business community and protect their rights and privileges and more importantly when they are in stress and crisis. The role and function of MDCs is critical in solving marketplace disaster risks and their impact on local business and market services. In the present context, MDCs are loosely formed and scarcely connected with the local municipalities and hence are not very effective and supportive to the promotion and prosperity of business activities. The MDCs role and position needs to be revisited. They must be a

registered entity with strong legal backing and should have clear mandate and accountability to market-based disaster risks, their solutions and business continuity in crisis. In spite the MDC is a member of LDMC and DRR committees, the representatives rarely raise market risks related issues and concerns in DRR meetings and decisions.

The MDCs linkage with municipality and other relevant agencies including CCI and humanitarian agencies should be significantly enhanced and strengthened in the benefit of business communities and marketplaces. The MDCs should work closely and collaboratively and support in addressing the market-based issues and concerns<sup>7</sup> on priority basis. The MDCs should also serve as a bridge between the municipality and business communities and help in strengthening the ties between the two parties. They should support in implementing business continuity plan in active leadership of local municipalities and relevant partners.

#### **5.1.4 Development Partners and Private Sectors-**

The humanitarian agencies and private sector are the key players of market-based business continuity plan. The humanitarian agencies should play a catalyst role in facilitating and coordinating engagements and building knowledge and capacities of relevant partners and stakeholders of this field. They should provide technical inputs to municipalities and MDCs to better access the risks and develop a more localized and practical solutions aiming to contribute business continuity of the marketplaces. The humanitarian agencies have important role in ensuring that the local markets are sensitive and well-tuned to support the potential need of emergency response both in volume and type of goods (food and NFI, temporary shelters and others) and also essential infrastructures and services. In addition, they have vital role in integrating marketplaces risks into local level DRR plans and initiatives.

At the same time, the role of district and local level CCIs have apparent role in championing marketplaces risks concerns and challenges. They should play a significant role in liaising between the provincial and local governments in better coordinating the development projects and mobilizing funds for solving larger agenda of market risks. The chamber should also alert and press the municipality to make their development projects risk friendly and risk sensitive. There is an urgent need to strengthen the partnership between the CCIs and local municipalities in order to develop and implement joint projects targeted to re-building and expansion of market-based priority infrastructure and services.

#### **5.1.5 Local Communities and CDMCs-**

The views and opinion of local communities is imperative in developing a practical and localized version of post-crisis market-based business continuity plan. The plan is ultimately aimed at serving the local communities and guaranteeing their access to market services during the crisis. They are the key beneficiary and integration of their situation and concerns helps marketplaces to better prepare and channelize their business activities to closely cater the needs and priority of the local communities. The proposed BCP is therefore sensitive to this fact and has ascertained the role and function of local communities including CDMCs in successfully implementing this plan on the ground. On the other hand, local communities also have some obligations to inform marketplaces and support their efforts to give continuity of the market services in crisis.

## **5.2 Capacity and Communication**

The business continuity plan is a multi-stakeholders exercise, which needs to be implemented in a truly coordinated and harmonized manner. All stakeholders have definite role and therefore they need to be capacitated accordingly in order to be able to successfully implement the plan as envisioned. The process demands some degree of knowledge and exposure to risk assessment and risk reduction tools, coordinated and collaborated approach, information management, market survey, business administration and others. A capacity gap at any point (starting to intermediary and end point) will interrupt the implementation and hence force to compromise on the result of the plan. On the same ground, timely and effective communication is indispensable to mobilize all relevant stakeholders and their proactive contribution while in crisis. It is important that all key stakeholders should be on the same page and hence interact more frequently to implement action

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<sup>7</sup> MDCs can play a significant role in finding solutions to market-based priority issues and concerns like- development and operation of warehouse, regularization of weekly market, border management, integration of market place risks into DRR plans and initiatives, assessment of market place risks, development of market-based DRR plan and fund, implement training and drill, raise funds, mobilize volunteers and so on.

plan suggested by BCP in all three phases of disaster risk reduction and management. Establishment of market-based emergency center linked to LEOC would be of great help to practice the multi-stakeholder's communication needs of the plan.

### 5.3 Resources and Finance

The business continuity plan involves large team of stakeholders and therefore some resources and fund are needed at their end. Both human and capital resources (including knowledge, skills, training and data and information) are required to simultaneously implement the multiple activities as outlined in the action plan. To support this idea, establishment of market based DRR fund is suggested while DRR fund maintained at the municipality level needs to be strengthened and improvised (with addition of funds and broaden of scope) to support marketplaces and continuity of their business activities in crisis. Both the development partners and private sector are the two key players, who should be mobilized to build necessary resources and funds to support the continuity plan. Both the municipality and MDC should take a joint lead and coordinate between different partners and stakeholders to muster support as per their strength and opportunities.

## Chapter 6. Conclusion and Way Forward

The Market based Post-Crisis Business Continuity Plan is comparatively a new initiative, which was both exciting and challenging in the absence of precise literatures and references. The plan is evolved in the local situation and context and thus it is practical and pragmatic in content. The approach followed a wholesome perspective, whereby multiple partners and stakeholders were closely consulted while their role and contribution in business continuity of marketplaces were sufficiently reviewed and examined. The analysis and findings concluded that the solution to business continuity cannot be found solely by focusing on the marketplaces and hence a more holistic and larger lens is required to better comprehend the environment and context. The three 3s is an overarching concept, which helped to outline the business continuity concept and strategy leading to business continuity action plan. The plan positively emphasizes the connect between the two ends (marketplaces and local communities) and the importance of intermediary entities in securing business continuity of marketplaces in crisis. The plan recommends simultaneous interventions at all three points following a truly coordinated and collaborated approach.

Although the plan prioritized the three products (rice, lentil and soap), however the discussion and analysis on many occasions took a larger scale of market system. The action plan is categorical in its intent and outlines targeted activities in all three phases of disaster risk reduction and management. This situation offers a more comprehensive and robust prescription to continuity plan which is significantly integrated and systemic in approach. The business continuity action plan is drawn in phases while municipalities are open to rework their priorities as per their local situation and needs. The successful implementation of the action plan demands sincere and effective (hands in glove type) partnership between the different partners and stakeholders of this field. The effort must be multi-sectoral and multi-stakeholders and should be focused towards making all relevant players responsible and accountable. In addition, the business continuity is a dynamic process and hence the plan must be re-visited at-least once in two years to remain relevant and effective in the evolving environment and continuously changing risk profile of the region.

Before rolling-out this plan It is advisable to pilot in one or two municipalities, which will help to make the plan more practical and improve the prospect of effective implementation and tangible results on the ground. Based on the lessons learned, an effort should be made to convert this plan into standard tool (post-crisis business continuity tool), which is applicable to larger audience of this domain.

## ANNEXES

### 1. KII Questionnaires and Checklist for FGD

#### Market-Based Business Continuity Plan for SCOPR3 Project

#### KII - Questionnaire

#### Trader/Retailer/Wholesalers/Mill Operator/Warehouse Manager

Municipality –

Name of the Respondent-

Type of Operation – Trader/Retailer/Wholesaler/Mill Operator/Warehouse Manager

Commodities – Rice/Lentils/Soap

#### A. Disaster Risk Assessment and Preparedness

1. What are the common disaster risks (flood, fire, landslides, cold and heat wave, pandemic, agitation/strikes and others) that your market is regularly facing or exposed to? Please explain them one by one in all three - Pre, During and Post Disaster scenarios.
2. What preparedness you have done recently to safeguard and give continuity to your business in case any of the above disaster hit your municipality including the market area? Have you purchased any equipment or outsource any services to better manage the market-based disaster emergency response and recovery?
3. Is there any market focused effort or investment made recently by any organization (municipality, MDC, DPs, Market Association) for ensuring better preparedness to the common disaster risks just mentioned above? Please explain in detail, all the key activities that are implemented in this regard.
4. How the above common disaster risks particularly affect your business/operation? Please explain in detail with respect to different activities (sale, purchase, delivery, supply chain, production, storage, transportation, labors, communication and others) that are applicable to your business.
5. What were the major impacts on marketplace (including your business) operation caused by the recent disasters (pre-monsoon rain, flooding and others) in the district/municipality? Please explain in detail.
6. What mitigation measures you (including other agencies) had taken to better manage the disaster impacts in view of recent disasters in the district/municipality? Please explain in detail.
7. Do you follow the three days weather forecast (particularly in monsoon and windy season) issued by DHM? If YES, do you understand the potential impact of the weather forecast on your business?
8. If YES, do you (or any other agencies) take any precautionary measures to avoid or minimize the negative impact of the weather forecast on your business.
9. How safe or vulnerable is your business premises (including building) and location in view of the disaster risks just discussed above? What are the common threats in this regard?
10. How COVID-19 and lockdown impacted your business? Please share your experience in detail with breakdown of your business activities (sale, purchase, delivery, supply chain, production, storage, transportation, labors, communication and others).
11. Do you have any Market-based Disaster Management Plan (MDMP) or any other initiatives taken in that direction? If YES, please explain how it was conceived and developed (concept, process and key elements)
12. How effective is MDMP/initiative in view of reducing risk and building resilience of the local market? please explain in detail.
13. Do you have or your market association/committee (if any) have any role in development of DPRP/MDP, LDCRMP and LEOC or disaster related initiatives led by DDMC, MDMC or any development partners? If YES, how do you contribute, please explain in detail.
14. Do you or your market association/committee gets involve in post disaster emergency/ humanitarian response or recovery committee formed by the municipality or district office. If YES, how do you extend your support to the response or recovery activities, please explain in detail.
15. How do you understand the role of Market Development Committee (MDC)? Do you have any representation in MDC? If YES, do they involve or support in disaster preparedness and humanitarian response activities before and during disaster?
16. Do you have any market level 'Disaster Fund' to spend in both markets based pre (risk reduction, preparedness and mitigation) and post-disaster (humanitarian response and recovery) focused activities?

## B. Market Based Business Continuity

1. Are you aware of Business Continuity Plan (BCP)?  
If YES, how do you see the utility of BCP
2. Have you ever prepared or engaged in preparing BCP, If YES, please share your experience?
3. Please explain your business focused 'supply chain management' (SCM) i.e., flow of goods and services in detail. Do you have options within your SCM system to secure the continuity of business activities also during the disaster?
4. With the present storage capacity of your products within the available premises, how many days (in case of any disaster) you will be able to continue your delivery of products to local communities without any disruption.
5. What is the common mode of transport you use to procure and delivery your products? Do you use any other alternative modes in case of disruption of regular mode of transport in disaster?
6. What is the common mode of communication you use to communicate with your clients to keep continuity to your business during disaster? Do you use any other alternative modes in case of disruption of regular mode of communication?
7. Do you have alternative transport routes available to continue your procurement and supply of goods in case disruption during disaster? Have you tried this alternative route during recent disasters in the municipality/district? Please share your experience in detail.
8. How do you manage your staff and labor force during the disaster? Please share your experience from the recent incidents.
9. Do you have any experience of making changes in the procurement and delivery practices (increasing storage capacity and decentralizing selling points or using sales agents) during recent disasters in the municipality/district? If YES, please explain in detail.
10. What is the size and maximum capacity of your warehouse in view of storing following products like rice, lentil and soap at one time? With the present capacity (in case of disaster), how many days it will support to continue the supplies in the local communities.
11. What is the present system of your business data management and bookkeeping (manual or digital)? Do you have any back-up system within your business to secure your valuable data in case of any major disaster in the municipality/district? If YES, please explain the back-up system in place.
12. Have you or your team/staff ever attended any DRRM or BCP training in the recent past? If YES, please share the details including your experience and effectiveness of the training.
13. Did you manage to give continuity to your business activities during COVID-19 pandemic and lockdown period? If YES, how did you respond to the needs of the community during the above period? Please share your experience in detail.
14. Do you give priority to the poor and marginalized communities while delivering your products during both humanitarian and recovery phase of any disaster? If YES, please share your experience from the recent disaster incidents.
15. Were you able to supply your products to the humanitarian agencies providing humanitarian support in the local communities? If YES, please share your experience from the recent disaster incidents.
16. Based on the recent disasters, have you ever experienced the shortage of supply, particularly to meet emergency needs of the local communities? If YES, please share your experience in detail.
17. Do you or your market association/committee coordinate and engage with local municipality, CCI, DCC, relevant DPs and local communities to solve market-based disaster risk, threats and challenges to ensure continuity of the market services even during the disaster? If YES, please share your experience in detail.
18. Any additional information you wish to provide .....

**Market-Based Business Continuity Plan for SCOPR3 Project  
KII - Questionnaire  
Institutions – Municipalities, DDRC, DHM, NEEDS, SCOPR3, DPs**

**Date-**

**Interviewer-**

**Municipality/Organization –**

**Name of the Respondent and Position-**

**A. Disaster Risk Assessment and Preparedness**

1. What are the most common disasters that occur in the municipality (floods, fire, landslides, epidemics and pandemics, agitation/strike, heat wave etc.)?
2. Is the current marketplace is exposed to these common threats?  
If YES, What are the specific threats that the marketplace is frequently facing?
3. What are the impacts of above threats on the operation and continuity of market/business activities during disaster?
4. What are the key responsibilities of your organizations/committees in different phases (pre, during and post disaster) of disaster? Do you have a charter of services for your response, rescue and rehabilitation program?
5. Do you provide special consideration or give priority to vulnerable and marginalized communities while developing your DRM focused support programme in the municipality?
6. Does your DRM plan/program include market-based intervention? If YES, please share the activities including your experience, challenges and lessons learned.
7. Do you support local municipality in developing disaster management plan (DPRP, LDCRP and others) and also in operation and management of LEOC and EWS?  
If YES, please explain your role in development of local level disaster plans
8. Have you also introduced market-based support in local level disaster plans?
9. Does your disaster response programme include CASH and Voucher support? If YES, please share your experience including prospects, challenges and suggestions.
10. How do you carry out needs assessment while preparing your disaster prepared/response/ recovery plan? Please explain in detail.
11. While preparing your plan, have you identified vulnerable groups, and geographies in the area?
12. What are the critical needs of the residents in these areas?
13. How do you ensure the poor and marginalized groups gets priority during the delivery of humanitarian services?
14. What mitigation measures you (including other agencies) had taken to better manage the disaster impacts in view of recent disasters in the district/municipality? Please explain in detail.
15. Is there any market focused effort or investment made recently by any organization (DRR committee, NGO, INGO etc.) for ensuring better preparedness to the common disaster risks just mentioned above? Please explain in detail, all the key activities that are implemented in this regard.
16. Have you prepared or supported in preparation of Market Based Disaster Management Plan or any other initiative in this direction?
17. If YES, please explain how it was conceived and developed (concept, process and key elements)
18. How effective is MDMP/initiative in view of reducing risk and building resilience of the local market? please explain in detail.
19. Do you have or your market association/committee (if any) have any role in development of DPRP/MDP, LDCRMP and MEOC or disaster related initiatives led by DDMC, MDMC or any development partners?
20. If YES, how do you contribute, please explain in detail.

**B. Market Based Business Continuity**

1. Have you used market based CVA, CfW, CfF approaches to respond to the humanitarian needs during the recent crisis? If, YES, please explain in detail, how these approaches were actually applied in the marketplace.
2. What is your experience in view of operation of market-based activities during recent disasters? Suggest if market market-based activities are discontinued during disasters?
3. If yes, give specific activities that are disturbed and why?
4. Did you experience any adjustments in regular market activities during recent disaster? If YES, what are they, please explain in detail

5. Suggest, how these disturbances/bottlenecks can be removed to ensure continuity of business activities during disaster?
6. Do you think the traders, suppliers and vendors have enough capacity to respond to the needs of the local population during disaster? What are the key areas where their capacity needs to be enhanced and how it should be done?
7. Did you ever experience shortage in supplies (rice, lentil and soap) to meet the humanitarian needs of the disaster affected populations during the recent disaster?
8. If YES, please explain how did you manage to meet the shortage of supplies to implement your humanitarian response programme.
9. Based on your above experience, did you provide any market-based support to avoid the shortage of supplies during future disaster.
10. Have you or your team/staff ever attended any DRRM or BCP training in the recent past? If YES, please share the details including your experience and effectiveness of the training.
11. Have you supported the market-based stakeholders (traders, suppliers, wholesalers and retailers, transporters, agents and others) in preparation of Business Continuity Plan?
12. Are they aware about business continuity plans?
13. Do they practice some form of business continuity planning even if it is not properly documented?
14. What principles of procurement do you apply for supporting the local traders and suppliers?
15. Does your support ensure integration of crisis situation while preparing procurement or stocking plan?
16. In case the suppliers don't have required stock, what provisions are there to support local market-based humanitarian response mechanism?
17. Have you provided any market based (different stakeholders) emergency response support during COVID-19? If YES, Please share your experience and explain how the support helped to give continuity to the market activities.
18. Do you engage with any of these organizations like Market Association, CCI, Market Development Committee to solve market-based disaster risk, threats and challenges to ensure continuity of market during disasters? If YES, Please share your experiences in detail.
19. What are your suggestions to ensure continuity of market-based services (linked to rice, lentil and soap) during disaster? Please provide suggestion applicable in all three phases of DRM i.e., Pre, During and Post disaster situation.

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**Market-Based Business Continuity Plan for SCOPR3 Project**  
**Checklist for FGD**  
**Respondents – Local Communities**

**Date-**  
**Interviewer-**  
**Ward/Tole –**  
**Total No of Respondents (Male and Female)-**

1. What are the common disaster risks that your community is regularly facing?
2. What are the major disasters that you have faced recently?
3. Do you have any community level DRM Committee? If YES, please explain how it was formed and what is its operational modality.
4. Do you have any 'disaster fund' available at the community level? If YES, please explain how it was formed and operated.
5. Did you receive any support from any agencies (municipality, DPs, DRRC and others) to reduce disaster risk and remain better prepared for the same?
6. What kind of humanitarian support you generally have received in the recent disasters?
7. Which are the main agencies that have extended humanitarian support during recent disasters in your locality?
8. Have you ever experienced shortage of humanitarian supplies (rice, lentil and soap) in the recent disasters? If YES, do you think it was mainly because local market was unable to provide enough supplies to humanitarian agencies during disaster.
9. Were you able to buy enough supplies from the market during the recent disasters?
10. If NO, what are the main reasons behind such situation?
11. How do you think such bottlenecks can be removed?

12. Did you experience any changes in practice of market-based supplies to ensure the easy availability of goods and services during the recent disasters? If YES, please explain in detail the changes you have noticed during the disasters?
13. Did you practice any new method from your side to meet your needs of market-based supplies (rice, lentil and soap) during disaster?
14. Did you receive any special attention in terms of market-based supplies during disaster? If YES, what are the privileges that you all have received, explain in detail?
15. What is your experience of CfW and CVA as humanitarian support? What are the advantages and challenges of this type of support particularly with respect to your community?
16. Do you have any suggestions to the market-based stakeholders to ensure continuity of their business activities even during disaster in the municipality?

## 2. Work Plan

SN	Activities	Time in Weeks (Max Eight Weeks)						Remarks
		W1	W2	W3	W4	W5	W6	
1	<b>Inception Phase</b> – Meeting with Oxfam and NEEDS Team, revision of background and methodology; Refinement of Work Plan; Contact with Palikas; Finalization of Field Visit plan; Selection of Local Support Staff/s; Collection and review of secondary data collected from different sources: Inception Report							
2	<b>Field Visit</b> in 4 Palikas in Project Districts of Sudurpaschim- Interview with resource persons, community consultations/ Focused Group Discussions, Key Informant Interviews,							
3	<b>Data compilation, review and analysis</b> including Gender Analysis							
4	<b>Draft Report-</b> Preparation and Submission of Draft Report- Key findings from the study; all the questions and issues covered							
5	<b>Final Report-</b> Comments and remarks received on Draft Report incorporated; submission of Final Report							

### 3. Field Mission Plan

SN	Date	Municipalities				Activities
		Beldandi	Dodhara Chandani	Bhimdutta	Parshuram	
1	01 Aug. 2022	Fly from Kathmandu - Arrival to Mahendranagar via Dhangardhi				-Meeting with NEEDS, SCOPR3 team -Collection of secondary data
2	02 Aug 2022					-KII, FGD and other consultation meetings -Collection of secondary data
3	03 Aug 2022					KII, FGD and other consultation meetings -Collection of secondary data
4	04 Aug 2022					KII, FGD and other consultation meetings -Collection of secondary data
5	05 Aug 2022					KII, FGD and other consultation meetings -Collection of secondary data
6	06 Aug 2022	End of Field Mission - Fly back to Kathmandu via Dhangardhi				Wrap-up meeting with NEEDS, SCOPR3 team

#### 4. List of People Consulted

SN	Name	Position
<b>KII</b>		
1	Zeshan Mahr	Oxfam USA, PM – Asia Pacific
2	Ganesh Bhatta	Finance and Administration Coordinator- NEEDS
3	Bhawani Raj Regmi	Executive Director - NEEDS
4	Ishwor Upadhyay	Project Coordinator – NEEDS
5	Zoshua Leighton	Oxfam USA, LHL and DRR Specialist
6	Prakash Kafle	Oxfam Nepal Thematic Lead
7	Harish Chandra Rana	Municipal Chairman, Beldandi Rural Municipality
8	Padam Raj Joshi	CAO, Beldandi Rural Municipality
9	Durga Prasad Chaudhary	Ward 3 Chairman, Beldandi Rural Municipality
10	Jiwan Rana	
11	Purushottam Joshi	DRR Focal Person, Beldandi Rural Municipality
12	Janaki	NEEDs Social Mobilizer
13	Ganesh M Bhatta	Chairman, Market Development Committee, Beldani Rural Municipality
14	Mrs. Sarwati Bista	Mill Operator, Beldandi Rural Municipality
15	Om Basnet	Municipal Spokesperson, Dodhara Chandani Municipality
16	Bhawana Joshi	NEEDs Social Mobilizer, Dodhara Chandani Municipality
17	Raghunath Bhatta	DRR FP, Dodhara Chandani Municipality
18	Bhupendra Singh Rawal	Ward 12 Chariman, Bheemdatta Municipality
19	Pitambar Joshi	CCI President, Bheemdatta Municipality
20	Ganesh Thagunna	Program Officer, NNSWA
21	Govinda Narayan Upadhaya	Response Officer, NNSWA
22	Bharat Badayar Joshi	Mayor, Parshuram Municipality
23	Gopal Soud	NEEDs Social Mobilizer, Parshuram Municipality
24	Bhubaneshwari Joshi	NEEDs Social Mobilizer, Bheemdatta Municipality
25	Prabhu Nidhi Panta and Ganesh Thaugunna	PC, NNSWA, Bheemdatta Municipality
26	<b>FGD - Local Communities</b>	In all 4 Partner Municipalities

