



UGANDA CASH TRANSFER IMPACT EVALUATION



Livelihoods and Economic Recovery in Northern Uganda (LEARN 1 & 2)

Reinforcing Returnee Livelihoods and Food Security through Direct Cash Transfers,
Otuke District, Lango Sub-Region, Northern Uganda

November 2011

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Abbreviations and Acronyms

ACF	Action Against Hunger/ Action contre la Faim International
ACTED	Agency for Technical Cooperation and Development
CaLP	Cash Learning Partnership
EVI	Extremely Vulnerable Individual
FCS	Food Consumption Score
FGD	Focus Group Discussion
FSL	Food Security and Livelihoods
HDDS	Household Dietary Diversity Score
HH	Household
IDP	Internally Displaced Person
LEARN	Livelihoods and Economic Recovery in Northern Uganda
LRA	Lord's Resistance Army
M&E	Monitoring and Evaluation
MAHFP	Months of Adequate Household Food Provisioning
MAM	Moderate Acute Malnutrition
MUAC	Mid-Upper Arm Circumference
NGO	Non-Governmental Organization
RNE	Royal Norwegian Embassy
SAM	Severe Acute Malnutrition
UGX	Ugandan Shilling
USD	United States Dollar
VSLA	Village Savings and Loan Association

1. EXECUTIVE SUMMARY

1.1 INTRODUCTION

Nearly 30 years of conflict have greatly disrupted livelihoods in northern Uganda's Otuke District. Beginning in 1979, residents lost many of their once-abundant cattle to raids originating in the Karamoja sub-region. When the Lord's Resistance Army (LRA) began its rebellion in 1987, it distracted the Ugandan government from cracking down on Karimojong raiders, and the extent and scale of the cattle raids in Otuke increased. In 2002, the LRA pushed into Otuke, terrorizing communities with abductions, killings and other atrocities on a regular basis. Eventually, the district's entire population fled the land, seeking refuge in one of six IDP camps. Since the signing of an initial ceasefire in 2006, the security situation began to stabilize. However, Otuke's residents faced a formidable challenge as they began to return to their land: recovering their livelihoods after having lost virtually all of their household assets.

ACF has implemented a variety of food security, livelihoods, nutrition, and water/sanitation programs in Uganda since 1980 and the Lango sub-region since 2004, in an integrated approach to treat and prevent malnutrition. Initially, FSL programs in Otuke District focused on providing the population with immediate needs such as seeds and tools. As the reconstruction process evolved, however, ACF began to focus more on market and cash-based interventions. In 2008, the Royal Norwegian Embassy (RNE) issued a call for proposals for cash transfer projects to support the process of IDP return and recovery in Northern Uganda. ACF, along with ACTED and Food for the Hungry, was among the three NGOs selected by RNE to receive funding for this initiative. Each organization proposed a slightly different approach; ACF was unique in offering unconditional cash transfers to individual vulnerable households. The three partners formed a consortium known as Livelihoods and Economic Recovery in Northern Uganda (LEARN). The first year of ACF's cash transfer project, referred to in this report as LEARN 1, was implemented from February 2009 through January 2010, after which the RNE agreed to finance the project for a second year. LEARN 2 commenced in February 2010 and continued through March 2011. For both LEARN years, the project's purpose was the same, to reinforce returnee household livelihoods and food security in Otuke county through direct cash transfers at household level.

LEARN 1 and 2 shared the same basic project design and implementation process. Each year, parishes and villages with high malnutrition rates were targeted. ACF's field staff organized the nomination of 1500 beneficiary households that met specified vulnerability criteria. Accounts were opened through Equity Bank, which organized a first transfer of 250,000 UGX to each beneficiary between July and August. A second transfer of 320,000 UGX was made towards the end of the project, between November and January. As part of the project activities, ACF facilitated four different technical trainings on crop production, livestock, animal traction and small business. Beneficiaries were required to develop household action plans for how to spend each sum of cash.

During LEARN 2, a few lessons learned from LEARN 1 were applied to the project. For example, more time was devoted to community mobilization and sensitization, and fewer beneficiaries were targeted per village, making for a more vulnerable beneficiary population overall.

Numerous evaluations have examined different aspects of the LEARN projects since their inception. This report is the first to focus on the impact of cash transfers on household-level food security and livelihoods. Previous reports suggested that it would take time for this impact to be measureable, since beneficiaries would first need to capitalize on the assets they had acquired (e.g., by training bulls for use as oxen). The current report allows for an assessment of household-level impacts 22 months and 12 months after the final cash transfers from LEARN 1 and 2, respectively.

Data on the dietary diversity and health, food production and food sources, savings and credit, and income and expenditure was collected during surveys conducted in November 2011. Through stratified random sampling, beneficiary households from LEARN 1 and 2 were chosen to participate in the survey. During an 11-day period, the survey team conducted 478 household surveys. The resultant data was compared with available baseline and endline data. Two focus group discussions and debriefing sessions with the survey team helped to provide a more nuanced understanding of the results.

The findings from this evaluation provide compelling evidence that cash transfer projects can contribute to substantial improvements in household food security and livelihoods in post-conflict recovery contexts. Lessons learned and recommendations for the implementation of similar interventions will support the improvement of cash-based interventions both in northern Uganda and more broadly for ACF and other humanitarian institutions' programs in the future.

1.2 SUMMARY OF KEY FINDINGS

- Both project years show a significant increase in household dietary diversity scores. Since the baselines, the average 24-hour HDDS climbed from 3.3 to 4.7 for LEARN 1 households and from 3.4 to 5.0 for LEARN 2 households. The 7-day HDDS has improved even more than the 24-hour HDDS for LEARN 2, from 4.6 at the time of the baseline to 6.9 in November 2011. This suggests that more households are managing to incorporate more expensive or livestock-dependent foods, such as meat, eggs and fish, into their weekly, and to a lesser extent daily, diets. An HDDS increase of this scale in view of food price inflation rates up to 45% suggests that availability of and access to different types of food has improved for beneficiary households in a substantial, long-term sense.
- LEARN 2 households' ownership of all types of livestock except cows has continued to increase since the endline survey in March 2011, suggesting that households are not simply maintaining the livestock purchased with the cash grants, but are rather actively building their livestock holdings. This is a clear success for the cash transfer program, implying that beneficiaries are indeed on the path to reestablishing their

livelihoods over the long term. The increased ownership of oxen is particularly encouraging, since animal traction is key to gains in agricultural productivity, which can accelerate the fortification of household livelihoods. 58% and 62% of LEARN 1 and 2 households, respectively, owned at least one ox in November 2011, as compared to 7% and 0% at the baseline survey.

- The proportion of LEARN households owning various material assets, such as bicycles, mattresses, radios, mobile phones and ox ploughs, has increased across the board. These items are key to improvements in access to markets, services, and animal traction; information and communications; and overall living standards.
- LEARN households at the time of the final survey were much more self reliant in terms of food than during the preceding surveys. In November 2011, household production was the most important food source for 75% and 88% of LEARN 1 and 2 beneficiaries, respectively, as compared to just 33% at the time of the LEARN 2 baseline.
- Beneficiaries expected second-season 2011 yields to be superior to those of the second season in 2010 for 13 out of 14 crops. It is probable that investments in productive assets, such as oxen, ploughs and quality seeds have helped both groups of beneficiaries to improve their agricultural yields. LEARN households are favoring cash crops, especially sesame and sunflower, over staple crops more than in previous years, and are increasingly relying on the market for their seeds. This likely reflects the growing practice of cash crop production, the belief that purchased seeds yield more than others and growing access to cash, which permits beneficiaries to spend money on seeds rather than rely on others or their own personal stocks.
- LEARN beneficiaries' livelihoods seem to have become more diversified and balanced with the reinvestments in agriculture. While labor in November 2011 still provided nearly 40% of all household income, beneficiaries seem to be working for themselves much more than before. Crops sales at the final survey represented 27% of LEARN 2 households' income, as compared to just 5% at the baseline and 12% at the endline. Relative earnings from the sales of livestock, fuel and local construction materials have also become slightly more significant.

1.3 KEY LESSONS LEARNED

- Cash transfer projects can contribute to broad, substantial improvements in household food security and livelihoods. Though seasonal factors may influence many indicators measured in this evaluation, the findings from other, less season-dependent indicators measured - household dietary diversity, productive asset ownership, access to animal traction, food autonomy, crop production, and income source distribution - provide compelling evidence that beneficiaries have experienced major improvements in food security and livelihoods at the household level since the cash transfer project began.

- Most cash transfer beneficiaries seem to invest their cash in ways that successfully develop their productive asset base over the long term. Two and one years after the final respective LEARN 1 and 2 cash grants were awarded, the overwhelming majority of beneficiaries have significantly more resources than they did at the baseline. Continuing gains in asset ownership suggest that the impact of the project is not only durable, but that it will continue to grow over time.
- The impact of cash transfer projects appears to be significantly greater when extremely vulnerable individuals are targeted. This is demonstrated by the discrepancies in the findings between the two LEARN project years. LEARN 2 beneficiaries were on the whole quite a bit more vulnerable than were their LEARN 1 counterparts at the project start, yet at the time of the evaluation they had realized greater improvements in almost all food security and livelihoods indicators.
- At times, the impact of cash transfer projects on household food security and livelihoods can be compromised by a short-term vision of assets purchased and/or by unexpected events. Households that gave livestock away as gifts, slaughtered a cash grant-funded cow when its elderly owner died, lost a large, valuable animal to disease or spent a large amount of money on medical care for a family member since the project started suffered a major loss that may be challenging to overcome.

1.4 KEY RECOMMENDATIONS

- ACF should continue to promote unconditional cash transfer projects as a means of helping vulnerable households recover their livelihoods.
- Cash transfer projects should endeavor to help beneficiaries extract maximum, sustained benefit from assets purchased. Strategies to help beneficiaries reduce the losses of assets purchased should be integrated into all program activities.
- Assessments of household-level food security and nutrition impacts of cash transfer for projects in northern Uganda should be conducted at least one year after the final transfer, then timed to correspond to previous assessments.

2. BACKGROUND

2.1 ACF'S INVOLVEMENT IN CASH-BASED INTERVENTIONS

ACF is one of the leading proponents of cash-based interventions in food security and livelihoods (FSL) programs internationally. It is one of the five members of the Cash Learning Partnership (CaLP), which also includes Oxfam GB, Save the Children UK, the British Red Cross and the Norwegian Refugee Council. CaLP works to document best practices on cash transfers, share experiences and lessons learned and promote the use of cash-based programming within humanitarian interventions. In 2007, ACF developed a set of guidelines for cash-based interventions. In recent years, ACF has implemented several cash-based FSL projects in East Africa, including a direct cash-transfer project in Kenya following post-

election violence and a conditional cash-transfer project designed to support income generating activities in South Sudan, numerous voucher-based projects and the LEARN projects evaluated in this report.

2.2 ACF WITHIN UGANDA

ACF has implemented a variety of food security, livelihoods, nutrition, and water/sanitation programs in Uganda since 1980 and the Lango sub-region since 2004, in an integrated approach to treat and prevent malnutrition. Initially, FSL programs in Otuke District (formerly County) focused on providing the population with immediate needs such as seeds and tools. As the reconstruction process evolved, however, ACF began to focus more on market and cash-based interventions. In 2008, the Royal Norwegian Embassy (RNE) issued a call for proposals for cash transfer projects to support the process of IDP return and recovery in Northern Uganda. ACF, along with ACTED and Food for the Hungry, was among the three NGOs selected by RNE to receive funding for this initiative. Each organization proposed a slightly different approach; ACF was unique in offering unconditional cash transfers to individual vulnerable households. The three partners formed a consortium known as Livelihoods and Economic Recovery in Northern Uganda (LEARN). The first year of ACF's cash transfer project, referred to in this report as LEARN 1, was implemented from February 2009 through January 2010, after which the RNE agreed to finance the project for a second year. LEARN 2 commenced in February 2010 and continued through March 2011.

For both LEARN years, the project's purpose was the same, to reinforce returnee household livelihoods and food security in Otuke county through direct cash transfers at household level.

2.3 EVALUATION PURPOSE

This evaluation was organized to address gaps in prior assessments of LEARN 1 and 2. As stipulated in the evaluation's terms of reference, it was to assess "changes in food security and livelihoods and nutrition-related indicators through an additional round of (mostly quantitative) data collection...to establish the (project's) impact on the households' food security and livelihoods situation." An endline evaluation of LEARN 2, based on household-level data, took place in March 2011. Analysis of the data gathered revealed some improvements in beneficiary households' food security and livelihoods statuses since the start of the project; however, the report acknowledged that these improvements were likely the result of purchases used to cover immediate needs, such as food or health care, and it noted that it would be premature to comment on the intervention's long-term impacts. In addition, a mostly qualitative, process-oriented evaluation of LEARN 1 was carried out in July 2010, six months after the distribution of that program's final cash transfer. While the resulting report identified certain positive trends among beneficiary households since the start of the project, notably an increase in assets, especially livestock, and improved access to animal traction, it too maintained that it was too early to comment broadly on the intervention's impacts on the household diet and nutritional status of beneficiary households. The report found, for example, that it would take time for the beneficiaries to fully capitalize on the assets they had acquired (e.g., oxen purchased would require training before they could be used to cultivate a larger parcel of land, which would allow for a larger harvest that could be

consumed or sold). ACF therefore recognized the importance of facilitating an additional round of data collection at some later point in time, when the longer-term impacts of the cash transfers on household-level food security and livelihoods could be assessed in a more meaningful way. As shown in Table 1, the current evaluation allows for examination of the project's impacts over a relatively long time frame, 22 months and one year, respectively, since the final cash transfers for LEARN 1 and 2. This report presents the findings based on the final round of data collection.

TABLE 1. SUMMARY OF SELECTED LEARN 1 AND 2 PROGRAM AND MONITORING ACTIVITIES

Project Activity	LEARN 1		LEARN 2	
	Date	Months since 1 st , 2 nd transfer	Date	Months since 1 st , 2 nd transfer
Baseline survey	April/May 2009	n/a	May 2010	n/a
1st Cash Transfer	July/August 2009	n/a	July/August 2010	n/a
2nd Cash Transfer	November 2009- January 2010	n/a	November 2010*	n/a
Endline survey	April 2010 <i>(by Acacia)</i>	9, 5	March 2011 <i>(by ACF)</i>	8, 4
Final evaluation	July 2010	11, 6	n/a	n/a
Final impact assessment	November 2011	27, 22	November 2011	15, 12

*377 additional participants received a single cash transfer in February 2011; however, they are not included in this study's sample.

3. CONTEXT OF INTERVENTION

3.1 PRE-INTERVENTION CONTEXT

Otuke District (Otuke County prior to 2010) is composed of five sub-counties: Okwang, Adwari, Orum, Ogor and Olilim (see map, Annex A). Although more arid than the rest of the Lango sub-region, the area was not historically food insecure. Two rainy seasons and relatively rich soil allowed for two annual harvests of a wide variety of food and cash crops, such as cassava, beans, maize, peas, sorghum, sesame, groundnuts, rice and cotton. Most households owned sizable plots of land and abundant livestock, including oxen, which many used to cultivate large areas.

This historical food security has suffered considerably during the last 30 years from the effects of violent conflicts originating in the neighboring Acholi and Karamoja sub-regions. Following the fall of Idi Amin in 1979, Karamojong pastoralists raided government arms caches, replacing their traditional weapons with firearms. With these new weapons, the extent and scale of their cattle raids in Otuke grew.

When the Lord's Resistance Army (LRA) began its rebellion in 1987, the Ugandan government shifted its attention to the armed group's stronghold in the Acholi sub-region. With the government thus distracted, the Karamojong cattle raids in Otuke District increased significantly. Many Otuke residents no longer had any oxen or ploughs with which to cultivate their land.

Then, in 2002, the LRA began pillaging Otuke District on a regular basis, terrorizing the population with regular abductions, killings and other atrocities. By 2004, the entire population of the district had fled, most to one of six IDP camps, located in the district's major trading centers. At this point, local households had either lost or sold virtually all of their productive assets and were forced to rely on food distributions in the IDP camps for survival.

Between 2006 and 2008, peace talks between the LRA and the Ugandan government took place in Juba, in Southern Sudan. An initial Cessation of Hostilities Agreement was signed in 2006. As the security situation improved, most Otuke residents returned home. Since 2005, ACF has been one of the only NGOs operating in Otuke, which it targeted for its vulnerability relative to other areas within the Lango Sub-Region.

3.2 POST-INTERVENTION DEVELOPMENTS

Inflation throughout Uganda since early 2011 has contributed to major increases in the prices of food and other commodities. The national inflation rate as of early November 2011 had reached 30%, although food prices had climbed to 45% of what they were in March 2011, according to Fews.Net's Food Security Outlook.

On a positive note, the security situation throughout Otuke District has continued to improve. Ongoing disarmament programs and sentries posted by the government near the border of Olilim sub-county in eastern Otuke District and the Karamoja sub-region have succeeded in reducing the instance of Karamojong cattle raids, although some raiding does continue.

4. PROJECT IMPLEMENTATION PROCESS

ACF's implementation of LEARN 1 began in February 2009. Using data from ACF's nutrition program, an initial selection of parishes and villages within Otuke County with the highest rates of malnutrition was made, then slightly modified to limit the project's geographic spread and to target villages where ACF's WASH program was also active. Altogether, LEARN 1 included 34 villages in nine parishes.

ACF's field staff organized the nomination of the 1500 beneficiary households at the village level through community meetings. Criteria included households facing labor constraints

(single, elderly, child or chronically ill head of household; child in a nutrition feeding program), economic constraints (loss of productive assets, high debt, no savings, limited purchasing power) and social constraints (no family support or external assistance, returnee, high number of dependents). Priority was given to households meeting multiple criteria.

Accounts were opened for each beneficiary through Equity Bank. Field staff led beneficiary households in several trainings and the development of an action plan for how to spend the cash transfers. Equity Bank came to the field to make a first transfer of 250,000 UGX (approximately 125 USD) to each beneficiary in July-August 2009.

After the first cash transfer, beneficiary lists were revisited. 205 beneficiaries that had died, left their villages, spent the money irresponsibly (e.g., for alcohol), and/or who did not meet the vulnerability criteria were replaced with new beneficiaries.

ACF then facilitated four different technical trainings on crop production, livestock, animal traction and small business and worked with beneficiaries to produce a second household action plan for the final cash disbursement. The second transfer, of 320,000 UGX (160 USD) took place between November 2009 and January 2010, for a total of 570,000 UGX (285 USD) received during the project for the majority of the participating households.

LEARN 2 began in February 2010, immediately after LEARN 1 concluded. Supporting another 1500 vulnerable households throughout Otuke District, LEARN 2 used the same basic project design as LEARN 1, though a few minor aspects were modified based on the lessons learned from LEARN 1. For example, more time was devoted to community mobilization and sensitization in order to avoid corruption problems. In an effort to target more extremely vulnerable individuals (EVIs), fewer beneficiaries were targeted per village. Beneficiaries were selected from 148 villages for LEARN 2, as opposed to LEARN 1's 34 villages, for an average of 10 beneficiary households per village as opposed to 44 in LEARN 1. In addition, the 205 "replacement" beneficiaries from LEARN 1 each received a second, smaller transfer equivalent to 70 USD to augment the single transfer they had been given. Finally, because of the favorable exchange rate between the Norwegian krone and the dollar, significant funds remained towards the end of the project. The RNE agreed to a two month "no-cost extension" of LEARN 2, during which 377 additional beneficiaries received a one-time grant of 350,000 UGX (150 USD). LEARN 2 thus wrapped up in March 2011.

Post distribution monitoring, fund utilization monitoring and baseline and endline activities were conducted for both program cycles, to monitor contribution of the cash on household income and livelihood diversification. At the RNE's request, an external consulting firm, Acacia, managed baseline and endline data collection and reporting for LEARN 1. However, due to numerous problems with overall quality of work, Acacia's endline report was never finalized, and the RNE ultimately decided to allow ACF to conduct its own assessments starting with LEARN 2. In addition, ACF organized an external, process-oriented evaluation of LEARN 1 in July 2010, six months after the finalization of the project activities.

5. EVALUATION METHODOLOGY

5.1 HOUSEHOLD SURVEYS

This evaluation was carried out from mid-October to early December 2011. Since the sets of baseline data for LEARN 1 and 2 were gathered using different questionnaires, the impact evaluation's questionnaire included modified elements from both baseline surveys to ensure that the resulting and existing data would be comparable. Its five sections covered household composition; dietary diversity and health; food production and food sources; savings and credit; and income and expenditure. In order to streamline the questionnaire, questions from the baselines that were not directly relevant to this evaluation's objectives were removed. In addition, a few interactive assessment tools appropriate to the project's largely uneducated beneficiary population, such as ranking using visual aids. A copy of the questionnaire is located in Annex C.

The evaluator facilitated a two-day training, including one day of field practice, for the survey team of eight hired enumerators, three ACF field staff and the Verification Officer from ACF's FSL Department in Lira, who served as Team Leader in the field. Data collection took place on 11 days between November 3rd and 16th, by the eight enumerators and the ACF field staff member based in that geographic area.

The beneficiaries for each of the LEARN 1 and 2 project years were treated as separate populations in this study. For each year, the total sample size was 230 households, based on a sample population of 1500 (the number of beneficiaries during each of the two project years), a 90% confidence level and confidence interval of 5. A margin of extra households was included in the sample as back-up in case of any questionnaires had to be excluded for poor data quality, or in case the survey team encountered difficulties with mobilization in any villages. Thus, 478 households were surveyed altogether, 244 from LEARN 1 and 234 from LEARN 2.

Stratified random sampling was used to determine the survey sample. Otuke District is relatively homogenous in terms of geography and population. Within each sub-county, however, the accessibility of markets varies considerably. The survey sample attempted to capture beneficiary households' varying market access while taking advantage of the county's overall homogeneity. Households in each of the five sub-counties were surveyed, the number of them based on the proportion of beneficiaries coming from that sub-county in the respective program year. One parish per program year was randomly selected within each sub-county, and three villages within each of those parishes, including one larger town with relatively good market access, and two more isolated villages. In a few cases, when there were an insufficient number of beneficiaries per village or villages per parish to conform to this standard, exceptions were made. Table 2 provides an overview of the beneficiaries within the sample.

TABLE 2. OVERVIEW OF HOUSEHOLDS SAMPLED DURING LEARN 1 AND 2 FINAL SURVEY

Sub-County	Parish	Number of villages in sample	No. HHs Sampled		% BNFs from this sub-county			
					LEARN 1		LEARN 2	
			LEARN I	LEARN II	In entire population	In sample	In entire population	In sample
Adwari	Okere	5	-*	53	19.70%	20.10%	22.60%	21.80%
	Omito	1	12	-				
	Agweng	2	37	-				
	TOTAL ADWARI	8	49	51				
Ogor	Atangwata	5	-	41	23.10%	22.10%	17.50%	17.90%
	Oluro	3	54	-				
	TOTAL OGOR	8	54	42				
Okwang	Amoyai	3	-	47	25.70%	27.90%	22.60%	20.10%
	Arwotngo	4	68	-				
	TOTAL OKWANG	7	68	47				
Olilim	Amunga	7	-	45	21.90%	20.50%	19.20%	19.20%
	Angetta	3	50	-				
	TOTAL OLILIM	10	50	45				
Orum	Abongorwot	4	-	49	9.60%	9.40%	20.50%	20.90%
	Anepmoroto	2	23	-				
	TOTAL ORUM	6	23	49				
TOTAL		39	244	234	100%	100%	100%	100%

**Different villages within each sub-county were targeted during the two project years.*

5.2 FOCUS GROUP DISCUSSIONS

Following the completion of the household surveys, two focus group discussions (FGDs) were held in Agwee, a LEARN 1 village in Olilim sub-county. Discussions were led with two mixed-sex, eight-person groups, one consisting of beneficiaries above the age of 60, and the other of

adult beneficiaries between the age of 25 and 60. The FGDs were intended to help provide a more nuanced understanding of some of the quantitative data gathered. Given that informal conversations with beneficiaries and survey team members throughout the 11-day survey period had already accomplished this to a great extent, FGDs were not conducted throughout all of Otuke or with households from both project years, but served simply to complement the more qualitative information already gathered. The household surveys remained the main focus of the evaluation. FGD discussion topics concerned beneficiaries' perceptions of how the cash grants have impacted their livelihoods and their plans for the future, as well as the trends in Karamojong cattle raids, the effects of this year's inflation on their lives, recent harvests and various other issues that arose.

5.3 CONSTRAINTS

Overall, the data collection was a very smooth process. Nonetheless, the survey team faced a few constraints during the execution of the impact assessment:

- Collecting Mid-Upper Arm Circumference (MUAC) data for any and/or all children in a given household was not always possible. Many children in Otuke District begin attending nursery school as early as age three or four, and it was not practical or feasible, given the time constraints of the study, to locate these children in order to obtain their MUAC measurements. Further, in numerous cases, flooding had rendered some villages in the sample inaccessible, and beneficiaries were asked to gather in a more accessible location in order to meet with the survey team. In these cases, beneficiaries normally brought only their very youngest children with them, and many came unaccompanied.
- Figures had to be approximated in several questions, such as for the amount of land cultivated with different crops and the volume of each crop harvested, since many of the LEARN beneficiaries were not themselves aware of the precise numbers. Enumerators tried to extract information as precise as possible from their interviewees given the circumstances.
- Whereas the LEARN 1 and 2 baselines were conducted in May 2009 and May 2010 respectively, time constraints dictated that the impact evaluation be conducted in November 2011. May comes just before the "food gap" period, which peaks from June-August each year), two months before the year's first harvest and when the previous season's harvests are typically becoming scarce. November, on the other hand, is generally a more plentiful time, with food stocks still available from the first harvest and the second harvest about to begin. Normal patterns of food consumption and household income and expenditure no doubt vary during these different times of year, and thus the follow-up data may not be directly comparable to that from the baselines. They should nonetheless provide a good indication of the overall situation. In addition, whenever possible, survey questions were structured to facilitate accurate comparisons (e.g., by asking the respondents about the same agricultural season referred to in the baseline).
- Some beneficiaries were reluctant to divulge the full extent of their household assets and savings, perhaps for personal reasons or to appear more vulnerable than they actually

were, in hopes of receiving additional assistance from ACF. Enumerators attempted to develop trust between themselves and their interviewees and to probe further when the information given seemed suspect, in an effort to collect data as accurate as possible, but undoubtedly some were more adept at this than others.

- Due to security regulations that prohibited overnights in the field for expatriates and the significant travel time (2-4 hours by vehicle) between many of the survey sites and the ACF base in Lira, the cash transfer evaluator made only limited trips to the field during the surveying process to supervise the survey team and discuss the project with beneficiaries. Several efforts were made to promote a consistent interpretation of the questionnaires by enumerators, including a thorough theoretical and practical training, periodic monitoring of the questionnaires for irregularities throughout the survey period and follow-up with the enumerators as needed, and the contributions of the FSL Verification Officer, who served as the survey team's direct supervisor in the field. Periodic brainstorming sessions with the survey team, the two FGDs and conversations with FSL staff helped to make sense of the data gathered.

During the data analysis process, the following challenges also arose:

- Due to high staff turnover, there is a limited institutional memory of the first year of the project implementation within the FSL department in Lira. This makes it more challenging to interpret the various LEARN 1 data sets and comment on the significant differences observed between the LEARN 1 and 2 beneficiary populations. As mentioned, the RNE stipulated that an external consultant manage M&E for the first year of LEARN 1. ACF was thus not involved in the collection of the bulk of the baseline data, nor its analysis. The Acacia representative who was contacted for further information about the LEARN 1 data collection and interpretation did not provide any further clarification.
- Comparing some figures, such as those for acreage and crop volumes, across the different data sets proved difficult. As mentioned, in Otuke such data is approximate by nature, and different surveys use slightly different standards to collect and treat challenging quantitative data. In this report, data sets that were deemed unreliable are noted but not used as a basis for any substantive analysis.
- Limited data was available for comparison from Acacia's LEARN 1 endline survey. Following some problems with Acacia, the RNE commissioned an external assessment of its endline report. The consultant hired determined that while the report suffered from poor analysis and presentation, the data collection methods seemed adequate. Thus, this final evaluation will include the small amount of available data from the endline report, to facilitate comparisons with the other data sets. It should be noted, however, that Acacia did not share the endline database with ACF, and so the accuracy of the figures taken from in the draft report relative to the database cannot be verified.

6. FINDINGS AND RESULTS

6.1 HOUSEHOLD DIETARY DIVERSITY AND HEALTH

6.1a Number of meals eaten per day

The average number of meals eaten per day was shown to have increased for the children in LEARN 2 households since the baseline survey, from 1.2 in May 2010, to 1.7 in March 2011, to 1.9 eight months later. This observed difference is perhaps attributable, at least in part, to the increased availability of food in November, when the second harvest is underway. Meanwhile, average the number of meals consumed by LEARN 2 adults seems to have stabilized around 1.6. Finally, no meaningful comparison can be made between the LEARN 1 data sets, since the baseline and final surveys used different interpretations of the term “meal,” and no data is available on meal frequency from the endline.

TABLE 3. NUMBER OF MEALS EATEN PER DAY IN BNF HOUSEHOLDS

Project Year	Assessment	Adults	Children
LEARN 1	Baseline	2.73*	n/a
	Final	1.49	1.69
LEARN 2	Baseline	1.20	1.20
	Endline	1.60	1.70
	Final	1.61	1.90

**This figure is probably misleadingly high, since enumerators counted snacks (such as mangoes) as a “meal” during the LEARN 1 baseline. In the later surveys, enumerators were instructed to count only hot, prepared foods shared by the household as “meals.”*

6.1b HDDS

The Household Dietary Diversity Score (HDDS) attempts to capture the quality of diet by counting the number of different food groups that have been eaten in the household in a specified time period. Both project years show a significant increase in HDDS figures, after experiencing a drop at the time of the endline surveys. Since the baselines, the average 24-hour HDDS climbed from 3.3 to 4.7 for LEARN 1 households and from 3.4 to 5.0 for LEARN 2 households. Figure 1, which illustrates the breakdown of scores in each category for both project years, shows that over 80% of all beneficiary households have a 24-hour HDDS that is “fair” or better (as opposed to just 30% and 37% at the time of the respective LEARN 1 and 2 baselines), and the proportion of households with a “good” or “very good” HDDS has continued to grow. The 7-day HDDS has improved even more than the 24-hour HDDS for LEARN 2, from 4.6 at the time of the baseline to 6.9 in November 2011. This suggests that more households are managing to incorporate more expensive or livestock-dependent foods, such as meat, eggs and fish, into their weekly, and to a lesser extent daily, diets. Once again, seasonal factors may be responsible for some of the observed change, since November is a

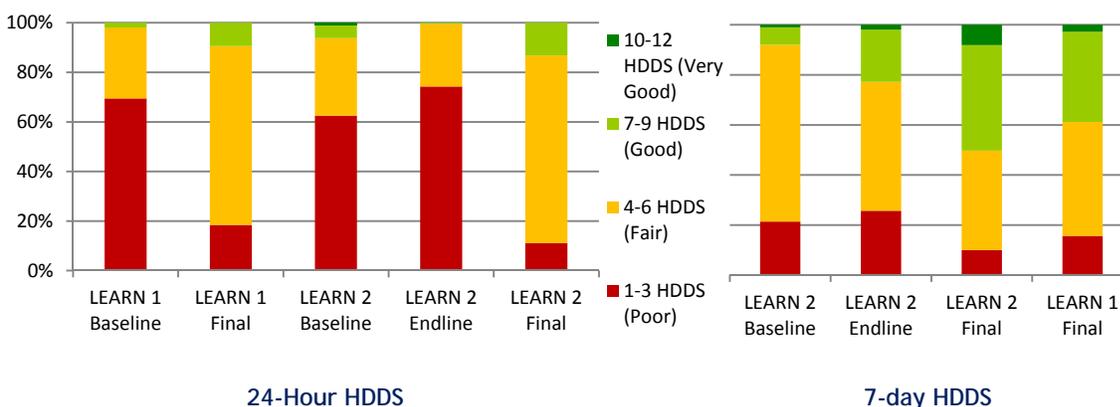
relatively abundant month in Otuke. That said, some types of foods, such as wild meat and many kinds of fruits, are typically consumed in March and May, respectively, and *not* later in the year. In addition, an HDDS increase of this scale in view of food price inflation rates up to 45% suggests that availability of and access to different types of food has improved for beneficiary households in a substantial, long-term sense.

Consumption of roots/tubers, oils/fats and “other” foods, such as salt and tea, has increased dramatically for both project years’ beneficiaries since the start of the cash transfer project. In addition, there have been moderate, but still significant, increases in the consumption of legumes and milk products. In the case of tubers, oils and legumes this trend is probably just seasonal, since these types of food are more abundant during the harvest. Tubers are generally more available in Otuke than in the past two years, as more households are growing them than before, and the volume harvested this season is purportedly superior to that of the second season in 2010. Also, as preferred foods with a limited lifespan in storage, tubers are often consumed before available cereals, and though abundant in November, stocks are normally depleted by March and May, when the respective endline and baseline surveys were conducted. Milk has likely become much more available and accessible in the villages of intervention, since many households used some of their cash transfer money to purchase dairy cows.

TABLE 4. AVERAGE HDDS OF BENEFICIARY HOUSEHOLDS

Project Year	Assessment	Average 24-hour HDDS	Average 7-day HDDS
LEARN 1	Baseline	3.3	data not available
	Endline	3.1	
	Final	4.7	6.4
LEARN 2	Baseline	3.4	4.6
	Endline	3.1	5.1
	Final	5.0	6.9

Figure 1. 24-Hour and 7-day HDDS of LEARN 1 and 2 Beneficiary Households



The observed decreases in consumption of cereals and fruits are also probably linked to the season, since fruits are mostly available in April and May, and many Otuke residents prefer cassava to cereals when both are available. The slight decrease in sugar consumption for LEARN 1 households is probably linked to the national scarcity of sugar, and the related explosion in sugar prices. An examination of the 7-day HDDS (comparative data available for LEARN 2 only) reveals that several other food categories comprised a significant part of most beneficiaries' diets in November 2011, including vegetables (95% and 94% for LEARN 1 and 2 households, respectively) and fruits (52% and 51%). Especially promising signs among the LEARN 2 group include increased consumption of eggs (eaten by 2% of beneficiary households at the baseline and 8% during the final survey) and of meat (eaten by 8% and 21% of households at the baseline and final survey), despite the fact that hunting traditionally takes place during the dry season. Thus, most meat consumed was probably either purchased or taken from the families' personal livestock. Figures 2 and 3 show the percentage of LEARN 2 households having eaten different types of food in the past 24 hours and 7 days, respectively. Because the LEARN 1 data showed similar patterns, it is not displayed here; for the complete data set, see Annex B.

Figure 2. Categories of food eaten by LEARN 2 households, past 24 hours

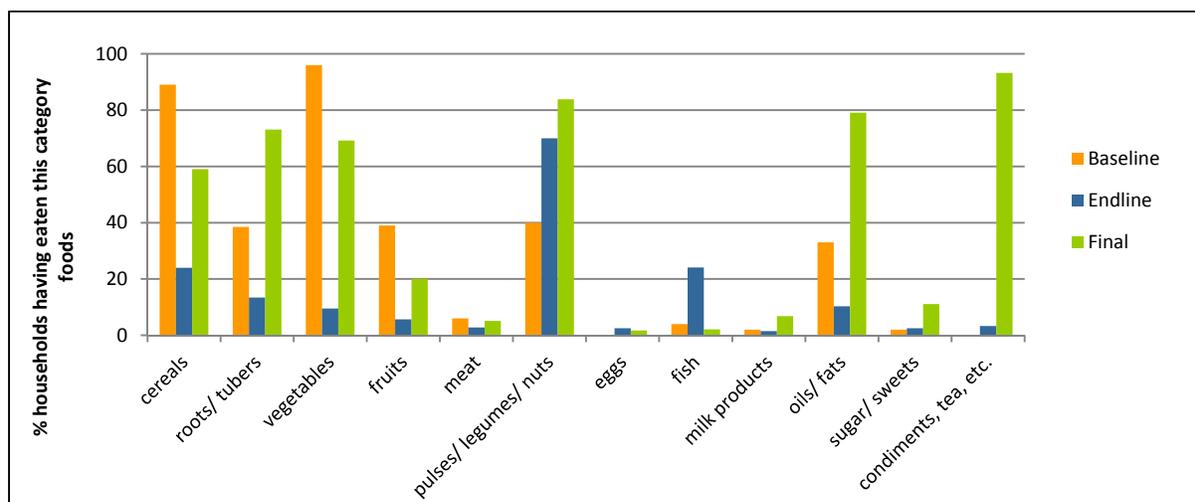
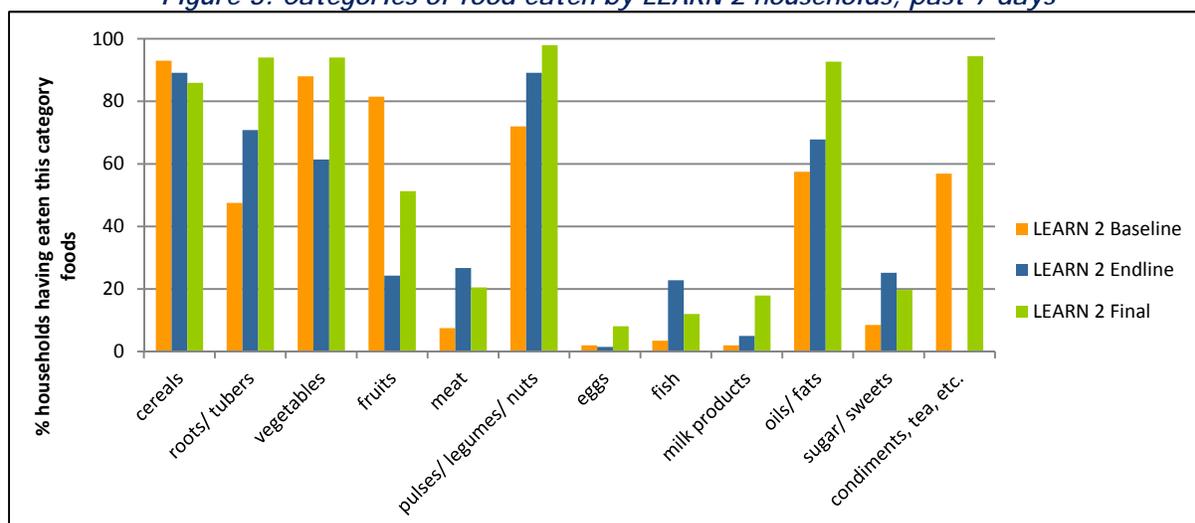


Figure 3. Categories of food eaten by LEARN 2 households, past 7 days

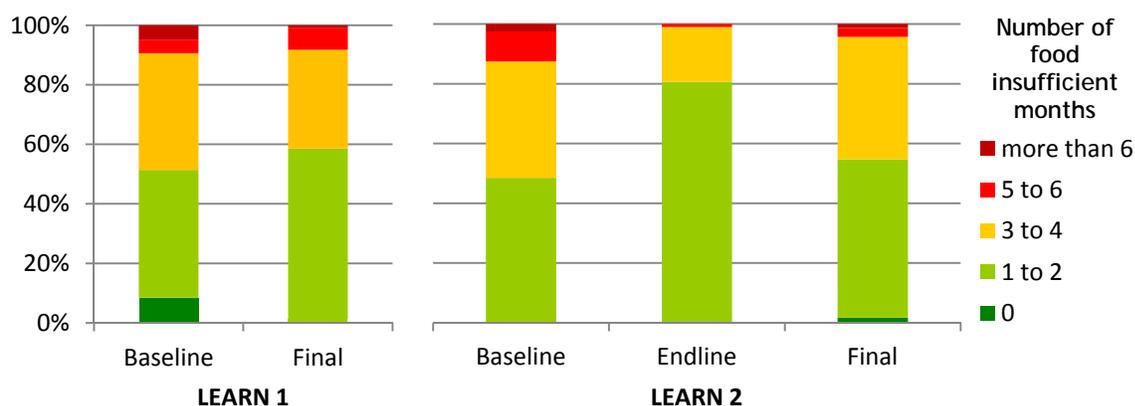


6.1c Months of Adequate Household Food Provisioning (MAHFP)

Months of Adequate Household Food Provisioning (MAHFP) measures the length of the “food gap” that households have faced in the past 12 months, the period during which they must use coping strategies (such as selling productive assets) to survive. Generally, the greater the MAHFP, the more vulnerable a household is considered to be. As shown in Figure 4, on average beneficiaries have only slightly fewer food insufficient months than they did at the start of the project. The average MAHFP score for LEARN 1 households decreased slightly, from 2.8 (months) at the baseline to 2.5 during the final survey. For LEARN 2, MAHFP dropped significantly from the baseline to the endline, from 2.9 to 1.9, then rose again to 2.5 in the final survey. The reason for this is not entirely clear. Although 2010 was an average year in terms of crop production, scattered droughts and flooding did reduce some yields in parts of Otuke. In addition, the first growing season in 2011 suffered from irregular rainfall, meaning that some households experienced uncharacteristic food shortages in September and October. Another possible contribution to the increase in MAHFP is the boom in commercial activity

between parts of northern Uganda and businessmen from South Sudan in 2010. With many eager buyers in the market, some traders in the Lango region sold so much that their supplies were exhausted. (The Ugandan government has since implemented some restrictions on trans-border crop sales in the region to ensure adequate food stocks for the local population.) This unrestrained selling may help explain why, on average, household food stores were lower than usual in early 2011, increasing the length of the “food gap” before the first harvest in July.

Figure 4. Month of Adequate Household Food Provisioning (MAHFP) of LEARN beneficiaries



Although the number of food insufficient months in a given year may be relatively high, if households have the resources to cope effectively, the negative impacts on household nutrition may be minimal. Indeed, findings from numerous other indicators, including the HDDS data just discussed, suggest that household nutrition is overall better than it was at previous points in the project. It is difficult to assess how these same households would be today had they not received support from ACF, though it is fair to assume that they would have displayed far less resilience in light of the relatively long “food gap” of 2011, and that nutritional improvements would be less pronounced overall.

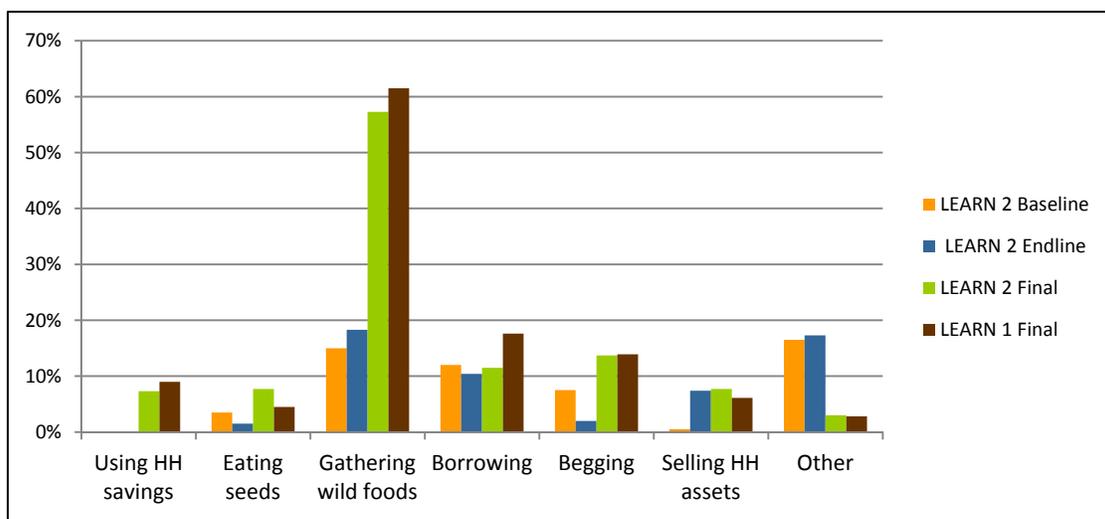
6.1d Coping Strategies

Survey respondents were asked how their households had coped during the food insufficient months they had experienced in the past year. As shown in Figure 5, most coping strategies have not changed considerably for the LEARN beneficiaries since the start of the project. The practice of gathering wild foods for household consumption has increased, perhaps to compensate for food rations distributed by NGOs in previous years. 57% of LEARN 2 households claimed to rely on wild foods during the “food gap” period at the time of the final survey, while only 15% did at the time of the baseline. Many households (51% and 61% of respective LEARN 1 and 2 beneficiaries) claimed that they “coped” with food shortage by exchanging labor for money or food in 2011. However, as discussed in greater detail in section 6.4b, casual labor represents a regular income source throughout the year for most households. It is thus treated as a livelihood activity rather than a coping strategy. A slightly greater proportion of LEARN 2 households used savings to buy food during food-insufficient months in 2011 than in the past (7% in 2011 as opposed to 0% at the baseline and endline), which is

consistent with the improvements in savings habits described in section 6.3a. Meanwhile, the prevalence of more “destructive” coping strategies, meaning those that erode households’ productive assets, such as eating seeds and selling household assets, are quite minimal overall. The percentage of LEARN 2 households eating seeds as a coping strategy has increased slightly, from 4% at the baseline and 2% at the endline to 8% at the final survey. As elaborated on in the crop production section, households increasingly source their seeds from markets, probably in hopes of producing higher yields of better quality than in the past. It is possible that the slight gain in households consuming seeds reflects the diminishing value of saved seeds in beneficiaries’ eyes.

NB: The LEARN 1 baseline questionnaire asked respondents how they had coped the last time their household had faced an emergency that required a substantial amount of money, rather than how they coped with food shortage specifically. In addition, the different coping strategies listed on the questionnaire were different from those used in subsequent surveys; thus, the LEARN 1 baseline data is not presented here because it is not comparable with the other data sets.

Figure 5. Coping Strategies used by LEARN beneficiaries

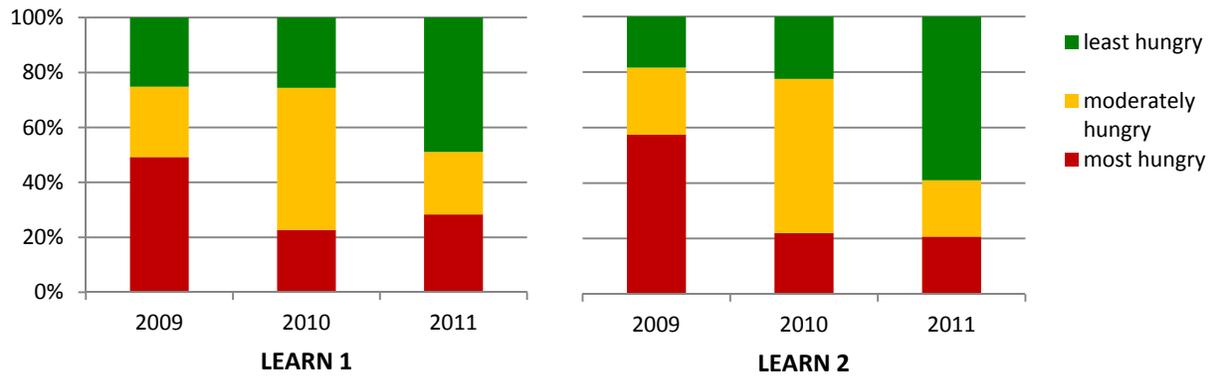


6.1e Self-reported hunger ranking 2009-11

This component of the final evaluation asked respondents to rank their households’ overall hunger during the “food gaps” of the past three years, from 2009 to 2011. Generally speaking, the “food gap” in Otuke stretches from May to August each year, and its severity is related to the volume of the previous year’s harvest. Similar patterns were observed for both LEARN 1 and LEARN 2 households; while the latter did not receive any cash until July 2010, it is probable that the cash helped relieve at least the later period of the food gap. The apparent decrease in household hunger is impressive. A clear majority of beneficiaries (49% and 59% of LEARN 1 and 2 households, respectively) claims to have experienced the least hunger in 2011, despite the elevated prices of food. LEARN 2 beneficiaries probably used some of the cash disbursed in the second transfer (in January 2011) to purchase food stocks to alleviate their

household's hunger during the "food gap." For both project years, it is quite possible that household gains in productive assets, made possible in a large part by the cash transfers they received, have helped improve their resistance to economic and climatic shocks.

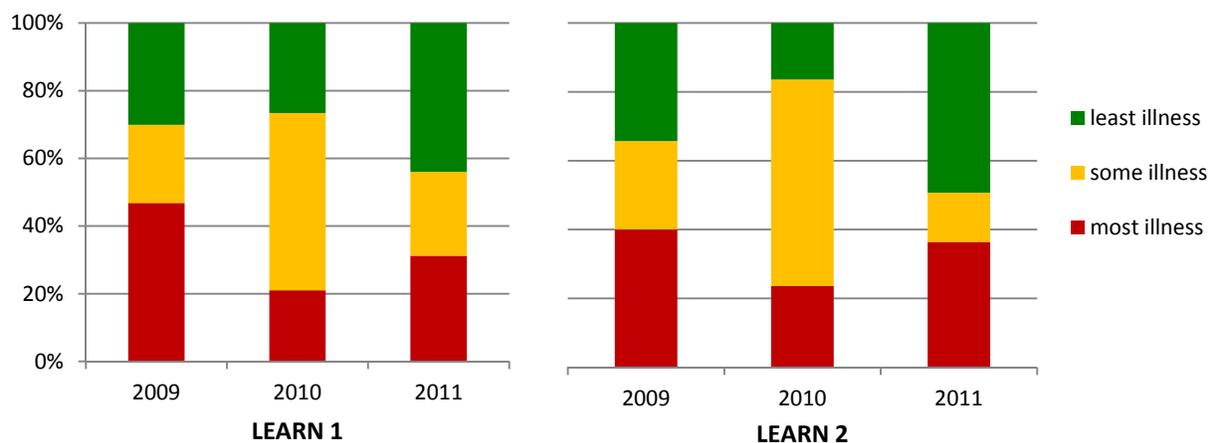
Figure 6: Hunger Levels among beneficiary households during the 2009-2011 "Food Gaps"



6.1f Self-Reported Illness Ranking

Households with children under 5 years of age were asked to rank the incidence of illnesses (specifically malaria, cold and flu and diarrhea) in their homes during the past three years. As with the hunger ranking, the data clearly indicate that household health has improved for all LEARN households since 2009. Improvements in nutrition and overall living conditions in Otuke generally, and within beneficiary households more specifically, probably play some role in this trend.

Figure 7. Incidence of illness among children of beneficiary households



6.1g Mid-Upper Arm Circumference (MUAC)

Mid-upper arm circumference (MUAC) is a measurement used to identify people (in this survey's case, children under the age of five) in a state of acute malnutrition. Although MUAC

data was not collected during any of the prior LEARN assessments, it nonetheless helps to put the other data gathered in this evaluation into perspective. As mentioned, the survey team faced some challenges in locating beneficiaries' young children in order to measure them. Nonetheless, they succeeded in reaching 72% (201) of the interviewed participants' children under 5 for the LEARN 1 sample and 53% (131) of those for LEARN 2. The data show that acute malnutrition is not a problem for the children in the vast majority of beneficiary households. The average MUAC scores for LEARN 1 and 2 beneficiary households were 155 and 156 mm, respectively, both well above the malnutrition cut-off rate of 125 mm. 97% of children in the LEARN 1 sample and 99% of those in the LEARN 2 sample boasted MUAC measurements of 125 mm or above, indicating that they were not at risk of moderate acute malnutrition (MAM) or severe acute malnutrition (SAM), while just 1% of both groups had MUACs of 115 mm or less, indicating SAM. Table 5 displays the complete breakdown of MUACs for the LEARN 1 and 2 samples, including the percentages of measurements in the 115-125 mm range, indicating MAM.

TABLE 5. MUAC OF CHILDREN UNDER 5 IN LEARN BENEFICIARIES' HOUSEHOLDS

Project Year	% children per MUAC category			Avg. MUAC (in mm)	No. children measured	% children measured
	Below 115 mm	115-125 mm	Above 125 mm			
LEARN 1	1%	3%	97%	155	201 in 123 households	72%
LEARN 2	1%	0%	99%	156	131 in 85 households	53.3%

MUAC is of limited use in populations such as Otuke's, where acute malnutrition is not a real problem, since it is designed as an emergency diagnostic tool and cannot be used to assess overall nutritional status. Nonetheless, the MUAC measurement provides an excellent, objective, verifiable means of assessing the prevalence of acute malnutrition within a population across time. As such, it is recommended that it be automatically integrated into the monitoring and evaluation plan of any future FSL project where acute malnutrition is a risk.

6.2 HOUSEHOLD FOOD PRODUCTION AND FOOD SOURCES

6.2a Livestock and Material Asset Ownership

100% of LEARN households interviewed for the final survey owned at least one animal. LEARN 2 households' ownership of all types of livestock except cows has increased since the endline, suggesting that *households are not simply maintaining the livestock purchased with the cash grants, but are rather actively building their livestock holdings. This is a clear success for the cash transfer program, implying that beneficiaries are indeed on the path to reestablishing their livelihoods over the long term.* The increased ownership of oxen is

particularly encouraging, since animal traction is key to gains in agricultural productivity, which can accelerate the fortification of household livelihoods. 58% and 62% of LEARN 1 and 2 households, respectively, had at least one ox in November 2011, as compared to 7% and 0% at the baseline survey. Cows are less valued than are bulls, which probably explains the decrease in cow ownership from the LEARN 2 endline (when 65% of beneficiary households owned cows) to the final survey (when only 42% owned cows). Interviewees mentioned that some cows had succumbed to disease. Others were sold, contributed as gifts for a family member's marriage or slaughtered for a traditional celebration occurring when their elderly owners died.

Figure 8. Proportion of LEARN households owning selected types of livestock

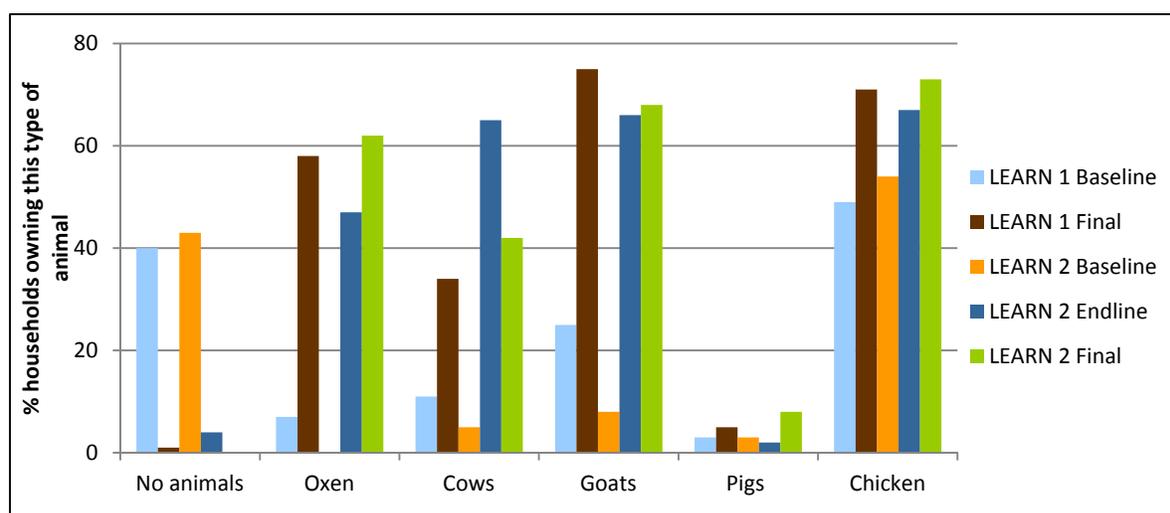


TABLE 6. AVERAGE NUMBER OF SELECTED TYPES OF LIVESTOCK OWNED BY LEARN HOUSEHOLDS

Project Year	Assessment	Oxen	Cows	Goats	Pigs	Chicken
LEARN 1	Baseline	0.12	0.17	0.58	0.06	3.01
	Final	0.74	0.44	2.64	0.07	3.71
LEARN 2	Baseline	0	0.01	0.12	0.02	2.48
	Endline	0.47	0.88	1.98	0.02	3.75
	Final	0.85	0.54	2.3	0.1	3.54

The proportion of LEARN households owning various key material assets has also increased across the board. Aside from the essentials of hand hoes and saucepans, owned by nearly all households interviewed, beneficiaries have most commonly invested in bicycles, mattresses, radios and ox ploughs since the baseline surveys. Around 50% of all LEARN households now

have bicycles (up from 41% and 14% at the LEARN 1 and 2 baselines), implying that access to markets and other services, such as health clinics, is greatly improved. The increase in mattresses (relatively minor for LEARN 1 but noteworthy for LEARN 2, from 15% at the baseline to 43% today) represents improved living standards. The acquisition of radios and mobile phones among LEARN 2 beneficiaries (from 9% and 1% at the baseline, respectively, to 30% and 9% of all households in November 2011), signifies increased access to all kinds of knowledge, some of which - such as information on health care, crop diseases and market prices - can contribute to real improvements in household incomes and health. As of November 2011, nearly one quarter of all LEARN households claimed to own ox ploughs, as opposed to 7% and 0% at the time of the respective LEARN 1 and 2 baselines, meaning much more access to animal traction throughout the district. As with livestock, it appears that most LEARN 2 beneficiaries are managing their productive assets purchased with the cash transfers to build their wealth, as the proportion of households owning all types of material assets has continued to grow since the endline survey.

As Figure 9 makes clear, LEARN 1 beneficiaries appear to have had significantly more material wealth than their LEARN 2 counterparts before any cash was distributed. This may reflect the different targeting strategies used during the two project years. Whereas LEARN 1 targeted only 34 villages, with 50-80% of each village's population included as beneficiaries, LEARN 2 instead identified far fewer beneficiaries in each of 148 villages. Thus, it seems likely that LEARN 2 beneficiaries were, on average, quite a bit more vulnerable to begin with than were LEARN 1 participants.

Figure 9. Proportion of LEARN households owning selected assets

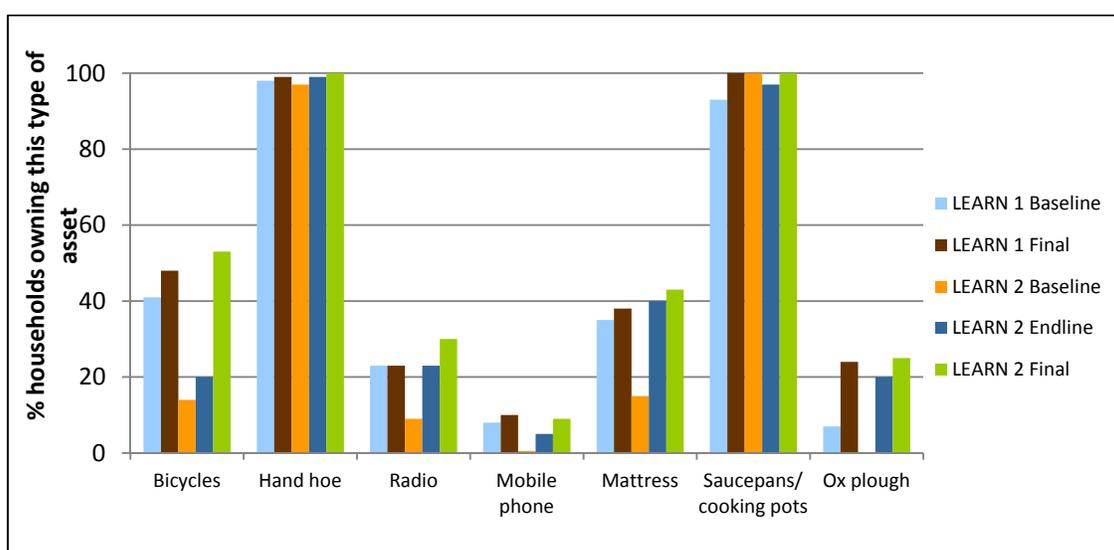


TABLE 7. AVERAGE NUMBER OF SELECTED ASSETS OWNED BY LEARN BENEFICIARIES

Project Year	Assessment	Bicycles	Hand hoe	Radio	Mobile phone	Mattress	Saucepans	Ox plough	Land
LEARN	Baseline	0.56	2.50	0.40	0.20	0.63	4.11	0.20	5.00

1	Final	0.48	2.29	0.23	0.10	0.43	3.56	0.24	4.92
LEARN 2	Baseline	0.14	2.10	0.09	0.01	0.16	3.02	0.00	4.25
	Endline	0.54	2.39	0.24	0.04	0.43	3.29	0.20	5.75
	Final	0.53	2.45	0.30	0.09	0.53	3.51	0.25	4.56

6.2b Land Use

As previously mentioned, figures on acreage are extremely difficult to verify in rural Otuke, *and* standards use to collect and analyze them differ from evaluation to evaluation. This report thus gives little credence to the trend suggested by the various data sets, that LEARN beneficiaries cultivated less land during the second growing season in 2011 than they did during the past two years. This is inconsistent with data gathered on crop production (detailed in section 6.2d), which provides fairly overwhelming evidence that yields of 13 out of 14 second season crops in 2011 surpassed those of last year. While it is impossible to say whether beneficiaries are indeed cultivating less land than they did last year, it nonetheless seems unlikely, given the growing number of households with access to oxen and ox ploughs.

What is clear is that few LEARN households (28% for both project years) cultivated their entire land holdings during the second season. As in previous surveys, labor remains the greatest limiting factor to cultivation. Nearly 20% of all beneficiaries cited lack of seeds as a problem in 2011 (as opposed to just 3% in prior LEARN 2 surveys), which probably reflects the effects of inflation on seed prices. Less than a quarter of households identified lack of access to animal traction as a limitation in November 2011. This is fewer households than at the LEARN 2 endline but *more* than at the LEARN 2 baseline, suggesting that the question was posed differently during the different surveys. An increasing number of LEARN 2 beneficiaries claimed that they were leaving some land fallow in order for it to rest, perhaps indicating a growing environmental consciousness.

TABLE 8. LAND USE AND FACTORS LIMITING CULTIVATION IN SECOND GROWING SEASON FOR LEARN BENEFICIARIES

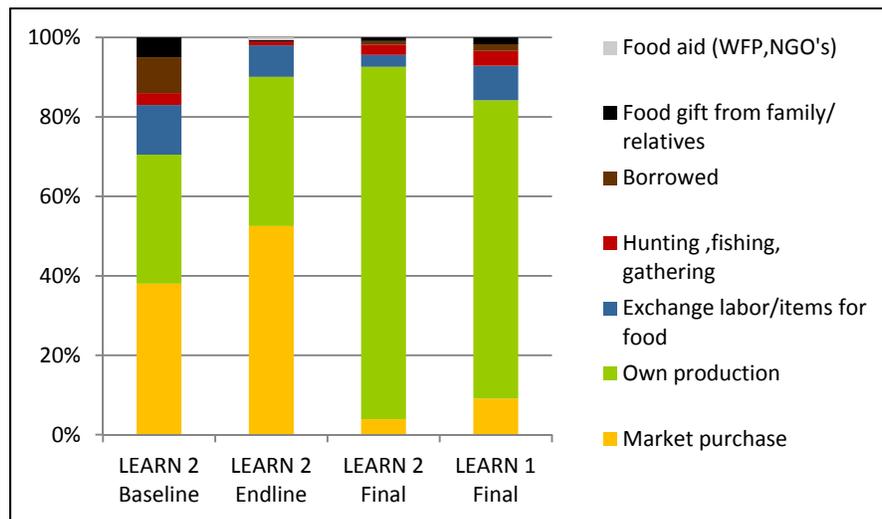
Project Year	Assessment	Beneficiaries cultivating all of their acreage	Average land area cultivated 2nd season (in acres)	Median land area cultivated 2nd season (in acres)	lack of labor	lack of seeds	lack of access to animal traction	land needs to rest	grazing	other*
LEARN 1	Baseline	data not available		2	data not available					
	Final	27.5%	1.77	1.25	52.0%	19.7%	22.5%	12.7%	2.9%	3.6%
LEARN 2	Baseline	data not available	1.54	1.50	41.5%	2.5%	13.0%	2.5%	0.5%	0.5%
	Endline		2.37	2.00	49.5%	3.0%	37.1%	16.3%	0.0%	14.3%
	Final	27.9%	1.87	1.63	48.3%	18.4%	23.1%	21.8%	0.4%	0.9%

*This category includes injury/sickness, some land being rented out to or claimed by other users and poor weather conditions.

6.2c Food Sources

LEARN households at the time of the final survey were much more self reliant in terms of food than during the preceding surveys. In November 2011, household production was the most important food source for 75% and 88% of LEARN 1 and 2 beneficiaries, respectively, while households during the LEARN 2 baseline and endline surveys relied much more heavily on market purchase, which represented the primary food source for 38% and 53% of households. Dependence on gifts, NGOs and food borrowed from friends and family has decreased significantly. This increased food autonomy is no doubt once again connected at least in part to the timing of the various surveys, but nonetheless it is a positive trend.

Figure 10. Primary food sources of LEARN beneficiaries

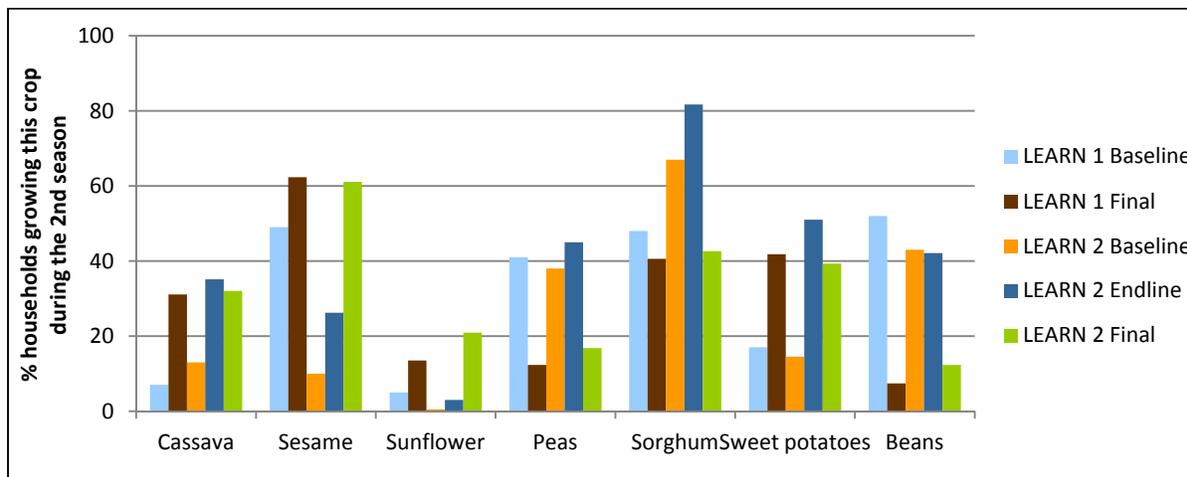


6.2d Crop Production

LEARN beneficiaries are favoring cash crops over staple crops more than in previous years. With growing stability in the Lango region, three agro-processing facilities have established themselves in Lira, acting as buyers to growers of various crops, including sesame and sunflower. The proportion of households growing these crops has increased significantly in the past few years; sesame, a household staple as well as a cash crop, is particularly common, grown by over 60% of all beneficiaries in 2011's second rainy season. Meanwhile, the number of households growing some food crops, including peas, sorghum and beans, has dropped, probably because beneficiaries stand to earn more from sales of cash crops. In addition, some beneficiary households, especially in Okwang and Olilim, may have been dissuaded from growing peas and beans following poor harvests of these crops in recent seasons. Production of particularly preferred foods in the local diet, such as cassava and sweet potatoes, has increased since the baseline. Figure 11 illustrates the proportion of LEARN households

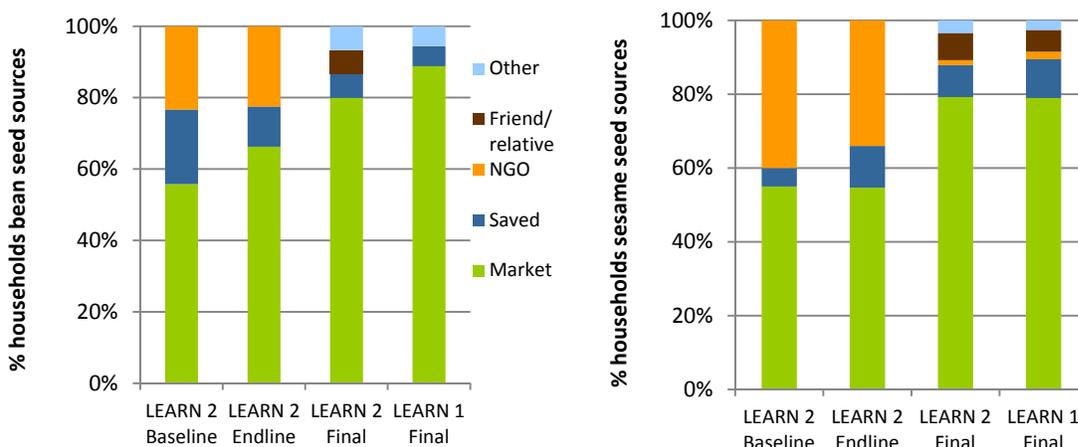
producing various commonly grown crops; for the data concerning seven additional crop varieties, see Annex D.

Figure 11. Proportion of LEARN 1 households growing selected crops in second rainy season



In general, LEARN households are increasingly relying on the market for their seeds. This likely reflects the growing practice of cash crop production, the belief that purchased seeds yield more than others and growing access to cash, which permits beneficiaries to spend money on seeds rather than rely on others or their own personal stocks. While some NGOs were still actively distributing small quantities of some seeds in Otuke in 2010, such interventions are decreasing as reconstruction progresses. Figure 12 presents how beneficiaries sourced their seeds for two sample crops, beans and sesame. For complete data on seed sources of LEARN beneficiaries, see Annex D.

Figure 12. Seed sources of beans and sesame planted by LEARN households



Since the second season harvest was still in progress at the time of the final survey, beneficiaries were asked to estimate the volume of each crop that they expected to harvest and to compare it to the harvest of November/December 2010. For 13 out of 14 crops, the volume of the projected 2011 harvest was largely superior to that of 2010. In addition, in 2011, many beneficiaries grew crops that they did not grow last year. For example, 37% and 56% of respective LEARN 1 and 2 beneficiaries growing sesame in 2011 expected yields superior to last year's harvest, as compared to only 27% and 16% who expected smaller yields. 33% and 43% claimed to not have grown sesame at all during the second season in 2010. It is probable that investments in productive assets, such as oxen, ploughs and quality seeds, have helped both groups of beneficiaries to improve their agricultural yields.

Figure 13. Second season 2011 yields of major crops compared to last year's harvest

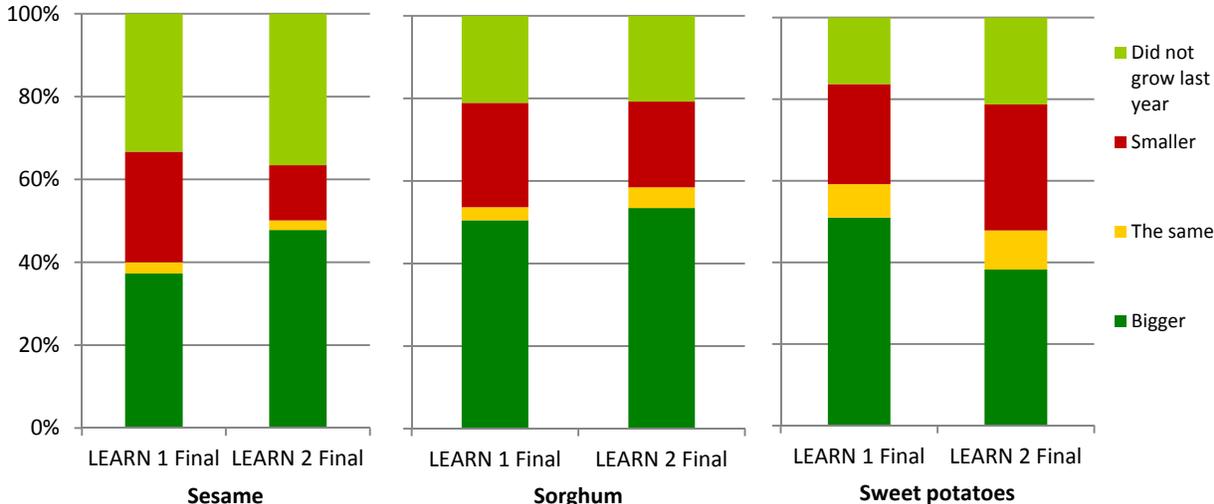


Figure 13 displays the details about this year's harvest relative to last year's for sesame, sorghum and sweet potatoes, the three most commonly grown crops during the second season. Once again, complete data on comparative yields for all crops grown during the second season is located in Annex D.

6.3 HOUSEHOLD SAVINGS AND CREDIT

6.3a Cash Savings and Credit

LEARN 1 and 2 households show opposite trends in savings and credit habits. The proportion of LEARN 1 households with savings has decreased by 10% since the baseline, and the average sum saved has dropped slightly. Meanwhile, three times more LEARN 2 households are saving money now than they did at the time of the baseline, and the average amount saved has nearly doubled. Along the same lines, 41% of LEARN 1 households had outstanding cash debt in November 2011, as opposed to 31% at the beginning of the project, and the average amount of debt has climbed to almost 18,000 UGX. An increase in cash debts *can* be positive;

wealthier households are more likely to be perceived as more creditworthy than poorer ones, and loans can be used in activities or assets that will eventually bring returns. This survey did not inquire about the uses of beneficiaries' outstanding credit. Again, LEARN 2 households have fewer, lesser debts; the number of households with cash debts has dropped by more than 50% since the baseline, and the average debt is about 12,000 UGX. The reasons for these differences are unclear, since the basic program components for both project years were essentially the same.

It is worth noting that, despite the disparity between LEARN 1 and 2 beneficiaries, cash savings and credit remain quite small-scale for both groups. This is perhaps not surprising, as wealth is traditionally safeguarded in the form of livestock in Otuke District. Although the project's original indicators called for a reduction in household debt and the maintenance of beneficiaries' savings accounts, the program design did not include organize any technical training on savings and credit that aimed to promote responsible saving and debt repayment. The only somewhat related program component was a presentation by Equity Bank on professional financial services that were of little relevance for resource-poor rural residents.

TABLE 10. CASH SAVINGS AND DEBTS OF LEARN BENEFICIARY HOUSEHOLDS

Project Year	Assessment	% households with savings	Average savings per household (in UGX)	% households with cash debt	Average debt per household (in UGX)
LEARN 1	Baseline	51	15,806	31	13,994
	Final	41	14,443	41	17,770
LEARN 2	Baseline	15	8,562	66	data not available
	Endline	37	15,145	62	
	Final	46	16,128	30	12,079

6.3b Non-Cash Debts

Overall, the proportion of all LEARN beneficiaries with non-cash credits has declined since the project start and is quite minimal. The only exception is that LEARN 1 households showed a slight increase in debts of medicine/health care. Food was the most commonly borrowed commodity in November 2011, representing an outstanding loan for 14% and 9% of the respective LEARN 1 and 2 households. Nonetheless, when compared to the baselines, these figures indicate significant progress, especially for LEARN 1 households, of whom 73% had outstanding food debt in May 2009. Once again, many of these types of debt no doubt peak during the earlier stages of the growing seasons, and as such, the final survey's data may paint a slightly more optimistic picture than is accurate.

TABLE 11. LEARN HOUSEHOLDS WITH OUTSTANDING NON-CASH DEBTS

Project Year	Assessment	% of beneficiaries with type of non-cash debt						
		Food	Animal Traction	Agricultural Inputs	Household Commodities	Medicine	Labor	Other
LEARN 1	Baseline	73	4	15	7	5	5	data not available
	Final	13.9	0.8	0	0.8	9.4	0.8	0
LEARN 2	Baseline	15.6	0	3.1	3.1	12.5	0	data not available
	Endline	30.8	3.8	0	0	0	3.8	
	Final	9.4	0.4	3	0.4	5.1	2.1	0.9

6.4 HOUSEHOLD INCOME AND EXPENDITURE

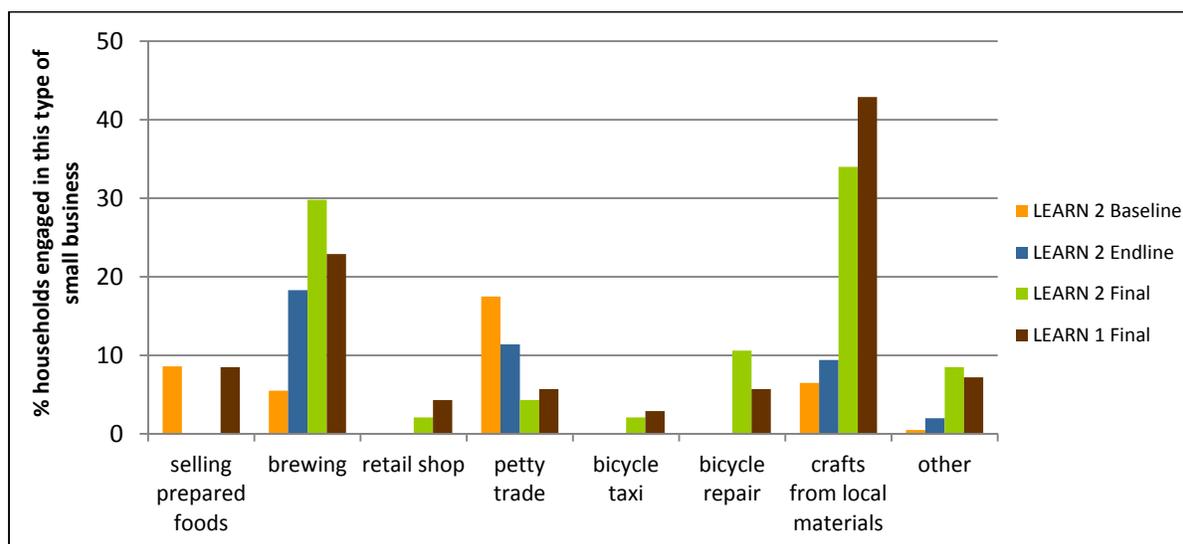
6.4a Small Business Ownership

The cash transfers do seem to have helped a significant proportion of project beneficiaries to launch small businesses. 32% and 20% of LEARN 1 and 2 beneficiaries, respectively, claim to be involved in small business enterprises. Of these businesses, 53% (for LEARN 1) and 38% (for LEARN 2) were launched *after* the cash transfer project began. It should be noted that sales of local construction materials, fuel, livestock and crops were not considered “small business activities” for the purposes of this evaluation. It is clear that some households participate in such activities in a regular and organized fashion; these households may well consider these activities to be small businesses. However, many households engage in such practices on a sporadic and/or small scale. Thus, the figures for households participating in small businesses presented above are probably a bit conservative.

While a minority of beneficiaries from both project years was involved in small businesses in November 2011, these businesses represented an important income source for those that were, providing on average of 51% and 34% of all household income for LEARN 1 and 2 beneficiaries, respectively.

As illustrated in Figure 14, beneficiary households from LEARN 2 have become increasingly more engaged in all types of small business except for petty trade. The most common business activities include making practical crafts, such as mats, pots and ropes, from local materials (practiced by 43% and 34% of the LEARN 1 and 2 households, respectively) and brewing local alcohol (23% and 30% of the LEARN 1 and 2 samples). The reason for the decline in petty trade is not clear. It is possible that some former petty traders used some of the cash grant money to invest in more resource-intensive IGAs such as retail shops or bicycle taxis, or that baseline respondents were thinking back to their time in IDP camps, which were located in local trading centers and where many people practiced small-scale trade.

Figure 14. LEARN beneficiaries' participation in small businesses

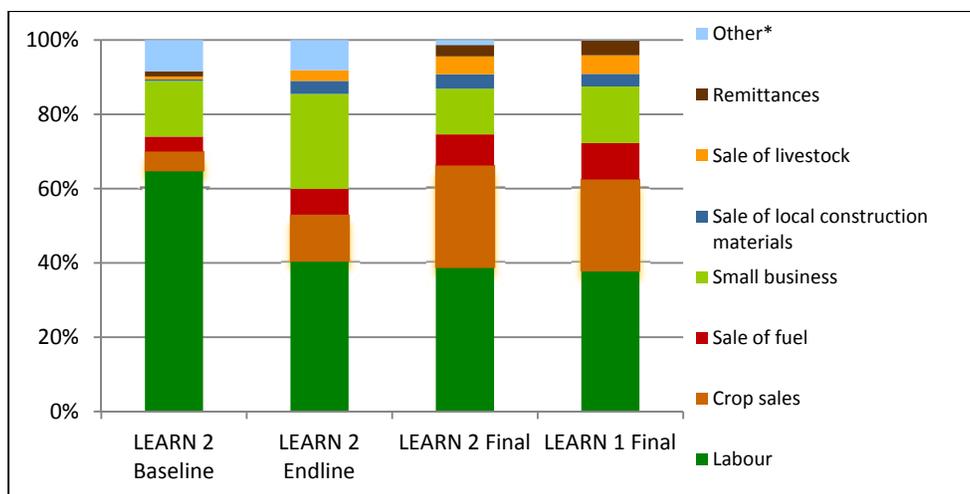


"Other" includes carpentry, sales of shea nut oil and local medicine and charging phones, among other activities.

6.4b Income Sources

An comparison of LEARN households' income sources over time suggests that livelihoods have become more diversified and balanced as beneficiaries settle back onto their land and reinvest in agriculture. While labor in November 2011 provided nearly 40% of all household income, beneficiaries seem to be working for themselves much more than before. Crops sales at the final survey represented 27% of LEARN 2 households' income, as compared to just 5% at the baseline and 12% at the endline (comparative data not available for LEARN 1). Though relatively small (5% for both LEARN groups), relative earnings from livestock sales have increased. Income from the sales of fuel and local construction materials has also become slightly more significant. It is interesting to note that the current distribution of income sources is remarkably similar for both LEARN 1 and 2 populations, even though the former received their cash grants a year before the latter group did.

Figure 15. Proportion of household income coming from different sources



6.4c Food Expenditures

In accord with previous surveys, beneficiaries were asked how much money their household had spent on food in the past week. As with figures for land area and volumes of crop yields, figures on household expenditures in the different data sets were quite confusing and contradictory, and it was impossible to calculate what proportion of all expenditures food represented for beneficiary households. Thus, the report looks only at weekly food expenditures, though the figures presented probably are a bit imprecise. According to the data gathered, LEARN beneficiaries' expenditures on food have not changed dramatically since the project start. LEARN 2 households spent, on average, 9588 UGX weekly at the time of the endline survey in March 2011, perhaps because they still had liquid cash available from the second transfer to meet their immediate needs when food stocks from the 2010 agricultural season were beginning to run out. Given the current inflation crisis, it is worth noting that LEARN households are probably getting less food for their money today than they were during previous surveys; thus, an examination of what types of food they are buying will reveal more nuanced information about their current priorities.

TABLE 12. LEARN HOUSEHOLDS' EXPENDITURES ON FOOD IN THE PAST SEVEN DAYS

Project Year	Assessment	Total amount spent (in UGX)
LEARN 1	Baseline	5417
	Final	3434
LEARN 2	Baseline	4224
	Endline	9588
	Final	5051

The results of this examination suggest that inflation is dictating food spending patterns more than anything else. Households are continuing to purchase the essentials of salt and cooking oil, despite rising prices. Sugar, another staple, has become so scarce in Uganda that it is simply not available in many markets outside of major commercial centers. On a positive note, reduced spending on dairy products probably reflects the growing availability of and access to milk from cows within beneficiary villages, and LEARN 2 households claimed to be using an average of 9% of their weekly food expenditures to purchase meat. Unfortunately, a detailed breakdown of all remaining food expenditures was not available for any of the surveys prior to the final assessment.

TABLE 13. PROPORTION OF LEARN BENEFICIARIES' WEEKLY FOOD EXPENDITURES GOING TO DIFFERENT FOOD CATEGORIES

Assessment	Meat/Fish	Salt	Sugar	Cooking oil	Fruit and vegetables	Milk	Other*
LEARN 1 Baseline	7.6%	11.7%	13.7%	14.5%	data not available	2.6%	50%
LEARN 1 Final	4.2%	46.5%	2.6%	20.8%	9.9%	1%	15%
LEARN 2 Baseline	data not available	11%	25%	34.6%	data not available		29.4%
LEARN 2 Endline		7.8%	19.6%	18.5%			54.1%
LEARN 2 Final	9.3%	33.9%	4.2%	21.7%	9.6%	0.8%	20.5%

* "Other" includes grains, tubers, legumes, and any additional types of food

7. LESSONS LEARNED

- Timing can affect the usefulness of impact evaluations, especially when assessing changes in FSL. Many of the indicators measured, such as spending, eating and earning patterns, fluctuate with the seasons, and when surveys are conducted at opposite times of the year, it is difficult to differentiate between seasonal variations and longer-term trends.
- Consistent, transparent, reliable and clearly documented M&E from project inception to the final evaluation will enhance understanding of a project's impact. Conversely, gaps in M&E at any point in a cash transfer project can make later impact assessments challenging, especially those focused on quantitative data.
- Visual, interactive assessment tools seem quite appropriate to the mostly vulnerable, rural beneficiaries of Otuke District. Beneficiaries and enumerators alike responded quite positively to these tools, which helped to keep both groups engaged throughout a long survey period.
- Cash transfer projects can contribute to broad, substantial improvements in household food security and livelihoods. Though seasonal factors may influence many indicators

measured in this evaluation, the findings from other, less season-dependent indicators measured - household dietary diversity, productive asset ownership, access to animal traction, food autonomy, crop production, and income source distribution - provide compelling evidence that beneficiaries have experienced major improvements in food security and livelihoods at the household level since the cash transfer project began.

- Most cash transfer beneficiaries seem to invest their cash in ways that successfully develop their productive asset base over the long term. Two and one years after the final respective LEARN 1 and 2 cash grants were awarded, the overwhelming majority of beneficiaries have significantly more resources than they did at the baseline. Gains in asset ownership among the LEARN 2 households suggest that the impact of the project is not only durable, but that it will continue to grow over time.
- Most beneficiaries manage to attend to at least some short-term needs (e.g., paying for emergency medical care, buying food stocks during food-insufficient months) while retaining some assets for long-term purposes (e.g., investing in livestock, purchasing improved seeds for increased crop production).
- Cash transfer projects seem to increase resistance and resilience to the negative impacts of inflation.
- The impact of cash transfer projects appears to be significantly greater when EVIs are targeted. This is demonstrated by the discrepancies in the findings between the two LEARN project years. LEARN 2 beneficiaries were on the whole quite a bit more vulnerable than were their LEARN 1 counterparts at the project start, yet at the time of the evaluation they demonstrated slightly *better* food security and livelihoods statuses, across a wide range of indicators.
- At times, the impact of cash transfer projects on household food security and livelihoods can be compromised by a short-term vision of assets purchased and/or by unexpected events. Households that gave livestock away as gifts, slaughtered a cash grant-funded cow when its elderly owner died, lost a large, valuable animal to disease or spent a large amount of money on medical care for a family member since the project started suffered a major loss that may be challenging to overcome.
- Most beneficiaries in Otuke aspire to ultimately acquire the cows and oxen needed to reclaim their traditional livelihood and increase crop production. Generally speaking, bulls are valued more than cows, which are valued more than goats.
- Purchasing large, valuable animals such as cows and bulls is riskier than investing in a greater number of less valuable assets, like goats, since the loss of one highly valuable asset can drastically reduce any benefits of the cash transfer.
- Some categories of extremely vulnerable individuals, especially very old people living alone, seem especially susceptible to losses of cows and bulls, apparently because they do not always have the means to take care of such large animals on their own, they are more

vulnerable to exploitation by unscrupulous family or community members, and because they are more likely to give away animals purchased.

8. RECOMMENDATIONS

8.1 RECOMMENDATIONS FOR IMPROVED MONITORING AND EVALUATION OF CASH TRANSFER PROJECTS

- ACF should aim to conduct evaluations of a project's food security and livelihoods impact at the same time of year as previous baseline and endline surveys. When or if this is not possible, it may be more useful to rely on qualitative methods of assessment, such as focus group discussions or longitudinal studies of a small group of beneficiary households, rather than on quantitative household surveys.
- Food security and livelihoods questionnaires should be streamlined and standardized to focus on key food security and livelihoods and nutrition indicators and those mentioned in the project proposal. The same questionnaire should be used throughout the entire project.
- Food security and livelihoods surveys should consistently incorporate interactive, visual assessment tools when appropriate to the beneficiary population. Such tools' contributions to the overall quality of the data collection process are well worth the minor investment of time and resources necessary to prepare them.
- If an external body is required to perform monitoring and evaluation for a project, ACF should collect at least a minimum of key food security and livelihoods data on its own to ensure that a sufficient, reliable database is available for assessment purposes.
- Assessments of household-level food security and nutrition impacts of cash transfer for projects in northern Uganda should be conducted at least one year after the final transfer, then timed to correspond to previous assessments.
- ACF should consider facilitating an *additional* round of quantitative data collection for the LEARN 1 or 2 beneficiaries (LEARN 2 may be preferable due to the better quality of its data sets) two or three years in the future, in order to better understand the longer-term food security and livelihoods impacts of the project on beneficiary households.

8.2 RECOMMENDATIONS FOR IMPROVED HOUSEHOLD-LEVEL IMPACT OF CASH TRANSFER PROJECTS

- ACF should continue to promote unconditional cash transfer projects as a means of helping vulnerable households recover their livelihoods.

- Cash transfer projects should endeavor to help beneficiaries of cash transfer projects extract maximum, sustained benefit from assets purchased. Strategies to help beneficiaries reduce the losses of assets purchased should be integrated into all program activities. Specific suggestions for how to accomplish this, based on the findings of this evaluation, are presented below.
 - ACF should continue to help facilitate initial vaccinations for livestock purchased by beneficiaries. It should also ensure that technical trainings emphasize the importance of consistent, long-term health care for the animals they purchase, as well as the logic of setting aside resources for this purpose.
 - While beneficiaries ultimately decide what they will do with cash grant money, projects should nonetheless provide them with the information necessary to make wise decisions. Beneficiaries should be encouraged to invest in assets within their capacity to manage, and sensitized about the relative risks and rewards of purchasing one large, valuable animal versus numerous small, less valuable animals.
 - ACF should further assess the impact of cultural practices that deplete beneficiary assets, such as the slaughter or ceremonial gifting of valuable livestock, on the targeted beneficiary household. At first glance, such practices appear counterproductive to the goals of a cash transfer project, but their social and cultural ramifications may ultimately benefit the beneficiary household. Further information should be gathered before deciding how to deal with this issue in the project implementation process.
 - ACF may want to reevaluate the suitability of *certain categories* of extremely vulnerable individuals for cash transfer projects. In particular, a different type of intervention may be more appropriate for individuals living alone who are incapable of managing productive assets (e.g., old and infirm or severely disabled people). Should ACF choose to continue supporting these types of individuals through cash transfers, it should increase sensitization on the purpose of the transfers within the general community, who should understand that the money is to be used for the beneficiary's long term well being.

9. CONCLUSION

Though more NGOs are beginning to integrate them into programming, cash-based interventions are relatively uncommon in humanitarian contexts. *Unconditional cash transfers* are rarer still. Indeed, many initially view such projects with deep skepticism, assuming that beneficiaries will spend any money received irresponsibly. Such skeptics may prefer more conventional projects, such as in-kind distributions of food items and productive assets, where the outcome may seem less risky.

This evaluation provides considerable evidence that thoughtfully-implemented unconditional cash transfer projects *work*. Even accounting for seasonal variations, many of this survey's findings, such as trends in household dietary diversity, food autonomy, crop production, and income source distribution, suggest major improvements in the food security and livelihood status of beneficiary households since the LEARN project began. The fact that ownership of almost all productive assets has not only increased *but has continued to grow* even after the intervention's official conclusion is perhaps this report's most compelling finding. Households that had lost virtually all material possessions now find themselves en route to reclaiming their traditional livelihoods. Though this report was a "final" impact assessment, it seems clear that the project's impact will continue to grow, as productive assets multiply and lead to increased opportunities to build and diversify livelihoods.

As cash transfer projects become more widely implemented and discussed, their potential impact on household FSL should continue to grow. Even within the short time frame of the LEARN projects discussed in this report, lessons learned during the first year helped to inform the second, leading to substantial improvements in the scale and breadth of its impact. Naturally, there is still room for refinement. The impact of the project has been greatly reduced for a small minority of beneficiaries who, for whatever reason, have few productive assets and little savings today. While no project can expect a 100% success rate, ACF should continually strive to improve its cash transfer programming to ensure the best results possible; this report provides several simple recommendations for how to do so.

Why did unconditional cash transfers work so well in Otuke District? Several elements were in place that helped make them successful. First, local markets were able to stock the various productive assets - bulls, mattresses, ox ploughs, and the like - that beneficiaries wanted to buy. In addition, the security situation had stabilized, creating a context where recovery and reconstruction was feasible. Finally, beneficiaries were motivated to return home and reclaim their livelihoods; many seemed to have a vision of what they wanted for their families down the road that guided their initial investments.

How would the LEARN households have fared within a different type of intervention? An in-kind distribution would have outright provided beneficiaries with a specified amount of pre-determined goods, such as seeds and tools or livestock, according to the project's priorities. Conditional cash transfers would have offered more flexibility, but would still have restricted the ways in which beneficiaries spent money. Though it is impossible to know for certain, unconditional cash transfers likely had more household-level impact than a more restrictive project would have had. Beneficiaries' needs and capacities are highly individualized and dynamic, and only unconditional transfers allow recipients complete freedom in addressing their needs as they see fit. For example, an in-kind distribution of goats might have frustrated young and physically capable families eager to expand their cultivation via animal traction; many beneficiaries might have traded in their animals, leading to losses through transaction costs. On the other hand, a distribution of bulls might have resulted in many losses to older individuals without the capacity to manage larger animals. Furthermore, many legitimate needs arise suddenly and unexpectedly, for example when serious illness strikes. Even a

thoughtfully-planned conditional grant program will find it difficult to anticipate all of these needs.

The numerous successes of the cash transfer projects documented in this report offer food for thought for proponents and critics of cash-based interventions alike. The LEARN households are clearly better off than they were when the projects began in 2009 and 2010, and strong evidence suggests that household-level food security and livelihoods have continued to improve since the projects ended. As intended, the project seems to have kick-started the process of livelihood recovery for returnees in northern Uganda.