

EVALUATION OF CASH RELIEF PROGRAMME IMPLEMENTED BY HORN RELIEF COMMISSIONED BY NOVIB/OXFAM NETHERLANDS



Children of beneficiaries on the Sool Plateau

Final Report

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**Acacia Consultants Ltd.
P.O. Box 340 Sarit Centre
00606 Nairobi, Kenya
Tel/Fax: 254-2 3742855/3746655
Mobile: 0733 780900 / 0722 203 444
Email: admin@acaciaconsultants.org**

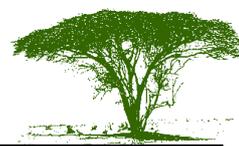


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LIST OF ABBREVIATIONS

CBO	Community Based Organizations
CFW	Cash for Work
DFID	Department for International Development
EC	European Commission
ECHO	European Commission Humanitarian Aid Office
ECRP	Emergency Cash Relief Programme
FAO	Food and Agriculture Organization
FEWSNET	Famine and Early Warning System Network
FFW	Food for Work
FGD	Focus Group Discussion
FSAU	Food Security Assessment Unit
HR	Horn Relief
NERAD	National Environment Research and Disaster Preparedness Authority
NGO	Non-Governmental Organization
NPA	Norwegian Peoples' Aid
IA	Implementing Agency
PDS	Post Distribution Survey
PYLP	Pastoral Youth Leadership Programme
SACB	Somali Aid Coordinating Body
Sshs	Somali Shillings
SVO	Steadfast Voluntary Organization
UNICEF	United Nations Children's Education Fund
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
USD	United States Dollars
VRC	Village Relief Committees
VSF-Belgium	Veterinarians without Borders
WFP	World Food Programme

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EXECUTIVE SUMMARY

This evaluation of the Emergency Cash Relief Programme (ECRP) was conducted between the 10th-22nd of June 2004. The evaluation looked at the various issues of programme operation and management, including financial management, and used an overall performance-scoring matrix for this purpose. The overall impression was that programme implementation was good with a scoring of **2.32** (*details in section 2.3*). The project was largely successful in achievement of the formulated goal and objectives. It had contributed successfully towards stabilizing vulnerable population groups, and had increased the purchasing power of selected households in order to meet essential livelihood needs. However the impact was relatively short lived, due to the lack of action on a longer timeframe in a continued drought scenario.

This evaluation report describes the main effects and impact of the ECRP, brings out the lessons learnt and suggests recommendations on the way forward for similar interventions in future.

Background

High vulnerability levels, caused by a variety of causes, had marked the livelihoods among pastoral communities in parts of Puntland and Somaliland. A four-year drought had offset wide-scale food insecurity causing many families from the regions of Sool and Sanaag to seek assistance in support of their livelihoods. A cash relief intervention was one of the options among several others that were identified by an interagency assessment as an appropriate intervention that could bring relief to the many communities affected. The interagency assessment was initiated upon receiving consecutive FSAU reports on worsening livelihood conditions and upon an assessment undertaken by HR in Eastern Sanaag during July 2003. The analysis of the assessment was that:

- An estimated 15,511 families were at acute risk;
- The Sool Plateau and Gebi Valley received rainfall 60-80% below normal during the 2003 Gu rainy season;
- Berkads were dry and many boreholes inoperable while surface water sources had dried up,
- Pastoralists were spending over 60% of their borrowed income on water,
- Pasture was in extremely poor condition in all areas;
- Pastoralism as a livelihood was being threatened due to cumulative livestock losses and decimated reproduction rates.

The main conclusion of the interagency assessment was that a humanitarian crisis in the Sool Plateau and Gebi Valley was evident and that an immediate, concerted and coordinated response from the international community was required to avert a full-scale disaster.

Following the recommendations of the interagency assessment report from October 2003 the (ECRP) was proposed by Horn Relief (HR) with UN OCHA who later were able to successfully partner with NPA in the implementation in the Sool region. The cash response was the preferred choice for intervention as the primary reason for food insecurity in the area was low purchasing power and access rather than food availability as food is mostly imported in those areas and also implementation could be quick with maximum impact on livelihood protection. Conditions that would allow the cash response seemed to be in place and the programme received funding from NOVIB Netherlands of 700,000 Euros in December 2003 and implementation began in January 2004.

Summary findings

Assumptions: The ECRP proposal was formulated taking into context important underlying assumptions that were linked to its rationale. Some of these assumptions included: the local economy is under stress due to over-stretched credit system; cash injections will mitigate against further livelihood deterioration; food is available on the market and can be accessed when purchasing power is increased; households will be empowered to spend along their priority needs; there will be no negative effects on local economy; and the cost-effectiveness of cash relief and potential to be implemented quickly. The evaluators found sufficient evidence to note that most of these assumptions were relevant and justified (*details in 2.1.2*).

Timeliness: The ECRP was realised quickly once the cash response had been identified by the interagency assessment. The period between programme formulation and the cash distribution only took 2-3 months. This rapid action was possible due to the concerted action of the main actors (HR, NPA, OCHA) and the confidence given by the main donor NOVIB. Swift action was crucial to the success achieved. However, despite the efforts of the various actors, the evaluation team found that the response came late. Drought had been evident over a period of four years and FSAU and HR had been alerting agencies on the threatening situation without any response. Due to the serious nature of the destitution most pastoralists will have ultimate difficulties in regaining their asset base even when the drought is over.

Goal achievement: The main goal of the cash relief intervention was 'to contribute toward immediate stabilisation of vulnerable population in the programme area, through the provision of cash grants until long term interventions can be organised'. This goal was partially achieved. Cash grants (of USD 50 per selected households each) were successfully implemented and contributed to the stabilisation of livelihoods, albeit for a month. Progress was lacking in the organising of longer-term interventions. Thus households were subjected to stress again when the longer-term interventions were not forthcoming. During the evaluation period the numbers of destitute pastoralists had increased in the villages as compared to programme period due to the continuing drought.

Improvement of purchasing power: The cash grants had a major impact on satisfying people's top priority livelihood needs, albeit for a limited period. One of these priorities was focussed on food needs. The cash grant enabled beneficiaries to purchase food according to their dietary needs: using a variety of caloric and protein rich food commodities (see section 2.2.4.). In addition there were health related expenditures and debt repayments. The latter was an important strategy for many as it assisted them regain access to credit for the immediate future.

Economy improvement: The evaluation further established that effects of cash injections had contributed to recovery of the local economy. The restoration of purchasing power of a relatively large beneficiary population helped to unfreeze economic activities and stagnated businesses. In turn, businessmen and business women were able to offer credit services again. Among certain groups, cash had filtered further down the chain, as it was shared frequently among kinship relations.

Targeting mechanisms: The selection of target households was done through an involving process of (1) formulating appropriate criteria for selecting criteria, (2) implementing a village based or clan based targeting mechanism (3) empowering village relief committees to take active responsibility in the selection process. The consultants established that the criteria developed were appropriate (details in 2.2.3) although these were not always followed by the VRCs. Both mechanisms for targeting (village based or clan based) had worked well (details in 2.2.2). Central in this process was the functioning of the VRCs. There were variable observations regarding their capacities, but within the context of limited available time for preparation most did quite well.

Gender balance: As the programme had intended to ensure gender balance in targeting, about 47% of the beneficiaries were women while 53% were men. This contributed to an effective and sensible use of the cash grant, minimising misappropriation such as *Qat* consumption. When interviewed by the consultants all women interviewed had utilized the money for household needs while the men who had received the grant had handed it over to their wives so that the wives determine its expenditure. The men who had no wives or their wives were ill or too old had used the grant for the priorities of the household and not *Qat* (section 2.2.5 for details).

Stakeholder collaboration: Unfortunately there was a profound negative reaction from Hargeisa based organisations and authorities towards the implementation of cash as a relief strategy and the overall nature of operations carried out by Horn Relief. The consultants established that much of the opinions expressed are linked to a political undercurrent that needs to be addressed. Most of the controversies noted by the stakeholders in Hargeisa on the cash transfers did not match the

observations and findings of the evaluation team as the stakeholders and government authorities did not seem properly informed on the whole ECRP process.

Main lessons included (details in section 3.0):

- Cash relief has proved to be an effective means of alleviating an emergency that has arisen out of a prolonged drought where livelihoods have gone into distress for that period in time;
- Cash relief is a more efficient method of resource transfer as opposed to other resource transfers such as FFW or CFW;
- Cash relief benefits more people than other interventions in the shortest time possible with the impacts being felt immediately both at the household and micro-economic levels;
- Detailed planning and preparation are crucial to the success of any intervention such as was exhibited in this case;
- The importance of basing the registration of beneficiaries on criteria that has been established from baseline information that is based on empirical verifiable data for better targeting;
- The importance of social mobilization with the communities and the other stakeholders so as to gain consensus and collaboration on complementary interventions;
- The importance of risk analysis at the beginning of the project such that killer assumptions are managed effectively;
- The importance of timeliness of interventions in drought prone areas for maximum impact;
- The importance of the IA participating in various drought co-ordination forums for networking and co-ordination purposes;

Main recommendations (details in section 4.0)

- HR and other IAs operating in drought prone areas should take into consideration the various stages of the drought cycle in order to achieve maximum impact with the appropriate interventions in the right stages with the right mechanisms in place;
- HR should establish effective monitoring systems that can assist them in implementing interventions in the drought cycle that will assist communities prepare for the drought as opposed to waiting until the effects of the drought have destroyed people's livelihoods such that human lives are at risk;
- HR should be conducting a thorough risk analysis during the conceptualization phase of every project so as to be able to manage risks that can jeopardise the project;
- HR is advised to become involved in the drought co-ordination forums that exist in Somaliland if they are to continue operating in the disputed area.
- In future HR should consider training the VRCs so as to strengthen the targeting system;
- HR and other IAs should consider involving interested stakeholders especially the ones who are resistant to the planned intervention in all stages of their interventions from the conceptualization, planning, implementation and monitoring stages. This can also serve as an information dissemination mechanism so that everyone is adequately informed thereby reducing the chances of speculation.
- Targeting criteria at household level in future should be based on verifiable data collected through a baseline survey at the beginning of the project.

The conclusion of the consultants is that the programme was implemented well and it largely achieved its main objective of slowing down the destitution of pastoralist livelihoods and reviving the local economy. The process the programme took can be improved upon as detailed in the lessons learnt and the recommendations as at the end of the day the main goal of humanitarian responses is to save as many lives as possible which was achieved during the life of the programme.

1.0 INTRODUCTION

Communities in the Sool Plateau in the contested areas between Somaliland and Puntland have for several years been declining towards profound vulnerability levels regarding their livelihood. The most important factors that have contributed to this high vulnerability in the area, which is largely occupied by pastoralist people, include (1) past and present conflict, (2) past and present gross exportation of wood-fuel and charcoal resulting in a sharp decline of natural resources available for pastoralists and (3) high variability of rainfall in the entire region and (4) a continued ban on the overseas marketing of pastoralist produced livestock. A drought had affected the region for several years and had triggered wide-scale food insecurity in the Sool/Sanaag area as well as in other parts of the region.

Horn Relief in response to the crisis decided to intervene by sending the situation reports to NOVIB/Oxfam Netherlands. NOVIB/Oxfam Netherlands had experimented with cash relief on a low scale prior to the intervention that is the focus of this report. They had weighed all the risks that accompany cash transfer interventions especially in a contested area like Sool/Sanaag such as impartiality, diversion of cash, issues regarding the market forces among others. In addition NOVIB/Oxfam Netherlands had a partner (HR) who had considerable experience and capacity to carry out a cash relief programme that would benefit most of the destitute families in the targeted area. It was only after all considerations had been examined and all the risks taken into account that NOVIB/Oxfam Netherlands agreed to fund the Emergency Cash Relief Programme.

The Emergency Cash Relief Programme was implemented from 21st December 2003 to 22nd March 2004 through a tri-partite agreement between Horn Relief, Norwegian Peoples' Aid (NPA), and UN OCHA. The total grant was 700,000 Euros and was funded by NOVIB/Oxfam Netherlands. The ECRP provided a cash grant of US \$50 to 13,830 households in the Gebi Valley and Sool Plateau region of Sool and Sanaag, Somalia. This one-off event was designed to assist targeted families for approximately one and a half months, during which cash or food for work programs could be developed.

Thus the cash relief programme implemented by HR and NPA was in response to a worsening drought scenario that had further weakened pastoralist communities in particular. This evaluation report aims to provide an insight on how effective the programme was and what impact it had on the livelihoods of the beneficiaries. The programme that was considered controversial by several stakeholders was also reviewed from a socio cultural and a socio political perspective, and as such several opinions of critical stakeholders from the Somaliland and Puntland were collected, reviewed and assessed.

1.1 Methodology of the evaluation

The evaluation process followed a standard process of data gathering, analysis and reporting of outputs against the TORs. The process included:

- Desk review of key literature and programme documentation. The following documents were reviewed:
 - ✓ Horn Relief ECRP final report May 2004;
 - ✓ Interagency Assessment Report October 2003;
 - ✓ UN OCHA Post Distribution Survey Report;
 - ✓ FSAU Monitoring reports –December 2003, February 2004 and April 2004;
 - ✓ Project Proposals from HR and NPA.
- Meetings with UN OCHA, NPA, FSAU and SACB in Nairobi;
- Focus group discussions in the targeted villages of Badhan, Xingalool, Shimbiraale, Ceel-Buh, Baraagaha Qol (Sanaag region), Baraagaha Qol, Kal Cad, Taleeh, and Xalin (Sool region). Data collection involved FGDs with the VRC's of the villages, the beneficiaries in each village, non beneficiaries and complainants (See *Figure 1: of a women's FGD in Taleex*);
- Key informant interviews with bank cashiers;
- Feedback meetings with NOVIB partners in Bosaso and Hargeisa

- Key informant interviews with government authorities in Hargeisa
- Telephone interview with NOVIB Netherlands
- Feedback meeting with HR staff in Badhan,
- Feedback meeting with HR, NPA and UN OCHA in Nairobi.

See full list of people met in Annex 3.



Women's FGD in Taleex

Apart from evaluating the benefit perspective of the recipients, the cash relief intervention was assessed from a broader context in order to establish how they fit with strategic pastoralist recovery and development approaches. The technical appropriateness, efficiency and effectiveness of interventions was assessed and the appropriateness of the cash relief was brought into comparison with other relief approaches from a viewpoint of exploring its potential as a mechanism for livelihood support during humanitarian crisis situations.

1.2 Background information on Project

The Sool Plateau had received inadequate rains for 4 consecutive years. This had led to surface water sources drying up, while pastures were in extremely poor condition (See figure 2A and B). Pastoralism, which is the main source of livelihood in the area, was being threatened due to cumulative livestock losses and decimated reproduction rates. An estimated 60% of all livestock had died (approximately 80% of pack camels had died) and the remainder were in poor health condition and had no sellable value. Since no animals were calving, there was no milk for consumption or sale and household expenses had increased tremendously due to increased expenditure through the purchase of water for a prolonged period. Drought coping strategies had largely failed, forcing pastoralists into significant debt resulting in the credit system being stretched to the limit and in some instances ceasing altogether. The coping systems that had sustained malnutrition levels at lower levels were on the verge of collapse, which would have resulted in higher malnutrition rates and increased mortality rates. The social support system was heavily overburdened as the wealthier members of society had to support their ever-increasing destitute relatives in the villages thus threatening the break-up of this very important system.



Figure 2A and 2B- Very dry landscape and river bed

In response to this prolonged drought, Horn Relief undertook an assessment of the eastern Sanaag area in July and issued a report of findings to the Somali Aid Coordination Body in August 2003. This then prompted an interagency assessment of the region led by OCHA. The assessment team included: UNICEF, WFP, FAO/FSAU, UN-OCHA, FEWSNET, Horn Relief and VSF. The assessment was multi-sectoral, examining the food security, nutrition/health, water, education, livestock and environmental conditions in the area.

The interagency assessment found that eastern Sanaag region along with other regions encompassing the Sool Plateau and Gebi Valley in Sool and Bari faced a humanitarian crisis (see *figure 3*). The assessment reported that:

- An estimated 15,511 families were at acute risk.
- The Sool Plateau and Gebi Valley received rainfall 60-80% below normal during the 2003 Gu rainy season,
- All berkads were dry and many boreholes inoperable. Surface water sources had dried up,
- Pastoralists were spending over 60% of their borrowed income on water,
- Pasture was in extremely poor condition in all areas
- Pastoralism as a livelihood was being threatened due to cumulative livestock losses and decimated reproduction rates. Pastoralists had lost up to 80% of pack camels and 50% of shoats.
- Since no animals were calving, there was no milk for consumption or sale¹

The conclusion of the assessment was that there was a humanitarian crisis in the Sool Plateau and Gebi Valley that required an immediate concerted and coordinated response from the international community so as to avert a full-scale disaster. It is on the basis of this assessment that Horn Relief submitted a proposal to NOVIB Netherlands for the implementation of a one off emergency cash relief programme in the affected areas. The assumption was that this response would be complemented with other interventions e.g. cash for work, food for work, water trucking and food aid by other agencies for it to have lasting impact as it would happen only once.

1.3 Rational for a Cash Relief Programme

The recommendation for a cash-based response was identified by the inter-agency assessment based on the following reasons:

- A cash relief could be implemented quickly and would provide an effective means of alleviating the humanitarian crisis as it required less administration, logistical support, and was less expensive to implement than other relief operations due to less supervisory and monitoring requirements.

¹ UN Interagency Assessment of the Sool Plateau and Gebi Valley Sool and Sanaag Regions 9-13th October, 2003.

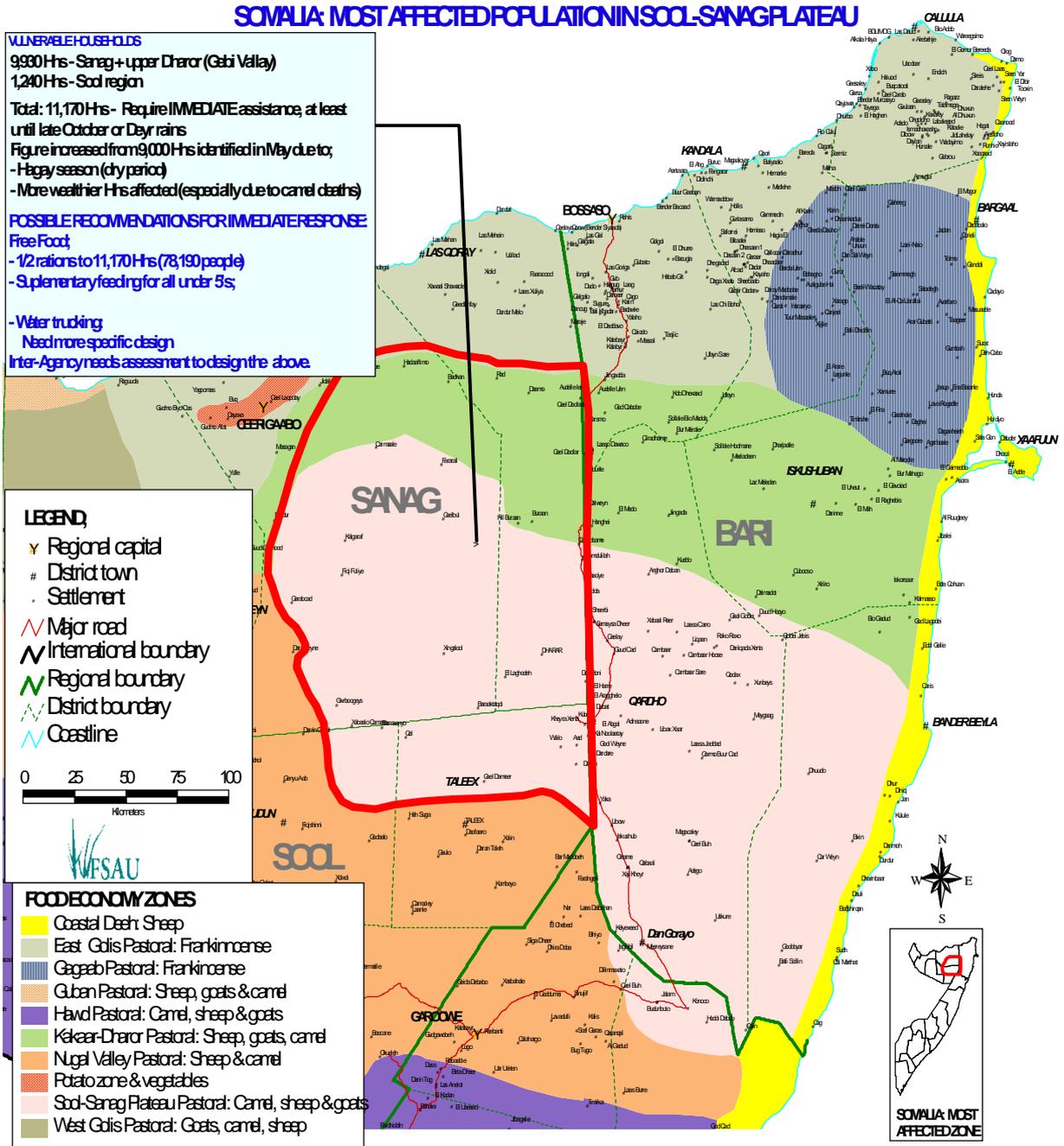
- Imported food was available in the local market. However, due to the prolonged effect of the drought and erosion of assets, households were unable to purchase food due to low or no purchasing power. Cash relief would provide families the resource needed to purchase their basic needs and support the local market and economy structure.
- Cash would support and extend the social support credit system. Families had incurred huge debts due to purchasing food and water on credit to the point where some traders in the villages had closed their shops, as they could no longer maintain the provision of supplies on credit alone. An injection of cash into the local economies would allow the extension of the social support system and prevent the collapse of the local credit system.
- Cash has the potential to empower people to make decisions based on their priority needs. Cash relief would enable families make choices based on their reality and their livelihood context rather than their needs being pre-determined by outsiders who have little understanding of the reality on the ground.
- Cash relief would benefit many more households due to the ease of implementation as compared to CFW or FFW.

The goal of this intervention therefore was: **“To contribute toward the immediate stabilization of vulnerable populations in the Sool and Sanaag regions of the Gebi Valley and Sool Plateau, through the provision of cash grants until long-term interventions can be developed”** while the objectives were:

- To increase the purchasing power of vulnerable populations to meet food and essential non-food needs with the provision of a one time grant of USD 50,
- To reduce the pressure on local social support systems and
- To prevent the deterioration of health and nutrition in the region

It is important to note that prior to the evaluation, the evaluators were made aware of negative sentiments and opinions among a number of Nairobi and Hargeisa based individuals and agencies towards using cash as a resource transfer to assist households in a humanitarian crisis situation in a complex situation that existed in the Sool / Sanaag region. Among others some of these concerns were documented in a widely circulated letter drafted by the Ministry of Foreign Affairs at Hargeisa. The evaluators observed that these sentiments had also been ventilated through an unofficial circuit of hearsay, triggering a negative attitude towards cash based responses rather than a constructive contribution to the debate. The general observation was that the anti-cash opinions were linked to little substantiation of existing evidence on the potential abuse, negative use and/or negative impact. The evaluators decided to (1) keenly observe any possibility of existing evidence on possible negative use or impact linked to the cash distributions during the field work, and (2) to give room to the anti-cash proponents by recommending a conference on the debate on the pro and cons of cash and other resource transfers in humanitarian emergencies following the external evaluation.

Figure 3: PROJECT AREA



2.0 MAIN FINDINGS

This section of the report describes the activities that were implemented by the project and their effectiveness. It also presents the contextual framework in which the project was implemented. It outlines the operational environment (institutional structures, coordination, partnerships, community involvement etc.) and also gives an overview of the efficacy, (effectiveness, appropriateness, timeliness, efficiency etc.) of the project. It aims to provide information to facilitate a clearer understanding of why the project was implemented the way it was and why it had the effects that it had.

2.1 Was the programme based on realistic analysis and assumptions?

2.1.1 Analysis of the Situation

The Pastoralist Youth Leadership Programme of Horn Relief who conduct research activities on pastoral livelihoods using the annual camel caravan (this requires moving with pastoral settlements for a one month period), were confronted by the severity of drought when in early 2003 when they were unable to carry out their annual camel caravan activities due to the death of large numbers of pack animals which they witnessed in the area. This necessitated the various drought assessments. The findings of the consultants is that the proposal was based on a realistic analysis of the information at that point in time as the basis was the Sanaag assessment conducted by Horn Relief in June/July 2003, the Interagency assessment conducted in October 2003 and the FSAU report of December 2003. All these reports confirmed that prolonged drought of Sool plateau and Gebi valley had resulted in a humanitarian crisis due to the following factors:

Livestock:

- Large-scale asset losses and drastic reduction of the major income sources e.g. livestock and livestock product sales;
- Pastoralists had lost 80-90% of the male and female camels and more than 60% of shoats;
- The reproduction rate of all livestock species was close to zero;
- Pastoralists had begun selling the breeding animals in order to obtain cash money so as to enable them purchase food for their families.

Water and environment:

- Pastoralists were spending over 60% of their borrowed income on water;
- The yield of boreholes had reduced between 50-60% (Armale and Ceel-buh);
- The majority of pastoralists in the region are unable to migrate due to loss of transport camels and long distances between limited water supplies and available rangelands;
- Charcoal production was on the increase with 70% of the Cadmae and Acacia trees (primary food for camels, destroyed). See figure 4 below depicting deforestation followed by wind erosion in the Sool Plateau.



Nutrition

- Poor and middle wealth households were facing an energy deficit of 25-35%;
- There were cases of diarrhoea and measles in Yube and Shimbiraale;
- Acute respiratory infections and anaemia was common in mothers and children.

Due to these factors the objectives that were formulated by the programme were relevant to the situation and the humanitarian needs.

2.1.2 Assumptions

Below is an analysis of the underlying assumptions that the programme was formulated and based on evidence collected on the ground.

1) Regarding cash relief:

- *Local economy is stressed from an over-stretched credit system:* this assumption was justified because the credit systems in most places had stopped functioning due to the debt burden. Traders in some places had closed their shops as they could no longer sustain them on credit from the suppliers. This translated to the very destitute not having access to credit or food and resorting to begging or sympathy from other members of the community.
- *Injection of cash for the most destitute and at risk families will mitigate the deterioration of the situation:* this assumption was justified because when the most destitute received the cash grants they managed to address their most pressing needs first which ranged from food, medicine, water, debt relief, e.t.c. However this reprieve was short lived and did not last the estimated one and half months. It lasted for one month and the situation degenerated again with more destitution, greater debts and a stalled credit system due to the worsening situation of the drought and the lack of complementary interventions such as cash for work, food for work e.t.c.
- *Food is imported and available:* this was justified because there was food in the market, the only problem was that there was extremely low purchasing power due to lack of money or assets that could be turned into cash, hence one of the justifications of the cash relief programme.
- *People will be empowered to make decisions based on their priority need:* This was a good assumption because one can never determine how people will use money once they are given without any conditions. All beneficiaries interviewed in the post distribution survey by the consultants had made wise decisions on how to spend the money on their priorities with the

biggest priority at the time being debts and food (33%)². Spending money on their preferred foods catered for their immediate nutritional requirements while spending some of the money on repaying debt would open up the credit system from which they continued acquiring other goods and services for a longer period of time.

- *Cash relief will not affect the local economy negatively:* From data collected in both post distribution survey and the evaluation, the local economies flourished even if it was for a short period of time. Traders (including teashop owners) noticed a marked improvement in business (and therefore profit) for between one and four weeks after the distribution of cash, also directly benefiting from the repayment of debt. In some instances trade improved by 100% during this short period, but in general returned to its pre-distribution levels, with its associated debt burden and credit problems.
- *Cash relief is cost-effective and can be implemented quickly to the emergency situation:* This assumption is true in that other interventions which include CFW, Food Aid or FFW need a lot of mobilization in terms of resources, personnel, implementation, monitoring and supervisory mechanisms such that the impact of the intervention is not immediate but delayed. In an emergency situation the impact has to be immediate and that is what cash relief achieved in an extremely short period of time. Another point to note is that Cash relief minimizes overheads of the implementing organizations thereby maximising the amount of cash that goes to the beneficiaries. In this case the total overhead costs were 17% meaning that 83% of the finances went directly to the beneficiaries. In other well-implemented interventions most overheads are between 25-35%. In this regard cash relief is more cost effective than other interventions.

2) Regarding programme:

- *Security is maintained:* This was a killer assumption. The programme would not have continued if there was no security. In the disputed area where there are non-existent law enforcement agencies, the chances of there being insecurity were high. However relative calm prevailed over the period during project implementation and security was maintained throughout the project by the VRCs with minor incidents that were quickly managed. For e.g. one HR staff was hit on the head by a non-beneficiary and there was shooting in the air by a non-beneficiary. The pistol was quickly taken away by the VRCs and the man restrained by the community. Security had to be beefed up in Badhan by the Sultan during the distribution of money. This was due to heightened tension caused by the gatekeepers who have historically been the key decision makers on the use of all resources in that community.

The consultants also noted that the bank personnel distributing the money had no additional security despite an agreement with the banks to provide additional security during distribution. Although there were no incidents that occurred there are chances of the monies being stolen in future and the lax in security arrangements was a potential risk that could have jeopardised the outcomes of this project, even if the banks would have carried the responsibility of this risk. The issue of security is important, but the evaluators nevertheless believe that under given conditions additional security arrangements can be easily arranged to safeguard the positive outcome of future cash transfer operations by reducing potential risk.

- *Complementary programmes are implemented:* This was a realistic assumption as other agencies e.g. EC had pledged to implement interventions on a big scale to alleviate the problem, such as CFW, Food Aid amongst others. In most areas this did not take place leading to a big gap between interventions and communities becoming more vulnerable than they were before the cash distribution. However, there were other programmes going on such as subsidized water trucking (HR), Food Aid (WFP) and nutritional feeding by UNICEF on a minimal scale such that the impact was barely visible due to the immense scale of the needs.

²Post distribution Survey Report

- *Donor funding available for this and other programmes within emergency timeframe:* This was a realistic assumption as funds were successfully sourced and disbursed within the shortest time possible. The only issue here is that the emergency continued.
- *Capacities of cash transfer companies:* the two cash transfer companies (Dalsan and Dahabsiil) were highly competent for the job, meaning the selection had been well done. If no suitable company had been found, this would have posed a major problem to the project.
- *Cash distributed is sufficient to meet basic needs and prevent further deterioration in the overall situation:* This was a realistic assumption as the cash was sufficient at that point in time to meet basic needs and prevented further deterioration of the situation. The only issue here is that it lasted for a much shorter time than was envisaged due to the immense scale of the problem and also the assumption that a household had an average of 6 people (UN definition). The post distribution survey found that a household has an average of between 8.45 and 9.5 respectively. Hence \$50 in a household of 6 lasts longer than in a household of 9.5. It was also unrealistic to expect \$50 to extend for one and half months when the interagency assessment report had clearly stipulated that the minimum requirements of a poor household were \$50 for one month.
- *Number of affected people stays within estimated levels:* While this was a realistic assumption at the time of registration, by the time of actual disbursements the estimated number of poor and destitute households had increased due to the prevailing situation and even increased further after the disbursements due to lack of other interventions.
- *Cash disbursement does not inflate the price of locally available staple foods and other essential commodities/services:* This was a killer assumption because it negates one of the most important assumptions that the cash would be used for basic necessities. If the prices of commodities get inflated it defeats the whole purpose of cash disbursements to the vulnerable as they would not have been able to afford what they needed unless special arrangements were made with the traders. However inflation did not happen and the destitute were able to sustain their livelihoods for some time.
- *Communities are able to select vulnerable families on basis of criteria; and that there is sufficient means of differentiation between vulnerable and other groups at time of registration:* This was a relevant assumption and realistic as most communities know whom among them is the most vulnerable. The criteria had been used well by most VRCs for registration purposes although the consultants came across some beneficiaries who did not fit the predetermined criteria e.g. in Ceel-Buh a resident villager who had livestock received the monies while some more deserving pastoralists went without and in Kal Cad a salaried household received the grant. Since the VRCs did not undergo any intense training on targeting and this being the first time that type of project was happening loopholes were expected. Overall the targeting had been very well done with 97% of households being correctly targeted (PDS).

2.1.3 Response in changes to the emergency response situation

The consultants found that the programme effectively responded to the emergency response situation from the time the situation was assessed to the conclusion of implementation. HR conducted an assessment of the situation, mobilized other agencies to conduct an interagency assessment, sourced for funds and effectively distributed the cash. In addition HR went ahead to implement other interventions such as water trucking to assist the situation. HR also responded effectively by keeping a reserve aside for a second round of allocation to take care of deserving cases that had been missed out in the first round due to various reasons.

However in terms of effective response to the emergency phase in the drought cycle, the programme was implemented late. This was because the drought had been on for 4 years, other interventions could have forestalled the sinking of livelihoods to the point where absolute destitution and a total loss of livelihoods had taken place. FSAU and HR had been alerting implementing agencies/donors without any reaction. In particular HR had been advocating the international

community, in particular UNCU (United Nations Coordination Unit, the predecessor for OCHA) for a long time to undertake an assessment of the areas without any action. HR also requested the food security and rural development sectoral group of the SACB to convene a HRG that would assist in undertaking an assessment of the areas.

At the time of the evaluation the numbers of destitute pastoralists had increased in the town centres as the drought had prevailed. These destitute pastoralists may not be able to recover their nomadic livelihoods and may have to adapt alternative livelihoods they are unfamiliar with such as sedentarisation which also comes with a host of other problems ranging from population pressure in settlements, water and sanitation issues, change of diets e.t.c.

2.1.4 Influence of changes in the context on the results of the project

The context changed in that the numbers of vulnerable households changed drastically as the drought continued to bite and the numbers of vulnerable households considered during the registration had swelled by the time the money was being given out and hence more vulnerable people. HR responded to this by increasing allocations in various areas and keeping aside a reserve for deserving cases that may have been missed out during the first round of registration.

As the numbers of destitute people swelled and the cash distribution was unable to cater for all in need women in some communities devised methodologies of distribution that in which more people would benefit from the \$50. The consultants gathered information that women (Al Nasar CBO in Badhan Women Group) in some communities managed to stretch the \$50 to more people by collecting small donations and assisting the ones that were still very needy. This means that the money actually benefited more people than the 13,830 families mentioned in the HR final report. This multiplier effect was also captured in the PDS through focus group discussions .

In Sanaag where the clan system was being used, the village system had to be used in some areas (Bali Busle and Habarshiro) due to the high levels of destitution showing great adaptability by the HR staff.

2.2 Reviewing the results of the programme in relation to the objectives

2.2.1 Have the programme objectives been reached by HR and NPA?

This section starts by providing a summary of the teams finding in relation to achieving the ECRP objectives. Horn Relief / NPA described the overall goal of the ECRP as follows:

'To contribute toward the immediate stabilisation of vulnerable populations in the Sool and Sanaag Regions of the Gebi Valley and the Sool Plateau, through provision of cash grants until long term interventions can be organised.'

The objectives of the ECRP were:

1. Increase the purchasing power of vulnerable populations to meet food and essential non-food needs with the provision of a one-time grant of USD 50.
2. Reduction of pressure on local support systems
3. Preventing deterioration of health and nutrition in the region

Goal

In summary, the consultants concluded that the first part of the above described project goal (*contribution to the immediate stabilisation of vulnerable populations in the programme region*) was largely achieved. This was clearly demonstrated by the general findings during the evaluation exercise as described in the various parts of this report as well as by the main findings of the post distribution survey.

The team felt that the second part of the overall project goal (*through provision of cash grants until long term interventions can be organised*) was not achieved. The section of the described goal implied that contributions would have had the desired impact until the moment longer-term

interventions and solutions to the problem were in place. This did not happen for three main reasons:

- The one-time cash grant had a desirable but relatively short-lived impact (1 month as opposed to one and a half).
- The longer term interventions proposed in the inter agency assessment report were not achieved in a timely manner. (At least during the time of the evaluation in June, these were not in place, apart from some irregular and scattered food distributions).
- The drought scenario largely continued throughout most parts of Sool / Sanaag and this led to increased numbers of destitute pastoralists in the villages visited by the evaluators.

Objective 1: Increase the purchasing power of vulnerable populations to meet food and essential non-food needs with the provision of a one-time grant of \$50.

The injection of \$50 into the household budget provided an adequate contribution to the level of purchasing power of the majority of targeted households to support the most essential livelihood needs, albeit for a limited period of time. As revealed by the findings of the post distribution survey, and as confirmed by the consultant's own findings on expenditure patterns, the cash grant was largely used for the immediate purchase of a wide range of livelihood items (food, water, medicine, soap, transport, construction materials, clothing, shoes e.t.c) and the debt repayments (which recharged the credit levels of most households).

The only issue here is that there were huge variations in the cash beneficiaries received after changing the \$50. The ranges were between Sshs700,000-950,000. HR had negotiated with Dalsan bank for a fixed rate of \$1 to Sshs 18,600 but the cashiers informed the consultants that they were not instructed about this by their headquarters and therefore were not changing money. It should be noted that this arrangement was not part of the contract that the banks signed with HR.

Objective 2: Reduction of pressure on local support systems

The consultants felt that substantial progress was made in achieving the second objective. Through the alleviation of immediate livelihood needs as a result of the cash grant the pressure on local support mechanisms was reduced.

Objective 3: Preventing deterioration of health and nutrition in the region

There was inadequate data available to confirm that this objective had been achieved. No nutritional and health data collection was done as part of the monitoring process. Neither was there a component of nutritional surveillance in the post distribution survey. The FSAU monitoring reports of February 2004 recorded a deteriorating nutrition status of the target area. This monitoring was done one week after the cash distribution which was too early for results to be seen. Nevertheless, the consultants observed indications that the cash grant could have had a positive impact on health and nutrition conditions. These included the confirmation of most of the beneficiary interviewees that adequate purchases in food items could be made with the desirable outcome of 'halting hunger' and reducing vulnerability to adverse health conditions. Overall the food basket purchased by the beneficiaries through the cash grant indicated a variety of caloric / protein rich food commodities such as milk / milk powder, vegetable oil, rice and other cereals, sugar. Thus the variety and quality of the food basket that became available after the cash distribution was observed to be appropriate. In addition, those interviewed indicated that improved nutritional conditions gave them strength to combat diseases more effectively. There were also a considerable number of households who used part of the cash grant to purchase medicine for sick household members or paying for medical bills.

In addition the current FSAU nutrition survey of the Sool Plateau (done one year after the 2003 one) indicated a global malnutrition rate of 14% indicating that the malnutrition rate in these areas had not increased significantly as all other factors (livestock loss, purchasing power, destitution, etc.) indicated a severe emergency. The stabilization of the malnutrition levels according to HR and FSAU may be due to:

1. Strong social support systems – social obligation to assist extended family, clan members, etc in the poor and destitute groups.
2. The amount and level of emergency interventions in the area – cash, food, water trucking, etc.

2.2.2 ECRP Targeting of the beneficiaries

This section focuses on the target mechanisms used and whether or not NPA and HR managed to select the people most in need, without any form of bias (i.e. based on clan, gender).

Two different targeting mechanisms were applied: The clan-based approach used by Horn Relief in Sanaag, and the village-based approach used by NPA/SVO in Sool. In both approaches important roles for selecting beneficiaries were given to the VRCs that had been formed at the request of HR / NPA prior to the selection process (see *Badhan VRC in picture below*).



The village-based approach, which was used by NPA/SVO, implied that the main focus of targeting households was done from a perspective of an overall village population. In this approach the village population was represented by the VRC, which was empowered to select beneficiary households eligible for receiving the cash grant according to an agreed criteria model. In the Somalia context, the village is the unit of distribution, not the clan / sub-clan. Pre-allocations for distributions (i.e. the overall number of target households) are done from a village population density perspective and their level of vulnerability).

The clan based targeting approach implied that, the overall population within a certain clan / sub-clan was the main focus for targeting vulnerable households. Although VRCs were also part of this model, the unit for distribution was the clan /sub-clan). The pre-allocations for distribution were done from a perspective of clan / (sub-clan) - based on population density. Horn Relief preferred to use this model as they felt (1) it would provide a more rigorous method to prevent minority groups from exclusion, (2) it would minimise potential conflict over pre-allocations (3) it was a more acceptable method from a traditional resource distribution and governance perspective and (4) it would fit in better in this case where the majority of the recipients were non-village based pastoralist households.

Implications of both systems

The consultants examined implications on both targeting models, but found that from an overall perspective both models had worked relatively well. The following were some main observations:

- The village-based approach as was used by NPA/SVO had worked well within their area of coverage. The consultants noted that the term 'village' was rather referring to the 'area' population than to strictly speaking to a village centred population. While at the time of the distribution many of the nomadic pastoralist households who had become needy or destitute had moved to villages while others continued following their nomadic movement patterns. No exclusion was observed between both these groups. Furthermore the consultants observed that the VRCs within the areas where the village based approach was done were seen as truly representative and transparent by most beneficiaries and non-beneficiaries, and conflict over the distribution along clan-based interests had not arisen as all clans had been represented in the

VRCs. However, there had been a few cases whereby certain minority groups were running the risk of not being included as a beneficiary group as a result of not being well represented in the VRCs. SVO had then taken steps to prevent such groups from exclusion and had ascertained that they took care of the minorities themselves. The consultants also observed a conducive atmosphere, probably as result of good interpersonal skills employed by SVO representative staff, which indeed may have contributed to preventing serious conflict within VRCs over clan-linked ratios in selecting beneficiaries.

- The clan-based targeting approach had given equally appropriate results in the targeting process. The consultants observed that this system in design is more elaborate and involving, and in theory may provide a higher level of guarantee that distributions are done fairly. Before clan based targeting was applied, HR embarked on a process of detailed information gathering by clan and sub-clan especially on population density and blood price levels. HR also made sure that minorities were represented in the VRCs. While the system gave the appropriate output, the consultants concluded that both targeting approaches had resulted in the appropriate results and none was better than the other.
- The consultants however did observe some weaknesses irrespective of the targeting mechanism applied. Both systems heavily relied on secondary information of population details and vulnerability levels. Most of this information was extracted from clan-elders to determine pre-allocation blocks (by village or by clan). So this system largely depended on the quality of information from the clan-elders, which in the present situation is difficult to verify and runs the risk of being subjective. HR reduced subjectivity by not relying on one key informant of a particular sub-clan for population figures, this was triangulated through various sources and by using local staff that had been working with the organization for many years, who provided a better informed analysis of the information collected from the key informants. For future interventions one should consider having independent verifiable information available upon which to base pre-allocations. This can be done through appropriately designed baseline monitoring using geographical and clan-based household sampling.

2.2.3 Targeting criteria

This section will focus on the question of whether cash injections reached the people that were targeted in the proposal.

The main target group for the ECRP were pastoralist households from the Gebi Valley and the Sool Plateau that had become destitute as a result of significant livestock losses. The criteria model that was developed to select the neediest focussed on the number of livestock assets as well as physical assets, social capital including access to remittances from overseas, women headed households, disabled and elderly, larger families and minority groups.

The criteria were worked out and further developed during the ECRP training workshop, with assistance from FSAU. The ECRP training was attended by HR and NPA/SVO Programme staff. It did not include VRCs.

The consultants observed the relevance of the criteria developed. During the fieldwork it became clear that the majority of beneficiaries had come from pastoralist communities and had lost significant livestock assets during the four-year drought period with approximately 47% being women. However, it was also observed that the other formulated criteria were less rigorously applied by VRCs.

As mentioned before, the VRCs were charged with the responsibility of selecting the beneficiaries. While interviewing a selection of these VRCs it became clear that variability existed between their competences to undertake such responsibility. Some VRCs were unable to formulate the criteria appropriately, and had more or less developed their own. A common phrase that was heard during the interviews was *'We know those who are vulnerable and who needed assistance'*. In fact, this

knowledge in most cases directed the beneficiary selection process, rather than a strict application of the developed criteria.

A complicating factor was that beneficiary selection – in the case of Horn relief - was done in a two-step approach. First VRCs were requested to provide an open-ended list of those households in need, according to the developed criteria. This resulted in compiled beneficiary lists that were much longer than what HR expected and for which no resources were available. VRCs were then advised to sharpen the criteria for selection and reduce the numbers. This time the VRCs were given pre-allocations by clan. Some of this, the consultants observed, led to a level of confusion as VRCs had to go back to address the beneficiary lists and had to put great effort in explaining why some stakeholders were taken off the list. Horn Relief again verified the final beneficiary list for error and eligibility.

The consultants observed that the majority of beneficiaries were selected for proper reasons and largely in accordance with the guidelines provided in the proposal. Despite this, on some occasions it occurred that households that should not have qualified according to the criteria were selected to benefit from the programme:

- Some VRCs had selected their own members to be beneficiaries of the ECRP (Xalin, Shimbiraale)
- Several cases were observed whereby recipients were clearly not pastoralists but villagers (Ceel-Buh)
- Some beneficiaries interviewed had significant livestock assets (above the set criteria)
- Some beneficiaries had some sources of income e.g. salaries (Kal Cad).

The consultants spoke to several groups of non-beneficiaries during the fieldwork. Some of these groups and some individuals expressed gross dissatisfaction on the selection process and questioned the credibility of the VRCs and Horn Relief as the implementing NGO. In all these cases the consultants were able to establish that the complainants were in fact not eligible for selection to qualify as ECRP beneficiaries according to the applied criteria. The consultants concluded that the criteria had either not been well understood by the complainants or it had not been properly explained to them.

2.2.4 Were peoples' priorities needs met?

From an overall perspective the priority needs were well met by the cash grants. This is the overriding conclusion of the post distribution survey, which is confirmed by the evaluation team's own findings. The cash grant empowered beneficiaries to make purchases that were relevant to each individual needs relevant to their livelihood perspective. Through discussions with the beneficiaries three main trends became visible:

- Priority needs were focussed on food and water. Beneficiaries satisfied these needs through the purchase of variety of caloric and protein rich food items such as milk / milk powder, vegetable oil, rice and other cereals as well as sugar. Water was purchased or in other cases water needs were catered for through subsidised tankering.
- Priority needs were focussed on health. The cash grant was used by several beneficiaries in payment for medical treatment of some of their children or relatives.
- Priority needs existed in the debt repayment. Almost all beneficiaries choose to at least pay part of their debts. This strategy enabled them to access new credit with their creditors, which in-turn ensured that they would be able to purchase goods and services for their livelihood needs for the difficult period ahead.

Despite the above, there was the limitation on impact, associated with the fact that the cash grant was relatively modest (USD 50) and a one-time input only. Impact was therefore time limited, especially as result of the perceived low levels and irregular deliveries of other resource transfers in the area under review (such as relief food) and due to the continued drought stress.

2.2.5 Were results and effectiveness different for men and women?

The consultants observed that almost 50% of the beneficiaries were women. This had been a deliberate strategy by the programme. The emphasis was on women as it was assumed that women knew how to prioritise their household needs better, while men may be tempted to use the money on non-essentials such as *Qat*. However through the focus group discussions with the beneficiaries, consultants found that most of the male beneficiaries had handed over the money to their wives for the wives to determine its expenditure and the men with no wives had prioritised the needs of the families appropriately. There was no evidence from the data collected by the consultants to suggest that the money had been used for 'guns or *Qat*' as was rumoured in Somaliland.

2.2.6 Was the intervention timely?

The intervention was not timely from the drought stress level perspective. The region had experienced drought related stress for a prolonged period of four years prior to the intervention. FSAU reports indicated growing concern over time, but this was not followed up with timely action. HR's own awareness of the crisis in the making grew in 2003 after its Pastoralist Youth Leadership Programme signalled a significant loss of camel assets as result of the drought. This awareness helped to contribute to convincing agencies to undertake an interagency assessment which identified the cash relief response later during the same year.

The report presented in October 2003, had identified the cash relief response as one of the immediate responses, but in combination with other options that also included food assistance, emergency water provision, emergency health provision and veterinary services. Phase 1 was scheduled to take place between November 2003 to January 2004. Phase 2 was meant to be implemented between February and April 2004 and was to focus on the support to and rebuilding livelihoods through cash of food for work projects and emergency borehole interventions. At the time of the evaluation the activities proposed to be undertaken in Phase 2 had not begun.

Timely action was evident between the moment that the cash relief response was identified and the moment of implementation. Upon publication of the inter-agency assessment report in October 2003, Horn Relief developed their proposal on the cash relief response, which was presented to donors during November. An assessment of the proposal was done swiftly and by December 2003 NOVIB had committed 700,000 Euros for the intervention. Implementation of the exercise began almost immediately under the tri-partite arrangement between Horn Relief, NPA and OCHA. A social mobilisation phase and a training and coordination workshop were undertaken in December and a logistics plan was worked out, followed by the registration process of the beneficiaries. The distribution of the cash grants was done in two phases. The first one took place in January 2004 as 13,770 households received the grant during a 14-day period. The second phase involved the distribution to some 181 households in March. So within a period of barely three months after identifying the intervention, most of the exercise was completed. The consultants overall assessment of this implementation process can be described as ultimately prompt and efficient. It is important to note that the timeliness of this type resource transfer is of crucial importance from the humanitarian need perspective.

2.3 Programme Performance

This section will deal with the overall project performance matrix in table 1 below with explanations in table 2.

Table1: Overall Performance Matrix

	Implementation Aspect	1	2	3	4	5
1.	Assumption formulation	1.5				
2.	Project formulation and design on basis of Interagency assessments		2			
3.	Prevention of the deterioration of the health and nutrition status in the most vulnerable communities					5
4.	Improvement of the purchasing power of targeted families		2			
5.	Reducing pressure on social systems		2			
6.	Timing of intervention			3		
7.	Risk Analysis				4	
8.	Partnership and networking with NOVIB stakeholders			3		
9.	Partnership and networking with Administration Authorities				4	
10.	Partnership and networking with other relief agencies			3		
11.	Capacities of staff in implementation and monitoring	1.5				
12.	Capacities of VRCs in implementation and monitoring					
13.	Adaptability to the various situations on the ground	1.5				
14.	Social mobilization of communities	1.5				
15.	Criteria selection	1.5				
16.	Participation and selection of beneficiaries			3		
17.	Gender considerations	1				
18.	Security arrangements for staff during implementation		2.5			
19.	Security arrangements for cash distributions				4	
20.	Cost effectiveness and overall transparency	1				
21.	Transparency with VRCs and beneficiaries		2			
22.	Cash distribution, co-ordination and monitoring with the banks	1				
23.	Empowerment of beneficiaries	1				
24.	Drought monitoring			3		
25.	Documentation of whole intervention	1				
	Total Score: 58/25 = 2.32					

1= Very Good, 2=good, 3=fair, 4=poor/weak, 5= too early/late to tell/no verifiable data available

Table 2: Justification for Scoring

	Implementation Aspect	Score	Explanation
1	Assumption formulation	1.5	This was good. Most of the assumptions were realistic and relevant to the project and were based on verifiable information from the various assessments.
2	Project formulation and design on basis of Interagency assessments	2	This was well done on the basis of the information acquired by the assessments. The whole process was designed well with a lot of attention to detail especially in the criteria and targeting of beneficiaries and the social mobilization of communities.
3	Prevention of the deterioration of the health and nutrition status in the most vulnerable communities	5	The consultants were not able to verify that the health or nutrition status improved. The first round of FSAU data was collected at end of November and beginning of December before the cash distribution while the second round was conducted in February after the cash distribution. In the second round the report stated that the health and nutrition status of women and children were still critical mostly due to poor nutrition and lack of health services and the situation was still deteriorating. Since this survey took place one week after the cash distribution it was too early to detect improved nutrition levels due to the ECRP
4	Improvement of the purchasing power of targeted families	2	This was good as all beneficiaries interviewed now had money to spend on their priorities whereas before they had no money at all prior to the cash distribution.
5	Reducing pressure on social systems	2	The social support systems had almost collapsed due to the slightly better off people supporting many relatives who were destitute. The cash injection served to lessen the burden on them and also opened up the credit system, which allowed the destitute to access credit for their basic needs once more.
6	Timing of intervention	3	This was termed as fair as explained in 2.1.2. This was because on one hand the intervention was implemented in the shortest time possible while on the other hand as regarded the drought cycle the response was late.
7	Risk Analysis	4	This was not done well. A thorough risk analysis puts measures in place that will mitigate the possibility of events with a high likelihood of occurring which will ultimately have a negative impact of on the results of the project. For e.g. knowing that cash relief was highly controversial, measures to mitigate the rumour mills with the antagonists should have been in place before the start of the project and more efforts should have gone into place to ascertain that the bank people distributing the money had adequate security just in case of any potential incidences.
8	Partnership and networking with NOVIB stakeholders	3	This was fair because while there was networking in Puntland with NOVIB stakeholders there were negligible efforts on the Somaliland side. Hence the animosity of the Somaliland stakeholders towards the project such that damage control has to take place soon,
9	Partnership and networking with Administration Authorities	4	This was poor on the side of HR. The authorities on both sides especially in Somaliland did not seem to be informed about the whole process hence the heightened animosity towards the project. There was also uncertainty of the project in Puntland side leading to the arrest of NPA staff. UN OCHA had spoken to both authorities on numerous occasions however OCHA were not the implementing agency giving rise to more speculation as to why HR were not doing the networking themselves. Because of this it seemed that HR were not being transparent.
10	Partnership and networking with other relief agencies	3	This was fair. The consultants feel that there could have been more collaboration/more dialogue with other agencies such that other interventions could have complemented the cash relief in a more timely manner e.g. the CFW with CARE and Food Aid with WFP.
11	Capacities of staff in implementation and monitoring	1.5	This was good. All staff understood their roles very well and implemented them well at all stages of the project. This was attributed to the comprehensive training they had undergone at the beginning of project which served to harmonize all the various aspects of the project. The use of volunteers and dedicated staff who were well linked through good communication assisted in the overall effectiveness and success of the project.
12	Capacities of VRCs in implementation and monitoring	2.5	Overall the capacity of the VRCs was good. However there were variations in the way the targeting was done by different VRCs, due to different levels of understanding, leading to loopholes in the targeting system and non-destitute people receiving the grant.
13	Adaptability to the various situations on the ground	1.5	This was good. When confronted with different circumstances, staff were able to adapt, e.g. in Sanaag where the clan system was being used, the staff used the village system in some areas (Balsi Busle) due to the high incidences of destitution.
14	Social mobilization of communities	2	This was done well in preparation of the cash distribution. The communities were continuously sensitised about the project and registration processes. The non-beneficiaries were also continuously being explained to as to why they were not eligible for the grant.

15	Criteria selection	1.5	The criteria selection was good, it was sufficient, impartial and gender sensitive, as shown in the post distribution survey, 97% of the beneficiaries were well targeted and the emphasis was on women.
16	Participation of beneficiaries	3	The beneficiaries while aware that were going to receive money did not know how much it was as the PDS showed that only about 20% of the beneficiaries were aware that they were to receive \$50, while most of the beneficiaries knew that they were to receive more than \$100 according to the PDS report. This may have caused unnecessary expectations.
17	Gender considerations	1	The emphasis was on women as it was assumed that women knew how to prioritise their household needs better, while men may be tempted to use the money on none essentials such as Qat. However the consultants found some men who had received the grant and put it to good use for their families.
18	Security arrangements for staff during implementation	2.5	This was good. There were minor incidents as detailed in section 2.1.2. The staff relied on the local security arrangements of the VRCs.
19	Security arrangements for cash distributions	4	This was poor as detailed in section 2.1.2 the bank tellers had no security in the villages except that they were armed themselves and had to resort to travelling at night so as not to arouse suspicion. The banks did not have any additional security arrangements.
20	Cost effectiveness and overall transparency	1	This was very good. The project was implemented in the shortest time possible with only a total of 17% overheads as compared to other interventions, which require up to 35% overheads. The project was extremely transparent with all financial transactions well documented and accounted for.
21	Transparency with VRCs and beneficiaries	2	The transparency of the staff with the VRCs was good. All VRCs were well informed of the whole process as they kept being given information and guided each step of the way.
22	Cash distribution, co-ordination and monitoring with the banks	1	This was very well done. The two banks were extremely competent as they were well networked in the villages and during the distribution HR and NPA staff accompanied all the tellers to verify that each beneficiary on the lists received their grant.
23	Empowerment of beneficiaries	1	This was excellent. All beneficiaries interviewed were extremely grateful with the cash grant and would prefer the cash to food aid due to empowerment. The cash allowed them to make decisions about their lives and at least for a month they were able to function like the average human being again.
24	Drought monitoring	3	This was fair. The drought had been on for 4 years and other interventions should have been in place earlier to forestall the type of destitution that is currently there and which keeps increasing. It should be noted that it is difficult to encourage interventions in the Sool/Sanaag region as the areas are contested and without an agreed upon assessment findings, this has been left only to HR for the past several years. HR has done it's best to monitor the conditions and raise alerts to various SACB members, in particular UNCU, but it never realized into an assessment of the areas to produce the necessary interventions for the areas.
25	Documentation of whole intervention	1	This was excellent. The whole process has been documented very well and lessons learnt from this project need to be disseminated for experience sharing with other agencies, donors and government authorities

2.4 The effects and effectiveness of the cash relief approach used in the programme

2.4.1 Effects of the cash injection

This section examines the effects of the cash grants from a local economy perspective and social political perspective. We also examine whether the cash grants influenced movement patterns of pastoralists and if security in the area had changed as result of the influx of the cash.

a) Effect on local economy

The effect on the local economy was examined extensively during the post distribution survey. The immediate impact was that the cash grant distribution appeared to be closely associated with signs of recovery of the local economy. Due to the sustained decline of local purchasing power levels, economies froze to an extent that businesses stagnated. With the arrival of the cash grants, such businesses reopened. Access of basic commodities was good. The consultants established that none of the beneficiaries confirmed unavailability of their preferred food items at local outlets.

It should be noted that in some areas with relative high concentrations of ECRP beneficiaries the cash influx ranged between approximately \$47,000 – \$82,000. Nevertheless such revival effects on

the local economy had a limited time-span, largely due to the one off nature of the cash grant distribution and the continued drought scenario. Cash distributions had no adverse effect on commodity price changes as shown by monitoring reports on price levels prior to and after the distributions were effected. In some cases commodity prices went down, especially on the purchase of water.

Prior to the evaluation the consultants were made aware of claims of possible misuse of cash grants which, included purchases of *Qat* and even guns. But both the outcome of the post distribution survey as well as the consultants' own findings through interviews with the beneficiaries did not indicate any misappropriation of cash grants by households making non essential purchases. Despite claims on the issue of increased *Qat* intake by recipient households no evidence was found to support this. Instead the post distribution found evidence that some *Qat* dealers had gone out of business due to low purchasing power associated with the continued drought.

b) Effect on social relations

The consultants interviewed several stakeholder groups, including the direct beneficiaries as well as those who were excluded from the programme. Among those who did not receive cash grants, some incidences of dissatisfaction had been levelled against implementing staff. The consultants also noted several complaints of groups and individuals, which in most cases resulted from being unaware on the criteria for selection, or having not fully understood these. Despite these observations there were no incidences that displayed a serious level of antagonism between those who did not receive the cash and those who did. On another note the consultants found indications that cash grants were shared between the recipients and non-recipient households, mostly along kinship lines.

While some of the above described complaints were linked to clan linked groups, again the complaint issue levelled against the programme was about being left out as beneficiaries, but as far as the consultants were able to analyse, this did not antagonise inter-clan relations within Sool / Sanaag.

The ECRP made a successful attempt to put women at the forefront as those receiving and managing the grant. This was confirmed by the field interviews, with women confirming that they had full control over the cash grant once received. Male beneficiaries also handed over the cash grant to their wives in most cases.

c) Effect on migration patterns

The post distribution survey indicated that the cash grants caused certain movements to settlements of those who were not registered as beneficiaries, in the hope to become direct or indirect beneficiaries. However in general these movements linked to the cash grant distribution were considered relatively modest. The major factor undermining the movement pattern of pastoral households was the continued drought and the resulting loss of livestock.

The consultants established that among the beneficiaries a variety of future concerns existed related to their future as pastoralists. Approximately 50% of those interviewed indicated that they would not return to a pastoral way of live, as they saw little prospective in building up their livestock assets. Others argued that the lack of services within the pastoral rangelands was behind the main motivation not to return to pastoralism. Another 50% claimed exactly the opposite, as they argued that life within settlements had no future to them. Among this group a frequently heard motivation to return was the high cost of maintaining livelihoods within settlements.

d) Effect on political relations

The final leg of the field visit included a two-day visit to Hargeisa in Somaliland, in order to consult a selected number of NGOs including several NOVIB partners and several government institutions and ministerial departments.

The evaluation team observed a serious level of antagonism against the operations of Horn Relief by various organisations (government and non-government) based in Hargeisa. Although the consultants had been made aware of the fact that serious reservations existed on the way the ECRP had been implemented and the use of cash as a form of relief in general, the consultants were surprised to learn about the seriousness of the concern and about the vigour on how the arguments were presented. In summary, the consultants were presented with strong views against using cash as a form of relief, from (1) a viewpoint of potential misuse by beneficiaries as well as (2) from a viewpoint of political manipulation and (3) the undermining of other developmental interventions. These views were almost uniformly expressed among all the Hargeisa based stakeholders. Allegations that cash had been utilised for the purchase of *Qat* and for the purpose of buying guns were common within the discussions. In addition, views were expressed at several government departments that Horn Relief did not take part in the national coordination process on disaster management (NERAD) and operated without legitimate registration inside Somaliland.

It should also be noted that due to the negative perception of the ECRP in Somaliland the PDS report has also been dismissed as a sham.

In most of these discussions the evaluation team managed with difficulty to present its own independent view of the findings, especially on the impact of the programme, but had difficulty in finding a conducive atmosphere in doing so. The consultants established that most of the strongly expressed opinions by the Hargeisa stakeholders were not based on independently verifiable information but on hearsay, secondary sources as well as prejudged thinking. The following are some conclusions on the above:

- The opinions expressed on utilisation of the cash grants and the subsequent negative picture created by the Hargeisa based organisations are in conflict with the observations and findings of the evaluation team. In fact, most of the controversies noted and expressed by the organisations did not provide a factual state of affairs as per the views of the consultants
- There is a strong political undercurrent that may have influenced relations between Hargeisa based organisations and Horn Relief. This among others may have contributed in influencing the viewpoints presented.
- In Somaliland, Horn Relief is viewed as being associated with this political undercurrent and efforts are needed to illuminate its position as an independent NGO with a largely humanitarian and development agenda. In this regard it is important to note that the area in which the ECRP was implemented is a contested area, claimed by both the authorities of Puntland and Somaliland. In such a situation it is very plausible that intentions by organisations operating there are easily perceived in a political perspective.

On another note the programme received negative reactions from Nairobi based agencies according to HR and OCHA. The consultants did not collect any data in this regard and as far as the consultants were concerned, these negative reactions did not impact on programme implementation.

e) Effect on security

There had not been serious effects on security that could be linked to the influx of cash grants despite the fact that security arrangements made by the money transfer companies were inadequate.

2.4.1 Effectiveness of cash injections vis-à-vis other approaches

This section is a discussion on the effectiveness of this cash resource transfer option against other options, which aim at achieving the same objective of sustaining lives.

In Africa, only a modest experience exists in dealing with cash aid to vulnerable households on a larger scale in averting famine. But generally cash aid is considered to be a more appropriate resource transfer *vis-à-vis* food aid and an effective way of offering choices to protect or restore livelihoods. Cash enables beneficiaries to make choices about the type of food households prefer

and require. Cash enables purchases / investments in livelihood needs beyond food. Generally cash aid may have a more rigorous impact and be more successful in maintaining an economic perspective for recipient households, as it offers choices and allows households to focus on their own priorities. It should however be noted that a combination of complimentary relief approaches (cash aid, food aid, cash for work, e.t.c.) should be encouraged for better impact as was envisaged in this project as cash aid by itself may not be the panacea for varying forms of emergencies.

The appropriateness of cash aid is largely linked to the fact that it provides a choice to beneficiaries in making investments according to their own prioritised livelihood needs. But other arguments that are in favour of cash are its positive influence on local and regional food production and markets and that it involves a more effective and less costly vehicle for resource transfers compared to food relief operations.

The choice in deciding on the type of food to be purchased is highly relevant. In the context of Somaliland / Puntland food aid had been distributed by WFP including in some parts of Sool / Sanaag. But beneficiaries there indicated that the food items had been inappropriate to their customary diet requirements and in some villages the consultants were told that food aid was being utilized as livestock feed.

The table below displays some of the main advantages and disadvantages of a variety of different resource transfers options, including Food aid, cash aid, food for work, cash for work and voucher schemes³ from a perspective of appropriateness, effectiveness, efficiency and timeliness.

Type of Resource Transfer	Appropriate when?	Main advantage(s)	Main disadvantage(s)	Comments	Desirability and Feasibility
Food Aid	1. In humanitarian crises that have resulted in a severe shortfall in food availability and access or in highly inflated food market prices	<ul style="list-style-type: none"> Provides direct nutritional contribution to affected population 	<ul style="list-style-type: none"> Lack of choice in livelihood investment Expensive Potentially creating dependency Logistical requirements high especially when implemented at larger scale Usually slow and late delivery of food 	<ul style="list-style-type: none"> Widely used across Africa despite several controversies 	<ul style="list-style-type: none"> Can be funded externally because of US and EU surpluses. Does not require strong financial institutions
Cash Aid	1. In humanitarian crises that have resulted in a severe drop in purchasing power, but where markets continue to operate reasonably and food is adequately available through the retail system	<ul style="list-style-type: none"> Provides a wider set of options in livelihood protection. Thus affected households have the ability to invest in their own prioritised livelihood needs Cost effective Can be implemented within relatively short period of time Logistical requirements low 	<ul style="list-style-type: none"> Potential misappropriation where beneficiaries are unable to make conscious choices on expenditures 	<ul style="list-style-type: none"> Only a modest experience available so-far across Africa in using this option on a wider scale 	<ul style="list-style-type: none"> Lack of transparent accounting procedures could enable theft. Limited tax base within country to fund cash transfers – would be dependent on external support. Requires strong financial institutions inside country of operation.
Food for Work	<ol style="list-style-type: none"> During pre-crisis mitigation. During recovery phases following humanitarian crises 	<ul style="list-style-type: none"> If planned well FFW provides both household livelihood protection and social community benefits Self-selective in targeting 	<ul style="list-style-type: none"> Lack of choice in livelihood investment Expensive Potentially creating dependency Logistical requirements high especially when implemented at larger scale 	<ul style="list-style-type: none"> Adequate implementation capacity a pre-requisite 	<ul style="list-style-type: none"> Where food is supplied by external agencies, public works could be feasible. Does not require strong financial institutions or domestic tax base.
Cash for Work	<ol style="list-style-type: none"> During pre-crisis mitigation. During recovery phases following 	<ul style="list-style-type: none"> Provides a wider set of options in livelihood protection / Investment. 	<ul style="list-style-type: none"> Potential misappropriation where beneficiaries are unable to make conscious choices 	<ul style="list-style-type: none"> Experiences across Africa so-far encouraging. Adequate 	<ul style="list-style-type: none"> Needs tax base to fund large public works activities Needs strong

³ Voucher schemes can provide an effective way of combining cash transfers and food aid. Vouchers are distributed to targeted households who can exchange these for food and non-food products at retail outlets, therefore offering choice to beneficiaries.

Type of Resource Transfer	Appropriate when?	Main advantage(s)	Main disadvantage(s)	Comments	Desirability and Feasibility
	humanitarian crises	<ul style="list-style-type: none"> ▪ In other words affected households have the ability to invest in their own prioritised livelihood needs ▪ Cost effective ▪ Potentially stimulates local economy 	on expenditures	implementation capacity a pre-requisite	financial institutions
Voucher Systems	<p>1. During pre-crisis, mitigation and recovery phases.</p> <p>2. When different households are experiencing different phases beneficiaries.</p>	<ul style="list-style-type: none"> ▪ Provides options in both protection and investment – ▪ Offering choice to households. ▪ Potential for misappropriation can be overcome. 	<ul style="list-style-type: none"> ▪ Difficult to implement in remote areas 	<ul style="list-style-type: none"> ▪ Some limited experience elsewhere 	<ul style="list-style-type: none"> ▪ Less dependence on financial institutions ▪ But requires strong reporting and accounting mechanisms, down to village level.

3.0 LESSONS LEARNT

The major lessons that the programme has brought out are outlined below:

- 1. Empowerment:** This has proved to be an effective means of alleviating an emergency that has arisen out of a prolonged drought where livelihoods have gone into distress for that period in time. This is because when pastoral communities have lost their assets and means of livelihood which in this case means livestock apart from resettling them in villages, giving them cash for them to make a choice on what their priorities are so that they spend the cash in the way they deem best is an extremely empowering tool for them. Cash can assist them migrate to more endowed areas in terms of pasture and water, it can buy culturally acceptable food as opposed to food that they are not used to (maize), medicine, and assist in the repayment of their debts which then enables the credit lines to be opened up again.
- 2. Efficiency:** Cash relief has also proved to be a better cost effective and efficient method of resource transfer to alleviate to some degree the suffering of the most vulnerable for a short period of time while other more sustainable interventions also come into play shortly afterwards. This is because the logistical arrangements e.g. supervision and monitoring and social mobilization take a much shorter time period than FFW or CFW due to the added complexity of those interventions. Certain target groups such as the very weak and the physically challenged would also not be able to benefit from FFW and CFW and therefore would need an alternative efficient and effective resource transfer.
- 3. Numbers of beneficiaries:** Cash Relief has proved as opposed to other relief interventions that it benefits more vulnerable people faster over a larger geographical area, as it can be administered in a shorter time and the effects are felt immediately. Other interventions cannot be as widespread as cash relief due to additional logistical mobilization and supervisory resources. It is also easier for cash relief to have a multiplier effect as it is a more fluid resource transfer and it can be shared easily among more households along the kinship lines.
- 4. Preparation:** Detailed planning and preparations of an intervention are crucial to the success of any intervention as seen in this case. HR intensified efforts in the preparation and planning of the cash relief, hiring additional staff and using its volunteer networks (PYLP) on the ground, training them and standardising various aspects of the intervention such that all personnel were using the same methodologies and tools for data collection and monitoring. This worked very well and contributed to the success of this project.
- 5. Targeting:** When targeting for cash relief, the vulnerability of households such that the poorest of the poor receive the cash is of uttermost importance as these should be the targets. All systems of targeting whether village or clan based can work well as long as the loopholes are sealed early in the design of the targeting systems. Moreover the systems should all be based on empirical data that is collected for the purpose of the cash distribution. All variables that are likely to affect the most vulnerable households are collected in the baseline such that the criteria selection is based on these and some important ones are not left out such as the debt burden in this case. Another advantage is that when the criteria are based on empirical data the chances of the personnel involved in the selection being biased either towards clan or other interests are minimized.
- 6. Determination of cash grant:** The project gave out \$50 to last for a period of 1 and half months. This was unrealistic, as the interagency assessment had calculated the minimum requirements for a poor household to be \$50.3. The lesson here is that allocation of cash to be distributed needs to be calculated using the monthly expenditures of households, which includes expenditure on the food basket, and other household needs. Hence the appropriate amount should have been \$75 for it to last 1.5 months.
- 7. Selection and harmonization of criteria:** The criteria worked out to assist selection of beneficiaries were relevant. But the selection of criteria that will be applied uniformly across the board by all the implementing personnel from the IA to the village should be well understood by all to avoid exceptions to the rule falling through the system. This can be harmonized through training and capacity building for all involved (VRCs) and not just project staff.

- 8. Social Mobilization:** Social mobilization of the targeted communities and creation of awareness and information sharing of the purpose and progress of the cash relief is a worthwhile tool to use. This increases the transparency of the implementing agency and of the village structures on the ground implementing this intervention.
- 9. Effects on local economy:** Cash relief can open up a frozen economy without adverse effects to the economy such as inflation of goods and services. This project proved this very well.
- 10. Prioritisation of needs:** When the destitute are assisted with cash, they are unlikely to spend it on items that can further jeopardize their livelihoods at the time such as food and water. Hence, livelihood needs prevailed above the tendency to purchase non-essential items such as Qat.
- 11. Stakeholder participation and co-ordination:** Cash relief is usually a controversial subject and requires the goodwill of all stakeholders be they local CBOs and NGOs, government and international agencies as they all have interests in the affected areas and they should feel that their interventions are not threatened by the cash relief. It is therefore prudent for the IA to ascertain that they hold dialogue with all concerned parties and if necessary include them in the drought assessments and monitoring of the process so as to convince them of the benefits of cash distribution at that point in time. The importance of complementarities with other interventions should also be conveyed so that there is no gap after the cash relief especially if the drought continues as has been in this case. It should be noted that in as much as interested agencies (local, international and governmental), were invited to participate in the inter-agency assessment with some participating and others opting out, the desired outcome of all stakeholders being convinced about cash relief was not realized. The consultants were of the opinion the breakdown of communication between HR and the other stakeholders was the cause of the lack of goodwill as exemplified in section 2.4.1d.
- 12. Risk analysis:** This is an extremely important exercise to conduct at the beginning of the intervention at the conceptual stage (and not when the intervention has already begun because then what results is crisis management and not risk management as was the case in this programme) so that the IA understands what it is up against and puts in place measure to mitigating the risks that have a high probability of occurring and are most likely to jeopardize the outcomes of the project (*see Annex 2 on how to conduct a risk analysis*).
- 13. Efficiency:** Although the intervention was late from the drought stress level perspective, timely action was ultimately swift from the moment of identifying the intervention. Swift action in humanitarian assistance in this case cash relief is of utmost importance especially in situations where human lives are at risk.
- 14. Effective Communication:** This has to be underscored, as it is only through effective communication that an IA can minimize misunderstanding between beneficiaries, non-beneficiaries, other agencies and authorities. IAs need to have an effective communication strategy especially in sensitive projects such as cash relief. For e.g. SVO was communicating the process of the project through a local radio station. HR had developed a comprehensive communication system between the field teams, a base in Bosaso and Las Anood and Nairobi that was in constant contact with each other by radio and Satellite phone. On another note, when contentious issues are raised about the project by various actors they should be handled as quickly as possible through informal and formal means so as not to give rise to potential problems in future.
- 15. Development interventions vis a vis cash relief:** There were complaints from Somaliland that the cash relief had jeopardised development interventions in some areas as people were not willing to offer community contribution if they could be assisted with cash. Whilst the evaluation did not come up with data to substantiate this claim, there is a likelihood of this occurring. The IAs need to minimize this risk by creating awareness and sensitization among beneficiaries and collaborating with other agencies so that the beneficiaries are made to understand that the cash is not a substitute for other types of assistance that they may require.

4.0 RECOMMENDATIONS

The following are the recommendations for HR, NPA and NOVIB:

- 1. Drought Cycle Management:** All agencies implementing interventions in drought prone areas should take into consideration the various stages of the drought cycle. This is because over the years it has become evident that the management of the whole drought cycle is the best means of assisting the affected communities as opposed to having interventions especially in the relief phase that are likely to cause more harm than good when the cycle is in the other stages. For example the interventions that should be implemented in the relief stage should be such that the communities are able to recover adequately in the recovery stage and not be dependent on the relief interventions. This can be achieved through a lot of sensitization and preparing the communities for the recovery stage. The consultants have developed a DCM framework as a basis for developing tools and strategies for appropriate action in reducing vulnerability and for entitlement protection. (See *Annex 1*). The consultants also recommend that HR and NPA establish structures and mechanisms that can deal with all the different stages of drought all the time so as to lessen the amount of effort and resources that go into the relief stage. Adequate preparedness for drought all the time is the best way of minimizing the pressures of the relief stage on the affected communities and when well monitored the implementing agencies can intervene earlier and arrest the situation from getting to the distress stage where human lives are at risk.
- 2. Monitoring and evaluation:** All stages of drought need to be monitored carefully with the appropriate indicators in every stage so as to be prepared for the next stage. Emphasis on the mitigation and alert stage should be emphasised as this is where the preparedness for drought is of essence. This is because in the mitigation stage all the capacity building activities such as storage of water and increased livestock production takes place. In the alert stage the identification and response to early warning information can again minimize the pressures of the relief phase. As such, the consultants advise HR and NPA to put in place structures/liase with existing information systems (FSAU, GIEWS) that can collect drought information throughout the cycle, from baseline information to regular data collection. This will assist HR in designing the most appropriate interventions in all stages making the impact more sustainable for the affected communities. The issue here is to embark on a regular system of a relatively simple but rigorous methodological household surveillance that will provide more detail on the livelihood status from a perspective of regularity. The information should be collected from stratified sample household units and focus on a number of environmental, socio economic and welfare indicators that are not (or insufficiently) covered at local levels by other monitoring systems. The current operational drought monitoring system in Northern Kenya provides a possible model for adaptation.
- 3. Risk Analysis:** One of the lessons of this project was the importance of risk analysis before the implementation of the project. This is a must for every project more so the sensitive ones in nature such as cash relief. *Annex 2* gives a detailed explanation of how this should be conducted in future by implementing agencies. The IA should be in a position to counter the high risk factors before the impacts of the project are jeopardised as has occurred in this case with the acrimony and lack of goodwill caused by the Somaliland side for even future interventions.
- 4. Networking and participation in relevant forums:** This was deemed poor by the consultants. HR is not based in Hargeisa since the area they operate in is closer to Puntland and as such have their offices in Bosaso. Whereas this is a practical solution to the implementation of projects, for networking purposes with the Somaliland administration and NOVIB partners (Somaliland) it is ineffective, as HR misses out on the networking and the co-ordination of various drought related interventions and information from Somaliland. HR also has no mechanism for active networking and information sharing with other NOVIB partners in Somaliland and the Somaliland administration giving rise to speculation and rumour mongering which damages the image and has the potential of jeopardizing future interventions by HR. The consultants recommend that HR moves quickly to establish a presence in Hargeisa or Erigabo and begin participating in the various drought related forums either in Puntland or Somaliland such as NERAD and the National Drought Committee to rectify this volatile situation. NPA is already participating in the drought forums

and shares its reports with NERAD hence less animosity towards it by Somaliland authorities.

5. **Capacity building:** Whilst the capacity building of the staff was found to have been well done, the capacities of the VRCs was found to be inadequate for the targeting process. This was exemplified in the various ways the VRCs interpreted the targeting criteria leading to the loopholes occurring which resulted in some beneficiaries receiving the cash when they had not really qualified in one way or another. The consultants' recommendation therefore is the adequate training of the VRCs for future interventions. In addition the consultants recommend that the villages have only one relief committee that handles all relief issues such as food aid, water trucking, e.t.c. to avoid having many relief committees which have different targeting criteria for the same community.
6. **Social mobilization:** As much as possible social mobilization for cash relief should be done when all the allocations are confirmed so as to eliminate the issues of de-registration as was the case in this project due to over registration before the pre-allocations were done. This will also eliminate the problems that arose from the potential recipients who had been deregistered as was witnessed in some cases.
7. **Exchange rate:** In the project the exchange rate variations ranged from Sshs 700,000-950,000. This will definitely affect the expenditure pattern of a vulnerable household as the more the money at hand the more needs you are able to cater for. In future IAs in cash relief should endeavour to make sure that all beneficiaries change money at the same exchange rate. This can be made possible through entering into firm agreements with the local moneychangers, banks and traders and ascertaining that this occurs during the cash distribution.
8. **Stakeholder mobilization:** This is of utmost necessity in this case as the operation area is a disputed area that is contested by two administrations. HR has no choice but to bring everybody on board through increased interactions with both administrations and partners on both sides. The consultants recommend that the stakeholders be involved in all stages of interventions, from the conceptualization, to assessments, implementation and monitoring of the interventions. It is only in this way that information that is factual will be conveyed to all stakeholders and the speculations and rumour mongering will cease.
9. **Targeting Criteria:** The targeting criteria in this case was effective (97%) but can be strengthened with the use of baseline information that is collected before the intervention to prevent varying interpretations of the criteria or unrealistic information being used. For example with baseline data, the registration process would have been easier as HR and NPA would have been relying on facts on the levels of destitution and not variables that are subjective such as blood price in the determination of the size of a clan. The actual numbers per household would also have been verified through a baseline and this would have had an impact on the way the allocations were done. Having facts allows you to determine the best methods of implementation that will be free and fair to all beneficiaries.
10. **Contracts with the partners:** Whilst the contracts entered with the partners were adequate, they can be strengthened in future through the use of legal advice. This will ascertain that all matters pertinent to partnership are clearly articulated leaving no room for manipulation from either contracting parties. For example the contract between the money transfer companies could have included aspects of the companies having money exchange mechanisms. This issue was verbally communicated but was not in the contract hence the money transfer companies never offered these services leading to the beneficiaries seeking Sshs through other means leading to substantial variations in the total monies a beneficiary had for spending.
11. **Consensus building workshop:** Two consensus-building workshops need to take place. One with the NOVIB partners, which should take place as soon as possible preferably on neutral ground such as Djibouti or Addis. This workshop should serve as a debating forum on various relief interventions more so the conventional ones e.g. cash relief and also the integration of relief and development continuums. All stakeholders would need to adequately prepare for this workshop with facts and figures of their experiences so that the real picture on the ground informs the debate. The second workshop should take place with the Nairobi

based relief agencies such as WFP, UNICEF, EC, e.t.c. with the same objectives of consensus building.

5.0 CONCLUSION

Cash Relief is one of the efficient, effective resource transfers that is implemented during a humanitarian crisis as explained in the report. It is often a sensitive intervention as the idea of giving out cash to people is often misjudged for various reasons regardless of the justification. In Somalia, a country without a legitimate government, every form of assistance is bound to have political undertones and more so cash relief.

We need to ask ourselves after learning from this project, is cash transfer in the Somalia context the best option, taking into account the views of Somaliland that if earlier interventions had been implemented earlier on in the drought, people's livelihoods would not have deteriorated to the depths that they had, such that giving them cash was the only option. How would the project have been perceived if it was not implemented in a disputed area? Can this intervention be implemented a second time in the same area with attention being given to the social mobilization of all stakeholders where all have to be in agreement that cash relief is the best option? Or would this lead to heightened tension between Puntland and Somaliland governments?

Other questions for donors to ponder on are: What type of IA should implement cash relief/other interventions on a grand scale? Are they credible with other agencies operating in the target area and is there goodwill from all stakeholders especially if there is bound to be some form of conflict due to the intervention?

We may not have the answers to the above questions yet as Cash Relief is a modern method of humanitarian assistance and the learning is still ongoing. This project should serve as a good case study for other agencies wishing to do the same.

Some of the recommendations such as opening up a new office base in Somaliland and engaging with partners and relevant Somaliland authorities more, have resource implications for HR and NPA. However when IAs are committed to improving the impacts of their interventions investments into approaches and methodologies that can best achieve this is never a wasted effort as the rewards are soon evident.

Presently the most sustainable way of enhancing livelihoods is adopting the relief-development continuum where relief is implemented in a development cycle as is suggested in drought cycle management and not on its own as this has proved unsustainable in the past. IAs implementing livelihood based interventions in drought prone areas should therefore adopt this model as much as possible.

The conclusion of the consultants is that despite the drawbacks, the programme was implemented well and it largely achieved its main objective of slowing down the destitution of pastoralist livelihoods. The process the programme took can be improved upon as detailed in the lessons learnt and the recommendations as at the end of the day the main goal of humanitarian responses is to save lives which the programme achieved.

ANNEX 1: DROUGHT CYCLE MANAGEMENT IN THE GREATER HORN OF AFRICA

1.0 Introduction

This paper aims to provide an outline on basic concepts of disaster management and drought cycle management in particular with a focus on the Horn of Africa. To institutionalise DCM in development programming will reduce the risk and consequences of drought within the region.

In any country there is a need to understand hazards which threaten the region and in particular the factors which render societies or individuals more vulnerable to adverse consequences if a disaster occurs, and which increase the likelihood that a hazard will result in a disaster. Disasters are part of life in the Horn of Africa, where a mix of natural and man made disaster are frequently occurring. As the type of disasters may vary, different disasters may sometimes occur in parallel (i.e. conflict combined with drought) with compounding effects on impact. In terms of severity and frequency of occurrence the most serious hazard-related crises facing the Greater Horn region are drought-related. The most seriously affected areas are thus in the arid and semi-arid lands (ASAL) that are prone to frequent droughts. It is recognised that drought by itself does not have to result in a disaster⁴ but that in large parts of Africa it often does.

The DCM concept will need to be addressed from an overall development context with the aim of institutionalizing drought as part of the development process. Most disaster management modules focus on how to prepare for and respond to a disaster event. DCM is different. It is based on a belief that:

1. Drought Cycle Management in the Greater Horn should be part of any development initiative and should be multi-sectoral in approach;
2. Drought Management should be community based and;
3. Development planning must reflect an understanding of local livelihood patterns and resources.
4. There is need to strengthen the mitigation and prevention aspects of disaster management;
5. Mitigation should be sustainable, minimising dependency on external incentives and ensuring the preservation of natural resources on which livelihoods depend.

This advocates for a shift in thinking from a traditional relief and disaster preparedness focus, towards a developmental approach incorporating hazard mitigation and vulnerability reduction concerns (particularly at community level). It is recognised that many top-down programmes fail to address the specific local needs of vulnerable communities, ignore the potential of local resources and capacities and may in some cases even increase people's vulnerabilities. As such risk reduction must be part of the development and humanitarian agenda and should accord a central position in the operational priorities and programmes of aid agencies at the community level.

2.0 Background & Principles of Disaster Management

Drought cycle management is part of the overall concept of disaster management. Disaster management requires a holistic approach that focuses on different elements in management procedures that aim at reducing the risks and consequences of disaster triggers. These triggers can be of a fast- or slow-onset nature and have their origin in natural or man-made causes. Among others they can include drought, flooding, outbreaks of endemics, war and conflict.

The triggers should, by themselves, not be termed as disasters. There are proven cases that disaster triggers never resulted in actual disaster situations. They may however *slowly* or *rapidly* evolve into disaster situations in certain conditions, particularly in vulnerable environments. This implies that it is crucial that an important part of disaster management should aim at reducing risk in vulnerable environments, and reduce the levels of vulnerability itself. General and specific environmental factors that can contribute to disaster risk include the following:

⁴ Disaster is defined as an event, series of events or a process which gives rise to casualties and/or damage, or loss of property, infrastructure, essential services and means of livelihood on a scale which is beyond the normal capacity of the affected communities to cope unaided.

General factors

- Widespread poverty
- Poor local, or regional productive output
- Weak local and national economies
- Poor economical diversification among rural households
- Poor physical infrastructures
- Lack of social service delivery structure and a lack of entitlements based policies
- Poor leadership and administrative structures, political instability

Specific factors

- Poor understanding and knowledge of local situations (i.e. local production systems and economies) among planners and policy makers
- No entitlement protection policies in place or practiced⁵
- Lack of specific disaster prevention policies
- Inappropriate and/or poor functional disaster management structure

Throughout our history, disasters have inflicted a heavy cost in human, material and physical resources and damage to the environment. They represent a potentially significant obstacle to economic growth, poverty reduction and development. Disasters occur when hazards impact on a community to the extent that available resources cannot cope with the problem effectively. The community itself needs support and assistance to prevent and cope with disasters and their effects. Disaster management requires effective strategies that will include programmes and measures to:

- Prevent or reduce the severity of hazard impact
- Ensure the preparedness of the arrangements and of the community itself
- Provide an effective response should impact occur
- Provide for the recovery of a community affected by such an impact.

The basic principle of effective disaster management is that it offers a collective safety net for all livelihood systems that has the potential to protect development processes against those setbacks that derail development in many countries frequently through natural and man-made disasters.

The importance of effectively managing any disaster (drought being the primary disaster in the Greater Horn region in terms of frequency of occurrence and populations at risk) is being increasingly recognized and technical expertise in the field is rising. However, such knowledge is still to be effectively documented and disseminated to relevant actors.

3.0 Drought Cycle Management

Drought management is a collective term comprising all aspects of planning for and responding to droughts, including both pre and post-drought activities. It may refer to the management of both the risks and consequences. Effective drought management encompasses both a comprehensive range of instruments for detecting and forecasting droughts and for issuing alerts, as well as risk reduction functions. Warnings need to be complemented by information on the risk and the likely strategies to mitigate and respond to the damage that could arise. The drought cycle is illustrated in the model below and the type of activities undertaken at each stage in relation to pastoral and agro-pastoral livelihoods.

The model has four different stages that cover the whole drought cycle and therefore includes “development activities as well as relief and recovery activities. The most important conclusion of this model is that interventions in the mitigation and preparedness stages are more effective than waiting until the relief stage has been reached. The model advocates the building of community capacity to manage and respond to drought stress in a gender sensitive, environmentally sustainable manner.

⁵ If practiced these policies would protect peoples access to food and basic livelihood requirements during periods of stress



It is clear from the model that the response to high levels of vulnerability to drought cannot merely be in the form of emergency aid once drought has struck. Presuming that the overall aim of drought management is progressively to minimize the impact of droughts on populations, vulnerability to droughts can be decreased if the factors that contribute to it are tackled.

At the heart of this is trying to make livelihoods more secure. It means creating the structures and institutions that capacitate communities in the recognition that decreasing vulnerability is the same as increasing capacity. Thus vulnerability reduction activities are central to sustainable development and conversely sustainable development is vulnerability reduction. Hence

drought management and development are inextricably linked.

The failure of organisations operational in drought prone areas to integrate the concept of drought cycle management (DCM) is felt at community level where response to drought can be late and inappropriate and where implementation methods undermine community's traditional coping mechanisms or the development strategies of other stakeholders and communities own capacities are not utilised or built upon.

To manage drought effectively, a major focus should be on the productive and economical position of the rural household. In the short run, how can these be preserved, supported during stress, re-activated in post – recovery? In the long run, how can the productive and economical positions of rural households be strengthened, diversified, as to reduce vulnerability? The twin approach of (1) long term development strategies to reduce vulnerability and (2) entitlement based strategies to maintain and preserve livelihoods during stress remains important to regions within the Horn of Africa. A clear understanding of livelihood systems and the sustainable livelihoods framework is a pre-requisite to effective DCM. Disaggregated strategies according to 5 livelihood systems, namely: pastoral, agro-pastoral, subsistence agriculture, service providers and hunter-gatherers are encouraged.

A key principle of the DCM approach is thus the promotion of sustainable livelihoods. A livelihood comprises the capabilities, assets and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.

4.0 The Seven Golden Rules of Effective Drought Cycle Management

All organizations implementing projects in drought prone areas need to know the following rules:

- ❖ The first aspect is for agencies working in arid and semi arid environments to realize that they operate in drought-prone areas and therefore ought to anticipate drought episodes in their planning. Drought should not therefore be considered as an interruption of a plan but rather should be expected and planned for. This means that the shift between “normal” development activities and “relief-based” activities should be possible within the organization without major decisions being made outside of the organization. Proper planning should facilitate this;
- ❖ Budgeting should be flexible between development and relief budget lines in order to

allow flexibility in activities. This is a very difficult concept for donors to appreciate and yet experience shows that those donors that have allowed this flexibility have in the longer term gotten value for their investment because this approach protects livelihoods as well as lives and enhances post-drought recovery;

- ❖ It is important for agencies to develop drought contingency plans and to go through different scenario planning sessions so that these can be documented and kept as “shelf” plans to be implemented with only minor modifications in the event of a drought. Again, experience has shown that where contingency plans existed prior to the drought episode, resource mobilization was faster and this reduced the potential for “big” mistakes in implementation. In addition, the time between Early Warning Information and Response was reduced in some cases from 9 months to 2 months, as was the case with Oxfam GB in Wajir during the 1999-2001 drought in Kenya. Contingency planning also involves the undertaking of capacity and resource assessments within the organization and the setting aside of critical resources in the event of a drought episode;
- ❖ Agencies must train staff on various aspects of DCM from strategic needs assessments (such as nutritional assessments among vulnerable groups) to participatory implementation of drought interventions with full participation of target groups in each stage of implementation;
- ❖ Organizations must be willing to try out new ideas and activities because for too long, food relief is the only response that most agencies will likely associate with drought response. Yet there are so many interventions that can be implemented prior, during, and after a drought episode. Agencies must be willing to experiment and be innovative in order to contribute to the existing body of knowledge on effective drought cycle management;
- ❖ It is important for agencies to be linked to a drought information service provider. EWS information, strategic needs assessment reports, vulnerability assessment reports, rapid assessment missions, poverty assessments, project monitoring reports etc. are all very important information that would contribute to agencies improving the quality of their interventions;
- ❖ Agencies should strive to be part of the drought coordination structures. A multi-agency approach that engenders collaboration and sharing resources with other agencies in the district or location of operation is key to successful drought management because little impact is realized when agencies operate single-handedly.

Some of the points above are difficult to achieve with donors because it is easier when plans and budgets are earmarked for specific activities. However, agencies should lobby donor and partners to understand and appreciate the uniqueness of working in a drought-prone area and what this means for effective development through optimal use of investments.

ANNEX 2: A GUIDE TO RISK ANALYSIS

A. Introduction

Most projects operate in a difficult environment in which external factors may seriously delay or prevent the achievement of the project's outputs and objectives. These limitations to project implementation are referred to as assumptions and risks: the conditions that must exist in order for the project to succeed (assumptions), and the external factors that could prevent the project from succeeding (risks). Assumptions are related to, for example complementary outputs from other projects which are necessary to support links in the chain of objectives. Assumptions also relate to conditions in the environment which must be satisfied for the project to operate. The negation of an assumption is a risk. The higher the probability that an assumption will not be fulfilled, the higher the risk that is involved.

Assumptions and risks are outside the span of control of project management, yet they need to be identified and analysed in order to plan realistically. Assumptions and risks should be identified for each level within the Logframe matrix: from inputs to outputs to outcomes/results to purpose levels. The identification of assumptions and risks should take place as early as possible, in order to:

- Determine the probability of success;
- Avoid serious risks by reformulating the project;
- Clarify areas and limits of responsibility of project management;
- Indicate areas where there is need for more information or further investigations

Once the assumptions and risks have been formulated as, ensure that:

- They are formulated as desirable, **positive** conditions;
- They are linked to the **correct project level**;
- Factors that are **not important** are not included;
- Factors that are **very likely** to occur are not included;
- Assumptions and risks are **precisely** and **verifiably** defined.

Risk analysis should be conducted at the conceptual stage of the project.

B. Steps in risk analysis

When conducting an assumptions/risk analysis the following table would be useful.

	PROBABILITY	Low	Medium	High
RISK				
Low		LL	ML	HL
Medium		LM	MM	HM
High		LH	MH	HH

1. Identify the assumption.
2. Determine whether the probability of it occurring is low, medium or high.
3. Determine what the risk to the project will be if the assumption occurs. Will it be low, medium or high and insert it in the appropriate box in the table.
 - The assumption in the **LL** cell means that the probability of the particular assumption occurring is low and the risk to the project will be low if it does occur. On the extreme, the assumption in the **HH** cell has a high probability of occurring and the risk to the project is high. This is where killer assumptions fall, e.g. *that security will be maintained in a scenario where there are literally no law enforcement agencies.*

- The assumptions that fall in the, **LH**, **MH**, and **HH** cells need particular attention as they are likely to jeopardize the project when they occur and therefore need to be managed actively. As such mitigating measures need to be clearly spelt out and integrated into the project design or a reformulation of the project needs to take place so that there are minimal assumptions falling in these cells.

ANNEX 3: LIST OF PEOPLE INTERVIEWED

Name	Organization
Calum McLean	Chief, UN OCHA
Simon Narbeth	UN OCHA
Degan Ali	Deputy Director, Horn Relief
Kate	Researcher ODI
Yusuf Salah	Team Leader (PDS) UN OCHA
Abdullahi Hassan	FSAU Monitor, Sanaag Region
Khamis Chome	NPA
Gary Jones	Regional Director, NPA
Yusuf Osman	NPA
Said Abdi Ahmed	Director, SVO
Adbulaziz Qualib	Dhalsan Bank, Hingalool
Abdirhizak Mohammed	Team Leader, Horn Relief
Khadra Yusuf	Team Leader, Horn Relief
Abdishakur M. Ali	Team Leader, Horn Relief
Omar Mohammed	Field Director, Horn Relief
Ismael Yusuf	Dalsan Bank, Badhan
Hawa A. Jama	WAWA Network, Bosaso
Idil Jama Ismail	OTP, Bosaso
Salado Mirod	WAWA Network, Bosaso
Abdi Farah	Peace and Human Rights Network ,Bosaso
Sadik Ahmed Bihi	Programme Officer, SOCD, Bosaso
Mohammed Hiral	OTP, Bosaso
Yasmin Yusuf Farah	RMSN, Bosaso
Osman Mohammed Ali	RMSN, Bosaso
Suad Ibrahim	Nagaard, Hargeisa
Fahia Hussein	Nagaard, Hargeisa
Shukri Ismail	Candlelight, Hargeisa
Omar Abdilahi	Havoyoco, Hargeisa
Sadia Ahmed	PENHA, Hargeisa
Mohammed Arwale	Commissioner, NERAD
Ahmed Ibrahim	Candlelight, Hargeisa
Fuad Adan	Minister Pastoral and Environmental Development
Ahmed Haji Ali	Chairman Electoral Commission, Hargeisa
Awil Mohamed Farah	Director General of Planning, Hargeisa
Mohammed S. Mohammed	Director, Academy of Peace and Development