



Final Evaluation of the Unconditional Cash and Voucher Response

to the 2011–12 Crisis in Southern and Central Somalia

Report



Humanitarian Outcomes

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This evaluation was commissioned by UNICEF. The evaluation process was guided by a steering committee that comprised representatives from: ACTED, DFID, ECHO, FAO, Oxfam, the Somalia Cash Consortium (ACF, Adeso, Danish Refugee Council, Save the Children) and UNICEF.



Disclaimer: The opinions expressed in this report are those of the evaluation team and do not necessarily represent those of the agencies being evaluated or the evaluation steering committee. The evaluation team takes responsibility for any errors reported herein that are based on its own independent data collection.

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ACRONYMS

ACF	Action Contre la Faim
ACTED	Agence d'Aide à la Coopération Technique et au Développement
AFREC	African Rescue Committee, a Somali NGO
ALC	Agriculture and Livelihoods Cluster
AMISOM	African Union Mission in Somalia
AS	Al Shabaab
AYED	Action for Youth and Development
CAP	Common Appeals Process
CBRWG	Cash Based Response Working Group
CED	Center for Education and Development, a Somali NGO
CFW	cash for work
CHF	Common Humanitarian Fund
COOPI	Cooperazione Italiana
CPD	Centre for Peace and Democracy, a Somali NGO
CRS	Catholic Relief Services
CSI	coping strategies index
CVMG	Cash and Voucher Monitoring Group
DANIDA	Danish International Development Agency
DFID	Department for International Development United Kingdom
DRC	Danish Refugee Council
ECHO	European Community Humanitarian Office
EMOP	Emergency Operation
FAC	Food Assistance Cluster
FCS	food consumption score
FEWSNET	Famine Early Warning System and Network
FFP	Food for Peace (USAID)
FSC	Food Security Cluster
FSNAU	Food Security and Nutrition Analysis Unit
HARDO	Humanitarian Action for Relief and Development Organisation
HCO	Humanitarian Coordination Office (OIC)
HCT	Humanitarian Country Team
HDDS	household dietary diversity
HHI	Household Hunger Index (or Scale)

HIJRA	Humanitarian Initiative Just Relief Aid, a Somali NGO
HVF	high-value food
IAO	international agency/organisation
ICC	inter-cluster cash coordination
ICRC	International Committee of the Red Cross
IDP	internally displaced person
IFM	independent field monitoring
IFPRI	International Food Policy Research Institute
ILO	International Labour Organisation
INGO	international NGO
IOM	International Organisation for Migration
IRC	International Rescue Committee
IRW	Islamic Relief Worldwide
KPMG	Klynveld, Peat, Marwick and Goerdeler; an auditing company
LNGO	local NGO
LP	local partner
M&E	monitoring and evaluation
MEB	minimum expenditure basket
MFB	minimum food basket
MIFIRA	Market Information and Food Insecurity Response Analysis
MOS	minimum operating standards
MOU	memorandum of understanding
NCA	Norwegian Church Aid
NGO	non-governmental organisation
NMFA	Norwegian Ministry of Foreign Affairs
NRC	Norwegian Refugee Council
ODI	Overseas Development Institute
OFDA	Office of Foreign Disaster Assistance (USAID)
OIC	Organisation for Islamic Cooperation
OTP	outpatient therapeutic centre
PCA	programme cooperation agreements
Q&A	question and answer
RI	Relief International
SADO	Social Life and Agricultural Development Organisation; a Somali NGO
SCC	Somalia Cash Consortium

SCSOM	Save the Children Somalia
SDC	Swiss Agency for Development and Cooperation
SIDA	Swedish International Development Agency
SNGO	Somali NGO
TFG	Transitional Federal Government
TOR	terms of reference
UCTP	unconditional cash transfer programme
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNMG	United Nations Monitoring Group
USAID	United States Agency for International Development
USD	United States dollars
WASH	water, sanitation and hygiene
WFP	World Food Programme

Somali Terms

<i>hawala</i>	money transfer agency
<i>gu</i>	main rainy season (April–June)
<i>deyr</i>	short rainy season (September–December)
<i>hagai</i>	short rainy season along the coast (June–July)
<i>ayuto</i>	savings scheme
<i>bush barii</i>	rice hut
<i>jilaal</i>	long dry season (January - March)

I. INTRODUCTION

Southern and central Somalia present one of the most complex environments for delivering humanitarian assistance in a manner that is consistent with humanitarian principles.¹⁴ Given the political and military factors at play and the associated risks, humanitarian operations in such an environment are largely unprecedented. The challenges are that much greater when providing assistance in an area of constrained access and where insecurity demands remote management. In this context, under extreme duress after the declaration of famine in July 2011, agencies scaled up an unprecedented and innovative cash transfer programme.

Even considering these considerable challenges, most analysts agree that had the response been four to five months earlier, tens of thousands of lives could have been saved. As such, the Somali famine should be considered a failure of all parties involved, but particularly Al Shabaab, the Transitional Federal Government, the United States government, the broader donor community, the United Nations and non-governmental organisations working in Somalia.¹⁵

The famine in Somalia 2011–2012 is a call for critical reflection and improvement. . . . While the emergence of a food security crisis in the Greater Horn of Africa in 2011 was well predicted, inadequate measures were taken to prevent, mitigate and respond to this crisis. In the hardest hit areas of Somalia, this failure resulted in famine. There were multiple proximate causes of the crisis, but the three salient ones were drought, conflict, and a rapid increase in food prices both locally and globally. Somalia 2011 underscored the dire effects of ongoing and worsening underlying causes to the crisis, including civil insecurity, lack of governance, environmental degradation, and increasing climate variability. Control over the affected area by an insurgent group broadly opposed to both food aid and to foreign intervention, in combination with counter-terrorism laws and related policies in donor countries, confounded efforts to prevent or respond to the crisis. In addition, the long-standing willingness of the international community to tolerate higher levels of humanitarian suffering in Somalia than in other parts of the world made putting off response easier.¹⁶

Fortunately for the people of southern and central Somalia, in addition to considerable assistance received from the diaspora throughout 2011, global, and subsequently local, food prices began to fall at the same time as the *deyr* rains; agricultural and pastoral conditions improved, and the famine was over by January 2012.

14 Hammond and Vaughan-Lee (2012).

15 IASC (2012b); Salama et al. (2012); Hillbruner and Moloney (2012); Lautze et al. (2012); Ali and Gelsdorf (2012); Oxfam (2012a) and Save the Children (2012).

16 Haan et al. (2012).



It is in this context that we set out to determine the effectiveness of the unconditional cash and voucher interventions in southern and central Somalia. This evaluation however cannot be limited to the interventions at hand. It necessarily considers the broader context that led to the failure of the humanitarian community to respond in a timely and adequate manner to the suffering of the Somali people. And the ever-present dilemma of delivering humanitarian assistance and fuelling an aid economy where aid, and the vulnerable populations for whom it was intended, are exploited by those with power.

II. BACKGROUND TO THIS EVALUATION

The *Evaluation of the Unconditional Cash Transfer and Voucher Programmes in Southern and Central Somalia* includes all unconditional cash and voucher programmes implemented by 15 NGOs between August 2011 and December 2012 in response to the crisis. The evaluation serves to determine the appropriateness, efficiency and effectiveness of these cash transfer programmes (CTPs), their coordination and independent monitoring, the latter outsourced to the Overseas Development Institute (ODI).

The subject of the evaluation is one of the largest, most significant cash and voucher distributions ever implemented in such an extreme and complex humanitarian crisis. As such, donors and humanitarian agencies implementing cash and voucher programmes since August 2011 requested an evaluation of their work, to serve the dual objectives of accountability and learning:¹⁷

- assess and report on the performance (appropriateness, efficiency, effectiveness, connectedness) and results (impact) of unconditional cash transfer programmes in Somalia; and
- determine the reasons for observed success or failure and draw lessons from experience to produce evidence-based findings, allowing the humanitarian community to make informed decisions on appropriate humanitarian response in Somalia and elsewhere, and improve programme design and implementation wherever possible.

The evaluation emphasises six learning objectives (Box 1) as defined in the Terms of Reference (Part I: Annex 1), explored within the framework of established OECD-DAC evaluation criteria and an evaluation framework (see the Inception Report).¹⁸

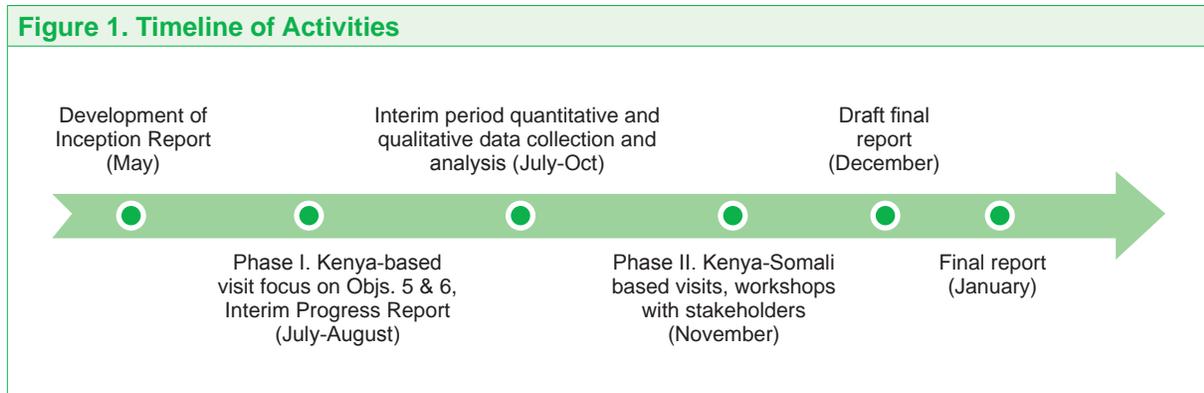
Box 1. Learning Objectives as Defined in the TOR: Assessing the...	
One	Efficiency of the cash and vouchers distribution system
Two	Effectiveness of the cash and vouchers assistance as an emergency intervention at scale
Three	Accountability (to beneficiaries and donors) of the emergency unconditional cash and vouchers programme
Four	Impact of the cash and vouchers distribution
Five	Efficiency of the coordination mechanisms of the emergency unconditional cash and vouchers programme (connectedness, coherence)
Six	Joint monitoring systems (efficiency, effectiveness)

The evaluation has produced three documents: an Inception Report (completed in May 2012), an Interim Progress Report focusing on Learning Objectives 5 and 6 (Coordination and M&E) and progress on Learning Objectives 1 through 4, and this final evaluation report. The timing of these outputs and relevant missions is shown in Figure 1. This document is the Final Evaluation Report.

¹⁷ See, for example, SCC (2011) Cash Consortium Strategy Statement FINAL, and the TORs for the Evaluation (Annex 1).

¹⁸ ALNAP (2006)

Figure 1. Timeline of Activities



The Final Evaluation Report complements the Interim Progress Report; in which, coordination and M&E are looked at more carefully. This Final Evaluation Report focuses specifically on **programme quality and impacts**, attempting to fill gaps in analysis identified in July 2012, and relying on the evaluation team's own data collection efforts. It mainly focuses on the following issues:

- contextualising the cash programme in the broader Somali famine response and aid environment;
- response analysis, appropriateness and effectiveness of different cash transfer programmes (type, value, etc.);
- complexities of targeting and the relative success of different approaches to reach the most vulnerable;
- issues of remote management, risk analysis and management, diversion and fraud;
- impact of cash and vouchers on beneficiaries' food security, livelihoods, local markets and market multipliers, in light of other events affecting food security, e.g., other humanitarian interventions, market prices (food, wage labour and livestock), and security;
- unconditional cash transfer programming for IDPs in Mogadishu – a complex urban environment;
- the appropriateness for, risks to and impact on women of cash and voucher transfers, including protection issues; and
- successes and failures of learning and accountability.

III. SCOPE OF THE EVALUATION

The subject of this evaluation is the response to the famine in Somalia by nine international NGOs and at least eight local partners¹⁹ through interventions including unconditional cash transfers and commodity vouchers – hereafter called unconditional cash transfer programmes (UCTP) – since August 2011.²⁰ The actors include:

- the Somalia Cash Consortium (SCC), comprised of Action Contre la Faim (ACF), African Development Solutions (Adeso) and its local partner AFREC, Danish Refugee Council (DRC), Save the Children Somalia (SCSOM) and its local partner CPD;
- another three INGOs and their local partners that along with the SCC have joined the ODI-supported Cash and Voucher Monitoring Group (CVMG), comprised of Cooperazione Italiana (COOPI), Concern Worldwide and its Somali partner Youthlink, Oxfam International and its Somali partners AFREC, CED, Hijra, HARDO, SADO, and WASDA;
- two additional INGOs that are implementing voucher programmes with the support of UNICEF, ECHO and DFID: Norwegian Refugee Council (NRC) and Agence d'Aide à la Coopération Technique Et au Développement (ACTED), the latter also partnering with SADO.

These NGOs have received significant assistance from UNICEF, ECHO, DFID, OFDA/FFP of USAID, DANIDA, SIDA, SDC, Irish Aid and the Norwegian Ministry of Foreign Affairs, among others.

During **Phase One** of the programme, nearly 200,000 households (1.5 million beneficiaries)²¹ received USD46–120 (average USD80) for, on average, five months between August 2011 and May 2012 for a total transfer of approximately USD70 million. After May, there was a significant break in operations outside of Mogadishu and Hiraan, which only resumed in August, bringing the total value of transfers for **Phases One and Two** to USD92 million by December 2012. Since May 2012, the average number of transfers per family has increased to 6 months or USD475 (a range of USD75–1,500).²² The number of beneficiaries has not significantly changed as nearly all NGOs maintained the same beneficiary population for the 16-month period.²³ A caution: these figures do not include confirmed and suspected diversion and fraud.

19 NRC's partners are not included here, as the SNGOs provided staff to assist NRC but did not implement on behalf of NRC in the same manner as Save the Children's, Oxfam's or ACTED's Somali NGO partners have.

20 Some NGOs also implemented complementary livelihoods and nutrition programming. Where M&E data allow, this complementary programming is considered. Unfortunately for the nutrition programmes, lack of data from OTPs does not allow for analysis of synergistic effects.

21 In addition, while planning figures assumed 6.0 people per household, on average in CVMG operational areas, the family size was 7.1 while COOPI reported an average family size of 7.5.

22 Ranging from a one-off voucher distribution in Bay by NRC to 11 months of distributions to the same population in Middle Juba by COOPI.

23 With the exception of Adeso and COOPI, which retargeted in August 2012.

Initially the cash and voucher interventions were implemented in all affected areas in southern and central Somalia, including Bay and Bakool, the first regions in which famine was declared (Table 1). In November 2011, due to a ban on agencies and their activities by Al Shabaab, several agencies withdrew from Middle and Lower Juba, Bay and Bakool,²⁴ while others continued to operate either with a very low profile or through local partners. Many agencies operating in Bay and Bakool relocated to Mogadishu where IDP numbers increased, making Benadir (Mogadishu) the region with the largest cash and voucher operation – hence its special focus in this evaluation.

Cash-based programmes were the single largest type of humanitarian assistance to southern and central Somalia in 2011–12 totalling nearly USD470 million.²⁵ They include unconditional cash grants, food voucher programmes, business grants and conditional cash programmes commonly called cash for work (CFW). Unconditional cash grants and food vouchers included in this evaluation had a total programme cost of approximately USD110 million.

It is important to note that all voucher programmes were ‘commodity’ vouchers where local traders are basically asked to provide a predetermined amount and type of food, e.g., 50kilograms of cereal, 15 kilograms of pulses, 5 litres of oil. There were no ‘value’ vouchers where beneficiaries could choose from a predetermined list of items up to a certain value, e.g., USD50.

Cash-based programmes to achieve food security and livelihoods objectives were complemented by a variety of other programmes:

- Food for Peace/International Organization for Migration monetised 40,000 metric tons of sorghum – explicitly to support the supply of cereals in markets of southern and central Somalia (see reference under Impacts);
- ICRC made food distributions between August 2011 and January 2012, including in Al Shabaab-controlled areas (112,000 metric tons);
- WFP supported wet feeding in Mogadishu and targeted in-kind distribution in border areas;
- Organisation of Islamic Cooperation (OIC) and the Turkish government distributed at least 10,000 metric tons of food, principally in Mogadishu; and
- in addition to the above, at least 12,500 metric tons were distributed by Somali NGOs supported by Saudi Arabia, and nearly USD1 million in cash was distributed through Somali NGOs on behalf of the diaspora.²⁶

24 Specifically ACF, CED, Concern Worldwide, NRC, and WASDA.

25 Other nearly 30 NGOs doing cash-based programmes (largely food vouchers and CFW) include Islamic Relief Committee, Veterinarians' Sans Frontiers (Germany), Catholic Relief Services, United Nations Development Programme, Norwegian Church Aid, Solidarités, Mercy Corps, International Labour Organisation, CARE Somalia, Relief International, International Organisation for Migration, and numerous Somali NGOs. List of Appeal Projects (Grouped by Cluster), with Funding Status of Each, Report as of 21-June-2012, (Table ref: R32) <http://fts.unocha.org>.

26 http://fts.unocha.org/reports/daily/ocha_R4_A948___1212201156.pdf. The USD1 million diaspora donation does not include person-to-person money transfers.

Table 1. Scope of Unconditional Cash and Voucher Programmes under Evaluation			
Region	Recipient Households*	Value of Transfer (USD) (August 2011-December 2012)**	NGO***
Bakool	8,000	906,000	ACF
Bay	29,000	4,463,000	Acted, Concern, COOPI, NRC
Benadir (IDPs)	69,000	45,384,000	ACF, Concern, CPD, DRC, Hijra, NRC, Youthlink
Gedo	12,000	9,598,000	Adeso, COOPI, SADO (Oxfam)
Hiraan	20,000	12,607,000	HARDO, SCSOM
Lower Juba	13,000	7,512,000	AFREC (Adeso), WASDA
Middle Juba	26,000	4,073,000	AFREC (Oxfam), SADO (Acted), COOPI
Lower Shabelle	16,000	6,528,000	CED, Concern, NRC
Middle Shabelle	1,000	360,000	CED
Total	195,000	91,431,000	

* Maximum for any given month during the period. ** Note that USD92 million is the transfer value to the beneficiary while the USD110 million mentioned above includes operating costs. ***CPD is a SCSOM partner; SADO partnered with ACTED; SADO, CED, Hijra, HARDO, and WASDA partnered with Oxfam; and Youthlink partnered with Concern.

Table 1 was constructed through the in-depth analysis of each agency's programme documents and budgets. It was a considerable exercise in and of itself. It is not known if this table corresponds with the Inter Cluster Cash Coordination (ICC) Unit's own understanding. While repeated requests were made of the Food Security Cluster and ICC, to date the data has not been made available to the evaluation team. Unfortunately this and other information *from those not directly affiliated* with the evaluation was not shared with the evaluation team. On the other hand, all NGOs evaluated, ODI and FSNAU/FEWSNET were very cooperative.

IV. METHODOLOGY

Monitoring and evaluation (M&E) in southern and central Somalia has become a considerable challenge in recent years. The inaccessibility of many field locations as well as the complex local socio-political environment complicates information gathering. Experienced Somalia researchers and academics have noted the pervasiveness of rumours in the Somali context, which can often take on the appearance of 'truth' after a time.²⁷ Roland Marchal, for example, has suggested that 'labelling and disinformation are the only successful industries in Somalia'.²⁸ This context was evident to the evaluation team, and we were directly affected by it.

In this context, cash-based programming has been subject to considerable scrutiny since the first projects in the early 2000s. This has led to the use of diverse and innovative methods for M&E.²⁹ This evaluation has been fortunate in being able to draw upon a range of methods and skills, described below:

- Face-to-face interviews with more than one hundred people ranging from representatives of implementing agencies (local and international), UN and donors, and other key informants and experts.
- Field visits (50 focus group discussions and nearly 400 individual household interviews) carried out by the Somali Women's Studies Centre and Horn Research and Development Associates in Mogadishu, Lower Shabelle (Afgoye), Hiraan, Gedo, and Middle Juba.³⁰
- Two two-day workshops – one in Nairobi, one in Mogadishu – with international and local NGO staff from all agencies considered in this evaluation.³¹
- Over 300 hours of telephone-based research from the UK to Somalia and reaching into all regions included in this evaluation.³²
- A special study focusing on Mogadishu, using teams to develop case studies.

In addition, an extensive review of secondary sources was implemented (see a full list in [References](#)):

- Reports and raw data were reviewed and analysed, including more than 18,000 post-distribution interviews done by the Cash and Voucher Monitoring Group (CVMG) under the guidance of ODI (see Interim Progress Report for full description and quality control).
- A wide variety of agency-specific reports, including independent evaluations, monitoring reports and other project documents. Most importantly this includes the evaluations of ACTED/SADO, DRC and NRC.³³ For NRC, this was the primary source of information for the quality of its programme, as primary data collection in Mogadishu was constrained.
- Food security, nutrition and market-related data and information from FSNAU and FEWSNET Somalia and World Food Programme.

27 Simons (1995).

28 Marchal (2007): 1,104.

29 See Majid et al. (2007) for example.

30 <http://www.somaliwomenstudies.org> and <http://www.hornresearch.org>.

31 With the exception of COOPI and Save the Children, which were unable to send field staff to the workshops.

32 For a full description of this methodology, see Part IV of the Interim Progress Report.

33 Guillemois and Mukhtar Sheikh Mohammed (2012); ACTED (2012a); ACTED (2012b)

- Records of meetings held by the Humanitarian Country Team (HCT), relevant clusters, the Cash Based Response Working Group (CBRWG), the Somalia Cash Consortium (SCC) and the Cash and Voucher Monitoring Group (CVMG) during 2011–12.

Strengths and Limitations. The evaluation team members brought considerable experience to the evaluation in food security and livelihoods analysis, cash-programming, programme management, evaluation experience and social science research, as well as a deep understanding of the Somali social, political and humanitarian context.

The diversity of data and information sources accessed and methods adopted allowed the team to triangulate findings and build levels of confidence that would have been limited in other circumstances. In particular, the different methods utilised allowed extensive *quantitative* and *qualitative* data and information to be analysed and, where inconsistent, to be discarded (see Interim Progress Report on quality issues of some quantitative data collected).

An illustration of this strength was that (at least) two cases of suspected fraud or corruption were uncovered by the evaluation team that had not come to light through other means. One case has since been confirmed through an agency-led investigation of its Somali partner. The second was only partially confirmed by the agency's own internal investigation.³⁴

In spite of the multiple methods utilised and Somali-specific experience of the team, a number of limitations are acknowledged:

- a) The team had designed its data-collection strategy based on the expectation that reliable qualitative and quantitative data would be produced by the CVMG. In particular the CVMG had planned to produce more quantitative and qualitative data in Phase Two. Instead, due to delays in UNICEF funding, qualitative data was not produced in time to be captured by the final evaluation. Furthermore, due to delays in implementation, quantitative data for Phase Two was limited to two programmes in Mogadishu (Concern and DRC) and one in Hiraan (SCSOM).
- b) Data from Hiraan Region from SCSOM is used selectively in the analysis for several reasons: the beneficiaries targeted through OTPs were significantly different from all other beneficiaries, in terms of their food security indicators (see [Targeting Outcomes of Nutrition-Based Criteria](#)). Including them in the analysis biases the sample. There is also a concern regarding the quality and potential manipulation of certain data (see Interim Progress Report).
- c) Field data including telephone interviews were not collected from projects in Galgaduug and Mudug given time constraints and a decision to prioritise more in-depth data collection in famine-affected and Al Shabaab areas.
- d) In spite of the large investment in M&E, it is difficult to attribute clear causal relationships between programme inputs and improved food security and livelihood outcomes. In large part this is due to the impact of the extremely good *deyr* agricultural season (from late September to at least January)

³⁴ There were a series of concerns raised by the evaluation team. Not all of these were confirmed by the agency's own internal investigation.

as well as improved security and economic activity in Mogadishu (attributed to the intervention of Turkey, the OIC and other humanitarian actors). Attribution might have been possible with a population-based sample instead of the beneficiary-only sample used by the CVMG, and might still be considered during the last round of data collection planned in early 2013.

- e) Field-focused research, from both the actual field visits and the telephone-based data collection, was affected by conditions on the ground. In some cases information was difficult to gather where Al Shabaab was still in the vicinity. In other cases evaluation field teams felt NGO staff or other 'gate-keepers' were influencing discussions with beneficiaries.
- f) It was particularly notable that beneficiary responses were significantly influenced by their perceptions of what would serve their best interest. This affected the field research as well as the telephone-based research.
- g) The level of analysis possible in, and of, Mogadishu was limited. This resulted in the commission of a short study towards the end of the evaluation. In retrospect, the ToR and the evaluation team/bid may have under-estimated the complexity of Mogadishu (as a context and site of research) and could have emphasised and/or explored means to improve information gathering there at an earlier stage in the process.

What is clear is that, given the concerns regarding the potential risks of cash-transfer programming as described in the Common M&E Plan for the Cash and Voucher Monitoring Group³⁵ (diversion, inflation, supply breaks, etc.), the standard for M&E has been considerably raised when compared to other types of humanitarian interventions. The collective level of scrutiny, expertise, data and time spent in trying to understand both the process of delivering cash and vouchers and the impact is considerable. The evaluation team feels strongly that the intensity of the combined M&E exercise has revealed a level of detail (e.g., about targeting efficacy, fraud/diversion) not effectively analysed in other humanitarian programmes. Thus, while we report here on issues that may not be reported on with other modalities, these issues are not necessarily unique to cash programming. Rather, because together we have gone to lengths not previously reached in a programme M&E, we know more about UCT programming in response to the Somali crisis.³⁶

35 ODI/HPG (2011)

36 Exceptional perhaps with the exception of similar investigations undertaken by the UNMG (2010) and UNMG (2012).

V. HISTORICAL AND CONTEMPORARY CONTEXT OF AID IN SOMALIA

Before launching into a detailed evaluation of the cash and voucher programme, it is necessary to recall that a famine was declared on 22 July 2011, one of the first famines of the twenty first century. And throughout the first half of 2011, early warning signals indicated the suffering of Somalia's vulnerable was very acute, needs were great and there was a humanitarian imperative to act:

Admittedly, in 2010 and 2011 the challenges and risks associated with successful aid delivery in Somalia were significant. Continued insecurity, access concerns and the withdrawal of the main food aid operators from South Central Somalia meant that large-scale food aid was no longer an option. All forms of aid were at risk of diversion and fraud and were difficult to target and monitor. In the case of cash, there were also concerns over market elasticity and the potential for cash to cause inflation. As a result, the humanitarian community faced a moral and practical dilemma: could cash be delivered at scale in spite of the risks? More importantly could the humanitarian community accept those risks given the lack of alternatives?³⁷

In hindsight, while the type and scale of this particular humanitarian intervention is clearly unprecedented, cash transfer programming is no less vulnerable to the same risks that all other types of aid in Somalia have been subject to. The evaluation team will repeatedly refer to outcomes that are not unique to cash transfer programming but are attributable to all types of aid in Somalia.

Foreign aid in all its guises – political, military, developmental, humanitarian – has been a significant part of the Somali environment since the Ogaden War of the late 1970s. While a constant presence, the amount of aid has fluctuated according to political and humanitarian conditions over time.³⁸ The Ethiopian invasion of 2006 marks the start of the latest era of dramatically increased aid, which continues to date. Given its long-term presence, foreign aid must be recognised for the multiple roles it plays in Somalia: contributing to the alleviation of suffering in difficult times but also attracting power seekers and profiteers, as well as enabling the creation and/or expansion of local NGOs, international NGOs and United Nations agencies. Since the arrival of the 'war on terror' in Somalia, the politicisation of aid has become particularly problematic with many difficult issues raised in terms of accountability and 'do no harm' agendas.³⁹

37 Ali and Gelsdorf (2012).

38 Somalia was one of the largest per capita recipients of aid during the Cold War and in the early 1990s, with the UNOSOM interventions, again saw aid inflows measurable in the billions of dollars.

39 See Humanitarian Exchange (September 2008); Bradbury (2010); Hammond and Vaughan-Lee (2012); UN Monitoring Group (2012). Hammond and Vaughan-Lee argue that the political economy of aid in the conflict context of south Somalia, 'has become so entrenched that it has eroded trust between stakeholders and increased insecurity for humanitarian personnel and civilians living in conflict zones, severely constraining humanitarian space' (Hammond and Vaughan-Lee, 2012, p. 2).



Nowhere is the politicisation of aid more obvious than where Al Shabaab has banned agencies in areas they control. The politicisation of the entire humanitarian sector, and its actual or perceived lack of neutrality, siding with the generally discredited TFG,⁴⁰ is likely to have severely undermined the effectiveness of the famine response both in rural and in urban areas (see [Coverage and Targeting and Mogadishu](#)).

Within this complex context, many organisations, or the individuals working within them, represent particular identities and power dynamics; these may be specific individuals who have achieved powerful positions or clan- or clique-based groups working within organisations. Such identities and power dynamics are often recognised by Somalis but not well understood or acknowledged by non-Somalis. No organisation is immune. Organisations based in Nairobi bring resources to Somalia, from office and car rent to staff salaries, as well as the direct resources associated with projects themselves (food, cash, livestock, seeds, water-pumps, etc.). How these resources are managed and how they are subject to manipulation is not well understood or acknowledged, both in rural areas and in Mogadishu.

While this social and political positioning by aid agencies is common throughout the world, the physical distance between Somalia and Nairobi exacerbates the difficulties of understanding its impact on programming. Remote-management practices are not a new phenomenon, developing since the mid-1990s following the withdrawal of agencies from Somalia to Kenya. The increasing insecurity since the mid-2000s has further exacerbated this distance or ‘remoteness’. The expansion and politicisation of aid, and increasing insecurity, within this remote management setting create an extremely difficult operating environment, where field staff are often under enormous pressures and where Nairobi-based staff struggle to monitor and understand field realities (Box 2).⁴¹

Cash Transfer Programming in Somalia. Emergency cash-based interventions have expanded in Somalia since the early 2000s. As new interventions, they were subject to close scrutiny and results were consistently (and surprisingly) positive.⁴² In fact, the Somali environment was considered particularly conducive to cash programming in light of the cash-based economy, including the prominent role of traders, credit culture, and the presence of *hawalas*, which assume the risk of moving cash around. The relative success of these early cash-based interventions was probably due to their relatively small scale, the close attention paid to ensuring their success, their novelty and the relatively benign security context (which has worsened over time).

The rapid scaling up of cash in the context of conflict and famine changed this operating environment. Agencies had to implement quickly and sometimes in areas they were not familiar with. In addition to considerable implementation challenges, the situation resulted in an environment in which abuses could more easily be attempted.

40 Humanitarian Exchange (September 2008).

41 Stoddard et al. (2012)

42 S. Narbeth (2004); Acacia Consultants (2004); Acacia Consultants (2005); N. Majid, et al (2007).

Box 2. Trends since 2006

- Increasing remote management and reliance on limited sources of information;
- Increased politicisation of aid;
- Increased diversion by a range of entities (government, local authorities, militias and/or powerful individuals or groups not least majority clans);
- Doubling of aid resources over last decade (on average USD250 million in 2000-05, increasing on average to USD550 million in 2005-10 and totalling more than USD1.3 billion in 2011);
- Increased numbers of management staff with no or little experience of working in Somalia.

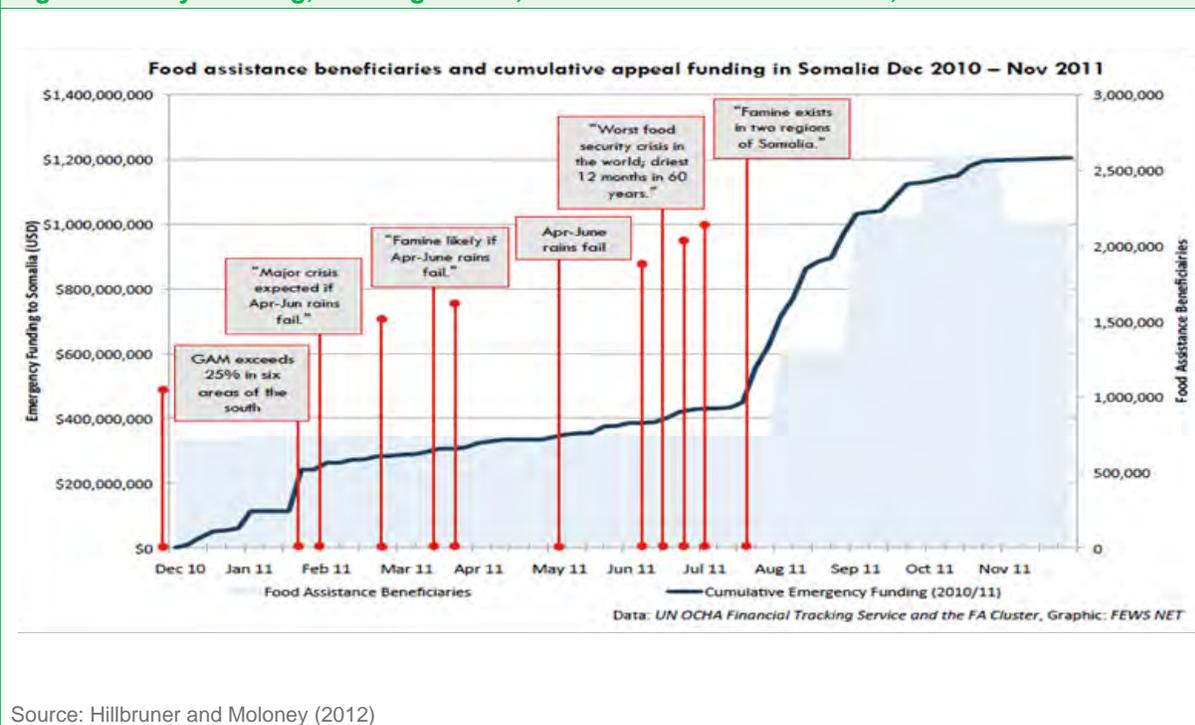
To reiterate, these causal factors (Box 2) affect all types of aid, and will increasingly affect cash transfers, as those who wish to control or manipulate valuable aid resources learn new ways to doing so. This implies that aid agencies, in addition to constantly learning and sharing experiences that contribute to better risk analysis and management, will need to innovate to ensure greater accountability to beneficiaries and donors. Donors, in turn, will need to fund these efforts – ideally not during a famine response (see [Remote Management](#)). This will require a level of honesty, transparency and commitment to learning that has not always been evident in the humanitarian community during this evaluation.

VI. APPROPRIATENESS

A. Early Warning, Delayed Response and a Debate over Modalities

One of the tragedies of the response to Somalia 2011–12 is that despite warnings about the crisis – including explicit warnings about an impending famine – no significant response was mounted until after the declaration of famine by FSNAU and FEWSNET on 20 July 2011. Retrospective analysis after the declaration demonstrates mounting alarm from the early-warning community throughout late 2010 and the first half of 2011. Much of the early warning was driven by the forecast of La Nina – the well-documented effect of increased dryness in the Horn of Africa. What was not forecast was the simultaneous dramatic rise in the price of food. Even in good years, Somalia imports more than half of its food grains. The combination of two failed harvests and significant loss of livestock resulting from the drought, the rapid increase in the price of food on the global market, and ongoing conflict between the Transitional Federal Government and AMISOM forces on one side and the insurgent group Al Shabaab on the other, combined to create famine conditions in much of southern and central Somalia. Figure 2 depicts the early warning throughout late 2010 and early 2011, and the amount of funding allocated to address the problem. When the famine was declared in July 2011, the response from donors was very rapid – but it had been very slow up to that point.

Figure 2. Early Warning, Funding Levels, and Number of Beneficiaries, 2010–11



Source: Hillbruner and Moloney (2012)

World Food Programme (WFP) and CARE, the largest food aid agencies in southern Somalia, had ceased operations in southern and central Somalia in 2009–12 due to increased security threats, their ban by Al Shabaab (in part due to Al Shabaab's contention that in-kind food aid was detrimental to local production) and the report by the UNMG that a significant portion of WFP food aid was being diverted.⁴³ Without these important players, there ensued a major debate about how to best respond to the famine. The International Committee of the Red Cross (ICRC) was still operational at that point and scaled up their food aid response in Bay, Bakool, Middle and Lower Shabelle, Middle and Lower Juba. But it was clearly not going to be enough to meet the needs of the 2.8 million people assessed to be in immediate need of food assistance in July.⁴⁴ Two analyses were conducted using FSNAU market data.⁴⁵ Both indicated that cash could alleviate the demand-side constraints. The FEWSNET report suggested that with some exceptions, an increase in demand, coupled with some advocacy with large food traders, could stimulate a market response. The WFP report put greater emphasis on simultaneously addressing demand and supply constraints.

The debate over the best way to respond may have been one factor delaying action to the extent that the Humanitarian Country Team could not effectively and collectively advocate with the donors for an appropriate response and, therefore, the type and amount of aid necessary. The declaration of famine unified even the most sceptical and prompted the Inter Agency Standing Committee's Real Time Evaluation (RTE) 'to admire . . . the way the system scaled up collectively in response to famine in the second half of 2011 including examples of innovative and bold programme approaches, notably in market-based interventions such as the use of cash and food vouchers'.

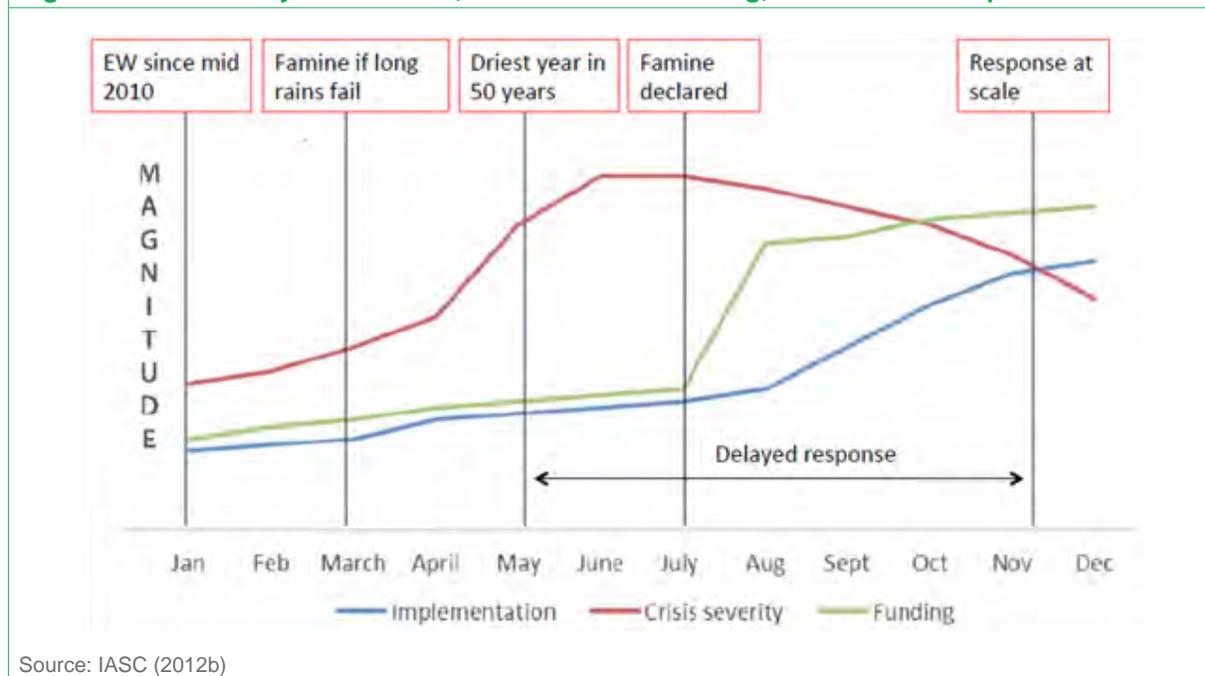
In retrospect, the cash and voucher response scaled up much more rapidly than a traditional food aid response could have without substantial stocks of pre-positioned food aid (which, for obvious reasons, didn't exist, given WFP's withdrawal from Somalia). Nevertheless, the lapse between the urgent early warnings (the term 'famine' – one that neither FEWSNET nor FSNAU uses lightly – began to be used in late March) and the cash response reaching critical mass was nearly six months (see [Timeline Annex 2](#)). While a retrospective mortality study on the famine will not be ready until early 2013, there is no question that major loss of life took place during this six-month period. The Real Time Evaluation depicted this relationship impressionistically, given the lack of actual data for anything except donor funding at the time it was conducted. Data available since February have confirmed the general relationships depicted in this graphic (Figure 3).

43 Maxwell and Fitzpatrick (2012).

44 The well-known figure of 3.1 million was either central and southern Somalia plus Mogadishu IDPs or all of Somalia minus Mogadishu IDPs. FSNAU (2011b) and FSNAU (2011c)

45 FSNAU (2011a) and WFP (2011a)

Figure 3. The Severity of the Crisis, the Amount of Funding, and Level of Response



Source: IASC (2012b)

The gap between the red, green and blue lines between May and July represents severe suffering, destitution, displacement and excess mortality. It was the acute awareness of this gap – amply evidenced in early warning and needs assessments, in growing numbers of refugees and internally displaced people and in crisis levels of malnutrition and mortality – that created an imperative to act.

B. Response Analysis

*The issue of response analysis – and who or what institution is responsible for it – remains unanswered. Recent research suggests that despite the imperative for more analysis and evidence-based programme decisions, the choice about how to respond to food security crises tends to be shaped at the agency level by perceptions of donor resources and by a powerful organizational ethos about preferred responses that determine both capacity and analysis.*⁴⁶

Response analysis is ‘the analytical process by which the objectives and modality of programme response options in an emergency are chosen’.⁴⁷ In the case of Somalia 2011, the objective chosen by most agencies was to save lives, and in some cases, protect livelihoods. In the case of the former,

⁴⁶ Haan, et al (2012).

⁴⁷ Maxwell, et al (2012)

the target group was therefore those most vulnerable to death, malnutrition or illness. The degree of vulnerability of the target group influences other decisions such as the size of the transfer and the duration. Subsequently, the response analysis looks at the most appropriate, effective and efficient way to provide the transfer, specifically in-kind or a market-based response, in the case of the latter – unconditional or conditional cash grants, commodity or value vouchers, etc.. The response analysis and choice also determines process, output and outcome indicators to enable agencies to test assumptions, determine whether or not objectives are being met, and why or why not. In Somalia 2011, the response analysis was fraught with controversy, doubt and frustration.

Market-Based Response. The appropriateness of cash-transfer programming is usually determined through a rigorous response analysis that clearly states the evidence and assumptions about (a) the causes of food insecurity, (b) the operating context or environment that would make CTPs more or less appropriate and (c) whether or not an agency has the capacity to respond. In the case of southern and central Somalia, the primary sources of information were the Food Security and Nutrition Analysis Unit (FSNAU) and FEWSNET, with agencies' own assessments as secondary sources of information. As mentioned, given their market analysis, both FSNAU and FEWSNET were advocating for a cash-based response. However, never before had a cash-transfer programme been implemented on the assumption that markets could be demand-led to achieve the scale necessary to meet needs. That is, would or could traders make the necessary investments and take the necessary risks to bring a significant amount of food to people with purchasing power, without supply breaks or inflation?

It is also true that UNICEF and FAO attempted to work with large traders to anticipate the increased demand, moving food into areas in advance of cash and voucher distributions so that there would be no delay in market response. In any case, using multiple methods and sources, nowhere during the course of the intervention was there any indication to this evaluation that food was not available or of adequate quality (see [Market Impacts](#)). The only breaks in supply were limited to shortages of pulses in regions (Bay and Bakool) where pulses are not regularly part of the diet and where agencies implementing commodity vouchers had to negotiate with traders to import pulses (see [Interim Progress Report](#)). Rather, as analysis of the dietary diversity of beneficiaries demonstrates (see [Food Security Impacts](#)), the majority of beneficiaries in rural areas were eating, on average, four to six food groups within four months of implementation of the UCTP.⁴⁸

In sum, the FSNAU/FEWSNET analysis provided sufficient justification for going ahead with cash. It was undoubtedly risky – given the unprecedented scale and uncertainties about the ability of markets to respond to an injection of cash. But, given the severity of need, *it was appropriate to take that risk*. In the event, monitoring information, FEWSNET and FSNAU analysis and the evaluation team's own findings suggest that cash was appropriate. Markets did respond and people were able to buy the food that they needed, at reasonable prices.

48 ODI/HPG (2012).

Transfer Modality. The decision to implement unconditional or conditional cash grants, commodity or value vouchers was difficult, made under extreme pressure, on the basis of imperfect information. The decision to provide commodity vouchers rather than cash was reportedly influenced by several factors:

- the motivation to do ‘the next best thing to in-kind food distribution’ – that is, transferring the risks associated with transport and distribution of food aid to traders and/or gaining access to otherwise inaccessible areas through the private sector – a strategy that was slightly more acceptable to Al Shabaab;⁴⁹
- ongoing concerns about local market supply, specifically the availability of pulses and therefore the traditional in-kind food basket;
- on the recommendation of the Food Assistance Cluster and Agriculture and Livelihoods Cluster (FAC/ALC). The ‘Guidance Note on Food Vouchers’ suggested that agencies should ‘control spending’ and that ‘operation difficulties and risks implied vouchers were more appropriate than food or cash’;⁵⁰
- similarly, the likelihood of funding, as the CHF was not considering unconditional cash grants;
- an agency’s own experience and ongoing programming that allowed faster scale-up: ‘This was not a time to be experimenting’⁵¹;
- an assessment of risk that is difficult to standardise as it is a function of ‘risk willingness’ or ‘risk tolerance’ and includes perceived risks of diversion and insecurity including potential harassment of beneficiaries;⁵² and
- perceptions of beneficiaries’ likely utilisation of cash specifically to facilitate displacement to urban areas and/or refugee camps (see Table 2).

49 Although Al Shabaab reportedly preferred cash to vouchers, ‘Al Shabaab is very clear that they do not welcome food related programming and NRC’s food voucher programme in Al Shabaab controlled areas is unlikely to resume.’ NRC (2012); ODI (2012).

50 FAC/ALC (2011)

51 To quote an agency during interviews for this evaluation.

52 Note that there is no standard approach to risk assessment so that determination of acceptable risk remains very subjective.

Table 2. Testing Assumptions in Hindsight: Factors Cited by Agencies that Led Them to Choose Vouchers or Cash*	
What agencies thought	What actually happened
Increase in demand would cause supply breaks and inflation.	Global food prices declined; local food prices declined; imports reached a record high.
Beneficiaries would use cash transfers to fund moves to refugee and IDP camps.	Provision of any assistance in places of origin allowed families to remain <i>in situ</i> . Beneficiary lists remained stable, with the exception of Mogadishu (where IDPs might have actually used cash to return to areas of origin). Cash was used primarily for food and debt repayment, not transport (unless to the distribution point).
Provision of cash in Mogadishu would attract IDPs.	Provision of any assistance in Mogadishu attracted IDPs who in turn sent cash and even food back to hard-to-access areas, e.g. Bay and Bakool.
Women prefer vouchers, as they have more control over the use of food.	Any aid that targeted women or female-headed households was perceived to be 'theirs'; numerous sources demonstrated women's 'control' over cash and voucher resources provided to them. Women stated they preferred cash over vouchers as it allowed them to make non-food household expenditures, e.g., for household items, medical expenses. Women in Mogadishu IDP camps felt uncomfortable carrying food and cash. Looting/robberies of recipients occurred both with food vouchers and cash in IDPs camps.
Cash would be more attractive to gatekeepers, militias, and other 'local authorities'; cash would be taxed.	NGO staff had mixed opinions, noting that cash was less visible and less subject to looting. Taxation and/or other payments were systematically required of both voucher and cash recipients in Mogadishu IDPs camps. There were consistent reports of payments made to 'local authorities' or taxes extracted or 'diverted'. The cash (at this scale and in this context) was also attractive to agency staff and the 'wealthy' in general.
Vouchers are less subject to fraud or diversion.	The most significant cases of fraud or diversion discovered by the evaluation team were limited to cash programmes. However this is because the research using the most effective method for discovering diversion focused on areas where cash programmes were implemented. ⁵³ That said, voucher projects were not free from issues. IDPs reported leaving camps in Mogadishu where gatekeepers requested one half of their voucher ration and beneficiaries reported providing a portion of their vouchers to gatekeepers in Mogadishu.
* Sources: Nairobi and Mogadishu workshops conducted by this evaluation team on 12 November and 19 November 2012 respectively; Guillemois and Mukhtar Sheikh Mohammed (2012)	

53 Voucher programmes were implemented by COOPI, Concern, DRC and NRC in Gedo, Lower Juba and Mogadishu. Data collection was very difficult in the COOPI operational area in Middle Juba due to the presence of Al Shabaab and COOPI's own strategy to maintain a 'low profile' and in Mogadishu where the plethora of types of aid and sources made investigation through telephone interviews difficult.

The issue here is not whether the agency made the correct decision at the time, particularly given the lack of information, access and experience with cash-based programming, but whether the agency figured into its monitoring and evaluation means to monitor and test its assumptions (e.g., beneficiaries would use cash transfers to facilitate movement to camps). And if so, did the agency use this information to improve its programme, and/or did it share this information so that collective response analysis and programme design is increasingly evidenced based.

Transfer Size. With regard to the size of the transfer, and whether it was appropriate to achieve stated objectives – to save lives and protect livelihoods – monitoring indicators were adequate to measure the first objective (related to food consumption and the employ of extreme coping mechanisms) but not for the second. This was raised in the Interim Progress Report, and a different coping strategies index (CSI) specific to livelihood strategies with more emphasis on non-consumption strategies was used in Phase Two. Unfortunately, only very little CSI data from Mogadishu and Hiraaan is available for this evaluation, limiting its relative utility.⁵⁴

That said, a more robust analysis was undertaken using data from Phase One and additional data from Phase Two for the CVMG agencies (see the regression analysis under *Impacts*).⁵⁵ This analysis confirms what was suggested in the Interim Progress Report: the size of the transfer does have an effect on the quality of diet as defined by dietary diversity and on reducing the negative coping mechanisms. This is truer for cash, but is also true for larger voucher values and was the reason Concern increased its voucher value from USD47 to USD75. Unsurprisingly, a transfer value of USD100 or more meant that households were more likely to eat high value foods (animal products), use a larger percentage of expenditures to pay debt, and reduce overall debt – with obvious impacts on access to credit for both food and non-food items, including livelihoods expenditures.

However if the objective is simply to save lives, using household dietary diversity (HDDS), a weighted HDDS similar to WFP's Food Consumption Score, or the Household Hunger Index (HHI), even the smallest transfer value (a USD70 commodity voucher) provided for four months (September 2011 to January 2012), correlated with a significant improvement. Less than this, where data exists, HDDS did not improve at a similar rate, implying that *a smaller transfer would have been inappropriate*.

Duration. With the exception of places where NGOs were banned, and therefore cash and voucher distributions were limited in duration to one-three months, agencies targeted the same beneficiaries for between 6 and 12 transfers over a 16-month period. Given the dramatically changing conditions, and rapidly improving food security of many beneficiaries, this appears to have been inappropriate if the objective was to save lives.⁵⁶ In some cases beneficiaries continued receiving assistance after they had recovered adequately,⁵⁷ and without additional resources this meant there was limited flexibility to incorporate newly vulnerable groups.

54 Three points in time for Mogadishu and one point in time for Hiraaan. Results are not statistically different.

55 In the Interim Progress Report, the analysis was based on 14,000 records from the CVMG, and the method of analysis was means testing, e.g., average HDDS, HHI, food as a per cent of expenditure, etc., for each size of transfer (USD46–120). For the final report, 18,000 records were used and a more robust multi-variate regression analysis was completed.

56 This was a similar observation made by the NRC evaluation (Guillemois et al. 2012)

57 Here inferred by household hunger index scores and household expenditures but also given changing food security conditions and most vulnerable groups as described by FSNAU/FEWSNET (2012).

The factors cited that influenced the decision not to retarget were (a) lack of reliable information on local food security and seasonal factors, as well as the vulnerability status of non-beneficiaries, (b) for CVMG agencies, delays in M&E data that might have indicated beneficiaries were less food insecure earlier in 2012, (c) operational obstacles to retargeting and (d) uncertainty of funding for the June to December 2012 period. Many of these factors were particularly true in areas under Al Shabaab control.

One example, in which nutrition-targeting criteria were used and beneficiaries (malnourished children) no longer met the criteria, was the case of Hiraan: other indicators of food insecurity did not demonstrate persistent food insecurity as defined by poor food consumption, per cent of the transfer spent on food, debt repayment, debt levels, coping mechanisms, etc.⁵⁸ A similar example is the case of Mogadishu: ACF assumed responsibility to assist DRC beneficiaries who had already received nine months of continuous cash transfers (of USD95–120). ACF staff reported a significant proportion of IDPs had actually left the camp, only to return again when distributions restarted. Not surprising considering that after DRC reduced the transfer to USD95, reflecting the cost of a sorghum-based minimum expenditure basket, ACF increased the transfer value to back to USD120.

Inconsistency between Objectives, Targeting Criteria or Group, Duration and Size of Transfer, and Conditionality, and Outcome Indicators. Perhaps the most striking issue was the apparent lack of flexibility or dynamism in the implementation of the approach (apart from relocation when agencies were banned), particularly given the relative ease of changing the size of the transfer to match programme objectives.⁵⁹ An exception were several voucher programmes, which increased the size of the vouchers (from on average 50USD to 85USD) when agencies observed they were not having the desired impact on food consumption.⁶⁰ In Phase Two, Concern also introduced a partial cash transfer in response to beneficiary preferences and to adapt to changing beneficiary needs.

Targeting clearly remains one of the more difficult steps in the provision of aid in Somalia (discussed in the following section on Coverage and Targeting). That said, there is sufficient evidence to suggest that at some point, probably not long after the *deyr* harvest, the situation had changed sufficiently to warrant:

- retargeting, review of targeting eligibility, and/or targeting strategies, the latter in the case of nutrition based targeting;⁶¹
- if retargeting was not operationally feasible, the introduction of conditionality, such as school attendance, cash for work, or other locally appropriate and feasible options;⁶²

58 In the view of the evaluation team, SCSOM had the opportunity to retarget after resuming activities in May (three distributions outstanding). SCSOM cites that there were security repercussions for doing so, a continuous ban on activities in some areas limiting access, lack of concrete data on food security conditions, and a predicted poor gu harvest. The evaluation team would add that given our independent findings on potential misuse of funds (not confirmed by SCSOM's own investigation), that there were local vested interests in not changing the beneficiary lists.

59 This finding was supported by several senior staff in donor, UN and implementing agencies.

60 CPD/SCSOM and Concern in Mogadishu and COOPI in Gedo and Middle Juba.

61 Given that targeting was done under considerable duress and compromises may have been made in the interest of expediency, retargeting would have been, in this case, a risk management strategy.

62 Agency staff suggested as early as February for some beneficiaries, increasing until June until all but those unable to work were participating in cash for work (Mogadishu and Nairobi workshops). There are several models where, as the proportion of vulnerable households declines, the proportion of those who must meet conditions in order to receive aid increases.

- if truly retargeting was impossible, at least in the case of UCG, revisiting the size of transfer (food prices had come down considerably);⁶³
- if a large transfer was provided on the premise that beneficiaries would use it to rebuild livelihoods, then including more livelihoods-based indicators in M&E systems to measure whether or not agencies were achieving what they said they would.

A relative inertia appeared, particularly between June and September 2012, even once the CVMG Phase One reports and the Interim Progress Report were completed. This inertia is explained by the NGOs being evaluated as due to various factors, including lack of clarity in terms of funding, delays in the liquidation process that triggered delays in disbursements, etc. Regardless, when the majority of programmes restarted in October after a period of donor reporting and fund raising, with the exception of Adeso and COOPI, both of whom retargeted, and DRC, which reduced the size of its cash transfer, there was remarkably little that changed from Phase One to Phase Two.

63 DRC did revise its cash transfer from USD120 to 95.

VII. COVERAGE AND TARGETING

A. Needs, Overall Response and Overall Coverage

Needs. At the time of the declaration of the famine, some 2.8 million people in southern Somalia were assessed by FSNAU to be in need of immediate, life-saving food assistance.⁶⁴ These figures increased significantly from the February 2011 assessment.

Table 3 depicts figures for people in need as of the famine declaration. Note that Phase Three is ‘crisis’, Phase Four is ‘emergency’ and Phase Five is ‘famine.’ Any of these categories is a call for urgent assistance, particularly Phases Four and Five. An additional 372,000 IDPs in Mogadishu⁶⁵ and Afgoye were also considered to be in Phases Four and Five, bringing the total in August to 2.8 million.

Date	Phase Three	Phase Four	Phase Five	Total	Per cent of population
Feb 2011	490,163	349,007	0	839,170	23
Aug 2011	371,967	1,568,355	494,846	2,435,168	68
Feb 2012	729,306	373,783	0	989,336	28
Aug 2012	820,559	97,646	0	856,716	24

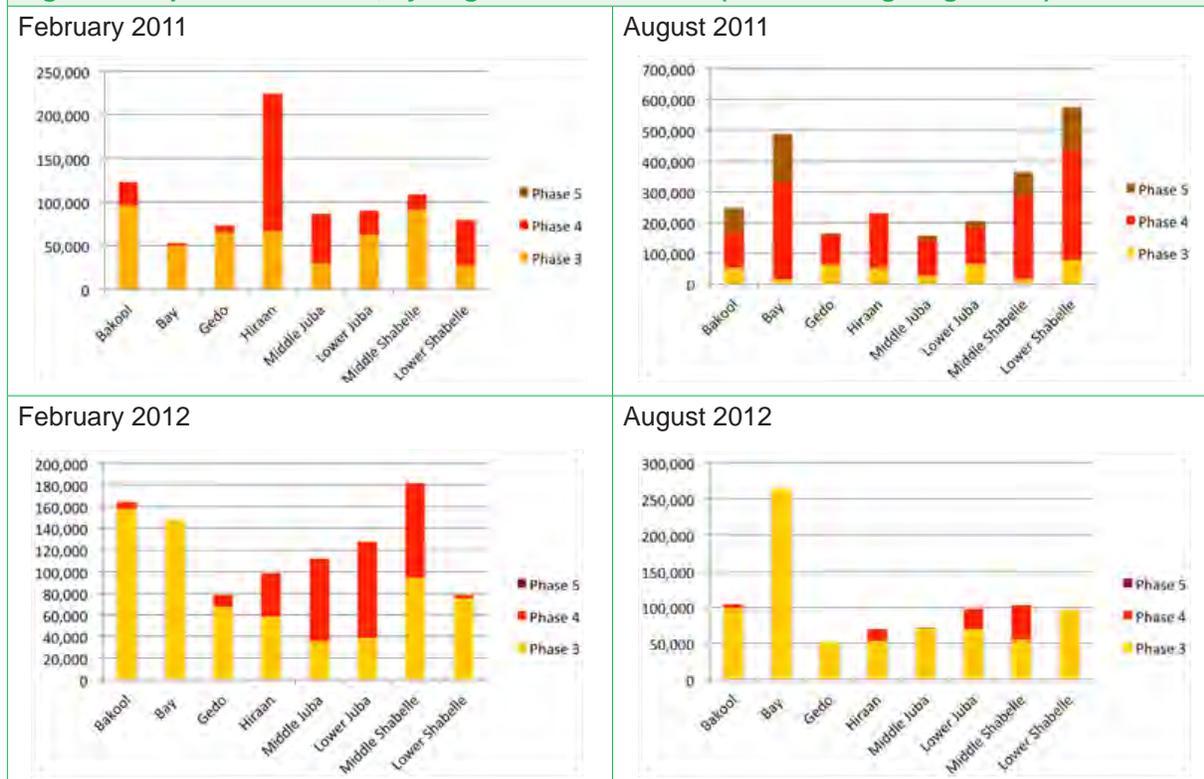
Source: FSNAU (2011)

Figure 4 depicts needs, by region and phase classification, over time. Hiraa region was already in a significant crisis in February of 2011, but the situation only worsened slightly there with the failure of the *gu* rains in May-June. In much of the rest of southern Somalia, the situation turned much worse with the failure of the *gu* rains, particularly in Bay, and Middle and Lower Shabelle regions. By February 2012, the situation had improved, and no regions or livelihood groups were still considered to be in famine. The situation remained serious, however, with large groups still in Phase Four in Middle and Lower Juba and Middle Shabelle. The situation worsened again in Bay Region between February and August, 2012, but continued to improve elsewhere.

64 FSNAU (2011b).

65 There are various figures for IDPs in Mogadishu. UNHCR noted a peak of 410,000 (<http://www.unhcr.org/4ca5d91f9.html>); FSNAU noted 260,000 as IDPs *in famine* in FSNAU Rural Urban IDP Populations in Crisis August September 2011, while the joint UN/TFG mission in late 2011 had a starting point of 372,000 (then revised downward to 184,000).

Figure 4. Population in Need, by Region and IPC Phase (Not Including Mogadishu)



FSNAU credited the large-scale humanitarian response for much of the improvement between August 2011 and February 2012, but little M&E data had been made available at that point to confirm this. To trace the impact of major responses, of which the UCT programme is arguably the largest, it is important to consider the overall response, the coverage, and the coverage of the UCT programme over time. That analysis is presented below and under [Impact](#).

Geographic Targeting. The epicentre of the famine was in the agricultural areas and among the riverine and agro-pastoral populations of southern Somalia. These population groups primarily live in Bay and Bakool regions (the *Rahanweyn* being agro-pastoral) and along the Shabelle and Juba rivers, particularly in Middle and Lower Shabelle and Middle and Lower Juba (the Bantu being riverine). They are considered ‘minority’ populations within Somalia and have historically been excluded from power and resources. They were also the major victims in the famine of the early 1990s. Al Shabaab held many of these areas and has garnered significant support among these population groups by appealing to their historical ‘minority’ status.⁶⁶ In terms of geographic targeting, much of the territory occupied by these groups was not accessible to international actors due to restrictions placed by Al Shabaab (apart from some Islamic actors). With the exception of agencies who worked through Somali NGOs (e.g., the partnership between SADO and ACTED), due to access limitations, total aid resources were focused

66 See Majid and McDowell (2012) for an analysis of these issues.

on Mogadishu and the Kenya-Somalia border areas, particularly through Dobley and Dollow. Hiraan also received significant resources. To reach aid, many of these 'minority' populations had to move into geographic areas controlled by more powerful Somali clans. Many were displaced in the Afgoye Corridor and camps in Mogadishu.

Most agencies under evaluation implemented programmes in areas where they were already operational, due to the need to scale up quickly, limited physical access to new areas where NGOs had not previously been working, and the high risks associated with those areas. The areas of operation included only to a limited extent Bay and Bakool and the Shabelles.⁶⁷ Only ACF and ACTED expanded into Bay, until the former was banned. ACTED, through its partnership with SADO, continued to deliver assistance in these areas. However these partnerships were relatively small scale given the lack of experience and capacity of both international and national NGOs to implement cash-based responses, and a limited capacity to monitor implementation. Given gaps analysis, reluctantly Adeso expanded into Lower Juba with a local partner, AFREC. Concerns that local partners' operations could not be sufficiently monitored proved justified in this case (see The Case of Adeso, AFREC and Amal).

Total Coverage. Under more 'traditional' circumstances, the levels of need would have been calculated in terms of the assessed requirement for food aid, and expressed in metric tons. The assessed requirement could be compared with actual deliveries, by location over time. Although this wouldn't address the question of whether aid had targeted the correct households, it would give a fairly accurate estimate of coverage. However, in the case of the response to southern Somalia, different – and not easily comparable – modalities of response had to be aggregated. This included in-kind transfers of food aid (largely from the ICRC), unconditional and conditional cash transfers and food vouchers. A combined effort by the Food Assistance Cluster and the Agriculture and Livelihoods Cluster resulted in the 'Kilocalorie Maps' which depict the response, to regions and districts, by month (Figure 5).⁶⁸

Ironically, the coverage seemed to be the best very early in the response (September 2011). But this is mostly because the ICRC was able to conduct a one-off distribution of food in Bay, Bakool, Lower and Middle Juba and Lower and Middle Shabelle regions, reaching some 240,000 households with a two-month ration between September and October 2011. ICRC was later banned and repeating this kind of massive food aid distribution was impossible. But by October or November, the UCT response had scaled up. It was however heavily focused in a smaller number of regions – mostly Mogadishu, Hiraan, Gedo, and Middle and Lower Juba. Some areas of Lower and Middle Shabelle were also reached by the UCT program. However in Lower Shabelle, the focus was on IDPs in the Afgoye Corridor. With the exception of one cash distribution in Bakool region early in the program, modest voucher programmes in Bay and a substantial cash programme for IDPs in the Afgoye Corridor, the UCT programme did not reach the most famine-affected regions of Bay, Bakool and Lower Shabelle. Hence coverage for those areas appears to be low throughout the period of the famine response. In other areas, the coverage

67 ACTED in partnership with SADO; COOPI and Oxfam in partnership with CED, and NRC.

68 The maps depict the coverage in terms of caloric needs of the assessed numbers of people requiring assistance, and the imputed kilocaloric value of the various transfers – be they in-kind food aid, cash or voucher. The results were mapped and coded by colour, according to the proportion of needs met. The resulting maps are depicted in Figure 5 and Annex IV.)

Significantly, while the kilocalorie maps paint a picture of very widespread under-coverage of assistance, the population-in-need figures above show definite improvement over time. This raises questions about the extent to which mainstream humanitarian interventions can be interpreted as the reason for improvement at a population scale (see discussion under [Impacts](#)). What happened in areas where traditional humanitarian interventions were reportedly not commiserate to need (gaps) and subsequent humanitarian conditions in 2011 are the subject of Box 3.

Box 3. The Case of Bay and Bakool

The evaluation team was not able to visit Bay or Bakool regions, the epicentre of the famine. Gaining some insight into what happened there is important, particularly given the relative absence of mainstream humanitarian interventions. More than thirty telephone interviews were conducted with people from these regions. The interviews were conducted in Maay, the local dialect, as well as the Somali language. A simple set of guiding questions were asked.

Situation at the Time. The majority of respondents reported that they depended on farming and livestock in 2011, consistent with these regions' agro-pastoral status. The severity of the situation in early 2011 is reflected in all of the interviews, with one respondent summing the situation up as follows: 'It was a horrendous time. The most difficult and horrifying period of my life. No rain, no food, no farming and all our livestock gone, all at once.'

Respondents reported that hunger and disease were prevalent, with animals dying and then people. One respondent mentioned that he lost two children due to the drought. Three respondents (out of the first eight) reported selling farmland and another had lost his family's home. Two families reported moving to IDP camps within the regions; another had a family member that reached the Mogadishu IDP camps and another reported a family member travelling to Bosasso to find work.

Critical Change (May and June 2011). Two periods are identified as improving the situation. The majority of respondents reported that there was some improvement from May to June, particularly in the form of aid from different sources: Somali private companies, Arab and Islamic humanitarian organisations (Islamic Relief and Muslim Aid), the ICRC and Al Shabaab itself. Some assistance is also identified as coming from the Somali diaspora. The evaluation team is aware of a USD1 million cash programme, implemented by AYED, with money from Arab sources, for example. Late *gu* rains, particularly in late May and early June, are also identified as improving the situation, generating some milk production and demand for farm labour.

The other period of improvement was associated with the *deyr* rains, although this was less commonly mentioned. The most difficult time therefore appeared to be the months prior to May and June, before the effects of the late *gu* rains were felt and different types of assistance (Islamic, diasporic and ICRC-related) were received.

Other 'Coping' Strategies. Other than assistance from organisations and companies and selling household assets, people reported surviving by finding jobs (one as a cleaner, two in restaurants, one making charcoal) and receiving help either from their own blood relations or from strangers in the areas. Two of the ten households interviewed received remittances from within the country (Mogadishu IDP camp and Bosasso, mentioned above) and one reported receiving assistance from a relative in the diaspora.



El Berde

El Berde is both a town and district in northern Bakool region, on the border with Ethiopia. Unlike most of Bay and Bakool, the town and surrounding areas have a mixed population including Ogaden, Reer Hassan, Rahanweyn and various minority groups. An Ogaden sub-clan has controlled the town and surrounding area for many years. Al Shabaab have been in control of much of the rest of the region more recently. It is therefore a relatively autonomous area and a cross-border trading hub between Ethiopia and Somalia. Informants from all of the major clans (including minorities) represented in the area were consulted, revealing some comparisons in terms of relative vulnerability.

The situation in the El Berde area was very similar to that described above for Bay and Bakool in general. However, many Rahanweyn and other minority groups moved to the area from other parts of Bay and Bakool during 2011, due to its relatively good security. These were poor and destitute groups in particular. While the conditions were extreme during this period, the ability to cope varied according to clan:

As the dominant group in the area, the Ogaden managed the wider drought and famine conditions relatively well. They were able to gain preferential access to any aid, and are well connected to Ethiopia and Kenya through Ogaden clan networks (Ogadeni sub-clans are found in significant numbers in all three countries).

The Reer Hassan (a small religious clan) were also able to manage the situation through their own means. However, the extreme nature of the conditions at the time is reflected in internal clan discussions that seriously considered relocating the entire Reer Hassan clan family to Ferfer in Ethiopia. Ultimately this course was not chosen and the resident clan family was able to raise significant sums from relatives in Kenya and the Western diaspora. This was primarily used for water trucking.

Those facing the most difficult times were from the Rahanweyn and other minorities (such as Midgan and Aylo), which experienced death and major asset loss. They reported surviving by begging, collecting grass and firewood to sell, hunting and labouring. None of these groups reported receiving assistance from aid agencies, family or clan members from nearby countries, or the wider diaspora.

This short case study illustrates the extent to which two clan-identified groups – the Ogaden and the Reer Hassan – were able to manage the extreme conditions of 2011 through their own means and wider social networks, whereas the Rahanweyn and other minority groups were much less able to do so.

Coverage of the UCT Response. Table 4 and Figure 6 depict the overall coverage and coverage by region of the UCT response, broken down by month. Some regions were served mainly by one agency; others were served by multiple agencies, with a number working in Mogadishu (see also Table 1). The FSNAU calculated the cost of cash transfers based on the minimum amount of food commodities which an average household needed to survive in Southern Somalia as of July 2011. This is not the Minimum Expenditure Basket, which was USD75–116 per month, but the Minimum Food Basket, which was USD58–100 per month. This figure is multiplied by 16 months (August 2011 to December 2012). The analysis is slightly flawed as both food security conditions and food prices evolved; however most of the cash transfer programmes did not.⁷¹

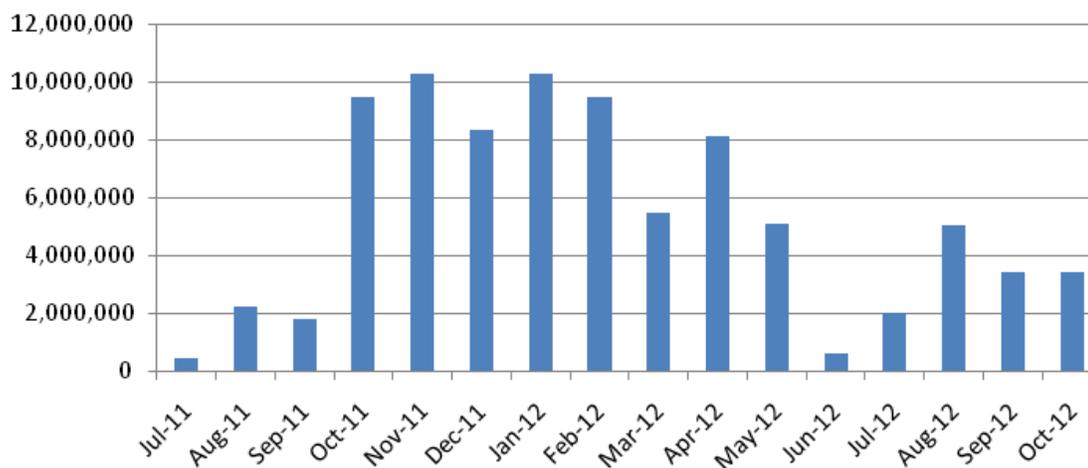
71 .????????????????????????????



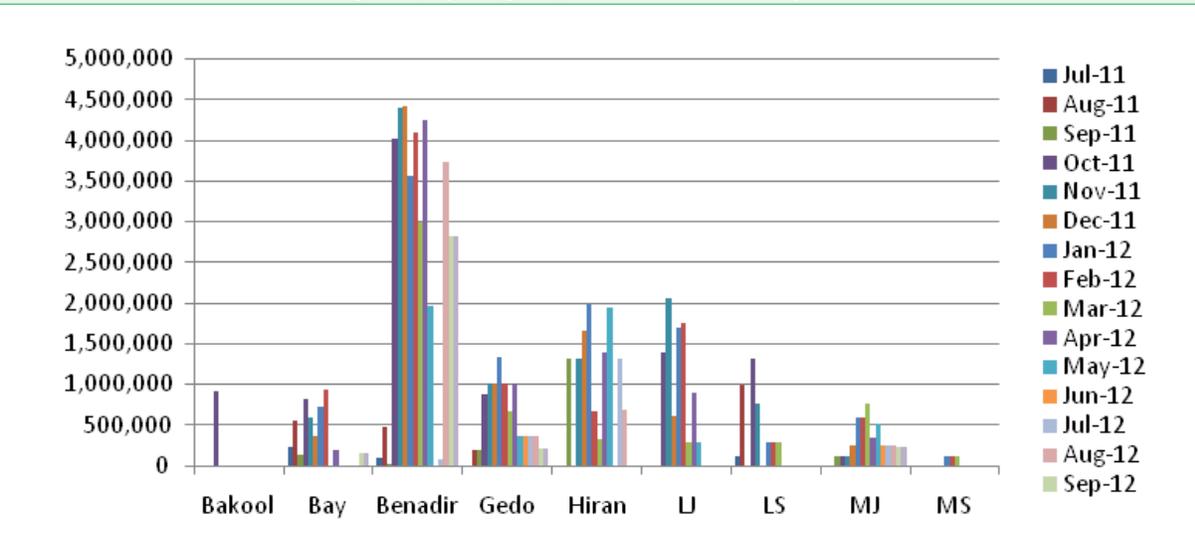
Table 4. Scale of Unconditional Cash and Voucher Programmes under Evaluation Compared to Need

Region	FSNAU Households in Need (Aug '11)	Recipient Households*	Hypothetical Per Cent of Beneficiaries Reached	FSNAU Total MFB Cost (Aug '11- Dec '12)	Value of Transfer (Aug '11- Dec '12)	Hypothetical Per cent of Needs Met
Bakool	34,000	8,000	24	32,413,000	906,000	3
Bay	37,000	29,000	78	47,736,000	4,463,000	9
Benadir (IDPs)	51,000	69,000	134	60,384,000	45,384,000	75
Gedo	83,000	12,000	14	16,600,000	9,598,000	58
Hiraan	35,000	20,000	57	49,680,000	12,607,000	25
Lower Juba	69,000	13,000	19	25,317,000	7,512,000	30
Middle Juba	25,000	26,000	104	16,240,000	4,073,000	25
Lower Shabelle	22,000	16,000	72	66,667,000	6,528,000	10
Mid Shabelle	29,000	1,000	3	16,240,000	360,000	2
Total	386,000	195,000	50	331,277,000	91,431,000	28

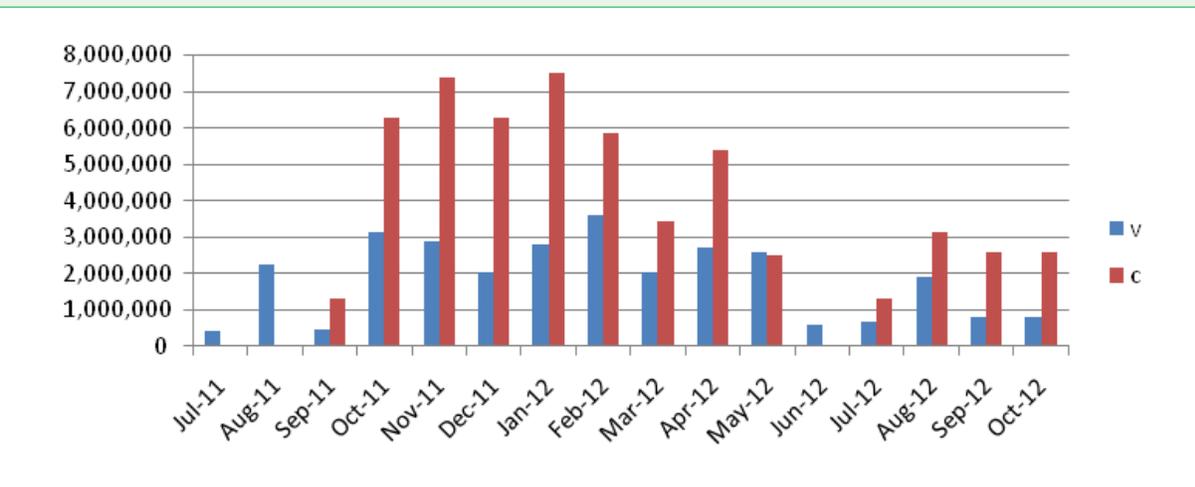
*Maximum number of beneficiaries for any one month during the period.

Figure 6. Unconditional Transfer Programme in USD over Time
Total Unconditional Transfer Program, in US Dollars: August 2011-October 2012


Unconditional Transfer Program, by Region, in US Dollars: July 2011-October 2012



Total Unconditional Transfer Program, by Value of Cash and Voucher Interventions, August 2011-October 2012



By far the greatest proportion of the UCTP was concentrated in Mogadishu. Hiraan region, served by two different agencies, received the second largest amount. The hardest hit areas of Bay, Bakool, Middle and Lower Shabelle were much more difficult to access, and thus received considerably lower levels of assistance. Or, rather, these regions received less assistance directly from the NGOs being evaluated. There is evidence that aid did reach Bay and Bakool (see Box 3. Bay and Bakool Case Study), including from family-members who used *hawalas* to transfer a portion of their cash assistance from Mogadishu back to Bay and Bakool.

Furthermore, in Mogadishu, Hiraaan and Gedo, not only is the total cash value of transfers high but the same beneficiaries received 6–12 transfers over a 16 month period.⁷² Only in Gedo did NGOs retarget and only in August 2012 – more than one year after the famine declaration. Without periodic retargeting, targeting the most vulnerable from the outset was critical, on the assumption that the same families would require substantial inputs over time to achieve food security.

Mobility, Risk and Geographic Targeting. Somalis are known to diversify their livelihoods and thus reduce risk by having family members migrate or move to different areas in search of opportunities and resources. Displacement to areas with relatively higher concentrations of humanitarian aid can be seen in this light. It is therefore possible that providing disproportionate aid to Mogadishu may have compensated to some extent for under coverage in the Shabelles, Bay and Bakool. UCTP beneficiaries in Sakow (Middle Juba) reported that nearly 50 per cent had family members in other IDP camps, thereby accessing aid resources in multiple locations. In other areas, no respondent reported this phenomenon; however, this is likely to be a reporting bias.⁷³ One of three interviewees in Bakool mentioned that a family member was in Mogadishu and was sending half of his or her cash or aid back to Bakool. Academic literature suggests that Dadaab is an important hub from where resources may be sent to relatives in Somalia.⁷⁴ While aid was concentrated in certain areas, the division of households and the presence of *hawala* meant that some was re-distributed to the epicentre of the famine affected areas (see also Sharing under [Impact](#)).

Duplication. It is also the case, that since aid was concentrated in certain areas, there was significant duplication. Analysis of the CVMG data indicates that:

- sixty (60) per cent of cash and voucher beneficiaries received *in-kind food assistance* in September and October 2011, reducing to 10 per cent by January. This could be explained by the simultaneous distribution by ICRC which ceased in 2012 when the ICRC was banned. However, this increased again during the period March to October 2012 to, on average, 60 per cent (20–100 per cent).⁷⁵
- in Gedo and Lower Juba there was overlap between food voucher and cash recipients as late as March 2012 (30 per cent).
- with regards to *cash for work* (CFW), the overlap was also significant, particularly in Gedo where 10–25 per cent of beneficiaries receiving cash and vouchers also participated in CFW in December 2011. Something similar happened in Lower Juba (35 per cent) – particularly where Somali NGOs were simultaneously contracted by INGOs and/or by the FAO⁷⁶ – and Mogadishu (30 per cent of Concern beneficiaries in September-October 2012 reported receiving cash or CFW).^{77,78}

72 Not all agencies distributed 16 transfers; some distributed 6–12 transfers to the same beneficiaries.

73 Beneficiaries most likely perceived the 'correct' answer to be 'no' they do not have family members receiving assistance in other locations.

74 Horst (2006).

75 This is an update from the Interim Progress Report and is an increase in duplication, particularly in Gedo, Lower Juba and Mogadishu.

76 SADO, WASDA, HARDO.

77 DRC and Concern were not implementing CFW at the time. Instead several other organisations (e.g., IOM) were implementing large-scale CFW in Mogadishu.

78 There is a flaw in the CVMG and FAO data collection tool where beneficiaries are asked if they receive cash or cash for work. This should be disaggregated to better detect overlap with CFW programming.

While this is not necessarily a problem – needs were indeed great and different types of aid can complement each other⁷⁹ – the significant duplication does suggest (a) a lack of strategy and coordination, (b) perhaps an over-dependence on the same Somali NGOs who cannot conduct multiple targeting exercises, and/or (c) local elites manipulating targeting to provide multiple benefits to fewer people.⁸⁰

B. Targeting Effectiveness of Socio-Economic or Community-Based Targeting

The predominant mechanism used in targeting cash and voucher responses (and food aid) is ‘community-based targeting’ (CBT). Nutrition-based criteria was the most notable variation to this. CBT relies on the involvement of local socio-political actors to facilitate and participate in a transparent process of selecting beneficiaries, ideally by agreeing on vulnerability criteria that identify those most in need and in accordance with humanitarian principles.⁸¹ Project documents and M&E subsequently report according to these criteria. In practice, the relative success of any CBT methodology depends on the local power dynamics and the roles adopted by key actors, such as local government representatives, traditional leaders and the humanitarian agencies themselves, i.e., to what extent key actors are committed to ensuring some level of distribution according to project vulnerability criteria.

In the case of Somalia, targeting processes are further complicated by limited access of ‘independent’ observers to the field and by the unstable and often violent local context that must be negotiated (typically by agency field staff). Local authority and governance is highly variable and localised across southern Somalia. Clan-based power dynamics exist in relation to majority-minority inequalities as well as inequalities and competition within majority clans. Influential authorities in programme areas over the project period have included Ethiopian and Kenyan government powers, Al Shabaab, the TFG, elders and other local clan-based authorities, including militias. NGO field staff in particular are at the forefront of managing these dynamics. Many are also embedded within this socio-political reality and subject to its pressures. They may act to counter these power dynamics and advocate for needs-based distribution or they may be unwilling or unable to resist these pressures.

General Findings In general, NGO workshop participants and different interviewees all acknowledge the apparent discrepancy between the language of project documents (typical vulnerability criteria) and the realities of local power dynamics. These issues are acknowledged by the same informants to be sensitive and not discussed to a great extent. The high turnover of staff at Nairobi level, limited access to the field and increasingly remotely managed projects mean that the discussion of these dynamics and how best to manage them is limited.

One of the more prominent means of attempting to address this issue is the Inclusive Community-Based Targeting (ICBT) method promoted by Adeso. This method promotes open, public meetings where information about entitlements is made public, allowing local communities to advocate ‘from the

79 See the Interim Report. Households who receive commodity vouchers and cash for work with COOPs food security and livelihood programme demonstrated dietary diversity comparable to cash-only recipients.

80 What Tessitore calls “elite capture” in FAO (forthcoming).

81 “Aid is given regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind. Aid priorities are calculated on the basis of need alone.” Principles of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Response Programmes, <http://www.ifrc.org/en/publications-and-reports/code-of-conduct/>

ground up' for access to resources. While this method, in particular the public meetings, was referred to by a number of agencies, it is difficult for the evaluation team to be sure that any agency has been systematically adopting such methods (including Adeso itself). The success of this method depends on detailed knowledge of local context and, importantly, time. So while evidence suggests that it worked for previous Adeso cash projects and in other contexts,⁸² there are reasons to doubt its efficacy this time around. Agencies were operating at a much larger scale, in some cases in new areas, and there was much less time to get targeting right.

Other than nutrition-based targeting, there were few alternatives, given the necessity of due diligence, i.e., doing an agency's best to ensure that the aid went to the most vulnerable and that it was not diverted by local authorities.⁸³ However there is evidence that Al Shabaab had a positive role in targeting as well (Box 4). Nonetheless, CBT was clearly not ideal, given access constraints and the magnitude of need and urgency. Agencies should have been more aware of its likely limitations – and therefore more careful with monitoring, more alert to possible abuse, more open to retargeting, etc. Given the likely obstacles to successful targeting, the overall strategy – significant amounts to a targeted population over a long time period – was arguably problematic.

Specific Examples of Targeting. In the IDP camps of Mogadishu, a significant number, if not the majority, of IDPs are from minority social groups (the Rahanweyn, Bantu and others).⁸⁴ However, the vast majority of camp gatekeepers and other powerful actors, such as the Mogadishu District Commissioners (DCs) are from the majority *Hawiye-Habar Gedir* group (particularly in Hodan district), while Darwish and Sigale camps are dominated by the *Digil Mirifle*. Camp owners and leaders are often not only the first point of contact to negotiate access (see [Mogadishu](#)) but also determine who will be on beneficiary lists. Alternative targeting methods tested included by-passing gatekeepers and going directly to camp residents and elders, which was effective but time consuming and engendered significant security risks for NGO staff, and rapid blanket registration, which compromised community participation and consequently both short- and medium-term accountability.

In rural areas of Hiraan, distributions were largely managed within the local clan-power system. For the two NGOs operating in Hiraan, this resulted in biases toward the more urban (village centres) population and the dominant local clan in these areas.⁸⁵ In these cases there was limited pro-active engagement by the relevant agency to ensure some element of reasonable targeting was taking place. When the surrounding populations found out about the distributions, they came to the village centres to claim a share from their relatives. In these more rural areas, social relations connect the rural and urban settlements, and re-distribution within the social system did take place.

82 Majid, Hussein and Shuria (2007); see articles in Humanitarian Exchange Magazine, Issue 52, October 2011 on Humanitarian Accountability.

83 Particularly Al Shabaab-given concerns for OFAC.

84 SCC (2012b)

85 The evaluation team's findings that there was an urban bias in the two agencies' programmes operating in Hiraan region is based on its own data collection and analysis of the CVMG data. The subsequent HARDO and SCSOM field investigations dispute these findings.



In Gedo region, Adeso recognised the prominence of stronger clans among beneficiaries. In an attempt to improve targeting of minorities as well as address gaps in coverage, they specifically prepared a new project and obtained new funding. It is difficult to determine to what extent they achieved their objectives but it does demonstrate (and document) recognition of this issue and an attempt to circumvent it. It is also true that for other programmes in the same geographic area, there is significant evidence to suggest that the Marehan (a dominant clan and owner of the more productive agricultural land) manipulated the majority of aid ensuring that both assets created (CFW) and the cash transfer itself benefited clan members. In the meantime, the Bantu were asked to both work and receive only a portion of the cash transfer.⁸⁶

In Doble town, Lower Juba, which has been under Kenyan and TFG control, evidence suggests that the local NGO, WASDA, was pro-active in identifying the most vulnerable populations, and in attempting to strike a good balance between existing residents and displaced populations. Informants reported that committee members actively looked for the most vulnerable households, and that when problems arose in relation to targeting, the organisation took control back from local authority figures.

Feedback in El Waq town and district (Gedo) was particularly positive, in terms of the cash programme. Adeso used a second cash-based project (that mentioned above) to meet a coverage gap in El Waq (they used 750 of the 2,000 allocations they received under this project for El Waq).

⁸⁶ FAO, forthcoming.

Box 4. The Role of Al Shabaab in Targeting

While the majority of resources were distributed in areas outside of Al Shabaab control, comparing the experience of organisations that worked within Al Shabaab-controlled areas enables some analysis. It must be remembered that Al Shabaab is not a cohesive organisation. And while the ban on agencies' activities was implemented at a national level, there were significant differences in how Al Shabaab engaged with humanitarian actors and aid locally.

Evidence gathered by the evaluation team from a variety of sources suggests that Al Shabaab often enforced or supported the targeting of individuals and households based on 'needs' and 'vulnerability' – a typical phrase used was those 'not lighting their fire' (meaning not able to cook or provide for themselves). Al Shabaab, to some extent, represented a voice for minority populations and therefore challenged long-standing Somali clan-based patriarchal power dynamics. This also applied to the cash programme, where examples of targeting in Al Shabaab areas were notably not based on local clan power dynamics. Somewhat ironically therefore, the vulnerability criteria and targeting norms of the (Western) humanitarian sector and Al Shabaab were closely aligned. And in some areas, when Al Shabaab was removed, targeting processes notably worsened.⁸⁷

Other indicators corroborate the positive role that Al Shabaab had on the provision of humanitarian assistance locally. Several sources suggest that Al Shabaab limited corruption or potential corruption in project areas, security was better in areas under its control (and therefore made operations easier), and Al Shabaab requested that people share their wealth at mosques and prayer times in order to help others. On the other hand, there were examples where Al Shabaab members did try to influence the registration processes, including putting family members on lists.

These findings and perspectives provide an interesting and important analytical lens with which to understand and interpret 'normal' or common operating practices and constraints, including targeting the most vulnerable.

Targeting IDPs in Gedo, Middle and Lower Juba. While working with IDPs was a particular focus for Mogadishu, many IDPs also existed in Gedo, Lower and Middle Juba. IDPs included those displaced to urban centres or settlements from nearby rural areas as well as many minority groups from the Juba (riverine) areas and from Bay and Bakool. Many IDPs from the interior of Lower and Middle Juba moved to villages within 40 kilometres of Doble town. Doble town is an important hub on the way to Dadaab refugee camp (which is now one of the largest urban settlements in Kenya). Focus group discussions identified significant minority populations among targeted IDPs.

Evaluation findings in Gedo, Hiraan, and Lower Juba indicate that gatekeepers, local authorities and landowners are the 'critical actors' controlling many IDP camps in these areas. When IDPs settle in an area it becomes a target for resource distributions. In at least one case, among the bona fide IDPs, resident populations posed as IDPs and built 'bush *bariis*' (roughly translated as rice huts). Interviews with key informants suggest 15–20 per cent of huts in a camp might be 'bush *bariis*' and is a common practice throughout the country.

⁸⁷ Maxwell and Jaspars (2008) and the Case of Adeso, AFREC and Amal in this document.

C. Targeting Effectiveness Using Nutrition-Based Criteria

Within the cash and voucher programme, the most commonly employed alternative to CBT was Nutrition-based targeting (NBT). This was the preferred method for Save the Children Somalia (SCSOM) as they were already running 40 Outpatient Therapeutic Programme (OTP) centres, which allowed them to scale up relatively quickly (see [Efficiency](#)).

The Appropriateness and Effectiveness of Using Nutrition-Based Targeting. The decision to target OTP beneficiaries for cash resources was justified on operational grounds, as these centres provided the means for rapid distributions where an element of targeting was assumed to be inherent, and insecurity – and therefore access – was a significant constraint. However, NBT is not without disadvantages:⁸⁸

- The emplacement of OTPs is not always conducive to responding to the ‘next famine’, thus the risk of exclusion error increases (i.e. not reaching the most vulnerable who are unable to access OTPs). The centres themselves are static and thereby generally serve only the local population.
- The cash programme employed a one-off enrolment.⁸⁹ Therefore existing beneficiaries whose nutrition status (and their families food insecurity status) had improved continued to receive the transfer while new families with malnourished children received no benefits.
- NBT only targets families with children under five years of age. Both the agency itself and the evaluation learned that people were ‘sharing’ malnourished children in order to qualify for assistance.
- NBT may provide an incentive for households to have malnourished children. This was a common concern for agencies providing benefits to OTP participants. The Somali Nutrition Cluster examined the issue further and found evidence to be anecdotal.⁹⁰
- The evaluation team independently identified that collusion around the measuring of ‘malnourished’ children took place. And respondents in some areas felt that the OTPs in Hiraan were not a credible means to target the most vulnerable and the process was easily manipulated, in both urban and rural areas. SCSOM’s own investigation disputes this finding.
- Feedback mechanisms are centre-based not community-based. As such the broader community is unable to hold OTP staff accountable for favouritism during the registration process.
- The method demands joint monitoring by multiple units, e.g., nutrition unit and food security/cash transfer staff, which is rarely realised, including in this case.⁹¹ The information must be cross-checked regularly – and can be a risk management measure.

Outcomes. There was no internal joint monitoring or cross-checking of information between the food security and nutrition units to determine not only if the most vulnerable were targeted but also to determine if the coupling of the two interventions actually improved nutrition outcomes (increased rates of weight gain, etc.). Examination of the CVMG data shows that it may have been manipulated, as highlighted

88 Save the Children (2012)

89 This was true both for SCSOM and ACF targeting strategies, the latter in Mogadishu.

90 See Somali Nutrition Cluster Minutes, 7 May 2012.

91 Bailey and Hedlund (2011)

in the Interim Progress Report, e.g., dietary diversity data was of poor quality⁹² which may be related to suspected fraud (see Diversion) or simply poor data collection. That said, beneficiaries who were targeted through OTPs demonstrated:

- Less vulnerability at baseline: higher household dietary diversity, lower household hunger,⁹³ lower debt as a per cent of income.⁹⁴
- More rapid improvement: decline of the household hunger index to zero by October 2011 (versus January 2012 for other agencies), debt as a per cent of income less than 5 per cent (versus, on average, 300 per cent for other agencies).
- Less likely to meet traditional food insecurity criteria after three months of transfers: average per cent of income spent on food was 40 per cent versus 50 per cent and higher expenditures on livelihoods (17 per cent of expenditures versus 3 per cent in other agencies).
- While other agencies working in Hiraan, even in the same district, have outcomes more comparable to beneficiaries in other regions.

In general, despite considerable effort, the quality of programming from the perspective of targeting the most vulnerable was compromised regardless of the method used. In the case of CBT, the effectiveness was related to the relative ease or difficulty of implementing the approach given the local socio-political context, local staff experience and commitment to the process, and the willingness of local staff and the agency to compromise the process to distribute much needed assistance quickly. In the case of NBT, effectiveness was compromised due in part to methodological flaws, accepted by the agencies in question in the face of an urgent need to scale up. This raises the question of whether geographically targeted blanket distribution would have been more effective at reaching the most vulnerable, including often-excluded minorities, at least in the first three months (September to December 2012). This would have allowed time to get targeting strategies and methodologies right. While donors and NGOs had to show due diligence in ensuring Al Shabaab did not benefit from funds, there is no doubt that families with an Al Shabaab member suffered equally, if not more so, from famine conditions. And therefore, blanket distribution for a short time during a famine was probably justified, coupled with appropriate risk mitigation measures.

92 Feedback was provided to SCUUK on the quality of the HDDS data (it was suggested that ODI, who was managing the CVMG data, begin to systematically analyse data quality, noting where continuous variables are not normally distributed). Since the Interim Progress Report, QM3 data remained suspect, e.g., all of Buloberte (11 villages) had HDDS=3, villages in Beletwein and Mahas have the same score. This data has been excluded from any analysis. Given suspected fraud in the SCSOM Hiraan office, all M&E data has been more closely scrutinised. SCSOM's own internal investigation disputes the evaluation team's allegations.

93 As measured by the Household Hunger Index (HHI).

94 HDDS 6.5 vs. 4.1, HHI 4.4 out of 9 vs. 55, Debt as a per cent of expenditures 6 per cent vs. 21 per cent.

VIII. MOGADISHU

Nearly half of all beneficiaries targeted by unconditional cash and vouchers were displaced persons arriving in Afgoye and Mogadishu from Bay and Bakool, Middle and Lower Shabelle regions (see Table 1). While the preferred strategy is to target these populations where they live, bans on agency activities by Al Shabaab made this difficult for many international organisations.⁹⁵ Thus UCTPs in Mogadishu were a special focus of this evaluation.

Mogadishu is incomparable to any other urban environment in southern Somalia, and the most significant and complex urban setting during the response to the 2011–12 Somali crisis. Four international NGOs⁹⁶ and three Somali NGO partners⁹⁷ provided unconditional cash grants and food vouchers, accounting for 48 per cent of the value of unconditional cash grants and vouchers distributed across southern Somalia (Table 1 and 4). The interventions targeted IDPs (80 per cent) and urban poor households in Mogadishu (20 per cent). At one point, the programme was assisting up to 69,000 households, which represents 470,000 individuals (assuming an average household size of seven) and 34 per cent of the total beneficiaries supported across the UCTPs being evaluated.⁹⁸

The population of Mogadishu was estimated to be 900,000 in 2005.⁹⁹ This figure however has fluctuated considerably in the past seven years with the changing levels of security in the city and the influx of displaced populations. Mogadishu has always been a strategic location in Somalia, as the seat of past governments, and a principal port city with international airport facilities. From 2007 to 2011, persistent drought in southern and central Somalia as well as conflict across the country (including Mogadishu itself) has led to a high concentration of displaced persons just 30 kilometres outside Mogadishu in the Afgoye Corridor, where the IDP population was estimated to be as high as 410,000 in 2011 (UNHCR).¹⁰⁰ This figure could never be verified because of limited access to the area. This displaced population is now disbursed when Mogadishu and Afgoye itself were ‘liberated’ from Al Shabaab control in August 2011 and May 2012 respectively. Many IDPs from Afgoye were no doubt among the ‘new arrivals’ in Mogadishu assisted through the cash and voucher programme. However, a joint UN/TFG mission in the latter part of 2011 revised the number of IDPs in the city down from 372,000 to 184,000, identifying approximately 50 ‘ghost camps’ in the process.¹⁰¹ These figures were contested and unofficial estimates now range between 220,000–370,000 individuals.¹⁰² Nonetheless, this brings into question the necessity of the scale of the overall cash and voucher (and other) interventions that were undertaken.

95 Some Somali NGOs and NGOs members of the OIC Alliance for Relief (32 Islamic NGOs), continued to operate in Bay and Bakool.

96 Action Contre la Faim (ACF), Concern Worldwide (CWW), Danish Refugee Council (DRC) and Norwegian Refugee Council (NRC).

97 Centre for Progress and Democracy (CPD) contracted by Save the Children, Hijra contracted by Oxfam and Youthlink contracted by Concern Worldwide.

98 ODI/HPG (2012)

99 UNDP (2005).

100 <http://www.unhcr.org/4ca5d91f9.html>.

101 UN Monitoring Group (2012).

102 ICRC (2012).

The deterioration of the humanitarian situation in southern Somalia, culminating in the famine declaration (late July 2011) and the change in political control over Mogadishu (early August 2011), came at approximately the same time. This resulted in a dramatic increase in humanitarian assistance to the city, especially when agencies had to suspend operations in other areas of southern Somalia under Al Shabaab control and relocate resources.¹⁰³ In Mogadishu, aid organisations were less constrained by Al Shabaab and given free rein, if not reign, to operate in the city. The international aid community based in Nairobi (including the UN agencies and INGOs) significantly increased their activity in the city, as did the Turkish government and the OIC – both with an established presence in Mogadishu. Humanitarian assistance included food aid, shelter, WASH, health, education and protection interventions as well as cash and voucher distribution. At the outset of the emergency in Mogadishu, inadequate effort was made to coordinate the response, either by the Transitional Federal Government (TFG) or the humanitarian community.¹⁰⁴ Under these circumstances, duplication of effort and confusion were almost inevitable.

In principle, the TFG's control over Mogadishu (comprising 16 districts¹⁰⁵) at this critical time should have improved humanitarian access through the capital, but in reality it was quite different. In contrast to Al Shabaab, the TFG exerted little authority in the city, which became chaotic, volatile and even more dangerous for agencies intent on applying humanitarian principles. UN agencies, NGOs and their operational partners were confronted instead with innumerable actors who wished to profit from humanitarian assistance for their own personal and political advantage.¹⁰⁶ These actors included district commissioners and other 'officials' such as camp owners, camp leaders and local militias, often working in conjunction with each other. Particularly influential were the camp leaders, often referred to as 'gatekeepers' who exercised control over the location of IDP camps; the delivery, distribution and management of assistance; and even physical access to IDP camps through their influence over the 'security' forces deployed to such sites.

As the IDP population of the capital expanded, makeshift camps mushroomed. Camps were scattered all over the city on public and private land and within public buildings, often in areas where conflict over resources and territory was rife. The camps themselves could be complex environments made up of different sub-clan groupings each represented by a community leader who had little choice but to work in association with the camp leader for the benefit of his community. Community-based structures are generally very weak in such urban environments. There may be camp leaders who demonstrate positive attributes and there is evidence from the evaluation of cases where particularly vulnerable households have been assisted by these individuals.¹⁰⁷ However, predominantly, camp leaders have taken advantage of the complex and chaotic environment to increase opportunities for diversion and derive considerable benefits from the camp occupants who in most cases are not from the same clan; such is their power and influence that no-one appears to hold them to account. IDPs reportedly paid to settle in camps,

103 ACF, Concern, DRC and NRC all re-allocated humanitarian resources to Mogadishu after they were banned or suspended operations in other parts of southern Somalia.

104 This was recognised as a weakness by the Humanitarian Country Team (HCT) for Somalia and resources were allocated to UN OCHA for this purpose from October 2011.

105 Abdul-Aziz, Boondheere, Daynile, Dharkenley, Hamar Jajab, Hamar Weyn, Heliwa, Hodan, Howl Wadaag, Karaan, Wadajir (Medina), Shangaani, Shibis, Waaberi, Wardhiigleey, and Yaaqshiid.

106 UN Monitoring Group (2012).

107 Focus Group Discussions conducted in Mogadishu (October 2012) by this evaluation team and SCC (2012c)

and then continued to pay 'rent'; they pay for access to water and sanitation facilities (where they exist) and they pay for 'protection'. These payments are often proportionate to the humanitarian assistance they receive. 'Ghost' camps and beneficiaries were reportedly established for the benefit of the most unscrupulous interested in diverting humanitarian resources.¹⁰⁸ Senior humanitarian officials believe diversion by gatekeepers to be a key factor in impeding the delivery of aid to the most needy,¹⁰⁹ not least as the most vulnerable are those unlikely to be able to pay to be on beneficiary lists in the first place (and they are likely to predominantly come from 'minority' groups).

In this context, NGOs, both international and Somali, with experience and knowledge of the operating environment were at a distinct advantage when implementing humanitarian programmes. However vis-à-vis the most vulnerable, the evaluation learned that this had both advantages and disadvantages. NGOs themselves, or at least staff from NGOs, that have clear (clan) affiliations with authorities are protected from profiteers. At the same time, it is at the discrepancy of the NGO ensure the most vulnerable, including minority clans, receive assistance. More worrying, were the examples of where Somali NGOs were asked to expand their areas of operation into districts where they had a distinct disadvantage to operate in (without sufficient 'power' to challenge local authorities) and where subsequently they would be forced to accept ghost beneficiaries as a means of diversion. In at least one case, the INGO partner was unable to implement the rigorous monitoring necessary to detect and therefore correct this.

The evidence of **diversion** of humanitarian assistance in Mogadishu is particularly difficult to gather and remains largely anecdotal. Beneficiaries and NGO staff are fearful of making complaints because it might jeopardise the project, its funding, or worse still affect their relationship with powerful local actors. The independent monitoring of the CVMG projects is cautiously positive about the results of the intervention, citing diversionary measures ('having paid someone to access their cash') at no more than 5 per cent in Mogadishu.¹¹⁰ The evaluation gained a much more critical view of the context by conducting an independent and anonymous study¹¹¹ in the city at the end of Phase Two. From this study the evaluation learned that 'gatekeepers' would regularly fabricate fake or ghost beneficiaries, list relatives as beneficiaries or simply set up agreements with beneficiaries to pay the gatekeeper a commission. It is much more likely that levels of diversion were more in the region of 15 to 20 per cent. The high loss of ID cards by beneficiaries reported in Phase One¹¹² is a clear indication that cards were probably confiscated either to control or penalise IDPs or as a diversionary measure. Even ID cards in the hands of beneficiaries do not guarantee access to entitlements because 'IDPs are often required to sell their food back to the gatekeepers at a fraction of the value of the assistance'.¹¹³

108 Interviews conducted by the evaluation in Mogadishu (November 2012).

109 UN Monitoring Group (2012).

110 ODI/HPG (2012). In Phase One the amount paid was not measured. The CVMG is trying to collect this data in Phase Two but efforts to date reveal that beneficiaries and/or NGO staff are unwilling to report this figure. It is generally known that collecting this data face to face and under the eyes of the gatekeeper is very dangerous.

111 Humanitarian Outcomes (2012).

112 Seventy three per cent of the complaints recorded by NGOs in Phase One concerned theft or loss of ID cards (ODI/HPG, 2012).

113 UN Monitoring Group (2012).

The approach to taxation has evolved in Mogadishu. Under the era of warlords, taxation was associated with looting of items and was highly visible. Now it is much less visible. Mogadishu has a much higher level of systematic diversion through taxation than any other location. If ‘gatekeepers’ are unable to derive sufficient benefits from the selection of beneficiaries, or direct taxation of the agency itself, then registered IDPs are taxed after distribution. The level is reported to be in the region of 5 to 10 per cent of the value received. Cash transfers however might have been taxed less as they were less visible, whereas commodity vouchers and in-kind distributions may have been taxed more.¹¹⁴

The international community, particularly donors and UN agencies, may have more power to lobby the central authorities. However they have exercised remarkably little leverage over the central authorities to limit the diversion and blatant abuse of human rights to date. Operational agencies have long deplored the lack of control that central authorities exercise over local authorities at the district level and camp leaders themselves. Each NGO has essentially been left to fend for itself in an extremely risky and volatile environment.¹¹⁵

Particularly challenging for NGOs has been the **targeting** and registration of urban beneficiaries under the cash and voucher programme in accordance with their selection criteria, not least because of the diversionary tactics outlined above. First, the criteria may be extremely difficult to apply (who is a ‘newly arrived’ IDP? Who is most vulnerable?).¹¹⁶ Second, criteria rarely match the priorities of the influential gatekeeper. Third, the very delicate process often has to be undertaken in a frenzied and insecure environment. NGO strategies have varied from an inclusive approach of sensitising communities, working in close collaboration with local authorities and other actors,¹¹⁷ to an exclusive approach of direct registration by the NGO through an impromptu visit to the camp without prior consultation.¹¹⁸ The former can be laboured and time-consuming at a critical point in time when interventions are potentially life-saving; the latter may prove more effective in the short-term, but does have obvious risks such as jeopardising the agency’s relationship with local authorities upon which the agency might depend later to address problems arising from the project.¹¹⁹

Furthermore, there is the complication of distinguishing IDPs from residents of urban poor host communities,¹²⁰ some of whom may be people from Mogadishu previously displaced to Afgoye and who have returned home. Families may also be split across camps to derive maximum benefits or

114 Payment of food received to camp leaders could be as high as 50 per cent as the value of food is higher than the tax to be paid in cash (Guillemois and Mukhtar Sheik Mohammed, 2012).

115 At least one NGO withdrew its voucher intervention from an IDP camp in Mogadishu because the demands of the camp leader were untenable; another NGO based in Mogadishu (not subject to this evaluation) decided to put all 16 district commissioners on its payroll to alleviate their interference in the programme. DRC had to appeal to the Ministry of the Interior to intervene in the case of DC’s and their representatives manipulating beneficiary lists.

116 More than 70 per cent of the IDPs interviewed in the WFP/DRC study had been there since before 2011 and 40 per cent before 2010. DRC (2011).

117 Adopted by Concern and DRC.

118 NRC blanket registration of beneficiaries in camps hosting newly arrived IDPs which did not involve the local authorities (Hodan and Hawl Wadag) in the selection process.

119 Guillemois and Mukhtar Sheik Mohammed (2012).

120 The evaluation team interviewed individuals in the diaspora living in the UK who were sending funds to their mother in Mogadishu who was also receiving a sizable cash transfer from an NGO. They chastised her when they found out.

(as is becoming increasingly the case) split between Mogadishu and their region of origin. Given the challenges faced, it is perhaps not surprising that no one agency distributing cash or vouchers has attempted to 'retarget' their caseload in Mogadishu during the course of the programme. As a result, interventions quickly lose relevance to the caseload (especially since the peak of the crisis is now as long ago as August 2011) with many non-beneficiaries demonstrating higher levels of vulnerability. In conducting the evaluation in Mogadishu, the NRC evaluation team could not find 47 per cent of the preselected sample group of beneficiaries (while the original voucher distribution had closed, these were still beneficiaries of other NRC interventions).¹²¹ Of the 47 per cent, nearly half were 'not known' and nearly one third had 'moved',¹²² demonstrating either poor original targeting or significant changes in beneficiaries' circumstances. ACF experienced similar challenges when trying to assume the DRC caseload in Hodan district.

Constant **population movement** into and across the capital has also been a significant constraint to effective targeting, registration and management of the intervention. Throughout the intervention period the movement of IDPs throughout the city was very fluid. The plethora of uncoordinated humanitarian assistance, especially in areas of the city where access was easier, did not necessarily help. Aid programmes first 'pull' people into the urban environment and then 'pull' people across that environment to where resources are most accessible. These pull factors make communities less cohesive. They undermine community-based accountability mechanisms and social networks. They can expose women, children and the elderly to violation and abuse from which they would be better protected in their areas of origin or if their community was intact and socially cohesive.

It is as difficult to ascertain the extent of protection issues (including theft, physical abuse and gender-based violence) in a volatile urban environment like Mogadishu, as it is the degree of diversion. There is a culture of denial within Somalia and especially in Mogadishu, on issues related to sexual violence. People, especially victims, are reluctant to talk, principally because there is little faith in the justice mechanism and fear of recrimination. This is borne out by the CVMG monitoring which reveals little in the way of abuse on beneficiary households. The few respondents, including NGO staff, who do talk, reveal that violence is prevalent in IDP camps and increases during periods of aid distribution. In the evaluation's own interviews focusing on impacts on women, 20 per cent of respondents reported having experienced threats or violence – all of them believing the threats to be related to their receipt of aid. The evaluation's own data collection in Mogadishu identified cases of female beneficiaries being included on beneficiary lists in exchange for sexual favours, but the extent is not known. The recent UN Monitoring Group Report on Somalia categorically cites 'rape as endemic within IDP camps' and a report on human rights issues also published this year by the Government of Denmark states that IDP and minority women are frequently victims of rape by militias at night.¹²³ Cash and other aid programmes have not systematically coordinated with protection programmes, while burglary and looting that lead to rape and other abuse most certainly increase in the days after a distribution.¹²⁴

121 Guillemois and Mukhtar Sheik Mohammed (2012).

122 Ibid.

123 DIM (2012).

124 Interview with DRC Protection Officer, Mogadishu, Incidents Database, Protection Cluster.

Other issues affecting IDPs in Mogadishu are the widespread **evictions** resulting from government and private investors claiming back property, which have for the past few years provided refuge for displaced populations. In February 2012 alone more than 8,160 evictions were reported¹²⁵ and over 12,000 beneficiaries of one NGO were forcibly evicted from IDP camps on government land in the wake of reconstruction projects.¹²⁶ The evaluation was made aware of a very strong reaction from the Somali population in Mogadishu that the government should work pro-actively to address IDP issues, not exacerbate them, including taking the lead to engage elders, Somali NGOs and the international humanitarian community to facilitate a returns programme that actually targets those who want it, and not 'ghost returnees' who are collaborating with gatekeepers. In general, the humanitarian community must move from working in a vacuum where local accountability mechanisms are non-existent, to a much bigger picture approach.

125 DIM (2012).

126 ODI/HPG (2012)

IX. CONNECTEDNESS AND COHERENCE

The Principal Elements of Cash Coordination in Somalia. The assessment of the connectedness across the different stakeholders of the cash transfer projects as well their interaction with other forms of assistance provided in response to the Somalia famine in 2011 was the subject of the Interim Progress Report. This included an outline of the coordination architecture for humanitarian and development programming in Somalia, including the introduction of the cluster approach on a pilot basis in 2005.

In all, nine clusters have been active in Somalia,¹²⁷ including the Food Assistance Cluster and the Agriculture and Livelihoods Cluster, which (effective from March 2012) merged into the Food Security Cluster. Until the famine declaration in July 2011, there was very little space or interest within the cluster approach for strategic discussions on cash transfers as a modality in support of food security and livelihoods – largely because WFP dominated the Food Assistance Cluster and it was neither experienced with nor a proponent of cash-based interventions in Somalia. The one significant development later in 2011 was the establishment of an Inter-cluster Cash Coordination (ICC) unit resourced by FAO¹²⁸ to create a database of cash-based interventions in coordination with the Cash Based Response Working Group (CBRWG).

The debate on cash transfers in Somalia between 2005 and 2010 took place principally outside of the cluster system and within the NGO community. In April 2008, the CBRWG was established as a largely independent forum of technical professionals co-chaired by two NGOs, Adeso and COOPI. The significance of cash transfers in emergencies rose to prominence in 2011 as the principal food aid agencies, WFP and CARE, had withdrawn operations in Al Shabaab-controlled areas of Somalia.¹²⁹ With a deterioration in food security conditions in 2011, key persons within UNICEF and FAO began to lend their voices to the debate.

Four INGO partners committed to unconditional cash grants saw the necessity of raising resources and responding before the situation further deteriorated. In May 2011, Action Contre la Faim (ACF), Adeso, Danish Refugee Council (DRC) and Save the Children established the Somalia Cash Consortium (SCC). While no lead agency was ever identified, an independent Cash Consortium Team (CCT) was established and hosted by two agencies. The attention the SCC gave to setting up an independent monitoring capacity from the outset was very rational and encouraging to donors who were party to the scepticism about the viability of cash-based programming and the need to demonstrate evidence of its effectiveness and impact.

The Somalia Cash and Voucher Monitoring Group (CVMG) was initiated by the SCC and expanded to include other INGOs (Concern, COOPI and Oxfam) providing a common monitoring framework for principal actors implementing unconditional cash and vouchers in southern and central Somalia. UNICEF assumed the co-chair of the CVMG alongside the Overseas Development Institute (ODI), which was contracted to develop and manage the monitoring system.

127 The clusters include Agriculture and Livelihoods, Education, Food Assistance, Health, Protection, Logistics, Nutrition, Shelter, and Water and Sanitation.

128 FAO had embarked on a major conditional cash intervention in response to the humanitarian emergency in Somalia.

129 CARE suspended operations in 2009 and WFP in January 2010.

The Institutional Linkages. The linkages across the international aid community in support of cash-based interventions were very weak at the time of the 2011 famine declaration. Principally this was because: (a) the mainstream cluster approach was structured around achieving sectoral objectives for which traditional responses such as food aid, until 2011, had remained largely unchallenged in the Somali context; (b) the broader humanitarian aid community had little appetite for innovation, especially after the allegations during 2009–10 that humanitarian resources to Somalia had been diverted and even contributed to the conflict in southern and central Somalia;¹³⁰ and (c) cash transfers were perceived to carry greater risks than food aid with respect to taxation, diversion and market impacts (supply breaks and inflation).¹³¹

Furthermore, the ‘challenge’ to consider cash transfers in the Somalia context was principally coming from INGO partners that no longer had the same stake or influence in the Somalia coordination mechanism as they had previously. NGOs perceive the cluster system to be driven by UN agencies (especially food security).¹³² Prior to the cluster system, NGOs felt they had an equal stake with UN and donors in the Somalia coordination system and co-chaired most of the sector meetings.¹³³ The shift to clusters has been described by other evaluators as ‘contentious’ and to NGOs represents a fundamental shift in power dynamics, resulting in a loss of mutual responsibility and accountability.¹³⁴ In late 2010 and early 2011, there was no counterpart ‘champion’ in the UN promoting cash-based programming¹³⁵ within the cluster mechanism. Potentially less partial actors, such as OCHA, were not actively engaged on the issue of cash-based responses. The NGO Consortium for Somalia was also silent, implying a generalised lack of mutual accountability.

Ultimately, it was UNICEF that took up the cash mantle, principally as a donor and convener, and less so as a technical partner (for which WFP or FAO would have been a more appropriate choice given their mandates and experience).¹³⁶ This facilitated institutional linkages with other INGOs that UNICEF was funding and that were adopting voucher schemes (e.g., Concern, COOPI, NRC and Solidaritiés). However, it also meant that cash and voucher interventions were being implemented with insufficient understanding of what else was being achieved in clusters where UNICEF was not a principal actor, i.e., food security.

130 UN Monitoring Group (2010) alleged that three of WFP’s transport contracts (with tangible military links) had deliberately diverted food aid.

131 These were of particular concern to WFP following the UNMG Report allegations and in part explain why WFP in Somalia was so against ‘market-based’ interventions in Somalia in contrast to WFP Kenya where cash and vouchers were the preferred option.

132 While some of the clusters in Somalia have NGO co-leads (Nutrition, WASH, Protection, Education and Health) the two clusters focusing on food security objectives, as well as Logistics and Shelter, are driven principally by UN agencies.

133 Stoddard, et al. (2007).

134 The evaluation team notes that with the merger of the Food Assistance and Agriculture and Livelihoods Clusters into the Food Security Cluster, with a Strategic Advisory Group consisting of Somali and international NGOs, this has the potential to change.

135 WFP had principal concerns about the inflationary effect on markets while FAO was focused on conditional cash transfer (cash for work) and commodity vouchers.

136 UNICEF had no field experience of cash-based interventions in Somalia and had to quickly muster its own technical capacity to take on the role. That said, UNICEF may have been a more appropriate partner given that the technical expertise for cash programming in Somalia primarily rests with NGOs.

Similarly certain donors began discussions with the Somalia Cash Consortium (SCC), specifically DFID, ECHO and USAID, while the latter simultaneously began to negotiate with Washington DC to clarify the terms of OFAC (more in the following sub-section under **Advocacy**).

The only rather tenuous link with the cluster mechanism has been through the CBRWG with the Inter-cluster Cash Coordination (ICC) unit co-managed by FAO and the CBRWG. Importantly for the ICC, this link has, over time, ensured the development of a database and mapping of cash-based initiatives. Instead of the clusters, it was anticipated that the lessons generated by the SCC programmes (and by default through the CVMG) would refer to the CBRWG as its principal learning platform.¹³⁷ In Phase One, this link was tenuous and 'learning' remained very much 'contained' in the two feedback workshops that ODI conducted in March 2012. In Phase Two, the SCC has renewed efforts to engage with the CBRWG, including several presentations.

Since the famine declaration, cash-based programming has no more found its place in the cluster approach at field level than it has at the national level. In particular, coordinating the Mogadishu response has been a particular weakness during the crisis.¹³⁸ The situation following Al Shabaab's withdrawal from Mogadishu (August 2011) was described by one of the INGOs as 'chaotic' since no-one knew what others were doing. CVMG partners in Mogadishu set up their own informal network by December 2011 to map and coordinate interventions, but this was done without a broader and essential understanding of other interventions being undertaken in the multitude of IDP settlements by the UN, other INGOs, the OIC or the Turkish government. By October 2011, significant investment was accorded to OCHA to address the coordination issues in Mogadishu¹³⁹ and is now contributing to a much better understanding of the situation on the ground.

Community of Good Practice. The CBRWG was established to coordinate and harmonise cash programming in Somalia as well as to provide quality assurance for cash interventions.¹⁴⁰ The meetings of the group have principally focused on presentations of different NGO experiences within the Somalia context, eliciting lessons learned. In 2010, the CBRWG developed guidelines for cash interventions¹⁴¹ and in 2011, for working with *hawala*.¹⁴² Also in 2011, Adeso, on behalf of the group, produced an Advocacy Statement on the viability of cash transfer programming in Somalia.

Since the establishment of the SCC, and subsequently the CVMG, the engagement of the principal actors of cash and voucher interventions with CBRWG has diminished. Since the outset of the emergency intervention, the Technical Working Group of the Somalia Cash Consortium is where the four member organisations have reviewed and discussed strategies, programme design, methodologies, and monitoring on a regular basis. Recently, and embracing a broader partnership, the CVMG is drawing on both the quantitative and qualitative data generated by the NGOs, ODI and (now) this evaluation.

137 Proposal: Food Assistance for Vulnerable Households in South Central Somalia (18 August 2011).

138 IASC (2012): First Draft Report March 2012.

139 Mogadishu plays the role of regional hub for the coordination of Lower and Middle Shabelle as well as the Benadir region.

140 CBRWG (2008).

141 Horn Relief (2010).

142 CBRWG (2011b)

The feedback workshops conducted quarterly by ODI for Phase One provided a first and real opportunity for practitioners at the field level to discuss cash programming issues and real time learning.¹⁴³ Unfortunately in Phase Two the dynamism of the CVMG had diminished (see *Monitoring*). Rather the SCC has taken on a more prominent role, particularly in understanding process and outcomes of UCTPs, including commissioning three studies.¹⁴⁴

Advocacy. One principal actor has championed cash programming: Adeso. It was Adeso (along with FSNAU/FEWSNET and some other INGOs) that drew attention to the worsening humanitarian crisis in Somalia early in 2011 and proposed cash transfers as a viable and appropriate response option to food insecurity. A very succinct Q&A on scaling up cash programming in Somalia¹⁴⁵ was produced as part of this campaign targeting the Humanitarian Country Team, UN agencies and donors.

Surprisingly these efforts were not more solidly supported in the pre-famine period by the NGO community, in particular the NGO Consortium for Somalia, which, as a member of the HCT, has played a remarkably passive role.¹⁴⁶ Furthermore, there was little open solidarity with Adeso in its very public campaign.¹⁴⁷ The SCC itself was quite a disparate group of INGOs that under any other circumstances were not natural allies, but they had a common belief that unconditional cash grants were the only viable response in southern and central Somalia, especially in Al Shabaab-controlled areas. The SCC provided the requisite platform to advocate for cash interventions and to fund-raise. It is evident from the meeting minutes of the SCC that there were very different expectations of the consortium.¹⁴⁸ Behind the scenes there was a 'consolidation' of actors, including UNICEF and three principal donors who actively contributed to the debate, but the SCC itself was quite a fragile entity brought together out of necessity.¹⁴⁹

Neither the Food Assistance Cluster (FAC) nor the Agriculture and Livelihoods Cluster (ALC) were considered suitable platforms to debate cash-based programming because of scepticism within both groups as to the appropriateness of unconditional cash grants in the Somalia context. The ALC lead was particularly concerned that cash would facilitate and exacerbate the movement of people to refugee and IDP settlements.¹⁵⁰ Rather it was assumed and recommended that food vouchers and/or cash for work would encourage households to remain in their area of origin. It was principally for this reason that in May 2011 Adeso attempted to put the viability of cash transfers on the HCT agenda. Adeso was not successful¹⁵¹ and even after the famine declaration, the humanitarian coordinator, repeating an earlier statement by the WFP executive director, stressed caution about cash-based programming in Somalia stating that 'it was necessary to ensure donors understood how it was being managed' and 'of concern was its potentially inflationary effect on the local economy'.¹⁵²

143 See the timeline developed by this evaluation in Annex 2.

144 The SCC has sponsored three studies in Phase Two: the impact of cash on gender, on debt and credit, and research on gate-keepers in Mogadishu and making humanitarian aid to IDPs more accountable (in preparation for action research in 2013).

145 CBRWG (2011a).

146 ...putting aside any disagreement NGOs may have with Adeso's organisational approach in light of the severity of the crisis.

147 Observation of the Regional Coordinator of CaLP, whose members include the British Red Cross, Oxfam, ACF, NRC and Save the Children in partnership with the International Red Cross and Red Crescent Societies.

148 Minutes of the Consortium Meeting on Cash Based Programming in South Central Somalia, 26 August 2011.

149 Nevertheless it still exists in 2013.

150 Minutes of the Consortium Meeting on Cash Based Programming in South Central Somalia, 29 July 2011.

151 It was not apparently possible for the HCT to table discussions on scaling up cash transfer in Somalia before May 2011. When it was included on the agenda for 12 May 2011, the notice was too short for the CBRWG to prepare a presentation.

152 Summary of IASC-Donor Meeting, 27 July 2011. WFP later retracted this latter statement.

Another important technical advocate was the Food Security and Nutrition Analysis Unit (FSNAU), which along with FEWSNET had raised the early warning of a deteriorating humanitarian situation since October 2010. In March 2011 at a roundtable discussion on the role of cash transfers in Somalia, FSNAU argued that cash transfers were a viable alternative to food distribution to increase food access and that markets could respond.¹⁵³ FSNAU and FEWSNET followed up with a Market Information and Food Insecurity Response Analysis (MIFIRA) in July and, using the same data, WFP did a study two months later. The two reports came to similar conclusions but the conclusions were interpreted quite differently by WFP and other agencies. Ultimately, in November 2011, FAO organised a roundtable meeting with key stakeholders (principally donors and UN agencies) to present evidence that there was no clear correlation between cash transfers and market inflation.¹⁵⁴

The principal donors engaged in the debate were ECHO, DFID, USAID and UNICEF, who have supported cash-based programming in other countries of the region for a number of years and were convinced that cash transfers offer a viable alternative to in-kind food assistance in Somalia. These donors were particularly sensitive to the unfolding food security crisis in Somalia, and erred on the side of the humanitarian imperative, i.e., 'risk willing' rather than 'risk averse'.¹⁵⁵

Overall the leadership and advocacy across the NGO community, including the NGO Consortium, has been remarkably dysfunctional and single-handed at a time when a more concerted effort could have had greater impact on the broader humanitarian community.¹⁵⁶ UNICEF at a belated stage has played an important role in 'pulling together' the key threads of the initiative and consolidating the approach.

Mapping. Since September 2011, the Food Assistance Cluster (and subsequently the Food Security Cluster) has been coordinating the humanitarian response to meet the immediate food needs of the population in crisis in Somalia. It has taken into account in-kind food transfers, food vouchers and unconditional cash grants (with the purpose of increasing access to food) to generate a holistic overview by region of the response (refer to the kilocalorie maps in [Coverage](#)).¹⁵⁷

The Inter-cluster Cash Coordination (ICC) unit resourced by FAO has been a principal source of information on CTPs (conditional and unconditional) since its establishment in September 2011. Prior to this, UCTPs were not reporting to the clusters, given the earlier lack of support for UCTPs and therefore some ambiguity regarding reporting requirements. The weakness in the ICC database principally relates to timing: it did not become an effective tool until late in 2011 and consequently did not prevent overlapping of cash and voucher interventions¹⁵⁸ particularly in areas where access was less restricted.¹⁵⁹

153 How to increase food access in Southern Somalia: Cash Interventions and Local Market Responses in Somalia (a presentation by the FSNAU on 4 March 2011, Nairobi).

154 This was followed by a similar presentation by the CVMG in December, 2011 using market data from cash transfer project sites.

155 Terms used at the CaLP (2011) Cash and Risk in Humanitarian Operations, Conference in Copenhagen, December 2011 and in Ali and Gelsdorf (2012)

156 IASC (2012) First Draft Report March 2012.

157 Based on FSNAU technical series reports

158 ODI/HPG (2012)

159 NGO respondents to the evaluation cited specific examples of overlap between cash and voucher interventions in Gedo at the outset of the cash and voucher programme, but these were addressed at field level

Partners under the CVMG attempted informally to coordinate their interventions¹⁶⁰ and later more formally developed shared strategies. For example, DRC handed over to ACF a caseload for which DRC funding was no longer available. That said, ACF increased the benefit to USD120 from USD95 with the side-effect of pulling beneficiaries back to the camps where ACF was distributing. Coordination with other actors involved in other sectors (WASH and Nutrition) and with other coordination mechanisms (OIC and Turkish government) was problematic – one result being that beneficiaries receiving multiple types of aid sold their in-kind aid on the market and in some cases deflated commodity prices, finally reducing the prices to below 2010 rates.¹⁶¹ This was perceived to be a problem by small traders in Mogadishu.¹⁶² More importantly, it was an inefficient use of resources.

Monitoring. The SCC was set up to ensure a coordinated approach to unconditional cash grants, reducing duplication and ensuring high standards through independent monitoring and complaints mechanisms.¹⁶³ The four SCC partners, and now a broader partnership of 14 local and international NGOs implementing both food vouchers and unconditional cash grants, have adopted common monitoring methodology and tools through a well-coordinated approach. It has taken time to develop and there was frustration with the intensive process necessary to produce harmonised tools given the humanitarian imperative to respond. However, a very relevant and useful model has evolved from the exercise and much value has been accorded to the technical collaboration between CVMG, FSNAU and FEWSNET to determine minimum expenditure and food baskets (MEB and MFB) and undertake regular urban (FSNAU) and rural (CVMG) market monitoring in Phase One.¹⁶⁴ The evaluation looked in-depth at Monitoring in the Interim Report; a summary of findings is presented in [Monitoring](#) in this document.

Consequently, through a coordinated approach, some agencies made adjustments to the value of unconditional cash grants and vouchers during implementation in accordance with market prices and the exchange rate between the US dollar and the Somali shilling. There was less harmonisation however in setting the commission paid to the *hawala* as a percentage of the cash transfer, which both donors and NGOs argue could have been better standardised.

Complaints mechanisms used a standard approach as well. Mechanisms were poorly implemented by the majority of agencies in Phase One.¹⁶⁵ And due to delays in implementation in Phase Two, no further information is available on their performance. For further discussion see [Accountability](#).

The Role of UNICEF. Mention has already been made of the positive role UNICEF has played as donor and convener, contributing to better connectedness among cash and voucher practitioners. This was an important role at a time when no other UN agency was able to ‘champion’ the cause of cash-based programming as an emergency response. UNICEF also proved willing to accept donor funds on behalf of INGOs and to subcontract them to mask the original donor, i.e., USAID. And it unquestionably brought

160 CPD reported confusion over beneficiary lists with DRC in Sigaale IDP settlement early on in the response

161 FSNAU Market Price Data, accessed August, 2012.

162 ODI/HPG (2012)

163 Ali D. and Gelsdorf K., (2012)

164 This has since ceased in Phase Two given the delays in Phase Two implementation.

165 ODI/HPG (2012)

some cohesion through the functions of the CVMG. However, as time has proceeded, NGO partners have become less comfortable with UNICEF's role as a 'donor' rather than a 'facilitator' enabling the cash agenda in Somalia. The value added, or cost-efficiency, of UNICEF's role as a donor is discussed under [Efficiency](#).

UNICEF's support and implicitly, its agreement to share the risks of cash programming in light of the famine, contrasts with its reaction to the case of fraud of Adeso's partner, AFREC. In the opinion of this evaluation, Adeso demonstrated due diligence in attempting to mitigate the risk of diversion in Lower Juba (see the case of [Adeso](#), [AREC](#) and [Amal](#)). UNICEF's (and other donors) efforts to demand payment of the performance bond provided by Amal, Adeso's contracted *hawala* who did not personally benefit from AFREC's actions, appears contrary to this initial solidarity.¹⁶⁶

Another concern of UNICEF's NGO partners (and this evaluation team) has been the protocols for sharing sensitive information on diversion and fraud generated by this evaluation. UNICEF requested that as evaluation manager information first be shared with them, which in turn it would share with the NGO. Without an information protocol in place, in a significant case of suspected diversion, the sharing of information with the agency was effectively delayed by weeks.¹⁶⁷ One consequence was that suspected malpractice continued in the interim to the detriment of the intended beneficiaries. With additional delays on the part of the agency in question, the investigation was ultimately conducted nearly two months later and a report produced three months after initial inquiries were made by the evaluation team - thereby losing an essential element of 'surprise'.¹⁶⁸ The evaluation team subsequently worked with UNICEF and the Steering Committee of the Evaluation on an information protocol to clarify how information of this nature can be more effectively communicated. Unfortunately, symptomatic of the tensions around information flows, to date the information sharing protocol has not been finalised.

Alignment with the Humanitarian Reform Agenda. Two global evaluations¹⁶⁹ of the cluster approach have acknowledged that since its introduction, coverage of needs has improved in some thematic areas, gaps in humanitarian assistance are better identified, planning for major funding appeals such as the Common Appeals Process (CAP) has been enhanced, and there is better leadership through dedicated functions. However, clusters are still largely perceived as a UN-centric initiative that, according to the two evaluations, is often 'more process than action orientated'. Coordination across clusters can be 'ineffective in most cases with little integration of cross-cutting issues', and clusters 'largely exclude national and local actors and often fail to link with, build on, or support existing coordination and response mechanisms' thus undermining ownership where it matters. All of this is made more challenging when, as in the context of Somalia, cluster leads and OCHA as the inter-cluster coordinator are Nairobi-based.

166 UNICEF would like to point out that there was no preliminary discussion or agreement that risk sharing would preclude repayment in the event of diversion, in contrast to some donors, (e.g. SDC who also partnered with Adeso and who explicitly included in the contract that funds diverted are subject to repayment).

167 This was recommended in the Interim Progress Report after the Adeso case.

168 The staff member suspected of wrongdoing immediately contacted the field evaluation team asking why 'we were still asking questions' when the field teams had returned to Mogadishu. He was of course referring to the telephone based inquiries which were ongoing. Rather in the first case, Adeso was able to conduct an investigation of AFREC without their knowledge (see Adeso, AFREC and Amal case study).

169 Stoddard, A. et al. (2007); and Steets, J. et al. (April 2010).

Within the Somalia context it is apparent that integrating a cash-based approach into the cluster mechanism has been very challenging for three principal reasons: (a) the then logical choice of champion for unconditional cash grants for access to food, WFP, was unwilling to assume this role – thus UNICEF stepped in; (b) different options for intervention were not promoted within the framework of a response analysis institutionalised within the then food security-related clusters (FAC/ALC) and (c) NGOs were concerned that energy spent on debating the approach would be more process oriented and detract from a timely and effective response.¹⁷⁰

The policy note for Humanitarian Cash Transfer Programmes in the region produced for IASC in August 2011 recognises that ‘cash-based humanitarian action [in Somalia] has moved from the margins of experimentation to an increasingly acceptable modality for saving lives and supporting livelihoods in times of crisis’. Rather in Somalia, the declaration of famine in July 2011 effectively created ‘consensus by compulsion in the face of famine’ in support of cash based responses.¹⁷¹ The IASC paper adopted a very pragmatic approach in acknowledging the technical role of the CBRWG in Somalia and the support role of the ICC for cash-based programmes, which had at this stage been endorsed by the HCT. However, at the time of writing, cash was not perceived as the multi-sectoral tool it has the potential to be within the broader humanitarian community in Somalia.

170 Interviews conducted by the evaluation with NGOs of the SCC, and consistent with findings of Stoddard (2008) and justification for the ‘transformative agenda’: ‘the application of the cluster approach has become overly process-driven and, in some situations, perceived to potentially undermine rather than enable delivery’ <http://www.humanitarianinfo.org/iasc/pageloader.aspx?page=content-template-default&bd=87>.

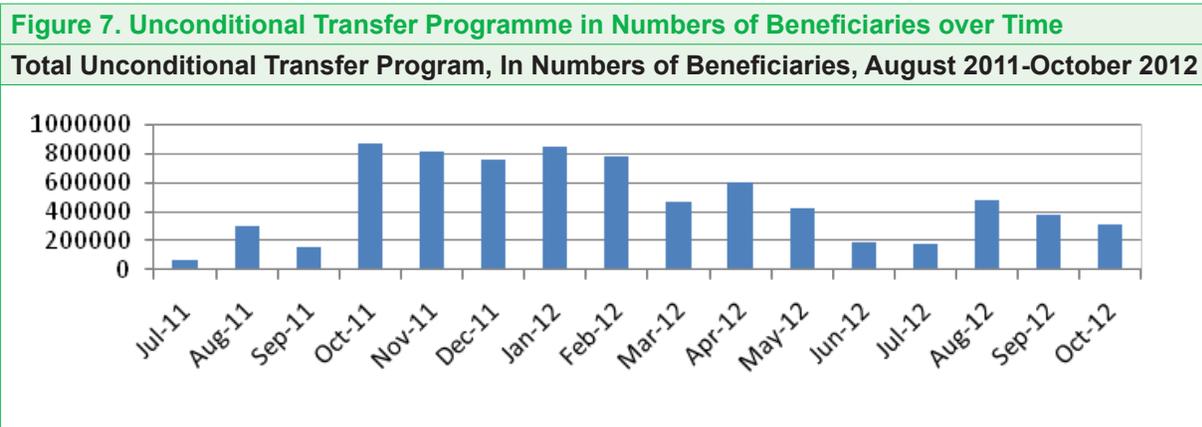
171 Hobbs, Gordon, and Bogart (2012)

X. EFFICIENCY

As mentioned in the Introduction, the obstacles to timely, efficient and effective implementation were stacked against the implementing agencies from the beginning. In addition to delays in donor funding, pooled funding mechanisms (now the preferred method for financing humanitarian operations)¹⁷² were basically unavailable for food voucher programmes before July 2011 and not at all for unconditional cash grants in part due to the reasons cited above in Connectedness and Coherence, i.e. UN-led CHF, CERF and ERF did not consider allocating funds to unconditional cash grant projects because the responsible cluster leads did not see unconditional cash grants as appropriate.¹⁷³

It is remarkable that with the flood of funding released with the declaration of famine, that NGOs were able **to scale up in just three months** (Figure 7) – negotiating access with local authorities, making *hawala* arrangements, targeting and registering beneficiaries, and establishing new M&E systems. Without pre-positioned food, this would not have been possible using any other type of intervention.

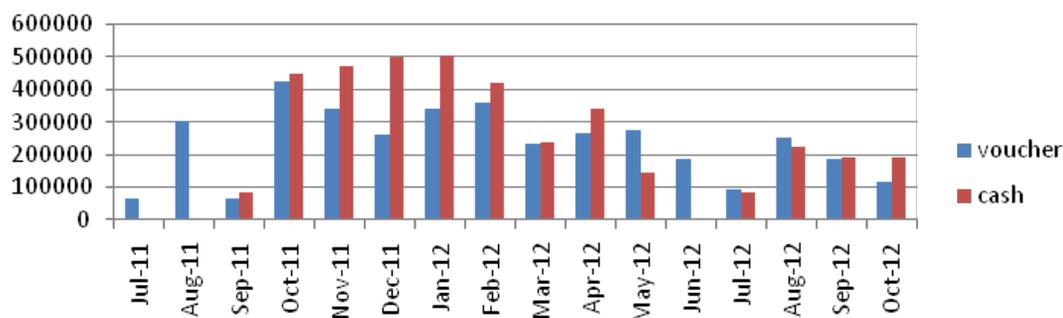
That said, the funding mechanisms were often indirect, e.g. donor to UN agency to INGO to Somali NGO to *hawala* agent, with each party charging 2–7 per cent. However multiple overheads is not unique to cash programming, with the exception of *hawala* charges which are in essence the equivalent of transport, shipping and handling of in-kind assistance.



172 CHF, CERF and ERF have average USD26 million between 2006 and 2010, with increased amounts in 2009 (73 million) and 2011 (146 million) (<http://www.globalhumanitarianassistance.org/countryprofile/somalia>).

173 Of the USD56 million available in February-June 2011, one Somali NGO received funding (USD260,000) for a voucher project in Northern Mogadishu. Between July and December, another 3 million was allocated for food vouchers. At no point in 2011 were CHF funds used for unconditional cash grants (<http://fts.unocha.org/pageloader.aspx?page=emerg-emergencyCountryDetails&cc=som&yr=2011>).

Unconditional Cash and Voucher Programmes, in Numbers of Beneficiaries, August 2011–October 2012



Most agencies included in the evaluation had ongoing programmes, if not cash-based programmes, in the affected areas and scaled these up to accommodate increased needs. For example, COOPI and Concern were able to expand voucher programmes immediately, with first distributions in July and August respectively, followed by Save the Children, which provided cash transfers to OTP beneficiaries in September. Having pre-existing programmes, particularly pre-existing cash-based responses, resulted in greater efficiency from both a time and cost perspectives.¹⁷⁴ Even new partnerships in new areas of operation, e.g., Adeso and AFREC, ACTED and Sado, SCSOM and CPD, were implementing by October.

With respect to **beneficiary costs in time and money**, when comparing vouchers and cash, the analysis can only be done in urban areas, as COOPI and ACTED (the rural voucher programmes) did not collect this information in Phase One. While travel times were comparable (unsurprisingly), *hawalas* were overwhelmed. Sixty per cent (60 per cent) of voucher beneficiaries spent less than 1 hour queuing, compared to only 27 per cent of cash beneficiaries. However voucher beneficiaries had to pay nearly twice as much in transport, implying that some of the cost in voucher programming (Table 5) was transferred to the beneficiary.¹⁷⁶ There was a very wide range of travel times and transport costs between UCTPs, with the highest time/cost in Al Shabaab areas, most likely due to security reasons.¹⁷⁷

174 Which is not illogical, look at Ethiopia's Productive Safety Nets Programme which expands and contracts on existing cash/food payments depending on food security conditions.

175 It is suggested the analysis is done by ODI in the Phase Two report.

176 26,500SoSh vs. 13,500SoSh

177 In most programmes, NGO staff were present at the cash distribution to verify beneficiary identity, problem solve, etc.

Region	Partner	Per cent Travelling more than 1 Hour	Average Transport Cost (in Somali Shillings)
Gedo	Adeso	97	7500
Gedo	SADO	100	600
Hiraan	HARDO	35	28,000
Hiraan	SCSOM	26	52,000
Lower Juba	AFREC-Oxfam	99	69,000
Lower Juba	WASDA	80	25,000
Lower Shabelle	CED	23	58,000
Mid Shabelle	CED	35	42,000
Middle Juba	AFREC-Adeso	100	n/a
Middle Juba	SADO	99	9,500

In the Interim Progress Report, the planned budgets were used to calculate cost-efficiency and subsequently cost-effectiveness or Value for Money. In the analysis for this Final Evaluation Report, final budgets for the period August 2011 to June 2012 were taken into account. The in-kind analysis uses the expenditures for WFP EMOP 10182 in 2011 – focusing only on the cost of general food distribution, prorating the operating costs, including transport, for the tonnage distributed in 2011. For this analysis, comparable budgets were obtained for seven NGOs distributing (a) cash and vouchers in *urban areas*, (b) cash and vouchers in *rural areas*, and (c) cash and vouchers in partnership with Somali NGOs.

The delivery cost of a cash or voucher ‘ration’ was on average USD20 per beneficiary (all costs exclusive of the transfer value).¹⁷⁸ There was a wide range among agencies (USD10–33 per beneficiary). On average 85 per cent of project budgets was transferred to beneficiaries with a range of 80 to 90 per cent. This was a clear cost savings over in-kind assistance, where the amount of the budget transferred to beneficiaries was 35 per cent.

The cost of delivering a transfer was lower for vouchers, largely because voucher programmes paid lower *hawala* rates and most voucher programmes were in urban areas. Average *hawala* costs were 4 per cent for cash transfer programmes, increasing the total cost of cash. Had NGOs been able to negotiate better rates, the costs would have gone down.¹⁷⁹ Operating costs ranged between 6–18 per cent. Implementing through Somali NGOs was significantly less expensive (6 per cent, versus direct implementation at 11 per cent) as was implementing in urban areas (10 per cent versus rural at 13 per cent) (Table 6).

178 This excludes, to the extent possible, the cost of complementary programmes, e.g., OTP, livelihood interventions, etc.

179 Adeso suggested that the SCC negotiate one rate and spoke with Dahabshill in Hargeisa. However in the end, other NGOs in the SCC wanted to negotiate their own rates.

Summary Table**	Number of Households	Average Number of Transfers	Average Value of Transfer*	Total Value Transferred to Household*	Direct Cost to Transfer (<i>Hawala</i> /LTSH)*	Operating Costs (Direct and Indirect Support Costs)*	Cost per Transfer*	Per cent of Budget Received by HH
Voucher1-Rural	17,000	8	63	8,198,378	184,728	1,190,987	10	86
Voucher2-Urban	37,000	4	56	7,227,810	262,149	1,063,147	10	85
Voucher3-Urban	26,000	3	70	4,817,140	128,109	529,330	10	88
Cash1-Urban	21,000	6	107	13,385,700	391,643	1,611,205	16	87
Cash2-Rural	11,000	6	120	7,631,250	404,473	1,338,639	26	81
Cash3-Rural	10,000	5	120	6,000,000	270,735	1,379,887	33	78
Cash4-RuralSNGO	23,000	4	102	8,377,960	327,144	594,771	11	90
In-Kind	146,000	8	37	28,119,857	20,954,000	23,448,000	41	39

* In US dollars.

***These figures do not include UNICEF's overhead costs so may be an overestimate distributed equally between cash and voucher programmes.

A visual more clearly demonstrates where the savings accrue: in logistics and implementing costs (direct support costs and other direct operating costs (DSC and ODOC, respectively)) (Figure 9).¹⁸⁰ Presumably the difference is due to the fact that logistics and security costs for in-kind assistance were transferred to *hawalas* and traders, thus reducing the cost for cash and voucher programming. The result is not dissimilar to other studies of cost-effectiveness, wherein cash and vouchers are one half to two thirds cheaper than in-kind food aid to delivery.¹⁸¹

Figure 9. Break Down of Budget Categories for Cash, Voucher and In-Kind Assistance, 2011–12



180 The figure on direct project costs is similar to the same figure in the Standard Project Report for EMOP 10182 (WFP, 2011c), with the exception that the WFP figure includes the cost of high value foods such as Plumpy Nut, CSB and high-energy biscuits and as such the commodity costs increase to 47 per cent (still significantly lower than cash and voucher programmes).

181 IFPRI (2012); Hedlund (2012)

Another aspect of cost-efficiency has been the value-added of UNICEF's role as an intermediary donor. Initially, UNICEF was approached to receive US funds on behalf of certain NGOs that did not want to receive these funds directly due to concerns of being accused by Al Shabaab of not being independent or neutral. In addition, UNICEF had raised a significant amount of its own funds that it wanted to use to fund unconditional cash grants and vouchers. To act as an intermediary, UNICEF did not charge donors its standard 15 per cent direct operating cost, as it received significant funds from elsewhere.

UNICEF has had mixed reviews as a donor, from the perspective of dedicating adequate human resources, the efficiency of its financial systems, and lately its different reaction to the two cases of suspected fraud/diversion. When UNICEF funds became available, the programme cooperation agreements (PCA) were rapidly processed and funding made available. Since then, limited human resources (there were only two staff for most of 2012 – a P3 and an administrative assistant) managing a USD60 million programme with a commiserate workload, has meant that, for example, the liquidation process in June-August 2012 delayed disbursement of Phase Two funds.¹⁸² An internal audit suggested that, given the relative importance of the UCT programme within UNICEF, a UCT programme manager position should be designated a P4¹⁸³ and an M&E officer hired.

With regards to UNICEF acting as an intermediary, those NGOs that were previously concerned about receiving US funds are now less so. Food for Peace, for example, is now funding more NGOs directly. Implying that while it was necessary, the relationship with UNICEF was convenient but one that is not necessarily value-added to prolong. Not least, given UNICEF's unwillingness to share the risk of cash-based programming as exemplified by its reaction to the case of Adeso, AFREC and Amal.

With regards to UNICEF's financial systems, it is not possible to disburse funds if the funds disbursed six months before have not been liquidated. In addition to limited human resources, the very high amount disbursed in a very short time challenged the system. But this is also true for the NGOs that were not able to submit reports within six months of expenditure. Similarly, UNICEF experienced a three-month delay to release funds for the team of CVMG independent field monitors for Phase Two.¹⁸⁴ As such (at the time of the evaluation in November 2012) there was no CVMG qualitative data available for this evaluation.

A. Implementing with Local Partners

*Partnerships between International Agencies/Organisations (IAOs) and Somali NGOs are often structured as sub-contracting relationships, where SNGOs deliver services to the contracting IAOs; capacity building efforts targeting the SNGO sector have been limited and ineffective so far, despite the fact that significant gaps are known and have been repeatedly acknowledged by SNGOs and IAOs alike; and there are low levels of trust between SNGOs and IAOs and on the part of donors towards SNGOS.*¹⁸⁵

182 This point is contentious because it is not the view of UNICEF but of the NGOs.

183 A more senior position than a P3. In the UN, job titles are given ratings according to seniority. In programme and management these begin at P1, P2, P3, P4, P5...D1 (director), D2, and so on.

184 Equally responsible are ODI and UNICEF who did not find an alternative source of funds to cover the gap so that this important aspect of the CVMG monitoring system could be implemented. Donors and DRC were not informed and the latter, when approached, immediately signalled that they could have covered the gap.

185 ICVA (2012)

186 Ibid

The critical role local partners play in highly insecure environments like Somalia is relatively well recognised. However, limited research has been done into the nature and scope of the role of Somali NGOs, including basic information such as how local partners are selected, scale up, and manage their risk environment and if and how practices differ across different regions. A recently completed study, *Aid Partnerships: A Vehicle to Strengthen NGOs in Somalia?*, seeks to answer some of these questions.¹⁸⁶ This evaluation seeks complement their work looking at the role of Somali NGOs in the cash response.

Some INGOs (e.g., Oxfam) work with Somali NGOs because it is their organisational ethos. Others do because it's a practical alternative to problems of access and insecurity. Adeso, ACTED, Concern, Oxfam, NRC and Save the Children all implemented in some form of partnership with Somali NGOs.¹⁸⁷ All did so in Al Shabaab-controlled areas, with the exception of Concern and SCSOM, which collaborated with partners in Mogadishu. These Somali NGOs (e.g., AFREC, CED, CPD, HARDO, Hijra, SADO, WASDA, and Youthlink) were, in many cases, long-term partners of the INGO and most had previous experience implementing cash and voucher programmes. All were able to do so effectively with relative success, with the exception, perhaps, of AFREC's office in Lower Juba.

Participation in Design Including Choice of Operating Area. In the original evaluation framework outlined in the Inception Report, under appropriateness is 'to what extent were beneficiaries consulted in programme design'. When asked during a famine, this question needs a nuanced reply, but it is still relevant when considering the degree of influence a Somali NGO (SNGO) had on the design of the programme, including to what extent it influenced the choice of transfer modality, size and appropriate duration, as well as where to work. Some SNGOs implemented different modalities (cash and vouchers) in the same area of operation, suggesting that it was their international partner that decided the modality, given the same operating conditions. At a very minimum, this is an opportunity to learn from the implementing partner's perspective which modality is more effective and why. For example, in Middle Juba and Gedo, SADO implemented cash transfers with the support of Oxfam. And in Middle Juba and Bay, SADO implemented a food voucher programme with ACTED (Box 5).

In general, Somali NGOs complain that projects are designed in Nairobi and that they have little influence. However WASDA and SADO were both positive about relations with their partner organisations, explaining that they were involved in joint assessments and discussions during proposal preparation. It is also true that SNGOs were encouraged to work in areas where they did not normally operate and, like INGOs, they subsequently experienced problems during implementation, e.g., needing either to cease or delay operations or compromise with regards to payments to local authorities or allowing local authorities to influence beneficiary lists.¹⁸⁸

Efficiency. It appears that programmes are more cost-efficient when implemented in partnership with local NGOs; either where the Somali NGO does the bulk of the work, or where it works alongside international NGO staff, as was the case with NRC (Table 6).

¹⁸⁷ Adeso and SCSOM did both direct implementation and through partners.

¹⁸⁸ AFREC in Lower Juba, and reports of both INGOs and SNGOs making some compromise when negotiating access to IDPs in Mogadishu and Afgoye.

Box 5. The Case of SADO

Evaluation findings suggest that SADO, a Somali NGO, demonstrates many positive attributes. SADO distributed cash and/or vouchers in Sakow, Dinsor and Bardera districts, complex areas with different clans and significant 'minority' groups (Rahanweyn and Bantu) and under the control of Al Shabaab. The organisation had implemented cash-for-work programmes before but never emergency programmes, and never unconditional cash transfer programmes.

The organisation has a mixed clan background including Rahanweyn staff at senior and field levels. During the period under evaluation they had relationships with ACTED, Adeso and Oxfam. In areas where SADO was to implement with support from Adeso, pressures from Al Shabaab threatened to compromise implementation. The partnership never materialised and in retrospect SADO was pleased it had made this decision. With Oxfam funds, both organisations agreed to delay distributions until they were able to negotiate with Al Shabaab acceptable terms for implementation (again a good decision according to them). They have also been part of Oxfam's capacity building programmes and described assessments and proposal development as jointly carried out.

Concerning Acted, SADO describes the relationship (since 2009) as 'growing together', and emphasised that joint presentations to donors were a sign of the nature of this relationship. Various informants suggested SADO was well respected within the local communities. SADO staff were notably open, pointing out many difficulties and issues: they found variability in the local operating environments (contrasting Dinsor and Sakow, which are neighbouring districts with predominantly Rahanweyn populations); while they recognised the value of relief (describing it as analogous to a doctor stopping the bleeding where time is of the essence) they raised concerns about the longevity of unconditional interventions; they suggested that Al Shabaab did help reach the poor and exclude the rich; they felt that cash is good in terms of choice and liquidity but does attract the rich and corrupt; they thought that while there are similar issues and problems in Kenya, issues can at least be investigated and followed up whereas in Somalia this is more difficult.

Effectiveness and Access. Data on implementation effectiveness is taken directly from the CVMG Phase One report as little has changed since June, given the delays in implementation due to funding. Somali NGOs had similar implementation rates to INGOs but have demonstrated better access in Al Shabaab-controlled areas. Conversely they have had less success in achieving planned outputs in TFG-controlled areas (Table 7).

NGO	Actual Number of Beneficiaries	Planned Number of Transfers	Actual Number of Transfers	Per cent
All*	136,673	812,606	522,123	64
All INGOs	79,501	504,894	314,605	62
All SNGOs	57,172	307,712	207,461	67
INGOs in TFG areas**	37,149	216,894	204,461	94
SNGOs in TFG areas	35,106	206,892	155,161	75
INGOs in AS areas	42,352	288,000	110,144	38
SNGOs in AS areas	22,066	100,820	52,357	52

* Note in the above table that this does not include SADO/ACTED, NRC, or COOPI. **The authority listed here is the one that was in control in August/September 2011. For project areas that were split between two authorities, the authority that covered the majority of beneficiary households has been indicated: TFG is Transitional Federal Government and AS is Al Shabaab.

Accountability. Recruitment (and retrenchment) of staff has long been a sensitive issue in Somalia. Attention needs to be paid to clan balance, in terms of acceptability, conflict mediation (where necessary) and access to different population groups. Somali and International NGOs (and the UN) often do not pay sufficient attention to this. For example, WASDA, which is generally viewed positively within the evaluation, does represent a particular clan identity group, as does HARDO. While others are more balanced. Clan identity was seen as affecting WASDA's potential to work outside its clan areas; a potential issue that could have been anticipated better by WASDA and Oxfam. Due diligence is necessary when asking about clan affiliations and how an NGO deals with targeting vulnerable minority groups that are not from the same clan, and third party monitoring to verify actual practice.

Some INGOs were concerned that Somali NGOs were more likely to be influenced by local authorities, including agreeing to pay fees to Al Shabaab and other local authorities in order to operate. But the evaluation research demonstrated that some Somali NGOs (e.g., WASDA) were very principled and moved from location to location before finding a local authority with which they could cooperate on the NGO's terms. Similarly at least one international NGO's local staff were suspected of paying 'administrative fees' to local authorities without its head office being aware of it. Or if NGO did not pay directly, they turned a blind eye or even encouraged beneficiaries to pay what was usually a USD10 per household per month fee.

A study conducted in 2011 found that not only are humanitarian principles considered particularly important by national staff, but they are also perceived by staff to play an important role in keeping national aid workers safe in insecure conditions across different cultural settings. Conversely, the lack of respect for principles was the third-largest contributor to insecurity (out of seven options) in the opinion of respondents, following 'incompetent organisations taking unnecessary risks' and 'lack of experience and cultural awareness'.¹⁸⁹ These findings are supported by this evaluation.

189 Egeland et al. (2011); AWSO (2011).

There were difficulties in establishing meaningful accountability and feedback mechanisms but this was not limited to Somali NGOs and is discussed further in [Accountability](#).

Issues of Trust, Accountability and Capacity Building

There is no doubt that certain agencies and even donors distrust Somali NGOs. Underpinning the lack of trust on the part of donors about the ability of Somali NGOs to handle direct humanitarian grants are perceptions about limited capacities and concerns about fraud and corruption. In practice, neither capacity gaps nor concerns over misappropriation of funds are addressed by the current approach: Donors fund international aid organisations as more trusted deliverers of assistance, and INGOs disburse a large portion of these funds to Somali NGOs with what interviewees for this study identified to be little demands for accountability and ineffective investments in strengthening the capacity of Somali NGOs. Any move by donors towards working more directly with Somali NGOs will have to include a better analysis of fraud and corruption risks, stronger accountability mechanisms and a process of trust building.¹⁹⁰

We would add 'and capacity building in advance of crisis'. We cannot assume that if there is no capacity building, or if it is done in the midst of a crisis, that we can still have positive outcomes related to fraud, accountability etc.

Impact. There was no difference in relative impact between beneficiaries who received their aid from Somali NGOs versus international NGOs. Rather, any difference in impacts was attributable to the type and size of the transfer and the relative severity of food insecurity in the area of operation, which Somali NGOs had relatively little influence over.

Beneficiary Preferences. Without naming names, beneficiaries were asked in field interviews 'who would you like to provide your humanitarian assistance in the next emergency'. Unsurprisingly, beneficiaries often stated the name of the NGO they were presently receiving assistance from. The only time this differed was when they were aware of and preferred a different type of intervention (e.g., cash) thus influencing the choice of NGO. *While field teams did not ask explicitly about food aid, beneficiaries repeatedly requested 'no more food aid' in part due to pervasive corruption in food aid programmes.* Interestingly, it was WFP that was mentioned by name, and not its local partners. It is possible that as cash and voucher approaches become more common, their vulnerability to corruption and diversion will also increase.

In sum, it appears better to judge NGOs on a case-by-case basis and not on whether it is a Somali NGO or an international NGO.

¹⁹⁰ ICVA (2012).

XI. EFFECTIVENESS

As mentioned already in the Interim Progress Report, while encountering significant obstacles by way of security concerns, access issues and bans on activities, agencies responded dynamically with a range of actions including working with Somali NGOs, working 'low profile', relocating and retargeting, etc., managing to achieve a high level of effectiveness given original plans and actual outputs (Table 8 and Annex 3).

	Cash	Voucher	Total/Average
Total Transfer Value	58 million	34 million	92 million
Total Cost of Programme	70 million	40 million	110 million
Number of beneficiaries	750,000	750,000	1.5 million
Average number of transfers	5 months	8 months	6 months
Average individual transfer value	103	60	80
Range of transfer to an individual household	115–1,300	150–910	475

That said, a more-effective response would have peaked four to five months earlier, saving tens of thousands of lives.

A. Value for Money

*Value for Money (VfM) is about maximising the impact of each pound spent to improve poor people's lives.*¹⁹¹

With regards to Value for Money or cost-effectiveness, that is the cost of achieving some desirable outcome, the challenge becomes what methodology to use. Here we use the methodology proposed by IFPRI, that is, calculating the cost of achieving a 50 per cent improvement in a given indicator.¹⁹²

We use two outcome indicators: food consumption – defined here as household dietary diversity (HDDS) in the case of cash and vouchers and food consumption score (FCS) for in-kind food aid (Tables 9 and 10) – and the Household Hunger Index (HHI) (Table 11). While not ideal, the FCS can be compared to a weighted HDDS due to its high correlation.¹⁹³ A comparative analysis using the HHI with in-kind programmes is only possible among the UCTPs as WFP does not collect a comparable indicator.

191 DFID's Approach to Value for Money, Department for International Development, UK, July 2011.

192 IFPRI (2012)

193 WFP (2008) p. 17. Correlation coefficients between the two scores were high (.5-.76) explaining 30–60 per cent of variability. a recent study in Ethiopia by Maxwell (2012) has a correlation of 0.85-0.9.

Table 9. Cost to Achieve a 50 per cent Improvement in 'Borderline/Acceptable' FCS (September/October 2012 to April/May 2012)

Summary Table*	Households	Total Value of Project	Cost per HH/Mo****	Baseline Borderline/Acceptable FCS	6 months Borderline/Acceptable FCS	Per cent Change	Cost per HH to increase FCS by 50 per cent
Voucher1 – Rural	17,000	9,574,000	72	19%	68%	258	14.0
Voucher2 – Urban**	37,000	8,553,000	66	32%	68%	113	29.4
Cash1 – Urban	21,000	15,389,000	122	42%	97%	131	46.6
Cash2 – Rural	21,000	17,025,000	147	2%	94%	4600	1.6
Cash3 – Rural (LP)	23,000	9,300,000	116	0%	65%	64900	0.1
In-kind ***	146,000	72,500,000	95	69%	86%	25	189.5

*These figures do not include UNICEF's overhead costs so may be an underestimate but the trends remain the same.

**As the baseline data for the Urban voucher project is most likely flawed (100% beneficiaries eating only cereals), the average for all urban programmes is used here as a baseline.

***Given the lack of 2011–12 data for in-kind assistance, the change in food consumption score between the *deyr* 2008 and *gu* 2009 is used – the last significant large scale crisis in southern central Somalia. (More than 3.2 million people were in need, not unlike 2011–12. See <http://ochaonline.un.org/cap2006/webpage.asp?Page=1712>.)

**** Calculated by dividing the total value of the project, by the number of households and duration of the project (7-9 months).

The result is not dissimilar to the same analysis done with planned budgets in the Interim Progress Report, with cash and voucher programmes being more cost-effective than in-kind programmes at increasing dietary diversity or ensuring that at least four food groups are being consumed by beneficiaries. However the analysis also demonstrates the weakness in using FCS as an outcome indicator¹⁹⁴– it does not capture the number of people with a relatively better diet (more than four food groups and some animal products) nor the non-dietary impacts that a larger cash transfer might have afforded.

Similarly it demonstrates the importance of good targeting and/or the relative 'bang for the buck' when the situation is acute, i.e., where inclusion error is less and/or food insecurity affects a greater percentage of the population. That is, in the case of Table 9, where the baseline value (borderline/acceptable food consumption) was lower, the relative cost-effectiveness was higher, i.e. where the baseline demonstrates high food insecurity, the lower the cost to show a 50% improvement. This is particularly noticeable in urban and border areas, where the baseline value was relatively higher (a greater percentage of people were eating relatively well). The effect is while urban cash programmes were more cost-*efficient*, they become less cost-*effective* compared to rural programmes, as the rate of change was less (55 per cent). This is likely to be the case in the cost-effectiveness calculation for in-kind aid in border areas as well, given a rate of change of only 17 per cent.

194 The Food Consumption Score is a weighted dietary frequency and diversity score. The total score (range 0-475) is divided into categories: Poor, Borderline and Acceptable.

In Table 9, given the lack of 2011–12 data for in-kind assistance, the change in food consumption score between the *deyr* 2008 and *gu* 2009 is used – the previously most significant crisis in southern central Somalia.¹⁹⁵ For 2011–12, there are comparable figures in border areas (Gedo and Lower Juba) and for Mogadishu IDPs. However it was not possible to geographically disaggregate the cost of in-kind programmes given the budget data available. The analysis in Table 10 is inexact but all that is possible.

Table 10. Comparison of Change in ‘Poor’ FCS (November 2011 to May/April 2012)

	Per cent of Population with Poor FCS (weighted HDDS)				
	Baseline	Oct-Nov '11	Dec '11-Jan '12	Mar-Apr '12	Jul-Sep '12
Voucher Border Areas – Gedo/MJ ¹⁹⁶	81%	29%		32%	
Cash Border Areas – Gedo/MJ ¹⁹⁷	98%	25%	3%	25%	
In-Kind Border Areas– Gedo/MJ ¹⁹⁸				19%	
Cash Border Areas – Pastoralists Only ¹⁹⁹		23%	3%	26%	
In-Kind Border Areas – Pastoralists Only ²⁰⁰				51%	
Mixed Interventions – Urban IDPs ²⁰¹		22%		47%	
Cash Only – Urban IDPs ²⁰²	61%		16%	2%	2%
Voucher Only – Urban IDPs ²⁰³			32%		20%

To summarise Table 10, rural populations in border areas had very poor food consumption until interventions started after September 2011 – conditions reportedly improved due to the receipt of aid, and other factors (rains, food prices, etc.).²⁰⁴ Cash and voucher programmes were able to achieve lower rates of poor consumption in December compared to other types of assistance, but probably not statistically significant (3 per cent versus 7 per cent of the population with poor FCS). However in March-April 2012, at the end of the *jilaal*, food insecurity increased again, particularly among pastoralists in border areas (Gedo and Lower Juba). Here perhaps, cash had a mitigating effect. Poor FCS increased to 26 per cent among cash beneficiaries versus 51 per cent among populations receiving other types of assistance. However without common sampling frames and methodologies, it is difficult to draw conclusions.

Urban assessments had more robust and comparable sampling. Among urban populations, the trend is similar, with lower rates of poor food consumption among cash and voucher beneficiaries consistent over time.

195 More than 3.2 million people were in need, not unlike 2011–12. (<http://ochaonline.un.org/cap2006/webpage.asp?Page=1712>).

196 COOPI (2011) and COOPI (2012).

197 CVMG data (2012).

198 WFP (2011d) quoted in WFP (2011b) and WFP (2012)

199 CVMG data (2012).

200 WFP (2012)

201 DRC (2011)

202 CVMG data (2012).

203 While baseline data for voucher recipients in Mogadishu is available, it is not quoted here as 100% of beneficiaries eating only one food group was probably a data error (see Interim Progress Report).

204 WFP (2012b)

Having mentioned the potential weakness of a diet-based indicator and the impossibility of capturing non-dietary expenditures, e.g., livelihoods expenditures, we should consider a different outcome indicator. While less directly related to the types of food people eat, the HHI still focuses on hunger or consumption but also correlates with non-food expenditures.²⁰⁵ We can analyse the comparative cost-effectiveness of voucher and cash programmes in urban and rural environments, and between NGOs implementing directly and through Somali NGOs (Table 11). However due to a lack of comparable data for in-kind assistance, the analysis cannot include food aid.

Table 11. Cost-Effectiveness Using Household Hunger Index as the Outcome Variable

Summary Table	HH	Total Value of Project (USD)	Cost per Household /month (USD)	Baseline Borderline/ Acceptable HHI* (Sep-Oct) (per cent)	Four Months Borderline/ Acceptable HHI (Dec-Jan) (per cent)	Per Cent Change	Cost per Household to increase HHI by 50 Per Cent (USD)
Voucher – Urban**	37,000	8,553,000	65	10	76	660	5
Cash1 – Urban	21,000	15,389,000	123	20	91	355	17
Cash2 – Rural	21,000	17,025,000	150	15	100	567	13
Cash3 – Rural SNGO	23,000	9,300,000	117	15	77	413	14

No comparable data using the household hunger index for in-kind assistance is available.

* The cut-off used here is HHI 3 or above (scale of 1–9) which is the value that reduces to the maximum the inclusion and exclusion error, using HDDS as a control.

** As the baseline data for the urban voucher project is most likely flawed (99 per cent of beneficiaries reporting all three coping strategies), the average for all urban programmes is used here as a baseline.

What might be more relevant is the Coping Strategies Index (CSI) – a livelihoods-specific version developed by the FSNAU which includes some non-consumption related indicators, e.g., selling livelihoods assets or otherwise-consumable products (crops/milk), sending children to eat elsewhere, etc. However, the CSI is only available for the voucher and cash programme in Mogadishu and in Hiraan, due to delays in implementing Phase Two M&E in rural areas. The CSI scale has no clear cut-offs. Rather it is intended to be used to measure trends. The urban voucher programme had a score of 80 (range 55–275) in July which did not significantly change in September.²⁰⁶ It was slightly higher (91) for the urban cash beneficiaries. And lower, as would be expected, among SCSOM beneficiaries in Hiraan (66). It remains to be seen if the CSI changes significantly enough to detect a change in food and livelihood security.

205 The Household Hunger Index, which in the CVMG is called the Coping Strategies Index, asks three questions: reporting no food in the house, household members sleeping hungry as a result of lack of food, and household members had ever gone all day and all night without food. A regression of the means between the HHI and livelihoods expenditures is correlated at $r\text{-square}=.64$.

206 If the cut off was the lower tertile (72), like the HHI, then 70 per cent of Concern's and DRC's beneficiaries would have 'poor' CSI, while only 10 per cent of SCSOM's beneficiaries would. The difference in the two methods of measuring is remarkable and probably inappropriate.

The bottom line is that cash and vouchers appear to be more cost-efficient and cost-effective than in-kind food aid at reducing negative coping mechanisms and achieving a minimum dietary diversity. That is not to say that in-kind food aid is always less cost-effective but where beneficiaries prioritise food purchases (related to targeting effectiveness), where markets can meet demand for food at a reasonable cost, where transfer costs for cash and vouchers are low, it does appear to be the case. **The cost-effectiveness of cash and vouchers to achieve desired food consumption outcomes is comparable.**

Agencies might have been able to demonstrate greater value for money if they had more systematically measured livelihoods impacts, e.g., using a livelihood recovery scale, particularly given the size of the transfer and the duration of the programme. Value for money calculations might also change if it were possible to measure market multipliers. While placing a monetary value on beneficiary preferences and perceptions of dignity (other possible arguments for cash) will always be difficult.²⁰⁷

A few issues related to calculating cost-effectiveness:

- *Decide appropriate outcome variables.* In the case of the cash response in Somalia 2011–12, the objective was to save lives through improving food consumption. However there is no consensus on which methodology and variable is better able to measure consumption that is at the same time simple and reliable to collect.²⁰⁸ FCS is more complicated to collect but adds value by understanding the frequency of consumption with perhaps a higher correlation to kilocalorie intake. However HDDS is easier to collect and analyse, making it more likely to be used by a wide range of partners.
- *When objectives include improved livelihoods and other non-food consumption outcomes.* Cash is often used not only to save lives through guaranteeing consumption but also to protect livelihoods. Expenditure patterns are commonly analysed with a specific emphasis on livelihoods investments (agriculture, livestock, business, debt, etc). The advantage of expenditure analysis is that includes non-consumption related objectives relevant to other humanitarian interventions, e.g., cash for shelter and cash for health. Future data collection will need to systematically analyse expenditure patterns in standard categories. The question should be asked regarding the use of all available income, not just the transfer, so that a more accurate picture of a household's livelihood and food security is measured. Otherwise the risk of reporting bias is high.²⁰⁹
- *Decide standard reporting, measurement, thresholds, and analysis including sampling frame.* For example, what is poor, borderline and acceptable food consumption? Will results be reported in percent of population that has achieved some desired outcome before and after an intervention? Will we measure the percent of the targeted population – or the general population – that have achieved, for example borderline/acceptable food consumption?
- *Decide common standards for categorising costs.* In addition to established categories (personnel, personnel support, logistics, indirect costs), agreement needs to be achieved on how to account for integrated programming and cost-sharing, e.g. when the same staff, materials, etc are used in

207 The IFPRI (2012) study mentioned here also looks at the relative impact of different transfer modalities on women's empowerment, violence in intimate relationships, social capital, etc.

208 WFP (2008)

209 'The cash was for food so I bought food. The cash was for shelter so I bought shelter.'

different programmes, where to put M&E costs, and in the case of cash and vouchers, where to put the cost of delivering the transfer, e.g. money transfer fees, ID cards, printing the voucher itself which in effect is similar to the landside, transport, shipping and handling (LTSH) of traditional in-kind assistance.

- How to combine cost and effectiveness in a meaningful and comparable unit, e.g., the absolute cost per beneficiary to move from the 'poor' category to the 'borderline' or 'acceptable' category, or the IFPRI approach to determine the relative cost to reduce the per cent of population-level 'poor' food consumption. The latter methodology holds promise but there are several confounding factors, as our own analysis highlights. The baseline value (and therefore the scale and severity of the crisis and/or the effectiveness of geographic and household level targeting) significantly impacts the calculation.

In any case, the final calculation must take into account the value of the transfer (cash, in kind or voucher), the cost of delivering the transfer, the duration, and the number of beneficiaries moving from one category to another. Inevitably, agencies operate in different locations with different degrees of food insecurity, have different time frames, changing transfer values, even different numbers of beneficiaries over time. Rationalising this makes for some tricky maths.

B. Diversion and Fraud

An analysis of effectiveness (did the assistance actually reach the beneficiaries) necessarily includes analysis of corruption and diversion, including fraud – an acknowledged risk in Somalia. For this evaluation, we examined the scale of corruption or diversion, the extent to which cash programming carries any greater risks than other forms of assistance, and lessons learned regarding risk factors and risk reduction. Initially, these issues were raised in relation to potential diversion by Al Shabaab, given serious implications in terms of media publicity and funding, but also prosecution under the US anti-terrorist laws. Remember however that in recent years the most serious cases of corruption have involved the Transitional Federal Government (TFG), *food aid* and international agencies.²¹⁰

Already mentioned in the sections on Mogadishu and in Coverage and Targeting, many beneficiaries in both urban and rural areas were systematically asked to pay a portion of their transfer to 'local authorities', including gatekeepers. In some cases this was a 'tax' and the funds were used at the discretion of the taxing authority.²¹¹ This tax was commonly USD10–15 per month per household. In other cases, a 'payment' (in food or cash) was required to be eligible for the entitlement in the first place.²¹² Alternatively, beneficiaries were asked to pay for right of movement (checkpoints) or services (right to settle, rent, security, water and sanitation). In the latter case, if the payment was voluntary, it may not be strictly defined as diversion, but rather exploitation, particularly if providers cannot be held accountable for the

210 UN Monitoring Group Reports 2010 and 2012.

211 Multiple reports from multiple sources indicated that taxation was common in Hiraan, Lower Juba and Middle Juba. In at least three cases (Middle Juba, Lower Juba) agencies suspended activities so as not to comply with demands. In Hiraan and Lower Juba, at least two NGOs knew beneficiaries were paying the tax (or at least the local staff knew).

212 Common in Mogadishu IDP camps.

effectiveness, quantity and quality of the services they provide. In other cases, beneficiaries were asked to ‘donate’ a portion of their transfer (particularly where they had been long-term recipients of a larger cash transfer) so that it could be redistributed to other more-vulnerable households. In this case, forced redistribution could be seen as a result of poor targeting or programme design for which the agency must accept some responsibility.

Despite all of the above, a significant portion of the transfer was still received by beneficiaries, contributing to improved food security outcomes.²¹³

More seriously, in at least two cases, agency staff possibly diverted significant funds intended for beneficiaries through various means (ghost villages, ghost beneficiaries, etc.). These cases have been identified and raised by the evaluation team. One was confirmed in an independent investigation by ADESO (although the extent of it is contested by AFREC and Amal). The other, concerning SCSOM Somalia in Hiraan, allegations by the evaluation team were only partially confirmed by the agency’s own internal investigation. While recognising that SCSOM has gone to considerable effort to investigate, the evaluation team stands by its findings given its independent, timely, and discrete methods (principles that the SCSOM investigation was not able to follow for various reasons) and reliance on multiple and independent sources. The final outcome of the case goes beyond the time frame and terms of reference of this evaluation.

The Case of Adeso, AFREC and Amal

The case study is presented here for the purpose of learning. It is based on interviews with the NGOs involved (Adeso and AFREC) and the *hawala*, Amal, as well as various documentation and materials obtained by the evaluation team.²¹⁴ Adeso has provided feedback and has encouraged the evaluation team to include this case study in the final report. The case study has also been shared with AFREC but at the time of publication they had not acknowledged receipt or provided feedback. This case study may therefore not represent their views. This case study is solely the responsibility of the evaluation team.

Background. This case concerns unconditional cash distributions implemented in Badhaade and Afmadow districts in Lower Juba. AFREC has had a long presence in Badhaade district and partnerships with many other international agencies over time, and in 2006 Adeso partnered with them successfully, also with a cash-based emergency programme, involving a consortium of local and international NGOs.²¹⁵

In 2011, Adeso implemented cash programmes directly in Gedo and, through AFREC, in Lower Juba. This involved total cash transfers of USD3,657,000 to 5,300 households from November 2011 to April 2012. Approximately 90 per cent was distributed in Badhaade district after planned resources for

213 Where payments were reported to be systematic, e.g., in Wadajir and Waberi, the HDDS was not significantly different from surrounding districts (Wadajir 3.7, Waberi 4.4 and Hodan 4.1). But poor HDDS was more a function of the voucher system used (HDDS in cash areas was Hodan 6.2, Hawl Wadag 6.5 and Hamarweyne 6.2) (CVMG data). In the case of Hiraan, the HDDS and HHI are actually higher than other regions; however, this is likely because the target group itself was not the most vulnerable.

214 In the case of the latter, the interview took place with the ex-CEO of the *hawala*, who continues to consult for them.

215 See Majid et al. (2007).

Afmadow were re-directed there as a result of complications with Al Shabaab. AFREC handled less than 10 per cent of the funds, for its operational costs, and Amal handled the remaining 90 per cent. Adeso has worked with Amal for many years and negotiated a rate of 5 per cent for their services.

The operating contexts in both Afmadow and Badhaade districts were extremely complex and volatile during this period with, Al Shabaab initially in control in many locations although later removed. Access to locations in these districts was therefore very restricted for people not from these areas.

In this context, Adeso undertook a number of risk management strategies:

- Contracts between Adeso and AFREC included special conditions against diversions of funds.
- AFREC and Amal staff were trained in key aspects of project implementation. AFREC staff also took part in various M&E trainings.
- KPMG was commissioned by Adeso to undertake a Fiduciary Risk Assessment of AFREC. This was made available in December 2011. Adeso and AFREC subsequently developed a plan of action with regular progress reports.
- Amal's contractual agreement was to disburse the cash, without the use of proxies. One AMAL agent was trained to understand the procedures and responsibilities in relation to the project, from handling cash to verification and reporting.
- Amal agreed to a performance bond with a value equivalent at all times to the amount of cash being distributed (this varied between USD1 and 1.7 million). No other NGO nor *hawala* agreed to a performance bond during the course of the UCTPs under evaluation.
- Adeso opened a new office in the border town of Liboi to improve liaison and access with Lower Juba. In practice, security restrictions meant that staff members from Liboi were never able to travel to Lower Juba.

Findings Made by the Evaluation Team and Adeso (Independently). In June 2012, the evaluation team highlighted serious concerns around AFREC's implementation in Badhaade district. These were shared with UNICEF and Adeso. At roughly the same time, Adeso also reported that it was hearing about potential problems with project implementation in the same district and in June 2012 conducted an independent investigation as part of a broader monitoring mission. This investigation was organised and conducted without the knowledge of AFREC to not risk jeopardising the outcome through any undue influence on local stakeholders by AFREC.

Adeso's investigation broadly confirmed the concerns and information obtained by the evaluation team, and contained significantly detailed findings in relation to serious fraud or malpractice. The evaluation team's findings were shared with the Evaluation Steering Committee in July.²¹⁶ This effectively brought it into the public domain. Adeso's field team returned to Nairobi from Badhaade on 16 July. Adeso had preliminary meetings with Amal between 20 July and 24 July and informed UNICEF, donors and AFREC at the end of July.

²¹⁶ Previously, only UNICEF and Adeso had seen the report.

Key Points and Perspectives of those Involved. Adeso is convinced that AFREC acted improperly, based on the findings of their own investigation which, while much more detailed, broadly corroborate the findings generated by the evaluation team. They have since terminated their relationship with AFREC.

Adeso has concluded that both AFREC and Amal have followed poor operational practices and that AFREC has been primarily responsible for corruption and diversion. Their practices included:

- Inadequate community mobilisation and lack of village relief committees that would, under normal circumstances, act as an accountability mechanism with direct access to Adeso;
- Improper beneficiary targeting processes: 'ghost' beneficiaries (false names and names of actual people who were on the payment lists but not informed about the project and who did not receive any funds), and discrimination against certain minorities;
- Breach of payment protocols, including payment levels below the allocated USD115 per household. While Amal may have not personally benefitted, the breach in protocol implicates Amal, as during most distributions their agents were not present or not responsible for actual payments;
- Taxation of beneficiaries by Al Shabaab (typically USD5–15). Adeso stresses that the total potential money diverted to Al Shabaab is small in comparison to that thought to have been lost to AFREC.

Adeso later refuted attempts by AFREC to explain some of their practices, claiming AFREC influenced parties on the ground (in Badhaade) after the event (and the investigation). Adeso has fully documented and shared all reports associated with this incident.

Amal (evaluation team's findings). Amal conducted their own internal investigation and identified and accepted examples of poor procedural practices, but not serious misappropriation of funds by their own staff or collusion with AFREC. In particular, Amal accepted that their sub-contracting of sub-agents at local levels was inappropriate and that their own standard operating procedures were not always followed. As a result, Amal is prosecuting its main agent, based in Afmadow town, for not supervising the project appropriately. It also points out that it has not had any problems with this agent before.

Amal has identified weaknesses in its own risk analysis processes, including a past 'unfavourable incident with AFREC' which was not considered as part of its own risk analysis process. Amal was not pleased with the enforcement of the bond (being held by Adeso at the request of UNICEF at the time of writing), in large part as this has affected its credibility with different commercial institutions in Kenya that it relates to. Amal has continued to co-operate with Adeso through this difficult issue and period.

AFREC (evaluation team's findings). AFREC refute allegations of major corruption or diversion documented in Adeso's report, claiming that the investigation team did not consult all relevant parties. In general, AFREC accepted that implementation modalities were not always followed and justified this on the basis of the very difficult operating conditions and the need to distribute the money – given the severity of the conditions – in whatever way was pragmatic.

AFREC produced a video capturing interviews with different people in numerous locations in Badhaade district that portrayed positive comments about the role of the organisation. However, the value of the video is limited as it provides little detail and an entirely positive narrative in support of AFREC, and there



is no way of judging whether AFREC staff influenced the verbal testimonies. AFREC claims to be in the process of replacing its executive director in light of these issues and pursuing other means to regain its reputation and operational role in Somalia.

Analysis and Learning. This case study reveals important issues and learning relevant to the wider humanitarian sector working from Nairobi.

Positive Impact and Differences from Location to Location. Despite allegations of malpractice, the evaluation team's own findings, as well as Adeso's monitoring/investigation report, found that a significant amount of cash resources did reach beneficiaries in Afmadow and Badhaade districts. Badhaade district in particular is remote, and minority groups were among the beneficiaries (to a limited extent), and there was acknowledgement of widespread and significant impact at household and market levels.

Evidence of serious malpractice in Badhaade district does not necessarily mean it is widespread. In other cases known to the evaluation team, agency performance may differ significantly from district to district and even within localities in the same district.

Risk Assessment and Risk Mitigation. This case study highlights just how much all organisations working in Somalia are struggling with managing risk and remote management. Adeso took a range of risk mitigation steps (arguably more than most other organisations); however, ultimately they were not sufficiently effective. In retrospect, Adeso notes that key weaknesses include the ineffectiveness of the independent monitoring organised through the ODI/CVMG and key staff employed in their liaison office in Liboi lacked adequate networks in Badhaade.

Of additional interest is that both Adeso and Amal were able to utilise different Somali networks to gather information from the field (where many senior managers of international organisations are forced to rely on a few channels, mainly through their own staff). And both recognised that their own internal risk management systems can be improved in terms of risk analysis and project monitoring systems with potential positive implications for non-humanitarian service delivery.

Monitoring, Information and Evidence in Somalia? A general finding of the evaluation team concerns the problems of monitoring and information gathering in Somalia. The broader CVMG-related monitoring systems, as well as other agency-specific monitoring initiatives, have been generally ineffective at identifying serious issues of corruption or diversion. This should be seen in part as a function of the field context, in which there are serious risks in reporting certain types of information. In this particular case study, Adeso had an office in nearby Liboi, and the various methods under the CVMG project (including independent field monitors), as monitoring mechanisms. These all proved to be ineffective until late in the project cycle.

Gathering evidence in Somalia is extremely difficult and can quickly be discredited and reduced to one person's (or organisation's) word against another. A discrete and carefully planned and managed monitoring or investigation process was crucial in this instance. This applied to both the evaluation team's approach as well as Adeso's – in both cases, quality, integrity, trust and independence within the respective teams (rather than for example, a contractually-based relationship) was paramount. Cross-

checking documents at the Nairobi level does not necessarily correspond (or reveal) problems that exist in the field. For example, a paper audit (which looked at supporting documents rather than cash relief payments) by UNICEF did not reveal any evidence of malpractice.

The fact that such monitoring and information systems generally remain weak across the humanitarian sector, in spite of many years of working remotely, raises serious questions about the investment and learning in such systems, relevant to all stakeholders working in Nairobi on Somalia. At the least, it suggests that greater effort needs to go into triangulating different information sources.

Working with Hawala. There is no doubt that *hawalas* are a critical means of operating in Somalia and have significantly contributed to the improved efficiency of many programmes over many years, virtually entirely taking on the risks of moving money for the humanitarian industry. They are among the most credible and trusted of organisations working in Somalia and the wider Somali regions, and they rely greatly on trust to operate effectively.²¹⁷ While they are evolving and becoming more formalised, they will remain partially informal and unregulated as long as the Somali context remains as it is. They are also not immune from the complexity, politicisation and violent character of the Somali environment and will inevitably be caught up in malpractices from time to time. *Hawalas* are also innovating organisations, for example, adopting new technologies that may be of benefit in terms of humanitarian objectives. *Hawalas* also vary as organisations, in terms of their ownership structure, internal systems and rate of innovation. New *hawalas* are created over time and several have gone out of business.

Hawalas are therefore crucial partners within the humanitarian world working in and on Somalia, and an informed and appropriate stance must be taken with regard to this relationship, considering short-term and long-term issues, and case by case examples. *Hawalas* must be held to the terms of their contractual agreements but also must be supported to improve their own internal processes. In this regard, the internal structure and function (and variability) of *hawalas* must be recognised; in particular *hawalas* do not operate internally on the basis of clear hierarchical and contract-based arrangements, but on the basis of trust. This internal dynamic frequently affects the efficiency of more complex programming partnerships, such as in the case of cash.

Adeso, through its documentation, as well as its sensitivity to and experience in the Somali context, provides a very interesting example of a partnership with a *hawala*, and a constructive engagement through a very difficult time. Many organisations would not necessarily be able to do this unless they had established good, long-term relations with the *hawala*.

Transparency versus Discreteness. The control and management of information is a challenge in the Somali environment, as has been mentioned by the evaluation team itself and key stakeholders involved and elsewhere (see Historical and Contemporary Context of Aid in Somalia). The release of the Interim Report resulted in the first public airing of this issue, which had been managed discretely by Adeso up to that point. This was probably a mistake, given the difficulty of controlling sensitive information (including within a forum such as the Evaluation Steering Committee). Adeso, in general, is an organisation that

²¹⁷ See Lindley (2009).

adopts an open and transparent approach, which is appreciated by the evaluation team, as it can (and should) lead to wider learning. In this particular case, Adeso undertook bilateral discussions with Amal and AFREC before releasing information to other parties.

Concerning fraud or diversion within NGOs in particular, agencies that have come out and been transparent have not felt supported in doing so and, in retrospect, question the wisdom of doing so again. This leads to an atmosphere of defensiveness and blame that in turns fuels the cycle of rumour and misinformation that is common in the Somali aid environment. It is necessary to have a common understanding of the circumstances under which – and the extent to which – agencies will be responsible for restitution of diverted funds, e.g. through clear contractual clauses,²¹⁸ and to what extent agencies will be either overtly or covertly ‘blacklisted’.²¹⁹ Addressing these issues requires a concerted effort across the humanitarian sector.

Good practice in investigating misuse of funds. It is worth noting, in the interests of improving the quality of investigations, that the Adeso investigation of AFREC was independent, timely and discrete; in part because Adeso was investigating another organisation. Whereas, for various reasons, the SCSOM investigation was unable to follow these principles.

Several lessons can be learned to inform future investigations. Preliminary findings suggest that successful investigations are characterised by *timeliness* – within two weeks of discovering potential misuse of funds; *discreteness* – the ability of an NGO to conduct an investigation without the awareness of suspected perpetrators; *independence* – in which an NGO employs non-NGO staff to conduct the investigation (and/or an INGO investigates a Somali NGO or vice versa); visiting and interviewing a *wide range of stakeholders in different geographic locations and in a safe place* (through low profile interviews or by removing informants from high risk environments such as camps or offices where suspected corruption may involve collusion of many staff; and using a *diverse range of non-conventional data collection methods* that are appropriate and effective in the Somali context. It is very clear that sharing information about corruption and diversion is life-threatening. NGO staff and journalists have been threatened and killed for doing so; data collectors for this evaluation were threatened. Agencies must take this into consideration when undertaking their risk assessments, developing mitigation strategies, whistle blowing procedures and conducting investigations.

Equality in Treatment and Punishment (a Fair Playing Field?). A number of senior Somalis working within the aid industry note that AFREC has been quickly discriminated against for present and potential partnerships and funding. At the same time, several UN agencies and INGOs that have been implicated in (or are currently investigating allegations of) corruption have not been ‘blacklisted’.

Since the arrival of the ‘war on terror’ in Somalia in late 2006, serious questions of accountability have been levelled at all major actors: Western donors, Ethiopian forces, the TFG, AMISOM, opposition forces, UN agencies, NGOs and others.²²⁰ Is the treatment and punishment the same for all parties?

218 See SIDA.

219 See UN Somalia Risk Management Unit, a database on companies, agencies including INGOs and local NGOs, individuals, etc. that have specific and verified misuse of funds.

220 See Humanitarian Exchange (2008); UN Monitoring Group (2010); UN Monitoring Group (2012).

This evaluation has observed, and has struggled with, the different treatment accorded to a UK-based international NGO, a Horn-based international NGO and a Somali NGO.

There is currently no central or clear system for how these issues should be managed across the humanitarian sector. What is the role of the UN's Risk Management Unit vis-à-vis NGOs? On an operational level, a review of good practice at various points in the programme cycle is required, e.g., using mandatory reference checks during staff recruitment, determining minimum standards for investigations, etc.

Due Diligence and Risk Sharing Finally, but equally important, the evaluation team raises the issue of appropriate levels of risk sharing when agencies demonstrate due diligence in risk mitigation. For example, when agencies, such as Adeso and Amal, confirm allegations and are transparent with findings are then held financially responsible for fraud – even when they are not directly responsible for nor have benefitted from the misuse of funds.

Specifically, the evaluation feels that Adeso demonstrated due diligence in: a) weighing the risk and benefits of expanding into an area with a local partner given the significant need, b) employing a professional third part to do a fiduciary risk assessment and subsequent plan of action, c) negotiating a performance bond with the contracted *hawala*, d) independent monitoring, which was compromised due to access, but later revealed concerns of misuse of funds more or less simultaneous with this evaluation, e) conducting a rigorous and effective investigation, f) widely sharing the results and learning from this experience with the broader humanitarian community.

Given Somalia's aid history, the potential for corruption and/or diversion was a risk that agencies acknowledged from the outset. However the humanitarian community accepted and implicitly agreed to share this risk in light of the alternative. Unfortunately, between most donors and implementing agencies, there was no preliminary discussion on how the misuse of funds would be managed, if and when it occurred, and what would define an appropriate or proportionate response.²²¹ As a result, the reactions of some donors to findings of fraud are sending a different message, potentially contributing to risk 'aversion' among humanitarian agencies. Not least, the lack of risk sharing will undermine the partnerships that are essential to effective humanitarian programming in Somalia, including cash-based programming – critically factors that contributed to the delayed response and consequent suffering in 2011.

C. Remote Management and Risk Management

The risks associated with unconditional cash transfer were the subject of much concern across the humanitarian community to Somalia in the build-up to the famine declaration in 2011. In recent years, serious allegations had been made not only in the international media, but also by the UN Monitoring

²²¹ The evaluation notes here the positive example of the meeting on Strengthening Cooperation in Risk Mitigation convened by the Somalia Cash Consortium, and including donors and the UN (see document Strengthening Cooperation in Risk Mitigation - Summary of discussions 15th_ Feb 2013).

Group, over the mismanagement and diversion of food aid, which had severe repercussions on the credibility of aid programmes in 2010. The potential diversion of cash was even more worrisome, especially with counter-terrorism regulations in place by OFAC²²² and others²²³ to potentially prosecute any organisation for allowing US government resources to fall into the hands of black-listed organisations and individuals. Even though cash transfers had been used successfully as a modality to improve food and livelihood security in Somalia, the risks associated with cash in such a volatile and inaccessible context meant that even the HCT was reluctant to discuss it as a viable option during the first six months of 2011. The international aid community (in particular the donors, but this in turn affected the UN and NGOs) was strongly risk averse in Somalia, in part explaining why the response in 2010–11 was late.

Principal Risks. Southern and central Somalia present one of the most complex environments for delivering humanitarian assistance in a manner that is consistent with humanitarian principles.²²⁴ Given the political and military factors at play, the risks associated with operating in such an environment are largely unprecedented. The challenges are that much greater when scaling-up assistance in an area of constrained access and adopting a modality of cash-based programming not previously implemented at scale in Somalia.

Four main risks were perceived by the CVMG at the time of programme planning:²²⁵

- lack of NGO access to the populations most in need because of political and/or military insecurity;
- diversion of intended benefits to excluded parties, powerful individuals, local authorities criminal elements or NGO staff by taxation, intimidation or extortion;
- markets that fail to supply the quantities of food needed to meet the increased demand from the intervention; and
- inflation of food prices through this demand.

Of course there were other risks (see Box 6 for an example), such as limited NGO capacity particularly where local partners had not implemented cash-based programmes before. Under each of these categories, the evaluation considered what the risks were and whether the risks materialised and what was achieved to mitigate these risk (Tables 12 and 13). The latter risks are discussed in the sub-section on Market Impacts.

The implementing agencies were principally left to their own devices to determine an appropriate risk mitigation strategy and this was developed very much on an ad hoc basis with the moral support of a few key individuals from the donor and UN communities. The humanitarian aid community (in particular the HCT) lacked a united front in dealing with the political context (Al Shabaab in particular). Without shared risk analysis and mitigation strategies, the NGO community was subject to external factors and influences in Somalia that challenged humanitarian principles; it was difficult to balance being 'rigorous' in approach and programming with being 'pragmatic' to ensure access to key vulnerable areas.

222 Office of Foreign Asset Control of the US Government.

223 See Pantuliano (2011) including the 'material support' law in the US (i.e., the Holder vs. Humanitarian Law Project case that reached the Supreme Court in 2010). There are also European restrictions.

224 Hammond and Vaughan-Lee (2012).

225 ODI/HPG (2012).

Box 6. Risks of Not Targeting the Most Vulnerable

In Mogadishu, IDP camps are controlled by gatekeepers and other actors who are almost entirely composed of ‘majority’ clan figures, whereas the majority of residents are ‘minorities’ (*Rahanweyne*, Bantu and others). Similarly in the border areas of Gedo, Lower and Middle Juba, there are significant resident minorities as well as an influx of *Rahanweyne* and *Bantu* populations from the riverine areas of Bay and Bakool as a result of famine and conflict. Most agency staff, local authorities and other actors represent ‘majority’ clan identities and interests. Local clan power dynamics are the most important factor in targeting even where community-based targeting is applied. Often insufficient account is taken of this and as a result minority groups have limited access to resources. Evidence of this is apparent in Gedo and Lower Juba regions. The evaluation also has evidence where agencies specifically target ‘minority’ groups, but to what effect it was not possible to ascertain.

The establishment of the SCC and the CVMG under UNICEF significantly helped to bring some cohesion to a relative diverse and competitive NGO community. This cohesion provided opportunities to optimise NGO capacity in the field, to assess risks and to develop common standards to mitigate those risks. The degree of collaboration involved discussing technical programming issues to mitigate risk, but not more strategic issues such as how agencies could negotiate and secure access and establish security guarantees.²²⁶

Most NGOs however had very limited presence on the ground because of political or security restrictions. Most had to resort to ‘remote management’²²⁷ of one nature or another. However, this was not new. Many had been operating ‘remotely’ to some degree or another since 2009, but their preparedness to scale up for a significant emergency response was questionable.²²⁸ Remote management within organisations (between field and Nairobi offices), where physical visits to the field are rare or non-existent, tested the understanding and accountability within organisations. Remote management through local partner NGOs meant effectively relying on that partner (from negotiating with political authorities to managing interventions, monitoring and reporting) even when that partner may not necessarily share the same humanitarian principles as the agency. Most Somalis, including Somali NGOs, have local political or clan affiliations and hence may not be particularly impartial or neutral. Many INGOs themselves felt that insufficient attention was given to building field staff capacity and strengthening operational partnerships, when the humanitarian imperative demanded urgency.

The reliance on remote management certainly compromised the technical standards and ‘impartiality’ of programming, especially with respect to targeting and monitoring. Targeting by remote means proved to be very time-consuming and lacked sufficient controls,²²⁹ raising valid questions about what it achieved.

226 This is arguably the role of the cluster lead where the ‘cash’ group lacked representation.

227 Remote management is defined as ‘an adaptation to insecurity, the practice of withdrawing international (or other at-risk staff) while transferring increased programming responsibilities to local staff or local partner organisations’ (Egeland et al. 2011)

228 Oxfam (2012a) and Oxfam (2012b)

229 Often INGO head offices in Nairobi would want to ‘review’ the results of targeting (i.e., the lists of beneficiaries) without the means or field grounding to add much value or control to the process

The evaluation generated evidence that minority groups were excluded from specific agency interventions. Third party monitoring in Phase One by an independent entity (contracted by ODI) had limited value because the personnel conducting the exercise were often as prone to bias and influence as the agency staff themselves (or were not willing to expose the truth as there could be later consequences).²³⁰

Insufficient attention has been paid to the issue of shared risk and shared risk management between the donors, relevant UN agencies, international NGOs and local NGOs. There is a culture of blaming each other for what has gone wrong rather than acknowledging the considerable challenges of operating in Somalia and working collectively on this. The lack of a shared risk management approach on security for example has long challenged operations in Somalia.²³¹ NGOs frankly have been left very much to fend for themselves (through joint strategies such as that developed for the SCC) assuming the responsibilities for success or failure on the ground. It is not clear to the evaluation team why a resource such as the Risk Management Unit²³² in the UN Resident Coordinator's Office could not have provided support in this regard.²³³

230 A member the evaluation team claimed he was 'not afraid to tell the truth' but explained that in Hiraan where the evaluation team found suspected cases of fraud, the clan of the suspect had 'held discussions with his clan.' It must be noted that the agency's own investigation dispute's the evaluation team's findings on the issue of fraud.

231 AWSD (2012)

232The Risk Management Unit has been funded since October 2011 with financial support from DFID and the Royal Danish Government.

233 The RMU/RCO was intended to be a common resource for humanitarian organisations operating in Somalia; the RMU principally focuses on contract information relating to goods, services and partnerships (with particular reference to projects resourced through the Common Humanitarian Fund) as well as undertaking risk assessments and recommending risk management solutions.

Table 12. Lack of Access

What were the risks?*	Which risks materialised?	What were the strategies to mitigate these risks?
<ul style="list-style-type: none"> • General insecurity of the operational area; • Agency staff not able to access the most vulnerable areas of southern and central Somalia under AI Shabaab, due to political tensions and military insecurity, therefore able to achieve only low coverage; • Agencies overly dependent upon local staff (exposed to local political and cultural pressures); • Agencies having limited capacity to manage scaled-up operations in volatile environments; • Agencies risked suspension if they did not comply with the stringent conditions of local political authorities; • Humanitarian agenda becomes tied into the political strategy of the local authorities and loses its independence and impartiality; • Key humanitarian principles including the targeting of the most vulnerable are compromised through operational constraints and pervasive local agendas; • Somali NGOs are often politicised and may not work according to the same humanitarian parameters as international NGOs; • Exclusion of minority and vulnerable groups; • Insufficient impact on vulnerable households in affected areas; • Irregular monitoring data and over-reliance on internal sources of information for monitoring purposes and assessing results; • Logistical challenges of delivering the intervention in remote areas ; and • Inability to effectively coordinate across partners. 	<ul style="list-style-type: none"> • Because of insecurity and strongly politicised local authorities, it was not possible to scale up operations in the areas identified by the FSNAU as most vulnerable, especially Bay, Bakool and parts of Lower Shabelle;²³⁴ consequently these critical populations were not assisted; • Staff movement of established agencies in other areas were very limited and often subject to approval by local authorities, which affected project supervision and monitoring; • Most agencies were eventually banned by AI Shabaab in November 2011 and operations were suspended in particularly vulnerable areas of southern Somalia;²³⁵ • Effectiveness of targeting was commonly compromised (different factors affected different contexts, e.g., rural and urban) resulting in both inclusion and exclusion errors; • Evidence of minority clans being excluded from some cash and voucher interventions (see Box 6); • Quantitative and qualitative data collected in only seven out of nine regions where the project was implemented;²³⁶ and • Information on projects from the seven regions where interventions were operating was not always sufficiently reliable and timely for objective analysis. 	<ul style="list-style-type: none"> • Establishment of the Somalia Cash Consortium (SCC) to ensure a coordinated approach to the implementation of unconditional cash grants in support of food security and to draw upon the collective experience of four diverse agencies; • Linked to the SCC was the establishment of the Cash and Voucher Monitoring Group (CVMG) managed by an independent entity (ODI) which drew upon a standardised monitoring framework for all agencies and incorporated third-party monitoring; • Establishment of a risk analysis based upon which the SCC developed minimum operating standards (see Box 8); • Heavy dependence upon established agencies with good local connections, familiarity with the area of operation and a capacity to scale up; • Remote management within organisations where agency operations are maintained in the field with little or no supervision by Nairobi-based staff other than through regular communications; • Remote management of other partner organisations (Somali NGOs) which do have access; • Strengthening local staff capacity by ensuring cross-clan staff composition and training staff in key project management skills; • Agencies moved operations to areas they could access (e.g., Mogadishu); and • One agency continued low profile discrete operations despite being 'banned' in Middle Juba by AI Shabaab.

*Those highlighted were considered the most significant by NGO staff in Nairobi and Mogadishu (results of group work during two workshops conducted by the evaluation team in Nairobi on 12 November and in Mogadishu on 19 November 2012).

234 FSNAU (28 July 2011)

235 ACF from Bakool, Concern from Bay and Lower Shabelle, DRC from Afgoye (Lower Shabelle), Adeso (Horn Relief) from

236 Bay and Bakool were the two regions where all projects were suspended

Table 13. Diversion

What were the risks?*	Which risks materialised?	What were the strategies to mitigate these risks?
<ul style="list-style-type: none"> • Diversion of resources intended for beneficiaries by influential individuals or criminals in areas of weak governance particularly where beneficiaries are displaced from areas of origin; • Taxation in areas of direct authority (e.g. Al Shabaab controlled areas); • Inclusion of beneficiaries (including ghost beneficiaries) which did not meet the selection criteria and exclusion of those who did; • Beneficiaries (particularly women) potentially vulnerable to exploitation by force and aggression by gatekeepers and militias • Internal misappropriation within agencies particularly resulting from reduced supervision from headquarters; and • Diversion or mismanagement of resources by traders and <i>hawala</i> agents²³⁷. 	<ul style="list-style-type: none"> • Third party monitoring²³⁸ identifies diversion of approximately 5 per cent from households in IDP camps of Mogadishu; from subsequent interviews at field level, the evaluation would assess diversion from these households to be 15 to 20 per cent principally by influential 'gatekeepers'; • Anecdotal evidence indicates that the lower 'visibility' of both cash and vouchers has reduced the incidence of diversion (compared to food aid) but that women in IDP camps are particularly targets of criminal and abusive acts to steal benefits from vulnerable households; • Taxation has been paid (albeit inadvertently) in some cases to Al Shabaab (see Box 7) • Evidence has been gained through the evaluation of diversion by NGO staff in positions of responsibility and in one case in collusion with a <i>hawala</i> agent; and • Generally the performance of traders (redeeming vouchers) and <i>hawala</i> agents (distributing cash grants) has been good and timely. 	<ul style="list-style-type: none"> • The introduction of SCC minimum operating standards; • Working through the established <i>hawala</i> system which has proven capacity and credibility as an informal financial system for the delivery of remittances to the household level; • Direct self-implementation (by the Somalia Cash Consortium) rather than working through local partners; • Setting up complaints mechanisms where beneficiaries can report irregularities to the agency or local authorities; • Remote monitoring by NGO staff at headquarters through random telephone interviews of key informants (including beneficiaries); • Regular communication between field and Nairobi offices on feedback of complaints mechanism and monitoring data; • All transfer agents verified against OFAC list, UK Treasury lists, EU proscribed lists and UN sanctions lists; • <i>Hawala</i> companies required to develop risk management procedures for the implementation of SCC contracts; and • In some cases, avoiding working through local authorities and gatekeepers (choosing direct implementation), whereas in others, deciding to work through local authorities and gatekeepers in order to gain influence and control.

²³⁷ The five unconditional cash transfer projects reached 94,699 beneficiary households in phase one and involved 11 contracts with six *hawala* companies
²³⁸ ODI/HPG (2012)

The risk analysis and minimum operating standards introduced by the SCC were useful tools, developed during the course of the programme. They would have been more relevant if they had been better informed from the outset of the intervention and had not themselves become somewhat ‘disconnected’ from the reality on the ground, as such they were not sufficiently referred to as management tools.²³⁹ Furthermore, they needed to be more contextual. The risks of diversion were much higher in urban areas such as Mogadishu where the governance structures are extremely weak and social and community networks, which would ensure better accountability, are fragmented and ineffective.

Third party monitoring (operated through the CVMG) has not been effective at picking up diversion and taxation because of the general ‘caution’ of principal respondents to discuss such details.²⁴⁰ The evaluation team is also aware that other attempts at third party monitoring outside the CVMG structure have likewise not identified issues picked up by the evaluation process. Similarly, beneficiaries are more likely to use informal structures at the community level²⁴¹ to channel grievances than complaints mechanisms established by agencies. The latter solicited only very limited information on diversion because in many locations, complaints mechanisms were such a new practice that beneficiaries were unfamiliar with them as they were, and as such there was not sufficient trust in the confidentiality of the system.²⁴² This is discussed further in the section on [Accountability](#).

Box 7. Diversion to Al Shabaab

Only a small proportion of agencies have been able to work in Al Shabaab-controlled areas during the emergency intervention (others have had to withdraw since the ban in November 2011). There are indications that some degree of ‘taxation’ has been paid by actors directly associated with the intervention, which may or may not have been with the explicit understanding of the organisation concerned. These cases are being further investigated.

Likewise, many agency staff were reluctant to bring attention to diversionary tactics because of the risk of undermining the credibility of the organisation, the programme, and themselves – including fear of losing their job. There is no apparent incentive to encourage greater transparency and this remains a fundamental challenge across the humanitarian aid community, especially at field level.

Different organisations have adopted different strategies for targeting and registration. One agency (NRC in Mogadishu) opted to bypass the local authorities and gatekeepers by registering beneficiaries they found in the camp on a spontaneous visit, others (such as DRC) preferred to work in close conjunction with other stakeholders to ensure broader ownership of the process.

239 Observation from NGOs participating in the Evaluation Workshop conducted in Nairobi on 12 November 2012.

240 During phase one only 2 per cent of sample cash beneficiaries (5 per cent in Mogadishu) reported having to pay someone to access their cash.

241 Even in some cases Village Relief Committees.

242 Particularly in the case of ‘minority’ groups, that several informants to the evaluation thought would have little confidence in such systems, also considering the fact that information and systems were not designed in the Af May dialect.

Finally, but significantly, insufficient attention was paid to risks of diversion internal to agency staff within the SCC risk analysis and minimum standard operating procedures (more attention was paid to security risks to staff). Both are important: the evaluation is well aware of the considerable risks staff face working in Somalia, currently one of the most dangerous humanitarian environments, while the opportunities to divert resources for personal gain are also evident and require better and more effective controls.

There has been no reported diversion of funds, which directly implicate *hawala* agents. However, one *hawala* has accepted that one of its agents in Lower Juba conducted 'poor procedural practices' (having handed over funds to agency staff rather than directly to beneficiaries as was in the contract) and the *hawala* was remiss in not providing adequate supervision of that agent (see The Case of Adeso, AFREC and Amal).

Box 8. Somalia Cash Consortium (SCC) Risk Analysis

The Somalia Cash Consortium (SCC), comprised of four INGOs and representing the core group focusing on unconditional cash grants to vulnerable households, recognised the importance of developing a joint risk analysis. In the first version, the first section of the SCC Combined Risk Analysis²⁴³ identified *general problems* (relating to impact, implementation, targeting, fraud, insecurity) and ways to address them. The second section considered the *acceptability of cash transfer programming*, especially by government, local authorities, traders, beneficiaries and donors. The third section assesses the potential responsiveness of markets; the fourth section, the *sustainability of those markets*; and the fifth section, the viability and controls of *financial mechanisms* to deliver grants. The sixth and final section assesses *security concerns* (especially relating to agency staff and beneficiaries).

A second version of the SCC Combined Risk Analysis was produced one year later.²⁴⁴ Specific improvements had been made to the mitigation strategy (among others): (a) preference for direct implementation by SCC organisations (rather than through local partnerships); (b) enhanced community participation through village and community structures; (c) strengthened complaints feedback mechanisms; (d) remote monitoring by telephone; and (e) improved regular communications between the field and agency headquarters. Section one was revised to focus more on needs assessment (targeting and coverage) and a new section, seven, focused on security risks for NGO staff. New material was inserted in section six to focus on protection risks for beneficiaries, which had been omitted in the first version. Minimum Operating Standards (MOS) were annexed as a guideline for the distribution of cash grants. The standards include a financial review by the external auditor (KPMG) to assess the relevance of the controls put in place by SCC members.

243 Dated 4 November 2011.

244 Dated September 2012 and revised in response to difficulties encountered in the field and the findings of the first part of the external evaluation conducted by Humanitarian Outcomes.

D. Monitoring

One of the main risk management strategies is effective monitoring and evaluation. A recent study identified monitoring as the single most challenging aspect of remotely managed projects.²⁴⁵ Those undertaking monitoring are also exposed to security risks; in Somalia, for example, monitors have become direct targets of violence.²⁴⁶

Nearly USD2 million²⁴⁷ was invested in more rigorous monitoring of the cash transfers, including joint monitoring with standardised tools, and employing an external organisation (ODI) for technical oversight, analysis and reporting, and “independent” monitoring – that is, monitoring by a third party not employed by the agency. The approach has proven very effective for understanding certain aspects of project implementation, e.g. general profile of beneficiaries, the relative efficiency of the distribution process, and importantly the changing food security status of recipient households. However traditional M&E, i.e., using questionnaires, are less effective at detecting targeting errors, fraud or diversion. ‘Independent field monitors’ (IFM) responsible for collecting qualitative data were supposed to address this. However the independence of these efforts is questionable when agency staff maintain control over who IFMs and evaluators can talk to, when and where. This evaluation’s own field teams felt that some NGOs were selective in who was interviewed and beneficiaries were sometimes coached. Often citing security concerns, field staff discouraged independent monitors from visiting certain areas. Unless the monitor has their own personal networks that allowed them to visit an area without relying on the agency itself, it is difficult to know if the concerns were real or unnecessarily influenced by the agency.

The agencies evaluated, particularly those participating in the CVMG, clearly recognise the importance of monitoring activities on the ground in the absence of easy or regular access. Some organisations have been pro-active in developing different methods to monitor either their own programmes or their partner’s. Different methods have been used:

- Setting up a parallel field structure to the one used by existing and long-established field staff (known and open to both parties), including separate monitoring teams;
- Officially and transparently employing third party field monitors (as the CVMG itself did);
- Discretely employing independent field monitors (IFMs) that are not made known to partner organisations or own staff (often called ‘ghost’ monitoring);
- Rotating third party monitors frequently so that relationships cannot be built that might compromise monitoring;
- Rotating field staff so that staff remain more independent;
- Developing different reporting systems (daily, weekly, monthly) that allow greater cross-checking possibilities, and cross-checking in real-time rather than later on, as well as using inter-departmental reporting, e.g., combined nutrition and food security monitoring and reporting.

²⁴⁵ Stoddard et al. (2010).

²⁴⁶ ICAI (2012).

²⁴⁷ Average USD2 per beneficiary where data is available, that is for the CVMG.

Some agencies are clearly pro-active in this regard.²⁴⁸ Others appear less so, relying on a single source of information or sometimes even discounting alternative sources of information as being biased or intent on ruining the reputation of the organisation.²⁴⁹ Clearly in an atmosphere of 'labelling and disinformation', increasing distrust, combined with a perceived lack of resources and therefore competition, makes it difficult to know which information and information sources are reliable.

In spite of these efforts, the evaluation team has noted that the CVMG third party monitoring in Phase One and organisations' own 'independent monitoring systems' have been only partially successful in revealing problems on the ground, and have been unaware of rather significant evidence of diversion. Unfortunately the intensified efforts by the CVMG and ODI to improve qualitative and 'independent' monitoring in Phase Two have been significantly thwarted by delayed funding.²⁵⁰ Other proposals made to the CVMG, both at the design stage and in the Interim Progress Report, were rejected, largely due to perceived security constraints. There are exceptions, but in general there seems a fundamental lack of imagination. Given the acknowledged near impossibility of the operating environment, remarkably little is being attempted to try anything different.

Key findings from the Interim Progress Report which focused on the M&E system of the CVMG:

- In general, the information generated by the CVMG was relevant and of acceptable quality. The CVMG can speak with a degree of confidence on the overall result (process and impact) of unconditional cash programming in central and southern Somalia;
- Due in part to the amount of data collected and not prioritising the analysis of certain indicators, essential information was not available at the right time to keep internal and external stakeholders (decision-makers) adequately informed. This limited more substantive discussions on approach (e.g., on the choice of cash versus vouchers, targeting methodologies, targeting criteria, appropriate value of transfer depending on objectives) that might have improved programming in Phase Two;
- Data collection methodologies were traditional rather than innovative and subject to the same pitfalls that previous data collection efforts in Somalia have been. The information has not been complete or necessarily of the correct type to satisfactorily answer questions about (a) changing food security status and the relative impact of cash or voucher programmes versus other factors (a population-based sample when it was ethically possible, i.e., in 2012, disaggregated by type of assistance received when analysed would have been a significant improvement); and b) targeting errors due to manipulation of the registration process and c) diversion and fraud. The b) and c) can be addressed through improved independent data collection, as post-distribution monitoring by agencies is not adequate to capture targeting errors and diversion;

248 Oxfam and DRC for example.

249 There are regular reports on Somali websites of misdoings by agency staff in south central Somalia (<http://kismaayonews.com/2012/10/26/gargaar-jubbooyinka-loo-waday-oo-la-leexsaday/>, <http://waamonews.com/?p=21773>, <http://www.afmadow-times.org/?p=790>, <http://hiiraanlive.com/dibad-bax-kadhan-ah-hayada-save-the-children-oo-maanta-kadhacay-magaalada-bweyne/>), but when asked if agencies use this information as an alternative source, the agencies discount its credibility.

250 No qualitative monitoring was undertaken between July and November 2012 (for more detail see UNICEF's role examined under Effectiveness).

- Given a mammoth task in a short time, ODI prioritised producing results – at the expense of holding agencies accountable for producing quality data. While reflecting the priorities of stakeholders, there was not enough attention to a data-quality improvement plan, including systematically identifying errors in data collection, feedback to agencies, and follow up to be done under the aegis of the CVMG;
- The CVMG model, i.e., employing ODI and a third part Somali NGO,²⁵¹ was resource intensive (USD2 per beneficiary) but the majority of donors and agencies interviewed for this evaluation believe it was worth it – this time. While the system was designed to address concerns specific to 2011, before it is phased out, lessons need to be drawn for if and when it will be necessary to replicate such an intensive effort. Costs can be reduced by increasing use of FSNAU data for market monitoring and determination of transfer value, reducing the frequency of post-distribution monitoring (PDM) and sample size in favour of more rigorous and independent quarterly monitoring, using more qualitative data which is less subject to systematic manipulation (complemented by quantitative data to support findings, rather than vice versa as has been the case in Phase One) and continued experimentation with remote digital data collection and transfer;
- The exercise was effective in collecting and analysing data. However, it was less effective at informing lesson learning and influencing decision-making, particularly beyond the CVMG. The links to the Cashed Based Response Working Group, the Food Security Cluster and the HCT are weak or non-existent;
- The exercise has contributed to a collaborative learning environment among the participating NGOs at the Nairobi and Mogadishu level but has the potential to do much more, both through regular feedback workshops that involve field and management staff, as well as external stakeholders such as other NGOs, UN agencies and donors;
- However the M&E system remains focused on upward accountability, providing information to managers and donors. Additional effort could be made to provide feedback to communities, hand in hand with improving complaints mechanisms.

Other challenges experienced by the evaluation team included collecting basic information on what is being done where (we did not even ask who) from the Inter Cluster Cash Coordination Unit now housed within the Food Security Cluster. While ODI, representing the CVMG, was very forthcoming with any information request, undoubtedly contributing to the quality of this evaluation.

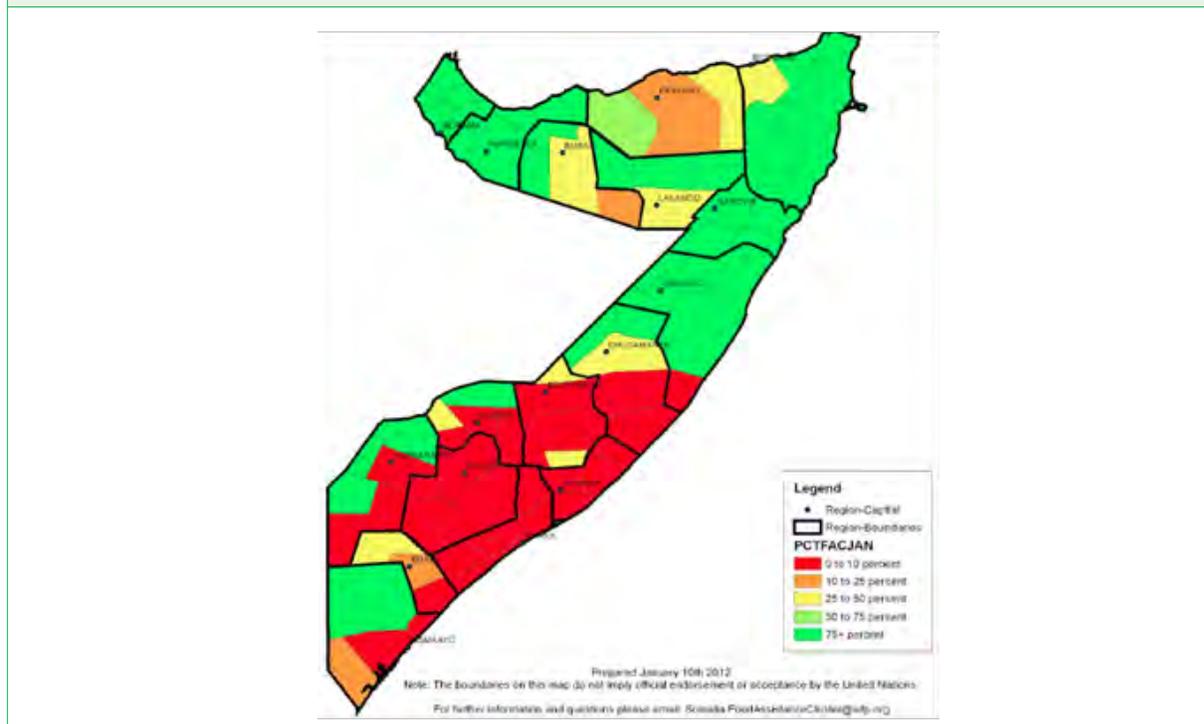
251 Somali Agriculture Technology Group (SATG).

XII. IMPACTS²⁵²

Assessing the impacts of the unconditional cash transfer and voucher response to the Somalia famine, needs to be seen in the context of overall needs and coverage (see Coverage) and therefore its potential contributions to macro-level changes (e.g., changes in IPC phases or total numbers of people in need) and micro-level changes (e.g., changes in a household's food consumption, coping strategies and expenditure patterns). Particularly given the actual coverage of the UCT programmes was low in the most-affected areas (Bay, Bakool, Middle and Lower Shabelle) and relatively high in areas with an already high concentration of aid resources (border areas and Mogadishu).

The primary objective of the UCT response was to improve food security in the most-affected areas through increased household access to food, i.e., increasing the purchasing power of recipient households. For this to happen, markets had to respond to the increased demand with commensurate supply without causing food price inflation. (Prices were at historic or near-historic highs at the time the famine was declared). Accordingly, this section examines the impact of the UCT programme on indicators of household food access and market dynamics during the period the UCT programme was in operation.

Figure 10. Percentage of the Population in Crisis Assisted by the Food Assistance Cluster in January 2012, According to Cluster Member Reports and the Post-Gu 2011 FSNAU Assessment



252 One of the biggest benefits of the CVMG exercise was comparable data across agencies with which to conduct the following impact analysis. To that end, Adeso, Concern, DRC, SCSOM, and Oxfam and its partners should be congratulated. However, due to the quality of some data or the fact that some data was simply not collected, these results do not apply equally to all CVMG agencies. Oxfam's Somali NGO partners should also be congratulated, despite a rocky start in Phase One (see the Interim Progress Report). In Phase One, all Oxfam partners were able to do at least one quarterly monitoring and sometimes two. The exception is Hijra which operated a cash programme in Mogadishu, unfortunately limiting the important analysis of relative impacts of different size and types of cash and voucher programming in urban areas.

To reiterate what was already discussed in the section under Coverage, while some voucher programmes and a cash programme started between July and September, by October–November 2011, the UCT response had achieved scale. It was however heavily focused in a small number of regions – mostly Mogadishu, Hiraan, Gedo and Middle and Lower Juba. With the exception of one cash distribution in Bakool region early in the programme, modest voucher programmes in Bay and a substantial cash programme for IDPs in the Afgooye Corridor, the UCT programme did not reach the most famine-affected regions of Bay, Bakool and Lower Shabelle. Under-coverage looks significant for all areas except those close to the Kenya and Ethiopia borders, and scattered places elsewhere later in 2012 (see Figure 10 and Annex 4 for time series maps). Yet, while the maps paint a picture of very widespread under-coverage of assistance, the population-in-need figures show definite improvement over time. This raises some question about the extent to which humanitarian interventions can be interpreted as the reason for improvement at a *macro-level*.

Several reasons emerge from the qualitative data that may shed some light on this question. First, the resources distributed both by Western and non-Western sources were considerable.²⁵³ Unconditional cash and vouchers were less than one-sixth of the total. Second, resources were distributed within southern and central Somalia but also in the Mandera Triangle, likely benefitting families living on both sides of the border.²⁵⁴ Third, there was some sharing of humanitarian aid – both liquid cash, food purchases with cash transfers and food voucher commodities. This is consistent with other observations about the sharing of food in Somalia (see Box 9).²⁵⁵ Finally, there is no doubt that the level of cash remittances from the Somali diaspora was a significant factor in the response to and recovery from the famine (Box 3).²⁵⁶ However there is no detailed quantitative information on this.

253 1.3 billion in aid in 2011 (<http://www.globalhumanitarianassistance.org/countryprofile/somalia>).

254 A recently completed evaluation in Dolo Ado, Liben, close to both Mandera and Dolow, Somalia noted that there was clearly very significant humanitarian intervention on that side, including a huge scale up (more than 100,000 refugees were estimated to have arrived since 2009), of organisational presence and various commodities including food aid. One estimate suggested more than 5000Kcal per person at the peak (and acknowledgement of exaggerated beneficiary numbers).

255 Maxwell and Jaspars (2008)

256 Informal discussions with Dahabshill, Amal, and Galaxy indicate that diaspora transfers peaked mid-year 2011 and had considerably declined by February 2012.

Box 9. Sharing

Somalis are renowned for helping each other and sharing resources. At the aggregate or macro level, this is noticeable in terms of the increasing remittance levels and contributions from the private sector. At the more localised community and extended family levels, UNDP suggested that in difficult times, 25–40 per cent of household needs were provided through sharing.²⁵⁷

Cash is shared in different ways: sharing of cooked meals or raw food (dry cereals), as well as small cash contributions. Once it is known that a family has received some assistance, relatives may appear at different times over the following days and weeks to request some support, or they may come and live with the family.

Interviews in Farlibaah and Mataban, Hiraan Region, and Mogadishu highlight that this takes place, and is an important benefit reported by women who report increased dignity and social capital being able to share. The CVMG data indicates 30 per cent of beneficiaries shared liquid cash, usually small donations. While 67 per cent of beneficiaries reported sharing of food purchased using the cash transfer or food received via the food voucher.

A. Food Security Impacts

Food Security Indicators: Quantitative. Given the CVMG data collection, several indicators are available to assess the impact of the UCT programme. Baseline, monthly monitoring and quarterly monitoring by the CVMG provides data on at least six potential indicators (the data appears to be better for some of these than others):

1. *Household Dietary Diversity Score (HDDS)*. This indicator is a simple count of different food groups that members of a household report having consumed. Dietary diversity is a good measure of the quality of the diet and correlates (at least in non-famine conditions) with caloric intake. It has never been tested for correlation with caloric intake under famine conditions because of the complicated data collection requirements of calculating caloric intake, and the higher priority on response than on measurement in famines.²⁵⁸ Generally, a higher score for dietary diversity means a higher level of consumption and therefore a higher level of household food security. Data on this indicator was collected at baseline and during the quarterly monitoring. However, given that the baselines and quarterly monitoring varied by organization, there is monthly data available throughout time.
2. *Household Hunger Index (HHI)*. This indicator was developed to measure the impact of long-term, development food aid projects²⁵⁹ but it is actually more attuned to measuring impact of interventions in famines, because it essentially counts up the most severe circumstances a household faces (including not having any food, going to sleep hungry, or going a whole day and whole night without eating). There are three questions and four relative frequency categories (including 'never') resulting in a score between zero and nine. The higher the score, the more severe the situation faced by the household, so a lower score represents a better household food security status. This indicator was only collected at baseline and during quarterly monitoring.

257 UNDP (2001)

258 Weisman (2006)

259 Deichler et al. (2010).

3. *Reported Income.* Households were asked to self-report income. This kind of information is usually problematic even in research under less difficult circumstances than those the CVMG worked under. It was only reported for households receiving cash and not vouchers.²⁶⁰ The data is incomplete and unreliable, not least because sometimes agencies included the value of the transfer as income and sometimes they did not. Therefore with the exception of as denominator in the calculation of debt as a percent of income (6), very little analysis is based on this information.
4. *Proportion of Expenditures Spent on Food.* Under extreme circumstances, household decision makers tend to prioritise access to food. So monitoring the proportion of total disposable income that a household spends on food is a good way of tracking the seriousness of the situation in which households are caught. In this case, the baseline ratio is reported expenditures on food compared to declared income (and hence subject to the caveats raised above). Thereafter in the monitoring, it is the proportion of the cash transfer spent on food (which we can take as a reasonable proxy since cash is perfectly fungible) but there is no information on this variable for voucher programmes, so no comparison is possible.
5. *Reported Indebtedness.* Households were asked to self-report debt. This figure by itself is useful, since much of the debt that had accrued to affected households at the outset of the crisis was incurred to procure food.²⁶¹ Post-distribution monitoring indicates that after food, the cash transfer was used to pay down debt (and recover some amount of credit-worthiness).
6. *Reported Indebtedness as a Proportion of Reported Income and Proportion of Expenditures Spent on Debt Repayment.* Similar to the above, and similar in terms of caveats.

Figures 11a, 11b and 11c present overall results for these indicators with some disaggregation by livelihood group, type of transfer, geographic location, etc.

Household Dietary Diversity Score. Figure 11a demonstrates the Household Dietary Diversity Score (HDDS) over time. Overall, dietary diversity improves, more or less reaching a plateau at six food groups, indicating a positive impact on household food security. Small but insignificant and inconsistent differences were noted for different genders of respondents and household head. For the most part, levels of HDDS were higher in urban areas – consistent with other analyses of urban consumption.²⁶² There were no discernible patterns among different livelihood groups, but rather slightly greater variability month to month for agricultural and agro-pastoral groups, and a dip in dietary diversity among pastoralists in April 2012 in Gedo Region.²⁶³

However, several caveats are required. First, there are some gaps in the data. The data was collected only at baseline and during quarterly monitoring. While some monitoring took place almost every month, there are some months where no monitoring took place and hence there are gaps. Second, for some months there is only information on vouchers,²⁶⁴ and vouchers generally had less impact on dietary

260 Except the baseline, where income was also reported by Concern.

261 Confirmed by the evaluation team's only data collection and the SCC study on Debt and Credit (2012).

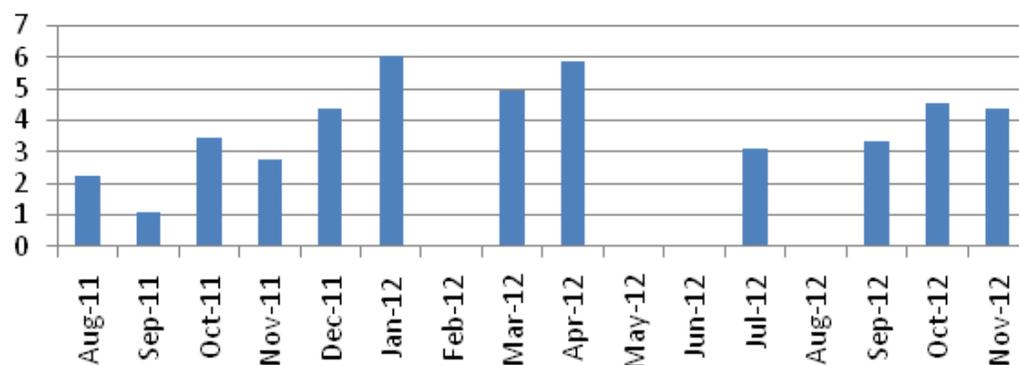
262 WFP (2008), Hedlund, K. and M. McGlincy (2010), Hedlund (2012)

263 Most likely linked to an increase in debt repayment (CVMG data) (HDDS dropped from 4.6 to 4.2 to 2.8 in April while debt loads increased from 100 per cent to 600 per cent of income).

264 November 2011, July and September 2012.

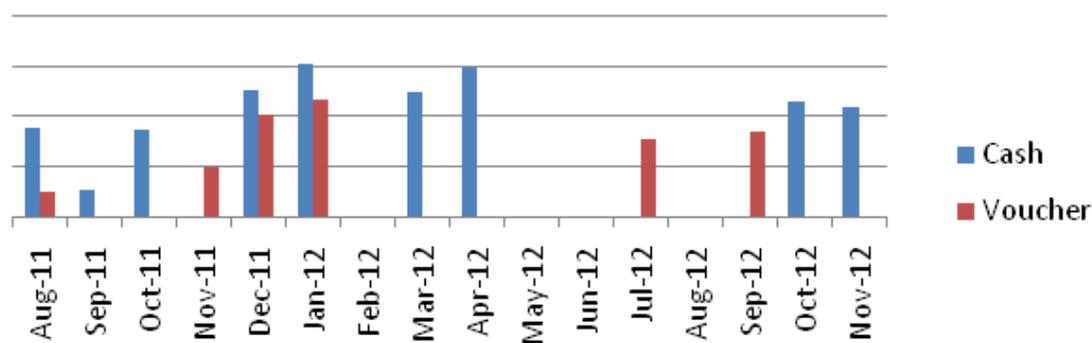
diversity than cash (see Figure 11 and accompanying discussion). Just as for some months there was data from cash programmes only.²⁶⁵ Third, generally HDDS scores were higher in urban areas. The data for several months in Figure 11 is only for Mogadishu (September - November 2012) so may be misleading – particularly if food insecurity has increased in rural areas as was predicted by some NGOs such as Oxfam.²⁶⁶

Figure 11a. Household Dietary Diversity Score by Month, 2011–12



Source: CVMG Monitoring Data

Figure 11b. HDDS by Cash and Voucher Transfers by Month, 2011–12



Source: CVMG Monitoring Data

265 September and October 2011; March, April, October and November 2012.

266 July through November 2012 is for urban areas only. Oxfam announced that food insecurity may increase after April 2012 due to mixed gu rains performance (Oxfam, 2012c).

Figure 11b indicates that in general, cash transfers were associated with higher HDDS. Regression analysis also demonstrates that the higher the transfer, the higher the HDDS (see Regression Analysis Results below). Two factors need to be considered here. The first is that the vouchers provided a limited number of choices households could make about the range of foods consumed without using other income.²⁶⁷ Second, and perhaps more importantly, voucher programmes tended to provide a *portion* of the minimum food basket typical of WFP food aid rations and so were of a lower value (average USD60). Whereas the cash transfer value of Oxfam’s partners was 100 per cent of a minimum food basket (average USD80–100) and the cash transfer value of the SCC was based the minimum *expenditure* basket and hence had a higher value transfer (average USD115–120). Overall, it appears that recipients of SCC cash were able to increase their HDDS to roughly six food groups per day and the Oxfam cash programme reached an average of five food groups per day. While recipients of vouchers on average were able to increase their HDDS to roughly three or four food groups (HDDS 3.4). It therefore makes sense that Concern has since added a USD20 cash transfer to its voucher programme since September 2012.²⁶⁸ Similarly COOPI whose voucher recipients also participate in cash for work achieve HDDS that is comparable to SCC beneficiaries.

Interestingly however, when looking at actual food consumption, 75 per cent of voucher beneficiaries were eating at least one high-value food (HVF), i.e., animal products – so using some of their income (or trading or bartering their food ration) to improve their diet. Ninety-two (92) per cent of SCC beneficiaries were eating HVF, while only 39 per cent of Oxfam beneficiaries were. This implies that Concern voucher beneficiaries (who are urban) were limiting the range of foods but eating higher value foods, while Oxfam beneficiaries (largely in rural areas) were eating a wider range of (low cost) foods (Table 14). While the CVMG data does not show a disproportionate amount of voucher beneficiaries selling or trading their food, there are a few reports of receiving cash from shop owners in lieu of food.²⁶⁹ When looking at the consumption of cereal, legumes and oil among voucher beneficiaries (which should be 100 per cent), it appears they may be exchanging cereal and legumes or they are paying a high portion of their ration to gatekeepers.

267 When voucher programmes allow the beneficiary to choose from a list of items, e.g., from more than 10 items, dietary diversity can be comparable to cash (but negotiating and reconciling the trader contract becomes more difficult. See IFPRI (2012) and Hedlund and McGlitchy (2009).

268 Although as Concern staff have mentioned, ‘it is twice the work.’

269 CVMG data.

Table 14. Per Cent of Households Reporting Food Consumption by Type after Baseline for CVMG Agencies

NGO	Cereal	White Tuber	Flesh meat	Organ meat	Eggs	Fish	Milk	Fruit	Vitamin A	Dark greens	Other Veg	Legume	Oil	Sugar	Spice
Adeso	100	2	22	2	2	4	52	6	0	0	12	28	41	35	37
Concern	63	0	31	5	5	1	34	6	3	1	28	15	64	63	56
DRC	91	12	34	17	6	2	66	36	29	14	28	12	83	67	48
Oxfam	98	0	35	3	1	5	34	21	11	0	28	28	45	50	40
SCSOM	79	0	19	49	32	47	86	13	1	1	48	72	93	87	76

With regards to children and the impacts of cash on their nutritional status, it was recommended in the Interim Progress Report that the same HDDS be collected for children under five. This was not done on the premise that it made the questionnaire too long. However, the evaluation team would recommend again that this is done in the last round of quarterly monitoring given the relative ease and short time it would require and the relative benefit of the information.²⁷⁰

Household Hunger Index. As described above, HHI may be a better indicator for impact of food insecurity in an acute emergency than HDDS, simply because it considers the most severe responses to inadequate access to food. As would be expected, HHI starts out very high, and drops rapidly over time (Figure 12).

Figure 12a. Household Hunger Index over Time. 2011–12

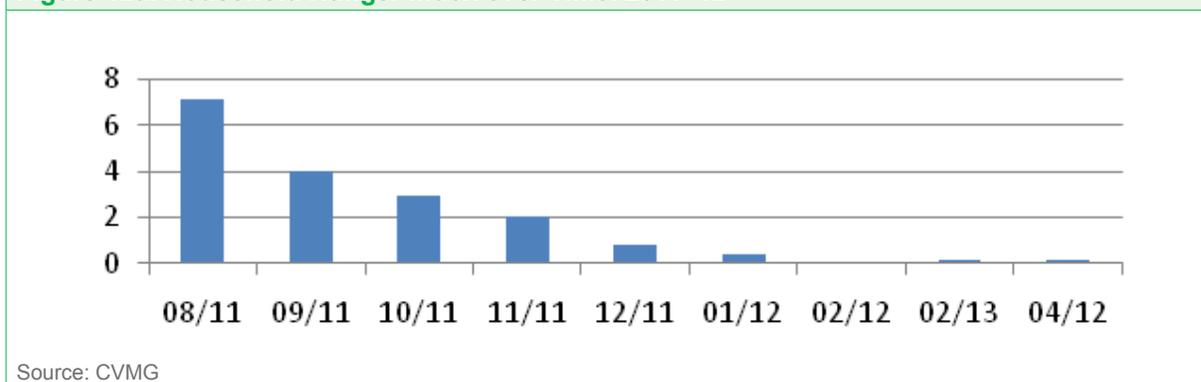
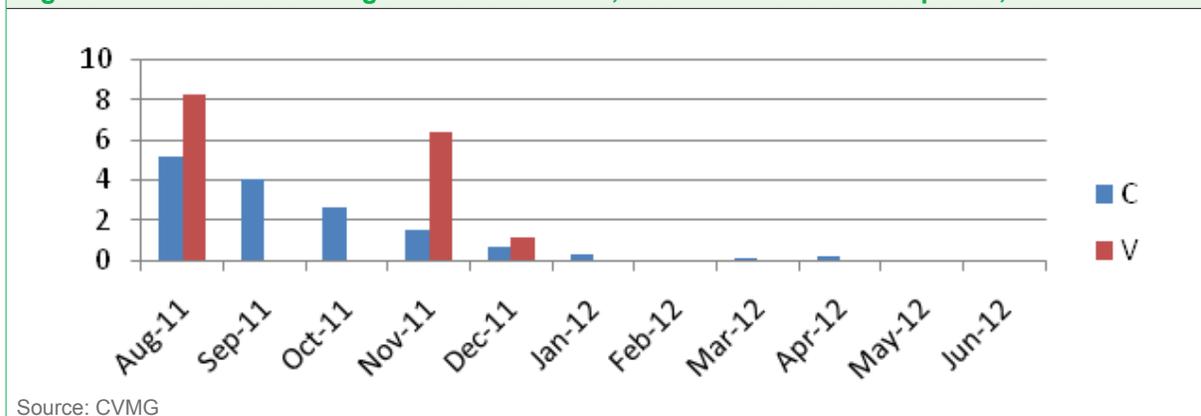


Figure 12b. Household Hunger Index over Time, Cash and Voucher Recipients, 2011–12



Figures 12a and 12b depict extremely high levels of coping with poor access to food in August 2011, and show rapid improvement over time. The general trend depicted in Figures 12a and b holds across all other categories as well: gender of household head, location and livelihood group. However, not surprisingly, agro pastoralists show a higher HHI at baseline.

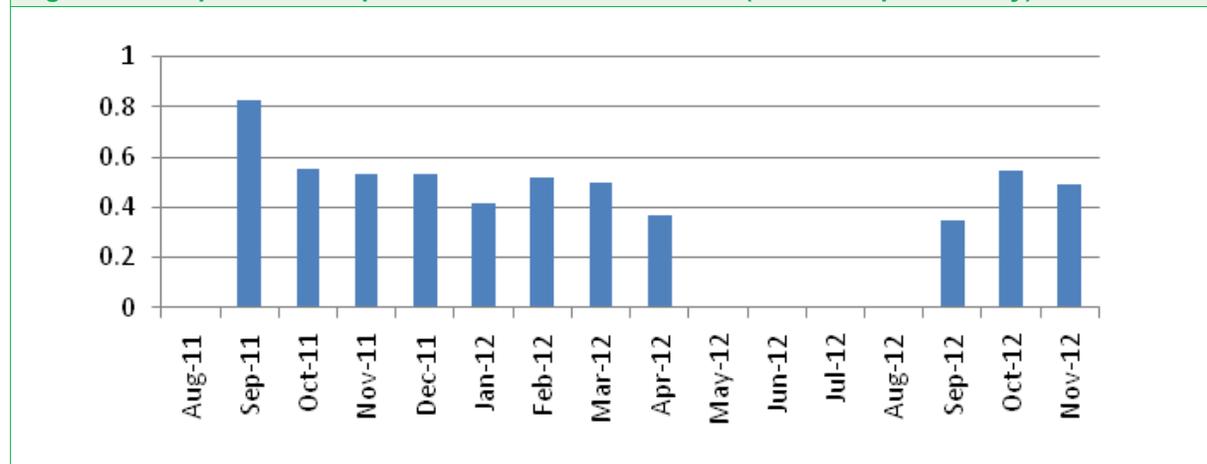
²⁷⁰ The same scale is used as for adults. It requires 5–10 minutes to ask a mother about the type of food eaten by her children in the last 24 hours.

It should be noted that equal numbers of 'soon to be' beneficiaries of cash and vouchers were assessed in August (a sample size of 375 from DRC and Concern both targeting IDPs in Mogadishu). However, Concern beneficiaries appear to be experiencing much worse food insecurity than DRC beneficiaries (as measured by HDDS and HHI). Given this is baseline data, their condition at the time had nothing to do with the kind of transfer they were to receive.²⁷¹ It is rather more likely that the Concern HHI baseline may have some data quality problems, similar to the HDDS data.

In addition, less monitoring data exists for voucher recipients, making the assessment of impact over time more difficult to ascertain for vouchers than for cash. However, it appears that until November 2011, the HHI score declined more quickly for cash recipients. By December 2011, there is little difference between HHI scores for cash and voucher recipients.

Proportion of Expenditure Spent on Food. Figure 13 depicts the change over time in the proportion of expenditure devoted to purchasing food. As noted above, this is actually the proportion of the cash transfer spent on food and not total income/expenditure. One can assume that cash is perfectly fungible and, therefore, the proportion of the transfer spent on food would be no different than the total expenditure spent on food. But we have no data to test this assumption.

Figure 13. Proportion of Expenditure on Food Purchases (Cash Recipients Only) 2011–12



Although no data was available for this outcome for the May to August 2012 period, the data follow a pattern that is consistent both with seasonal availability of food for home consumption and the potential cumulative effects of the cash transfer. In the case of the former, this is most clearly visible when broken out by livelihood group – in particular, agricultural and agro-pastoral groups spent lower amounts of cash income on food after the February 2012 *deyr* harvest. The proportion increases again in the period before the 2012 *gu* harvest. This and other observations suggest that seasonality also affected household-level food security indicators.

²⁷¹ Instead perhaps it was the district in which they were living. Concern's baseline was in Hodan and DRC in Hawl Wadag.

Reported Indebtedness and Debt Repayment as a Proportion of Transfer Expenditure. A significant reported use of cash transfers was to pay down debt and regain a measure of credit worthiness with traders. Much of this debt was incurred to purchase food during the crisis prior to the onset of the humanitarian response. Therefore, tracking debt over time, or the relationship of debt to income, was thought to be a good measure of impact of the cash transfer programme. Note that the ‘income’ from voucher programmes would be less fungible than the cash transfer. So it is unclear that the same would necessarily hold for recipients of vouchers. In any case, there is no monitoring data on income or expenditure for voucher recipients so it is not possible to compare voucher recipients with cash recipients.

Indebtedness is reported here as a percentage of income. Indebtedness from this perspective was extremely high at baseline (600 per cent) and declined over time to roughly 100 per cent (equal amounts of debt to income). At baseline, indebtedness was higher among Mogadishu IDPs and pastoralists. While debt declined over time, it increased for pastoralists in April 2012, which corresponds to a decline in HDDS (see earlier discussion under HDDS). After baseline, debt-to-income ratios were much higher in Gedo and Lower Juba, and generally lower in Mogadishu.

The proportion of expenditures on debt repayment is relatively stable (15–25 per cent) and in general declines over time. There are no major differences by household type or livelihood group, with the exception of an increase in debt repayment (40 per cent of expenditures) by agricultural households in February and March 2012 after the *deyr* harvest, which also corresponds to seasonal expenditure patterns.

Figure 14a: Debt as a Proportion of Reported Income, August 2011–November 2012

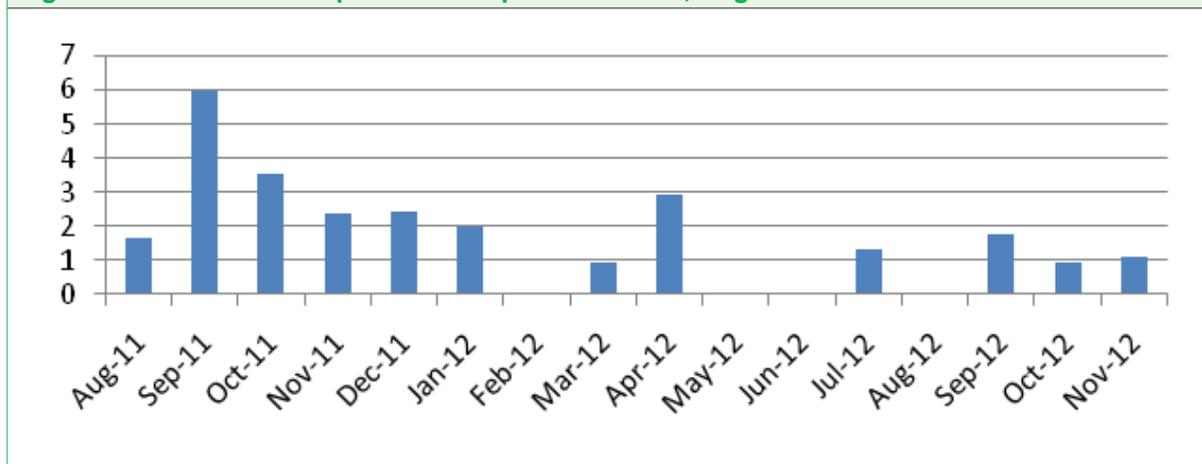
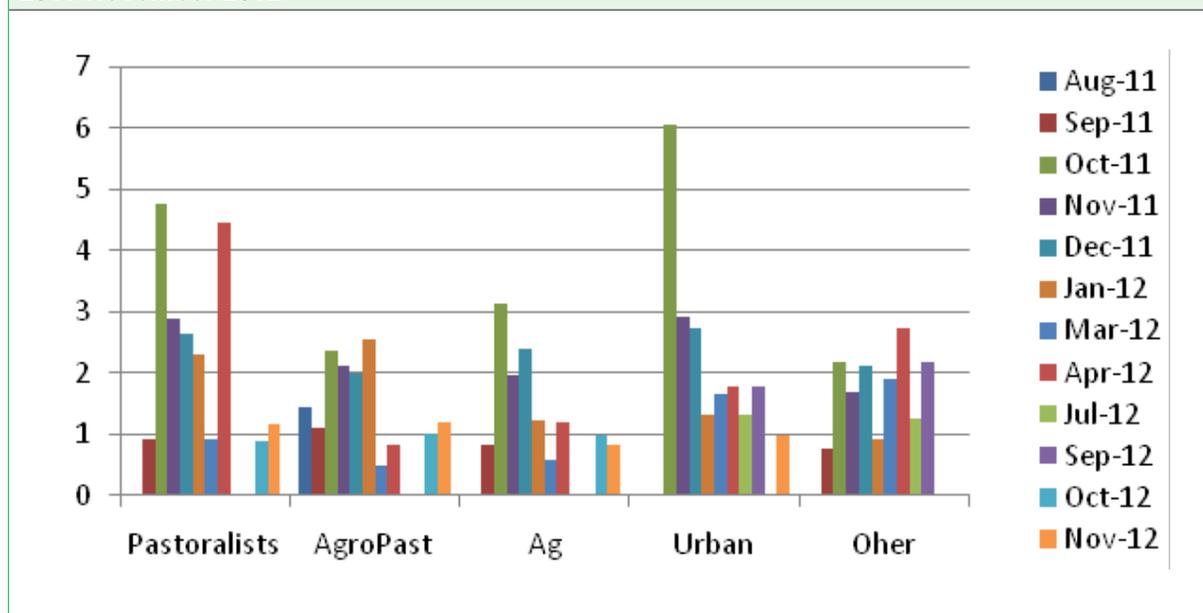


Figure 14b. Debt as a Proportion of Reported Income by Livelihood Group, August 2011-November 2012



Regression Analysis Results. Although the data necessary for a full analysis of the determinants of the two main outcome variables (HDDS and HHI) was not available, a regression analysis was done on the dependent and independent variables available (outcomes and potential contributing factors, respectively).

There are two significant factors that must be taken into account: (a) changing terms of trade (grain for work and grain for livestock) and (b) the cumulative effect of the transfer, particularly for cash grants where there is the greater potential for savings. In the following analysis these are both measured by the proxy 'time'.

Throughout the geographic area and over the time period during which the intervention took place, terms of trade for the purchase of food significantly improved (see Annex 6 on Market Trends and Figure 15). Similarly, as there was little to no retargeting, the cumulative effects of cash could result in reduced debt, better access to credit, and even savings over time.

The factors influencing food security outcomes suggested by the literature include improving terms of trade, the cumulative effects of the transfer, the size and type of the transfer (cash or voucher), whether the household lived in an urban or rural environment, and if the household head was a man or woman. The regressions equation was thus:

$$\text{Outcome (HDDS or HSS)} = f [\text{Date of transfer (proxy for improving terms of trade and/or cumulative effects of the transfer); the amount of the transfer (in USD); the kind of transfer (cash or voucher); whether urban or rural; sex of household head}]$$

Other information – other sources of income, pre-existing assets or wealth (i.e., targeting error), social connections, etc. – would also be important to a complete analysis, so these results should be taken with a note of caution.

Results for HDDS. Many of the expected relationships appeared to be borne out by Ordinary Least Squares (OLS) regression:

- Overall, there was no statistically significant relationship between the date of the transfer and HDDS. But when disaggregated by rural and urban, the relationship between time and HDDS becomes positive – and statistically significant – for rural populations, and negative (significant) in urban areas. In the bivariate analysis, HDDS actually declined in Mogadishu at the same time as terms of trade were increasing. This could be due to a reduction in the size of the cash transfer (from USD120 to 95) or it could be due to unmeasured factors.
- Perhaps providing an explanation to the decline in urban HDDS above, the amount of the transfer is positively and statistically significantly related to HDDS in both rural and urban areas, but the effect is small.
- There were no rural voucher programmes in Phase I CVMG data, so the variable comparing cash and vouchers was dropped from the analysis in rural areas.²⁷² In urban areas, the regression results indicate that, controlling for other factors, cash programmes had a significant and positive influence on HDDS – meaning that where the comparison is possible, cash programmes had a greater impact on HDDS than voucher programmes, even when controlling for the amount of the transfer. This confirms the bivariate analysis which indicated that cash was associated with higher levels of HDDS (Figure 11).

Results for HHI. Like HDDS, many of the relationships observed in bivariate analysis were borne out by OLS regression.

- While there is a much stronger relationship between time and HHI, particularly in urban areas, the relationship holds for the overall analysis: controlling for other factors, HHI declines with time. This confirms the bivariate analysis (Figure 12).
- The amount of the transfer is also significantly related to HHI – the larger the transfer, the lower the HHI. Similar to HDDS, the effect is small but statistically significant. In urban areas alone, the effect is not significant; it is much more pronounced in rural areas.²⁷³
- Cash transfers have a more pronounced effect on HHI than vouchers (analysis in urban areas only).
- Overall, female-headed households have slightly better HHI outcomes than males, but the relationship only holds for urban areas.

²⁷² COOPI has only joined the CVMG in Phase Two and no data was available yet for this evaluation.

²⁷³ While the smaller cash transfer (Oxfam partners) was distributed in rural and urban areas. The single urban partner, Hijra, did not collect any impact data, thus limiting the analysis of the impact of the size of cash transfer in urban areas.

Overall, the bivariate analysis showed a positive relationship between HDDS and time and a negative relationship between HHI and time (lower HHI scores mean less utilisation of coping strategies, therefore better food security). This is clearly visualised in Figure 15. Terms of trade information from FSNAU and date information in the CVMG data set have strong correlation ($r=0.83$ for 50kg of white sorghum/goat) for 2011 and 2012. Therefore date information serves as an acceptable proxy for terms of trade. Similarly some beneficiaries received up to USD1,300 so time could ostensibly be a proxy for the cumulative impact of cash.

Figure 15. Terms of Trade* and HDDS Scores for UCTP Beneficiaries, August 2011 to November 2012



So what does regression analysis tell us about the influence of improving terms of trade vs. the UCTPs on beneficiaries' food security? A small but significant impact correlating with the size of the transfer implies that the UCTP made a difference, over and above the generally improving food security conditions. The difference was greater for larger transfers in rural areas and for cash programmes in urban areas however these last conclusions are constrained by data availability.

The lack of a control group. From a quantitative perspective, several points are worth drawing out in terms of the overall impact. The expected relationship between the intervention and the outcome was borne out in the data. But to what extent these changes were driven by humanitarian programming, or would have occurred anyway in the aftermath of a major crisis is not measurable. The CVMG report noted the improvements and cited FSNAU's report saying that humanitarian assistance had contributed to these changes.²⁷⁴ Non-beneficiary data, or monitoring and evaluation data that is population-based – not project-based – could shed some more light on this.

274 ODI/HPG (2012).

Unfortunately, we have no clear comparisons between or among beneficiary and non-beneficiary groups.²⁷⁵ Between August 2011 and February 2012, it would have been unethical to have a non-beneficiary control group for this kind of study – especially randomized control groups. We have tried to compensate for this by considering the WFP/DRC population-based survey in Mogadishu and the WFP rapid assessment of food security among in-kind beneficiaries in border areas (Table 10 and discussion under *Effectiveness*), and an analysis of SCSOM beneficiaries' food security outcomes data before and after SCSOM's ban in 2012 (Box 10). But these attempts are not, strictly speaking, robust enough to draw conclusions. For further discussion of caveats on analysis, indicators and data see Annex 5.

The evaluation team also attempted to collect qualitative data to isolate the effects of the UCTP with mixed results (see Boxes 3 and 11). Non-beneficiaries when interviewed noted that UCTP beneficiaries were either better or worse off than themselves depending on local targeting efficacy.

The evaluation team continues to recommend (as it did in the Interim Progress Report) that the CVMG undertakes a population-based sample to determine the level of food and livelihood security in the communities they work with, collecting data on the type of assistance received (including remittances) so that a more rigorous analysis can be done.²⁷⁶ This may also address the problem of trying to disaggregate the benefits from different or multiple interventions given the level of (intentional and unintentional) overlap and contribute to better M&E for future cash and voucher programming such as safety nets (see Box 14). It will also contribute to a better understanding of targeting effectiveness.

275 Comparative analysis that could be done by the evaluation team: FSNAU data on Mogadishu. FSNAU collects FCS data from IDPs and not all have received assistance (only 151 of 1,264). Similarly they collect the same data using the CSI that is now being collected by the CVMG (livelihoods-based). Either a comparable HDDS indicator would need to be assembled from the FCS data or vice versa. The CVMG HDDS data could be translated into a weighted HDDS and categories such as the percentage of beneficiary families falling into the 'poor' category could be compared between samples. This would strengthen the comparisons made in Table 10. WFP collects FCS for its beneficiary population in border areas (Luuq, Badhaade, Afmadow, Elwak, Ceelberde, Dolow) that could be compared as mentioned above. Unfortunately, WFP is concerned that this information be used inappropriately, so to date the evaluation team has been unable to make this analysis, except by using the published values in the report as done in Table 10.

276 The CVMG decided not to implement this recommendation, due to concerns that it may raise expectations among non-beneficiary populations. However if it is clear that it is a general food security survey, or is done by a third party such as SATG for the CVMG, perhaps this issue can be managed.

Box 10. What Would Have Happened without an Intervention?

We have only one case where the same beneficiary population received cash transfers both before and after the responding agency was banned, leaving a three month interval in which no assistance received – SCSOM in Hiraan in February and March 2012. However the analysis is complicated because the target group was less vulnerable than beneficiary populations elsewhere and upon resumption of the programme, some beneficiaries received a double distribution (USD240) in May 2012 and then a single distribution (in June or July). Quarterly monitoring on outcomes took place *after these distributions*, so may have missed any decline in food security indicators. That said:

- The percentage of beneficiaries with borderline or acceptable FCS (weighted HDDS) remained at 100 per cent;²⁷⁷
- Food expenditure as a percentage of income was low in June (35 per cent) but this is likely due to the higher transfer. Food expenditures went up to 53 per cent in August and were comparable to pre ban expenditures;
- Presumably households would have gone into significant debt to maintain consumption during the break in transfers, but debt levels remained below average (10 per cent of income, compared to 100 per cent among other beneficiaries). Percentage of expenditure on debt repayment did go slightly up, if we consider the double transfer (it was as low as 2 per cent in January and increased to 7 per cent, but is still lower than other agencies; 15–20 per cent);
- They did however experience a significant decline in livelihoods expenditures (from 40 to 15 per cent of total expenditures before and after the break in distribution) (This was still higher than for other agencies; average 3 per cent).

The HHI was replaced with the CSI, so two time periods are not comparable. Unfortunately no data is available from the nutrition programmes that would allow us to determine if previously malnourished children became once again malnourished with the cessation of aid. So, while the food security situation was not disastrous for SCSOM beneficiaries, livelihoods-related indicators declined, corresponding to the break in distributions. Remember that at the same time food security conditions (terms of trade, etc.) were improving.

277 The evaluation team is reluctant to use HDDS as an indicator, given concerns regarding its data quality.

Box 11. Changing Economic, Security and Food Security Conditions 2011-2012

In Mogadishu, a trader reported that the intervention of the Turkish government in August 2011 was the start of an improving economic and security situation which has carried on to date. The Turkish arrival was followed quickly by OIC interventions. These interventions have included humanitarian support as well as significant economic investment, particularly in terms of construction – hospitals, schools and roads. Many Somalis have also returned to Mogadishu and are renovating their homes. The numbers of ships leaving Dubai is reported to have risen significantly since mid-2011, with many carrying construction materials and furniture. These developments have dramatically increased employment opportunities in the city. The same trader, who was involved in the construction industry, reported that it was difficult to hold on to some of his staff, that the wage for masons had doubled in the last year, and that the value of land had increased ten times in some areas.

The impact of cash interventions is therefore difficult to disentangle from the wider economic opportunities to which many beneficiary households may also have access. The economic growth of Mogadishu also raises issues about the timing for modifying or re-targeting aid/cash.

Along with the economic growth in Mogadishu that started around August 2011, climatic conditions significantly improved from the beginning of the *deyr* season, in late September 2011. The *deyr* rains and harvest were exceptionally good. In the riverine and agro-pastoral areas of Lower and Middle Shabelle and Bay region, the epicentres of the famine, the 2011–12 *deyr* season provided a bumper agricultural season and harvest. The favourable climatic conditions, as well as agricultural interventions, coincided with the scaling up of the cash and voucher programmes and generally declining regional and global prices for grain. Differentiating the impact of these different factors is difficult.

It is also worth highlighting that there are many linkages between the urban economy of Mogadishu and the rural economy of the surrounding riverine and agro-pastoral regions; household livelihoods and coping strategies include access to both of these areas and resources, through temporary or seasonal migration and division of households.

B. Livelihoods Impacts and Market Multipliers

From the telephone-based research, examples of the positive impact of cash were most keenly picked up in more remote and rural areas. In places ranging from Faarlibah and Mataban in Hiraan, to El Waaq in Gedo and Ras Kamboni and Badhade in Lower Juba, numerous respondents acknowledged the very significant impact of cash on the wider local economy and individual households. Evidently significant cash resources did reach people, including in some in these more remote areas. Many respondents were very emotional in their acknowledgement of this assistance. As well as contributing to improved household food access, respondents mentioned other indications of wider impact including increases in weddings/marriages, construction work (particularly improvements to homes; respondents pointed out visible evidence such as in increased presence of corrugated iron roofs), jobs and economic activities (Box 12).

Box 12. A List of Commonly Cited Livelihoods-Related Impacts and Market Multipliers

- Increase in demand for livestock. Traders reported an increase in livestock sales, particularly small ruminants. 'I have tripled my sales of goats. I cannot keep up with the demand' (female trader, Luuq).
- Increase in demand for local farm tools.
- Increase in demand for local labour to work on farms (and shortage of labour). 'Because of the cash grant I did not have to go and work on someone else's farm but could stay home and work on my own. (labourer, Dolo).
- Increase in demand for shelter materials and numbers of houses with tin roofing.
- Increase in demand for health services. 'Instead of waiting to see if my child will get better or worse, with the cash grant, I can just go to the clinic' (mother, Hawl Hadag). 'People are coming sooner when they are sick. They are not waiting until they are nearly dead' (nurse, Bardera).
- Increase in small business (tea shops, food vendors, etc.).
- Increase in demand for milk in rural areas.

Note: All quotations are from interviewees.

Ostensibly, the rationale behind giving a cash transfer based on the minimum expenditure basket (and not the food basket or a portion of food requirements) was to allow for some non-food and even livelihoods expenditures. While the CVMG data collects information on livelihood expenditures (livestock, agriculture and business), it is very likely that these expenditures are under-reported.²⁷⁸ One reason may be that agencies were asking only about the expenditure for the *transfer*. Oxfam's independent evaluation of Hijra noted that 15 per cent of income was spent on livelihoods inputs. While the CVMG data note that Hijra's beneficiaries spent less than 5 per cent of the transfer on livelihoods expenditures. Livelihood expenditures are usually large – a goat can cost USD50, which is half of the transfer.

The SCC Credit and Debt study explored this issue in detail (Box 13). Households took credit for two types of expenditures: daily, including food (debt ranged from USD5–30) and large, for livelihoods (USD100–1,000). Households reportedly had increased access to credit after receiving a cash transfer, and were deemed credit worthy after repaying debt. If livelihoods expenditures started at USD100 then it is apparent that the cash transfer could only ever enable people to make livelihood purchases by increasing their access to credit.²⁷⁹

278 Livelihoods expenditures are consistently less than 5 per cent, with the exception of SCSOM beneficiaries.

279 And therefore analysing TOTAL expenditure (not just the cash transfer) becomes essential for outcome monitoring.

Box 13. Cash Grants, Credit and Debt

Among the impacts of the programme on the local credit system that were identified by the local credit providers were direct negative effects of the cash programme on their businesses like temporary inflation due to increased availability of money from the cash system; temporary but rapid fluctuation in exchange rate against the US dollar; temporary dependency of businesses on the programme to the extent that the stoppage of the cash project may also shut down some businesses; the possibility of beneficiary reliance on the programme hence reduced engagement with the local credit providers and a resultant slowdown in the credit business. Of course some of these are negative from a lender's point of view but positive from a humanitarian one.

But all was not negative because on the same breath, they identified a number of direct positive effects of the cash programme on their businesses including removing pressure from local businesses by helping the most vulnerable people, and victims in the IDP camps, who could have looked for credit from local providers. It increased business from people who got cash from the programme; increased goodwill from increased business capacity; facilitated payments from debtors who had not paid for a long time; and reduced credit borrowed by the people, setting free more money for re-investment in the business.

In the opinion of project beneficiaries, the impact of the cash programme on the local credit systems included increased overall availability of funds within the local credit system; increased the level of credit that could be given out; increased speed of provision of credit as lenders knew it would be paid back from the cash grant; increased credit-worthiness for beneficiaries, and therefore the improved economic status of many vulnerable people. The UCTP also increased business activities and brought more goods on demand.

Source: SCC (2012b), italics added.

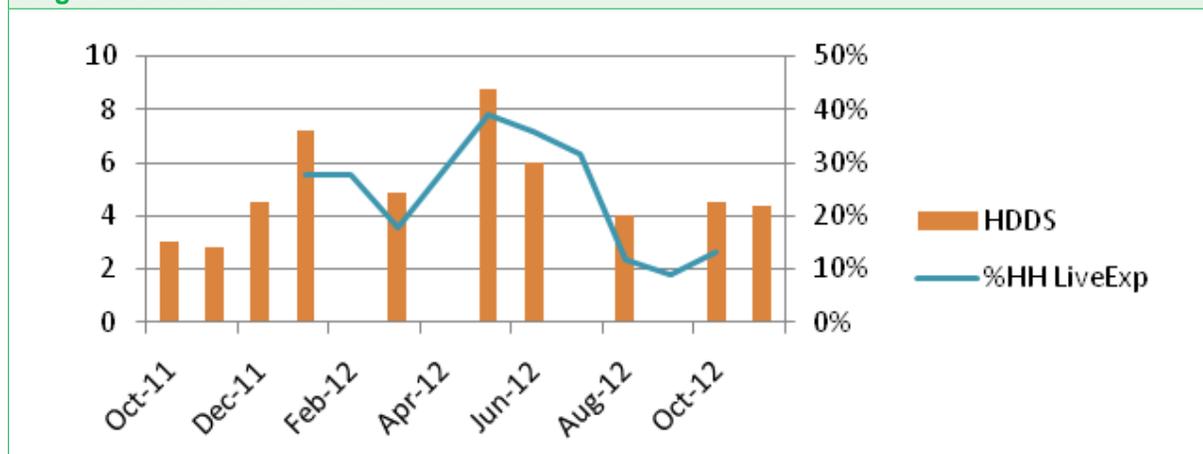
Assuming that monitoring the expenditure of the transfer and not total income resulted in under-reporting of livelihoods spending, the data was re-analysed to determine 'what percentage of beneficiary families made some livelihoods expenditures?'²⁸⁰ This is the method employed by the²⁸¹ FAO when collecting cash for work (CFW) monitoring data. Forty-nine per cent (49) of FAO's CFW beneficiaries reported spending some of their income on livelihoods.²⁸² While 23 per cent of CVMG cash recipients reported spending some of their transfer on livelihoods expenditures (livestock, agricultural inputs or business). Interestingly, the monthly trend follows the highs and lows of HDDS among cash beneficiaries (Figure 16). When HDDS declined in urban areas between September and November – which correlates with a decrease in the transfer from USD120 to 95 – so too does the percentage of households spending a portion of their transfer on livelihood inputs. If HDDS is a good proxy for livelihoods expenditures, then perhaps we can also assume that voucher recipients, who have consistently lower HDDS, are unlikely to be making significant livelihoods expenditures.

280 Yes/No rather than actual monetary amounts. Data is available only for cash grant recipients - which is unfortunate.

281 Which may imply that UCTP beneficiaries were poorer or more vulnerable than CFW beneficiaries.

282 FAO data was collected only in June 2012. FAO (forthcoming) also noted a very high overlap between cash and voucher recipients and CFW recipients in Gedo.

Figure 16. Percentage of Beneficiary Households Reporting Expenditures on Livelihoods Inputs (livestock, agricultural inputs, business) and Average Household Dietary Diversity, August 2011–November 2012



C. Market Impacts

Price Response and Supply Response. One of the major concerns expressed at the outset of the famine was that a cash response might lead to significant food price inflation if the increased demand for food (resulting from the cash transfusion) was not met immediately with a supply response from traders. Thus, while the risk of a poor supply response and the risk of food price inflation were listed as separate threats in July 2011, they were in effect two sides of the same issue.

Much effort went into working with large food traders in Mogadishu in the period from July to September 2011, to ensure that food would be made available and to reassure traders that their market would not be undermined by a large-scale return to food aid distributions. This helped the supply response. There were also discussions about enhancing the supply response by monetising food aid in Mogadishu, and indeed there was a project set up to do just that.²⁸³ However, it took so long to repackage the food in unmarked bags, set up the marketing chain and ship the food to Mogadishu, that the first sale of this food didn't take place until February 2012, effectively after the famine was over.

In retrospect, the cash and voucher intervention clearly did not lead to any significant food price inflation. Global prices, which were at or near all-time highs in nominal terms, began to drop at about the time the famine was declared, and prices in local markets in Somalia soon followed suit. This, together with good *deyr* rains in the autumn of 2011 – and the increased agricultural and livestock production this enabled, as well as the increased labour opportunities in both sectors – led to a dramatic turnaround in the terms of trade for most of the famine-affected population. The catastrophic deterioration in terms of trade from late 2010 to mid-2011 was a major driver of the famine; the rapid turnaround in terms of trade after mid-2011 is no doubt a major driver of the recovery. Figures 1-3 in Annex 6 depict prices for key commodities

283 WFP (2011a), WFP (2011e) and Interviews with UNICEF in 2011.

and the terms of trade for Somalis in various locations and different livelihood groups over the period before, during and after the famine (see also Figure 15).

These figures depict several phenomena. First, the terms of trade for both small ruminants and casual labour with respect to the cost of basic food grains improved throughout the time period of the UCT programme. By late 2011, most of the terms of trade figures had returned to their pre-famine levels, and improved further in 2012. These improvements weren't always uniform; i.e., there was some fluctuation over time, but in general terms of trade improved throughout this period. Second, the terms of trade analysed reflects mainly the livelihoods of pastoralists, agro-pastoralists and wage labourers. Notably the rate of recovery in terms of trade didn't seem to improve more rapidly for one livelihood group than for another. Third, these rapidly improving terms of trade are observed across the board – both in areas served by the programme and in areas not served. And this change was independent of the impact of the UCT programme. This does however, make it difficult to attribute any change in the food security outcome indicators above solely to the UCT programmes, or to humanitarian programming generally. The food security impact indicators improve over time, but the FSNAU needs-assessment data make it clear that these indicators improved more or less everywhere, including places where various humanitarian programmes reached and places where they did not. While the uniform change makes dissecting the food security contributing factors difficult but it also reinforces the assertion that the influx of cash into the local economy did not detrimentally affect markets (food, animal or labour).

Referring back to the section on [Risk Management](#), inflation, supply breaks, etc., were risks considered. The same table is presented here as Table 15.

Table 15. Market Impacts		
What were the risks?	Did the risks materialise?	What were the strategies to mitigate the risks?
<ul style="list-style-type: none"> • Basic food and non-food items no longer available on the market • Cash and voucher interventions will cause inflation and the price of the minimum expenditure basket (MEB) will fluctuate 	<ul style="list-style-type: none"> • Food commodity prices declined due to a very good <i>deyr</i> harvest in some of the most vulnerable regions in southern Somalia by December 2011 • During Phase One, CVMG NGOs distributed USD50.6 million-worth of cash to a total of 136,673 beneficiary households across nine regions of southern and central Somalia;* this represented less than 3 per cent of the total dollar inflow into Somalia, so was unlikely to have an inflationary impact • The Somali Shilling appreciated by 20 per cent during Phase One of implementation 	<ul style="list-style-type: none"> • Working through the Somali trading community which is versatile, responsive and well integrated across markets in southern and central Somalia • Regular monitoring and reporting of market prices through an informal group comprising FSNAU, FEWSNET, WFP and ODI, which are the principal collectors of market information across the operational area • Regular monitoring of the Minimum Expenditure Basket (MEB) already incorporated into the FSNAU monthly reporting • Regular review of potential inflationary factors, market prices and currency exchange rates by the CVMG
<p>* Fifty-three per cent of the beneficiaries were located in parts of the country controlled by the TFG and 47 per cent were in areas controlled by Al Shabaab.</p>		



From a market-impact perspective, an important question to consider is how differently these results might have looked had prices in general (regional and global) not been declining, but had in fact been going up? Any answer to that question is speculative, but a general trend of increasing prices would have offered considerable incentives to traders to hoard food, knowing that cash was driving up demand, knowing they would get more for their stocks if they kept them another week, etc. However, in this case, there is no evidence of the cash intervention causing any perverse market impacts. Also, to remind us, this conclusion is specific to this particular case. No general conclusion can be drawn about UCTPs more broadly.

D. Cash and Women

Concerns were raised that insufficient attention was paid during any phase, including the design phase, implementation or M&E, as to how cash would affect women. Simultaneously FSNAU published a gender baseline analysis noting that:²⁸⁴

- gender-specific security and protection concerns have an impact on internally displaced persons (IDPs) and urban migrants;
- an increasing number of women are active in the formal and non-formal sectors and are diversifying how they earn income; specifically, women are very active in petty trade and increasingly active as casual workers, leaving less time for good parenting; and
- there is evidence that girls are pulled from school to allow women to earn.

During the course of this evaluation, two studies were undertaken both by the evaluation team (a small sample in Hiraan, Gedo and Mogadishu)²⁸⁵ and by the Somalia Cash Consortium.²⁸⁶ The results are consistent and complement each other, with key insights provided here.

Some UCTPs purposefully targeted female-headed households (Oxfam partners) as a category. However, other than this, women were not purposefully targeted as recipients of cash. This is different to WFP's in-kind programmes that often register the woman under the understanding that resources in the hands of women are more likely to be used for the well-being of the household. In the case of UCTPs this may have been an oversight, or in Al Shabaab areas not possible.²⁸⁷ But it does appear that where women felt the cash transfer to be 'theirs', it was in fact managed by them. Unsurprisingly, where women said the decision on the use of the cash transfer was theirs, more often expenditures were made on the household. Specifically non-food expenditures were more often on health, education, and household items.²⁸⁸

284 FSNAU (2012)

285 A profile of the interviewees: 93 per cent married, 23 per cent in a polygamous relationship, with 88 per cent having their husband living in their household. In most cases the husband was not there during the interview (43 per cent), or said nothing (54 per cent).

286 Concern Worldwide and Oxfam (2011)

287 Some NGOs say that Al Shabaab would not let a woman be registered.

288 SCC (2012).

Somalia ranks second to Afghanistan as the worst country worldwide for women.²⁸⁹ However it also true There are many women headed households in Somalia where women are the breadwinners, engaging in small-scale enterprises, especially in urban areas.²⁹⁰ In some cases Somali women are very liberated, demonstrating relative empowerment in making decisions and managing, earning, even borrowing money – the result perhaps of years of civil war where women were left responsible for their families' wellbeing.²⁹¹ That said, in the evaluation's own data collection women consistently reported several trends:²⁹²

*Before the cash, husband was responsible in managing money.*²⁹³

Before the cash, women were responsible in purchasing food and other items.

After the cash, women have more control over money and how to spend.

Fifty eight (58) per cent stated that women had different responsibilities for managing money prior to the CTP. Half of women said these responsibilities had changed, that they felt different toward managing money, and that their husband's opinion of them has changed – the latter two for the positive. The SCC study noted this was more true for older women (those 45 years and older) than for younger.²⁹⁴

Before the cash, husband held the opinion that woman can't manage money properly.

After the cash, husband recognise nice skills of managing money properly.

More than half (60 per cent) of women said the CTP changed the relationship with their husbands/ parents; nearly all said for the better; 70 per cent say these are permanent changes. A third (35 per cent) said that when there is more than one wife, this affects how they can use the cash transfer, but only 11 per cent say that it has caused any problems (89 per cent say it has caused no problems).

Before the programme, women explained they largely relied on their husbands family (uncles), and others in difficult times. While 63 per cent say the CTP has changed this relationship for the better and they are able to reciprocate, 33 per cent say the relationship is unchanged. They are still able to rely on these sources for assistance if need be.

Community members think differently of me since receiving the money. I've gained respect in the eyes of the community. I am able to help family members and others, able to borrow money.

Before the cash, I was dependent on husband and relatives. After the programme, I depend on myself.

One fifth (20 per cent) have new responsibilities after the CTP. But 86 per cent of husbands still have same responsibilities.

I have the responsibility to economize the cash and share it with family members.

A significant portion (18 per cent) has experienced violence or threats since receiving the cash. Of these, most feel it is because of receiving the cash. A third (32 per cent) has fears of violence when collecting cash. And 40 per cent feel insecure in their homes because they have cash at home.

289 UNDP (2012)

290 UNDP (2012)

291 UNDP (2012); Dini (2012); Dini (2007)

292 FSNAU (2012c), SCC (2012a), SCC (2012b).

293 All inset 'quotes' are from the evaluation's own data collection.

294 SCC (2012a)

Most seek help when threatened (57 per cent). This is consistent with qualitative findings from data collected in Mogadishu. Rather than changing the approach (not targeting women or changing the type of aid they received), they suggest:

Improve security in the camp, involve women in decision making, shorten distance involved with collecting cash from hawala, we have suggestions – involve us in programme design.

Agencies did not systematically take into account gender-based concerns during programme design, explaining that, usually, there ‘was no time’.²⁹⁵ However efforts were made during implementation and these included increasing the number of distribution points (both *hawala* offices and shops for redeeming vouchers) to reduce the waiting times, changing the location of distribution points to safer more private sites, and increasing security at sites. However relatively little was done on addressing women’s concerns once they left the distribution site.

The evaluation experimented with the Women’s Empower Scale (WES), which has shown a positive correlation with children’s nutrition in Senegal (Annex 7).²⁹⁶ As mentioned, the Somali women interviewed already scored quite high before the transfers began. There was only slight increase in the number of times women either shared or were the sole decision maker (the WES index increased by 10 per cent).

The biggest changes were:

- in per cent of income earned by the woman;
- per cent of expenditures controlled by women;
- increase in women’s decision making for children’s health, children’s schooling and assisting relatives; and
- women’s participation in community activities.

When looking at women’s vulnerability, their HHI was slightly (insignificant) higher for female-headed households (FHH) but declined at the same rate as male-headed households (MHH). At baseline, HDDS was slightly lower for FHH (insignificant), and followed the same trends in urban areas, i.e., it was slightly higher than for their rural counterparts. The total amount of debt was consistently lower for women. This could be because women pay off their debt and are considered ‘more debt reliable’ than men, as was suggested in the SCC evaluation of Access to Credit.²⁹⁷ As a percentage of income, debt was at a high point for FHH (600 per cent, higher than for MHH) in August-September before transfers started but then dropped (to 100–200 per cent of income) and stayed stable and comparable to MHH. As percentage of expenditures, debt repayment stayed steady 15–20 per cent, comparable to MHH.

Other highlights from the various efforts to understand the impacts of cash on women include, notably:

- Women respondents preferred cash (82 per cent) (male respondents even more, at 91 per cent) compared to vouchers and in-kind assistance. This holds true also for FHH.²⁹⁸
- Most women are working less after the cash transfer and spending more time with children. While no detailed data is available due to lack of nutrition data, one can assume that this increased time spent with children will have health benefits for children.²⁹⁹

295 SCC (2012a).

296 Lepine (2012).

297 SCC (2012b).

298 CVMG data.

299 Lepine (2012), FSNAU (2012c).

XIII. ACCOUNTABILITY

The famine that was declared in south Somalia in July 2011 had profound implications for accountability. For those who argue that famines are not natural disasters but avoidable products of human action or inaction, the declaration of a famine immediately raises the question: why was it not prevented? Who is responsible for causing or allowing this famine to happen?

A range of actors contributed to the humanitarian response failure – led by Al-Shabaab, certainly, but including the TFG, the United States government, the United Nations and the broader donor community, which abrogated its responsibility to protect the fundamental human right to food, for reasons that are partially explicable but are certainly inexcusable. If famines were criminalized as gross violations of the right to food, all the actors named here would arguably face prosecution under international law.³⁰⁰

This evaluation examined different levels of accountability: accountability for late response and as provider of last resort, accountability to beneficiaries, to staff and mutual accountability. The latter refers to the accountability of humanitarian agencies ‘for the achievement of collective results’.³⁰¹

Regarding the first, the concept of provider of last resort is ‘a commitment of cluster leads to do their utmost to ensure an adequate and appropriate response’.³⁰² This is not a commitment to find and distribute resources but to facilitate, indeed lead, a process (response analysis, advocacy, etc.) that will result in adequate and appropriate resources being made available to alleviate human suffering – the humanitarian imperative.³⁰³ As has been discussed in the sections on Appropriateness and Connectedness and Coherence, the HCT, the FAC and the ALC limited this discussion with donors, some even say hindered, given their concerns about the appropriateness of cash-based responses and unconditional cash grants specifically. Among the HCT members, including the NGO Forum, only UNICEF openly advocated for unconditional cash grants.

Accountability to beneficiaries includes (but is not limited to) information sharing, participation, and feedback and response. The evaluation team observed:

- A general lack of creative solutions to inform and empower affected communities – both beneficiaries and non-beneficiaries. One agency suggested that this could be done by the use of radio. More of this type of creativity is needed. Information sharing was limited at best to public meetings (where and when they occurred) and information on the backs of ID cards (which was limited to beneficiaries having IDs).
- There was a general lack of engagement with or participation of local accountability mechanisms (e.g., elders) as third parties to hold local authorities (and local staff when they are of the same clan) to account. Where these entities were engaged, considerable success resulted; e.g., elders

300 Haan et al (2012).

301 Key Messages: The IASC Transformative Agenda, <http://www.humanitarianinfo.org/iasc/pageloader.aspx?page=content-template-default&bd=87>.

302 IASC (2012) Operational Guidance on the Concept of ‘Provider of Last Resort’, <http://www.2.wpro.who.int/internet/files/eha/toolkit/web/Health%20Cluster%20Approach/Implementing%20the%20Health%20Cluster%20Approach/IASC%20Operational%20Guidance%20on%20the%20Concept%20of%20Provider.pdf>.

303 Lautze et al. (2012).



advocated with Al Shabaab on behalf of COOPI, and elders intervened when beneficiary lists were being manipulated in IDP camps in Mogadishu (DRC) and in Lower Juba (WASDA). Agencies would have achieved significantly more in the short and long term if they had better understood the communities they wanted to help.

- There was mixed performance when implementing community-based targeting (which allows communities to determine who is eligible for aid). The success of CBT largely depended on whether agency staff considered community participation relevant and essential. But the same staff had the ability to endure in the face of resistance by local authorities, including gatekeepers or majority clans. There are (few) examples in which agencies tried to use CBT and tried again without success; in the end, the agency and its donor or INGO partner retargeted or reallocated the funds (WASDA).
- Similarly there are very few examples of beneficiaries being consulted in the design or modification of programmes. Granted, during the August-October 2011 period the urgency to implement and the fact that programmes are remotely implemented and managed reduced opportunities for participation in design. However since then, the only example of a programme significantly changing to reflect beneficiary preferences is in Concern's Mogadishu programme where the agency added a small cash transfer to the voucher programme.
- There are many examples of donors and international NGOs (the latter in the case of local NGO implementation) being flexible in retargeting resources when access and/or principled action was potentially compromised. Examples include SADO, which decided not to implement in partnership with Adeso given Al Shabaab interference. WASDA also withdrew from several areas in Lower Juba, with the support of Oxfam (see [Implementing with Local Partners](#)). AFREC relocated from Afmadow to Badhade, with the support of Adeso.³⁰⁴ Later Adeso was critical of AFREC for not reporting or addressing issues to do with Al Shabaab in Badhade.
- The CVMG agencies jointly designed feedback mechanisms largely characterised by telephone call centres. Unfortunately, these had limited efficacy in detecting significant problems related to targeting errors and diversion. In Phase One, beneficiary awareness of these feedback mechanisms was limited.³⁰⁵ In Phase Two, several problems led the agencies involved to redesign or modify their systems. Phone-based feedback mechanisms that rely on beneficiary initiative are relatively ineffective, not least because beneficiaries are unlikely to report wrong-doings if they think the information can be traced back to them. If agency staff are implicated, beneficiaries are unlikely to report when they are not sure who is on the other end of the line. Rather, beneficiaries noted that they are more likely to use local accountability mechanisms, such as elders or imams. This implies that agencies missed an opportunity to work more closely with these 'mechanisms'.

A need remains to continually experiment with feedback mechanisms that are appropriate to the Somali context and that are more effective. Agencies have increased their use of telephone technology – such as pro-active and random calling – with some success (FAO) and occasional SMS surveys to identify or confirm potential problems. Agencies have also modified existing systems, e.g., double checking that complaints have been effectively handled by field staff with a second call by an independent and perhaps Nairobi- or Mogadishu-based unit (Adeso).

³⁰⁴ Unfortunately Badhade was also problematic, but for different reasons.

³⁰⁵ ODI/HPG (2012).

Accountability to staff is often overlooked,³⁰⁶ but in a complex socio-political context such as Somalia, staff are under considerable pressures to act in ways that aren't always consistent with humanitarian principles. Internal feedback mechanisms (such as whistle blowing) require ensuring that adequate and effective systems are in place for staff to confidentially report on specific issues (e.g., abuse of power, gross waste or fraud, corruption, gross mismanagement, sexual harassment). Staff need to understand internal feedback mechanisms and feel safe using them. This evaluation conducted a survey on staff perceptions of whistle blowing in their organisations. The results imply that:

- a) In most cases, staff feel it is their duty to report wrongdoings by a colleague, including a manager. At the same time, staff reported that they are concerned with being labelled 'spies';
- b) In some cases, specifically with Somali NGOs, whistle blowing procedures need to be established (possibly an area of capacity building for partners);
- c) Agencies need to do more to ensure whistle blowing procedures are fully understood (not just provided in a staff manual or briefing package), and staff need to feel safe using them, i.e., knowing who to report to and how the information will be used; understanding if, how and who will conduct an investigation; knowing rules about confidentiality, etc.; and
- d) Most importantly, agencies need to increase staff confidence that if something is reported, a thorough and unbiased investigation will result, and that wrongdoers will be appropriately prosecuted.

Finally, there is a persistent 'scarcity' mentality among NGOs and the UN that results in competition, secrecy, even back-biting or finger-pointing that is unlike any other aid environment that our evaluation team has ever worked in. This attitude has direct implications for mutual or collective accountability that depends on participation, information sharing, transparency, and an understanding that no agency is immune to something going wrong (inclusion/exclusion error, diversion, fraud, etc.). As such, it is in our best collective interest to be transparent, share the difficulties, ask for help and share experiences on what works and what doesn't. This includes donors who, despite good intentions, can discourage transparency by perhaps disproportionate or inappropriate reactions to findings of diversion.^{307,308} Donor response is further problematic when there is very different treatment of NGOs; Somali, African and Western, that is arguably discriminatory or can be perceived as such.

306 People in Aid (2008)

307 DFID, ECHO and USAID are actively advocating within the informal donor group for a more measured response to cases of fraud, as well as minimum M&E standards for agencies and donors (from a funding perspective) to increase the likelihood of detecting programme quality problems.

308 See the 2012 Adeso, Amal and Afrec case: When Adeso revealed that a local NGO it had been working with had most likely diverted funds, SIDA froze all of Adeso's funds for all parts of Somalia including Puntland and Somaliland, and all types of programming such as livelihoods, WASH, etc., and demanded reimbursement of funds, even when it was not clear what proportion of funds had been diverted. UNICEF is presently demanding that Amal, the *hawala* that Adeso worked with, relinquish the USD 1m performance bond, although there is no evidence that Amal personally benefitted from the misuse of funds. And the 2010 DANIDA, DRC case: After DRC shared with donors programme quality issues in Hiraan, DANIDA suspended its assistance to south-central Somalia, but then resumed its humanitarian aid as the situation deteriorated in 2011.

XIV. CONCLUSIONS

In 2011 Somalia faced one of the worst famines in its history with almost 50 per cent of its people in need of urgent assistance and close to 1.5 million internally displaced. There was widespread suffering, displacement and excess mortality and a very clear humanitarian imperative to act. However, with the withdrawal of CARE and WFP (the principal food aid agencies) from much of southern Somalia during the preceding two years, there were few options, other than cash transfers, to respond at sufficient scale.

The unconditional cash and voucher response, though largely implemented after the peak of the crisis, quickly achieved an impressive scale, building principally on international and Somali NGO field capacity. The evidence marshalled in this evaluation suggests that cash and vouchers made a quantifiable difference in reducing hunger and improving food security, enabling a more rapid recovery than would have been possible without assistance. This was achieved within an extraordinarily difficult operating environment that required significant risk-taking by organisations and individual staff members.

Attempting a large-scale cash and voucher intervention was therefore appropriate, based on the analysis available at the time and the consequences of inaction. Contrary to initial concerns, cash transfers at scale did not result in food price inflation to the detriment of the most vulnerable. Rather they ensured access to critical food and non-food items and services. Both cash *and* vouchers were largely appropriate to the context where they were applied, with some caveats regarding unsubstantiated assumptions about beneficiary spending that inclined agencies to implement voucher programmes.

Given the Somali aid environment, corruption and diversion were an acknowledged (and accepted) risk. Unsurprisingly, the evaluation raises issues of misuse of funds. Evidence suggests that these were less serious than comparable in-kind interventions, but still could have been countered through better risk analysis and preparedness and were not sufficiently identified by the monitoring systems. Much has been learned about the strengths and weaknesses of traditional monitoring systems and innovative approaches to collecting data on sensitive issues such as the targeting of the most vulnerable and misuse of funds. Future emphasis should be on prevention; sharing lessons learned about diversion, effective M&E, and how best to conduct the rigorous investigation that must follow allegations of abuse.

One of the lessons learned is that given the particular challenges of targeting the most vulnerable, organisations should have initially focused on reaching a greater number of people over a shorter period of time, had the donors been able to support this. The evidence tends to suggest that, at least from the time the UCTP began until the *deyr* harvest at the end of 2011, household targeting was a waste of time and energy – irrelevant to both the humanitarian emergency of the moment and a socio-political context that effectively isolates and exploits the more vulnerable communities in Somalia. The time necessary to negotiate with those local actors who manage both access to so-called minority populations and the distribution of aid was not adequate. As a result, in many areas populations that historically – and again in 2011–12 – constituted a significant portion of the population affected by famine, did not receive aid proportional to their need. Targeting errors were further amplified given rapidly changing food security conditions. Retargeting was essential. However, in most cases retargeting was not sufficiently prioritised by the organisation concerned because of the considerable operational challenges involved.

Despite the access constraints imposed by Al Shabaab, a more concerted effort should have been made to reach the epicentre of the famine. Several months of food aid was distributed in the most affected areas of Bay, Bakool and Lower Shabelle until the ICRC was banned at the beginning of 2012. However, cash transfer organisations – with the exception of those agencies working with Somali NGO partners and at a relatively small scale – insufficiently accessed these areas. As a result, Mogadishu became a ‘hub’ of humanitarian assistance for an undetermined number of IDPs seeking assistance. Nearly half the resources attributed to the cash and voucher intervention were distributed in Mogadishu, potentially drawing beneficiaries into a highly exploitive environment that desperately lacks accountable government and social networks to ensure protection.

All this must be set against a backdrop of a humanitarian system that until 2012 was not supportive of cash-based programming in Somalia. The fact is there was very little space or interest within the system to have strategic discussions on cash transfers as the only viable response option in some areas. It was very much to the credit of certain NGOs, a handful of donors and, later, UNICEF that cash was brought to the agenda. Cash-based responses are now irreversibly part of the range of responses available to meet needs in Somalia. However for humanitarian reform in Somalia to succeed, there remains a fundamental need to challenge the aid culture and to overcome the mistrust which inhibits genuine cooperation and learning from each other.

XV. KEY RECOMMENDATIONS

This *Evaluation of the Unconditional Cash and Voucher Response* in southern and central Somalia provides an independent analysis of the appropriateness, effectiveness, efficiency and impact of the cash response, with a strong emphasis on learning for future humanitarian interventions using cash globally, and in Somalia specifically. The findings should be considered in the context of one of the most difficult humanitarian operating environments in the world. As with any humanitarian response, particularly one implemented at scale and under duress, there were many aspects that could have been improved. The following recommendations attempt to take into account the difficult operating environment while renewing or reinforcing the humanitarian communities' commitment to humanitarian principles in Somalia and 'doing no harm':

Key Recommendations

Appropriateness

- In a similar crisis, argue for short-term, smaller (minimum food basket or even most basic food basket), geographically targeted and blanket distribution. When lives are no longer at stake, implement community-based targeting, ensuring agency staff have the skills and, most importantly, the support to do this effectively.

Targeting

- Where targeting is applied, it should be based on local analysis of power dynamics, an agency's own – including its staff's – position vis-à-vis these dynamics and a common strategy that demands basic accountability (e.g., transparency), wide information sharing, participation and effective feedback mechanisms.
- Retargeting should be undertaken (in both urban and rural contexts) no more than six months after a cash and voucher intervention has become operational, particularly when food security conditions change considerably, but also as a risk mitigation strategy.
- Where beneficiaries are not retargeted – because a more than six month cash transfer is meant to achieve livelihoods-related objectives – ensure that M&E systems can measure livelihoods impacts and that targeting criteria reflect objectives.

Coverage

- Conduct better and more effective mapping and analysis through the cluster system to ensure that cash and voucher interventions are better targeted geographically to have an impact on those populations most in need. This includes persistent engagement with non-traditional providers of humanitarian assistance, inter-cluster coordination, and development or harmonisation of databases.
- Simultaneously, agencies need to reflect on historical patterns of famine, both from a geographical and socio-political (specifically clan) perspective to better inform operational strategies, including negotiating access or finding alternative means to access famine-prone areas, such as working with Somali NGOs.

Mogadishu

- The humanitarian community must increase its efforts to engage with Mogadishu city and national government officials, local elders and Somali NGOs representing the IDPs who are presently locked in an exploitive relationship with gatekeepers and other local authorities.
- Increase returns programmes, collaboration and monitoring with Somali NGOs to ensure that assistance is provided at IDPs' place of origin. As long as there is no aid in their places of origin, the majority of IDPs will continue to answer 'no' to inquiries regarding their intention to return. This should not be assumed to mean they do not want to go home.

Connectedness and Coherence

- Drawing upon the lessons learned from the SCC Technical Working Group, CVMG and CBRWG, cash transfers should be routinely considered as a response modality. Cash transfers may be appropriate to achieve objectives within the response analysis of the food security, nutrition, WASH and shelter clusters. This will require capacity building of cluster-specific technical working groups.
- Ensure this integration of cash and voucher responses in a common response analysis with active participation by those international and Somali NGOs that know the most about cash programming. Document and challenge assumptions; build up the evidence base for the impacts of cash-based programming in Somalia: on markets, on given outcome indicators, on women and on other vulnerable groups.
- The CBRWG should be recognised as the principal learning platform and inter-cluster technical working group for cash-based programming. The SCC and the CVMG (while they still exist) must maintain their commitment to the CBRWG, including advocacy for more reliable resources (perhaps using a CVMG funding model), and increasing the number of platforms in strategic locations within Somalia (especially Mogadishu).
- Increase collaboration between cash-based programmes and practical action in protection. Document activities and share widely.

Efficiency and Effectiveness

- Next steps for cash-based programming include e-transfers, value vouchers – allowing for greater beneficiary choice – and increasing the capacity of Somali NGOs, with the ultimate aim of reducing the multiple transaction costs between donors and beneficiaries while ensuring accountability and effectiveness. Continue to experiment with and document cash-based responses. This learning will also contribute to the resilience agenda (see Box 14).
- Continue consortium approaches such as the SCC and CVMG. They have demonstrated the ability to go to scale and to coordinate both operational and technical aspects of the work. They have increased trust, communication, information sharing, and shared responsibility for outcomes. Together with the SCC, CBRWG and CVMG have increased the information and evidence base for better design, planning, implementation and real-time improvement of programmes. This will require a review of pooled funding mechanisms for cash-based programmes and exploring alternatives where the CHF, ERF and CERF are inadequate.
- Review inter-agency engagement with *hawala* companies to reflect on lessons learned from the 2011–12 crisis, including a review of contractual arrangements and services, risk mitigation strategies, and opportunities and threats for future collaboration.

Risk Management

- All stakeholders (government, donors, UN, NGOs) should engage collectively in a transparent and rigorous risk analysis of all humanitarian interventions (both cash and in-kind transfers) in the Somalia context and jointly determine where responsibilities lie for delivery of those interventions. Increase the sharing of risk between field staff, senior NGO management, UN agencies and donors, when implementing agents/agencies show due diligence throughout the programme cycle.³⁰⁹
- Given the inevitability of dependency on remote management in the short and medium term, the field capacity of INGOs in strategic locations and Somali NGOs needs to be further developed to effectively prepare for, manage and monitor CTPs as humanitarian interventions in the future.

Monitoring

- Review agency-specific and shared monitoring systems and best practices and identify best practice to inform the establishment of more effective and efficient monitoring of cash and voucher (and other) interventions in the future.
- Next steps for M&E for cash-based programming include working within and between clusters to determine minimum process and output indicators for cash-based responses, and to determine common and sector specific outcome indicators, taking into consideration the strength and weaknesses of food security consumption-based indicators.
- Insure M&E assesses the original assumptions on which response analysis was done, i.e. monitoring the continued relevance of the intervention logic, to test whether or not cash is still more appropriate than in-kind, whether or not unconditional is still appropriate, etc.
- Work together to establish common analysis and reporting formats for process, output and outcomes, and also methods for determining cost efficiency and cost effectiveness. At the same, time, don't split hairs about differences between the various modalities. If a response choice is evidenced based, then it is up to beneficiaries, agencies and donors to determine together if the additional cost is worth the added benefit.
- Continue to experiment and innovate with M&E and investigative methods that produce results about sensitive topics such as diversion, fraud and targeting errors. This is not limited to cash and vouchers, and should involve M&E experts that use conventional and unconventional means of collecting information.

Accountability

- Increase efforts to understand and exploit local accountability mechanisms, including understanding clan dynamics and how agency staff manoeuvre in a given context. Redouble efforts to share information with affected communities, both beneficiaries and non-beneficiaries, and continue to experiment with effective feedback mechanisms. Discuss these in the CBRWG or similar accountability working group.

309 The evaluation notes here the positive example of the meeting on Strengthening Cooperation in Risk Mitigation convened by the Somalia Cash Consortium, and including donors and the UN (see document Strengthening Cooperation in Risk Mitigation - Summary of discussions 15th_ Feb 2013).

- Related to the above, organise experience sharing and learning to improve internal accountability mechanisms, including whistle blowing procedures and investigative procedures appropriate to different types of diversion. Consider developing the collective capacity to do independent investigations, including learning from and engaging with the UN Risk Management Unit and the UN Monitoring Group.
- While it is clear that cases of misuse of funds will need to be handled on a case by case basis, establish minimum standards vis-à-vis risk assessment, mitigation, monitoring, investigation, reporting, and transparency - the latter with the understanding that revealing mistakes is first and foremost done to stop harmful practice, then contribute to the learning of the broader humanitarian community, and when appropriate, to decide repercussions and retribution, not least to the affected community. Minimum standards and due process through perhaps an ombudsmen approach will contribute to ensuring equal treatment of agencies in the case of suspected or established cases of misuse of funds.
- Work collectively with field staff of NGOs and the UN to reduce tolerance for diversion, including that which results from targeting errors. Investigate the real obstacles to greater transparency and communication between field staff and headquarters, agencies and donors. Consider transparency and accountability in the decision making process when deciding the need for repercussions. This demands ongoing reflection on what shared risk means in the Somali aid environment. Stop yourself from criticising those agencies that are victims of misuse of funds. Everyone is affected; assume you just don't know about it yet.

Box 14. Links between the Non-Humanitarian Use of Cash Transfer Projects and the Resilience Agenda

There is currently considerable debate across the international aid community to Somalia about the need to shift the focus from short-term emergency response to a more sustained approach to building the resilience of vulnerable individuals, households and their communities.³¹⁰ The 'famine' of 2011 made us all more aware that stresses, such as inadequate rains and high food costs, imposed on chronically vulnerable households within a context of political instability and conflict, can lead to livelihood shocks and desperate coping strategies.

Somalis are a remarkably resilient people, having demonstrated over centuries the depth of their culture, entrepreneurship and, not least, their mobility, buoyed by the strong solidarity within Somali communities.³¹¹ Resilience however varies by gender, age, livelihood and clan, and ways in which particular individuals and households can be supported are often best known by the communities themselves. These are principals that should form the foundation of interventions in Somalia, but are limited by short-cycle emergency funding, lack of institutional memory and collective experience and knowledge sharing.

310 Much of the debate is focused on the FAO, WFP, UNICEF Joint Strategy for Enhancing Resilience in Somalia 2011 (FAO et al 2012a).

311 Promoting Resiliency for At-Risk Populations: Lessons Learned from Recent Experience in Somalia; a paper presented by FAO, WFP, UNICEF to a High-level Expert Forum on Food Insecurity in Protracted Crisis (Rome, 13-14 September 2012).

Cash transfer offers a modality that largely ensures that the priorities and integrity of individuals and households are met. Significantly, during the current cash and voucher intervention, households had higher and more regular income and so were able to reduce household debt as well as access new credit for household and livelihood assets.³¹² Over the course of the intervention, households began spending less on food and more on debt repayment and non-food items (including business investments, school and medical fees) while dietary diversity continued to improve (especially in urban, agricultural and agro-pastoral livelihood zones and within female-headed households). Furthermore, the social status and participation of beneficiaries in community affairs was significantly enhanced.

It is apparent from the Somalia experience that cash transfer has the versatility to shift from a life-saving response to a modality that supports livelihood recovery and enhances resilience, determined principally by the household receiving those resources. Cash preserves household integrity and is flexible as a household's priorities change. Existing cash programmes can be more easily scaled up in the event of a crisis. The evaluation team has been asked to provide some comment on the appropriateness of cash transfers in the context of resilience and safety nets. The following notes draw on our evaluation experience, facilitation³¹³ of and participation in workshops discussing safety nets and resilience in 2011–12, and two studies recently completed by Save the Children and Adeso – an evaluation of the pilot safety net programme in Puntland and a feasibility study on safety nets in Hiraan. As such we hope to inform further analysis on the issue:

- The first step is to work with communities to understand local vulnerabilities, their nature and causes, and potential for resilient livelihoods, then decide objectives. This will ultimately determine the target group, size and frequency of the transfer.
- The Household Economy Analysis (HEA) is instructive in this regard. To define vulnerability, determine the baseline percentage of 'vulnerable' groups, identify indicators, and monitor trends over time. Given the tendency to share resources (within established social structures), HEA analysis is essential to understand the scope and depth of poverty and vulnerability within communities. To this effect, HEA baselines managed by the FSNAU need to be updated.
- Similarly, geographic targeting of communities where vulnerability is more pervasive, ensuring a critical mass of resources to counter sharing, etc., may be more effective than household-level targeting in areas where there are greater disparities, e.g., between clans, in terms of access to resources.
- The success of targeting depends in part on the community's understanding of programme objectives and its investment in programme outcomes. In this regard, the participation of communities in deciding realistic objectives, target groups, and appropriate and measureable indicators that allow for transparent monitoring and evaluation will be essential. Greater participation will enable agreement on how long cash interventions should support targeted households and when limited resources should then be re-allocated to those who are now more vulnerable.

312 Households receiving unconditional cash grants had greater flexibility to achieve this than households receiving food vouchers.

313 In June 2012, Paul Harvey facilitated a workshop with 40 participants. The outcome of the workshop, particularly the workshop report, should be read as a complement to the following suggestions.

- Regular transfers need to accommodate changes in the cost of living, including a ‘crisis modifier’. Larger changes in the cost of living, e.g., plus or minus 15 per cent in the MEB should correspond to a change in the transfer size. *Hawalas* can easily accommodate the change in transfer but *hawala* rates and contracts will need to be negotiated in advance, preferably as a group, with contingencies for a range of changing circumstances.
- Depending on the objectives (e.g., to enable the reinforcement of or transition to resilient livelihoods), investments in livelihoods must be accompanied with complementary programming (e.g., entrepreneurial or business skills).
- Monitoring systems need to consider the lessons learned in this evaluation. Good practice includes common systems with a reduced but essential set of indicators that allow for comparability and aggregation, bi-monthly monitoring of process indicators, semi-annual monitoring of outcome indicators, timely and regular review by stakeholders of results and real-time adjustments made to programmes (particularly in the first few years) and finding innovative means to collect sensitive information such as targeting errors and diversion.
- Measuring livelihoods-related impacts is complex in a normal operating environment but made even more so by remote management. Finding a balance between what is possible and what is necessary will demand informed choices. Lessons can be learned from Ethiopia and other safety net programmes on how to determine impacts on livelihoods, improved resilience, define graduation, etc.
- The risks of not targeting the most vulnerable and/or diversion are real, particularly in medium- or long-term programmes where transfers become predictable. Stronger community-based accountability mechanisms then become essential. Even before the transfer begins, stakeholders – in particular targeted communities – decide means and design methods to ensure benefits reach those for whom they were intended. Using established targeting methods, such as community-based targeting, to determine registration lists, in coordination with randomised transfers on a monthly basis, might make it more difficult for those who wish to profiteer to manipulate beneficiary lists or tax beneficiaries.
- As such, transparency and learning between agencies becomes paramount, and will involve a ‘consortium’-like approach to building trust, establishing regular communication and problem-solving. A consortium approach will also facilitate design of common monitoring systems/indicators, collective *hawala* negotiations, and other efficiency measures.
- Finally, in addition to geographic targeting based on need, the commitment and capacity of local authorities should play a factor in deciding where to expand social protection programmes.

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XVII. ANNEXES

Annex 1. Terms of Reference for the FINAL EXTERNAL EVALUATION OF THE EMERGENCY CASH/VOUCHER INTERVENTION IN SOUTH SOMALIA

1. Background

In response to the famine in Southern and Central Somalia, several agencies have been implementing an unconditional cash transfer and food/water voucher intervention from August 2011 until end of March 2012, a second round from April to October 2012. This initiative represents a comprehensive effort to address the alarming food insecurity of the most vulnerable households, for whom high prices form the main and overriding barrier to access food.

The overall figure of USD XXXX million will be disbursed over a twelvemonths timeframe. The average grant amount or voucher for each household has been of USD 100 (from \$60 to \$120). The payments, when the cash grant modality was used, have been delivered through the local *Hawala* (traditional money merchants).

Cash and food/water vouchers distributions have been implemented in all regions of central and south Somalia by the following INGOs who will also be part of this evaluation: the Cash Consortium composed of Save the Children (xxxxxxx of HH), ACF (xxxxxxx of HH), DRC (xxxxxxx of HH) and Horn Relief (xxxxxxx of HH); Oxfam Novib (xxxxxxx of HH), Oxfam GB (xxxxxxx of HH), NRC (xxxxxxx of HH), Concern (xxxxxxx of HH), COOPI (xxxxxxx of HH). Among these NGOs, 8, implementing unconditional and food/water vouchers programs, have adopted a common monitoring approach. In this regard, a team of independent monitors have been contracted through the Overseas Development Institute (ODI) to develop the overall M&E plan and its specific tools, as well as to provide the technical leadership for all the project-related M&E activities. The on-going monitoring has covered both the process aspects and the impact on local market prices. As part of this, some independent field monitors have been recruited for the collection of qualitative data, the quantitative data are collected directly by the NGOs in the field.

2. Purpose of the evaluation

The objective of the evaluation is to assess the efficiency, effectiveness, accountability and impact of the emergency cash transfer/vouchers intervention in Southern Somalia, including its monitoring system.

3. Methodology

a. Design of the evaluation

Only qualitative data will be collected by the evaluation team during focus group and interviews. The, already collected, ODI quantitative data will be available to the evaluation team. All regions, where activities have been implemented will be targeted by this evaluation, as well as all partners. Due to security reason one or more regions might not be accessible at the time of the evaluation. The sampling per region will be developed by the evaluation team in collaboration with UNICEF. The evaluation subjects will be vulnerable households, with a specific attention to under-five children. Each implementing partner will be evaluated individually; in addition a collective impact analysis will be done by the evaluation team. The evaluation team is expected to go the field to meet with field teams, *hawalas* and if feasible conduct

focus group with beneficiaries, local elders... if and where security conditions will allow it. In this regard, the evaluation team is expected to take the households sample from the overall set of targeted households and not only those that are easily accessible.

b. Learning objectives of the evaluation

1. Assessing the efficiency of the cash/vouchers distribution system

- Assessing to which extent the delivery mode (with a specific focus on the *hawala* arrangements) and timeliness of implementation of the cash/food voucher transfer project responded to the beneficiaries' needs;
- Assessing the quality of the distribution process (including security/protection issues for the beneficiaries);
- Assessing the cost-effectiveness of the cash/vouchers transfer as opposed to in-kind distribution, including direct and indirect costs, and the cost per household
- Identifying aspects of the program that would make it more efficient.
- Assessing the human right-sensitive aspect of the project in its design and implementation (looking at the way distribution were made, waiting time, travel time to reach the distribution/*hawala* office site...)
- Assessing to which extend the project ensured ethnic minorities/minority clans were included?
- Assessing whether the program was gender-sensitive in its design and implementation approach? Was the implementation of the project conducive to women empowerment?

2. Assessing the effectiveness of the cash/vouchers assistance as an emergency intervention at scale

- Assessing the effectiveness of beneficiary targeting and the degree of inclusion of vulnerable under-five children; and establishing how well cash/vouchers distribution correlated with vulnerability assessments in a qualitative manner
- Comparatively assessing the quality of the diet for both children and household members in households receiving cash and households receiving food vouchers; and impact on reduction of morbidity and mortality of children under five.
- Analyzing the experience of the beneficiaries, including their preferences on modes of assistance delivery (i.e. would they prefer to receive cash, vouchers or food, in kind commodities and why?);
- Assessing real coverage of the programme versus planned coverage
- Analyzing the difference between the cash grants and the vouchers methodologies based on livelihood areas (rural versus urban, agriculture versus pastoralist).
- Assessing the appropriateness of the size of the cash grant – purchasing power and whether more could have been done to alter the size of the transfer to match the cost of the food basket.
- Drawing a comparison in terms of impact between the cash transfers covering the full MEB and the vouchers /cash grants covering only partially the MEB for either food or water

- Assessing market behaviors during project implementation, and the impact the cash/vouchers distribution has had on prices and market supply
 - Assessing also how the innovative aspect of this program has challenged the regular mode of operation of the implementing partners and involved agencies in emergencies (what were the administrative, managerial, logistical challenges or implementing a large, coordinated voucher/cash program for each of the various agencies and partners, and what can be learned for the future)
 - Identifying aspects of the program that would make it more efficient
 - Assessing the resilience of the programme to changes in the versatile and complex environment such as Somalia, and how it affected different response modalities
 - Assessing to which extent the lack of access and insecurity has influenced the decision to implement cash/vouchers distribution in South of Somalia
- 3. Assessing the accountability (to beneficiaries and donors) of the emergency unconditional cash/vouchers program**
- Assessing the effectiveness of the community feedback mechanisms in place and the capacity of implementing partners to respond to comments received (i.e. whether the project is accountable to beneficiaries);
 - Assessing whether the implementing partners subscribed to the agreed targeting criteria;
 - Assessing the level of beneficiary participation in the targeting process (i.e. whether implementing partners are accountable to themselves and to the beneficiaries).
 - Assessing the upwards accountability to donors and the impact of, and capacity to delivery on, donor reporting requirements
- 4. Assessing the impact of the cash/vouchers distribution**
- ... on households ability to access food
 - ... on the diet of the household
 - .. on the households decision-making when it comes to return
 - .. on local economy (local traders and markets)
 - Assessing any other impacts identified during the evaluation
- 5. Assessing the efficiency of the coordination mechanisms of the emergency unconditional and cash/vouchers program**
- Analyzing the effectiveness of the coordination of the cash/voucher stakeholders in the planning, implementation and monitoring components of the program.
 - Recommending circumstances how and when cash interventions needs coordination and recommending potential future options for coordinating access to food as an objective
 - Analyzing the appropriateness of the staffing structures put in place given the program needs
 - Analyzing the challenges created by this new program to the cluster system. (This, from a programmatic angle, would need to take into account the merge of the food security and livelihood clusters).

- Considering the project's coherence with the humanitarian policy and the effectiveness of coordination done with other humanitarian players; i.e. success or otherwise of interaction between the food cluster, livelihood cluster and CBRWG given their but overlapping mandates?
- Assessing the role played by the CBRWG (Cash Based Response Working Group) and CALP

6. Assessing the joint monitoring system

- Assessing the set-up of the joint monitoring system, including the mechanisms put in place for giving support on Digital Pen Technology, and the challenges encountered in terms of institutional and contractual arrangements, timeline etc...
- Assessing the sampling process and the methodology used
- Assessing the quality of the tools developed and their relevance and evolution over the course of the program
- Assessing the mechanisms of coordination within the monitoring system
- Identifying aspects of the monitoring system that could be improved and providing recommendations for the future

c. Existing information sources for the evaluation

The evaluation team will make full use of the following documents:

1. All monitoring reports produced by ODI, including market monitoring, monthly and quarterly post-distribution monitoring (PDM) individual and joint reports and the consolidated final M&E report, incorporating the feedback from each INGO partner and published by ODI Humanitarian Policy Group. Data collected are both of quantitative and qualitative nature.
2. Additional M&E individual final reports prepared by each INGO partner, containing the M&E data analysis and the main lessons learned.
3. Database of Market Prices collected weekly (the first two months) FSNAU, FEWSNET surveys, and information from FAO.
4. Project proposals developed by each INGO and organizations' concept notes

d. Other information required

The evaluation will use the following approaches:

- Interviews with key stakeholders within each INGO and local NGOS, UNICEF, ODI, *Hawalas*, Livelihood cluster coordinator, OCHA, donors, Rift Valley institute;
- Focus groups with key stakeholders on the perceived impact of the cash transfer project on the local economy (functioning of markets, comparison with situations when food is delivered instead of cash, FSNAU, FEWSNET reports etc.);
- Desk review of the ODI reports and projects proposals, narrative reports, background and context documents
- Focus group with beneficiaries of the efficiency, effectiveness and accountability aspects
- Lessons learnt from other countries

4. Deliverables

- Evaluation Inception report outlining a more detailed approach to the evaluation and timeline – following an initial phase of desk reviews and preliminary consultations
- Interim/progress report on objectives 5 and 6, and preliminary observations on the others objectives
- Final evaluation report (i) answering the main questions of the evaluation, (ii) outlining main lessons learned during the planning, implementation and monitoring phases of the project and (iii) proposing recommendations and future directions.

5. Timeframe of the evaluation

A two-phase' evaluation:

1. First phase in May 2012 to look at objectives 5 and 6 -Some preliminary observations and recommendations on other objectives are expected to be mentioned in the interim report.
2. Second phase in November 2012to look at objectives1 to 4, and 6

Activity	Deadline
Deadline for application	2th of March 2012
Start of the evaluation	1st of May 2012
Final evaluation paper finalized	December 2012

6. Qualifications of the evaluators

An emergency cash/voucher expert (team leader)

- At least a master's degree in planning, monitoring and evaluation, economics or social sciences
- At least 8 years of documented experience in evaluation of emergency programmes, including cash transfer projects, preferably with a link to nutrition;
- Extensive experience as evaluation team leader of emergency projects
- Knowledge of cash transfer and nutrition programmes in crisis context;

...

A livelihood expert:

- At least a master's degree in economics with a good knowledge in nutritional and food security aspects; or in social science/anthropology
- At least 8 years of documented experience in evaluation of emergency programmes, including cash transfer projects, preferably with a link to nutrition;

...

A humanitarian reform specialist

- At least a master's degree in planning, monitoring and evaluation, economics or social sciences
- At least 8 years of documented experience in evaluation of emergency programmes;
- Excellent knowledge of the humanitarian system and recent reforms, including the cluster system
- Extensive experience in working with governments, INGOs and local NGOs, UN, local authorities, beneficiaries

...

3 livelihood experts and Somali speakers (national/international consultants)

- At least 3 years of documented experience in evaluation of emergency programmes, including cash transfer projects, preferably with a link to nutrition;
- At least 5 years of Field experience of program implementation in south of Somalia

Annex 2. Timeline of Cash-Based Response in Somalia 2011–12

- | | |
|---------------|---|
| January 2011 | <ul style="list-style-type: none"> • 2.4 million people in crisis according to post-<i>deyr</i> assessment (FSNAU) • OIC sends fact-finding mission to Somalia |
| February 2011 | <ul style="list-style-type: none"> • OIC sends second fact-finding mission to Somalia and warns of impending famine • FSNAU produces a paper on Local Market Responses to Humanitarian Interventions (18 February) |
| March 2011 | <ul style="list-style-type: none"> • OIC establishes a Humanitarian Coordination Office (HCO) in Mogadishu • Horn Relief convenes a two-day workshop on cash programming for donors, UN agencies and government representatives from Kenya, Somalia and Somaliland (2–3 March) • FSNAU hosts (with UN, donors and NGOs) Roundtable Discussion on Role of Cash Transfers in Somalia (4 March) |
| April 2011 | <ul style="list-style-type: none"> • Horn Relief starts talking about ‘famine’ • Key CBRWG meeting held, to which cluster leads and UN agencies were invited to discuss strategies to have cash adopted as a principal response modality in Somalia (5 April) • DA writes to HC/RC (shared Q&A developed by the CBRWG): no reply • Horn Relief offers to second a person to OCHA with cash experience: no results • Save the Children pushes for a DEC appeal for Somalia (DA) |
| May 2011 | <ul style="list-style-type: none"> • 2.85 million people in crisis (FSNAU) • OIC launches an appeal based on the deteriorating food security situation in Somalia • ACF started talking about ‘famine’ • Horn Relief requested viability of cash response to be included on the HCT agenda, but item is not tabled (3 May) • Scaling up cash transfers interventions in south and central Somalia (item 6) included on the HCT agenda but CBRWG not available to address subject (12 May) • Horn Relief convenes a meeting of nine NGOs (including the four that later comprised the Cash Consortium) to initiate the formation of a consortium and discuss advocacy for scaling up cash programming in Somalia (23 May) • Somalia Cash Consortium formed • Advocacy Statement produced by Horn Relief on viability of cash transfer programming in Somalia |
| June 2011 | <ul style="list-style-type: none"> • 50 per cent of population in crisis • FAC/ALC produce <i>Position Paper on Access to Food via Voucher Distribution</i> • First meeting of the Cash Consortium (at this stage HR, SCSOM, DRC) to initiate the concept note on cash-based programming in Somalia and interaction with HCT (10 June) |

July 2011

- Cash Consortium meets to consider ACF and NRC membership, grant management capacity and finalisation of concept note (1 July)
- Informal Meeting on Cash Programming convenes (at Horn Relief, chaired by UNICEF) between donors and NGOs to discuss risk management and donor conditionality. NRC declines membership of SCC (4 July)
- Cash Consortium meets (now including ACF) to consider donor update, external grant management, geographic coverage, targeting and risk analysis (7 July)
- USAID Internal briefing on appropriateness of CBR based on MIFIRA ; cash recommended only in Lower and Middle Shabelle, Hiraaan and Bay regions (7 July)
- ECHO invites key partners to discuss and agree principles and main conditions for adding a cash component to grant applications
- Cash Consortium proposal submitted to donors (9 July)
- Cash Consortium meets (now including ACF) to discuss MoU, risk analysis, M&E and funding (15 July)
- ECHO tailors conditionalities to reflect the severity and urgency of the situation, e.g., targeting households with malnourished children enrolled in a nutrition programme (agreed by Brussels) and encourages a 'consortium' approach to cash and vouchers
- CBRWG develops Q&A for donors and HCT on how to scale up CBR in southern and central Somalia
- First voucher distribution conducted through ALC (20 July)
- Famine declared in Bakool and Lower Shabelle (20 July)
- HCT meeting at which Horn Relief (on behalf of the CBRWG) presents a risk analysis of cash-based responses in Somalia and FEWSNET presents on market functionality in south Somalia: the HCT endorses the principle of cash-based programming in Somalia (25 July)
- HCT donors meeting at which HC cautions donors on cash-based interventions and proposes guidelines on its management and conduct (27 July)
- Cash Consortium meets to discuss structure of the consortium, M&E function (ODI consultants identified), tracking tools and profile of SCC (29 July)
- OIC announces (in Istanbul) the establishment of the Alliance of Relief, an umbrella organisation of 32 NGOs

August 2011

- Cash Consortium formally hires SCC Coordinator (previously on voluntary basis)
- Cash-Based Programming training workshop conducted in Hargeisa, Somaliland by Horn Relief (1 to 5 August)
- WFP approaches SCC with prospect of funding
- Cash Consortium meets and decides SCSOM will host coordination function and Horn Relief will line manage M&E function (5 August)
- Second meeting between ECHO and partners with potential to implement cash (including DRC, ACF and SCSOM) to discuss grant conditions and options

- UNICEF undertakes a feasibility study of cash transfer programming in Somalia
 - FAO Rome comes to discuss collaboration with the CBRWG and linkages with the AL cluster
 - FAO offers technical support alongside the CBRWG to act as a coordination body for cash-based programming in Somalia (9 August)
 - Cash Consortium meets to discuss option of KPMG as grant manager and DRC as lead agency (9 August)
 - First tranche of US funding (\$5m) arrives through UNICEF to Horn Relief for Lower Juba (and tough negotiations with UNICEF on overheads); eventually contract is signed (DA)
 - Cash Consortium meets to discuss KPMG as fund manager, potential USAID funding and inter-cluster coordination on cash (12 August)
 - Proposal of an external grant manager (KPMG) collapses as not acceptable to principal donors
 - CaLP technical forum on ‘setting the value’ of transfers at the CBRWG (24 August)
 - Cash Consortium meets to discuss first update on interventions by partners, M&E systems, option of SCC covering recovery interventions and inter-cluster coordination through FAO (26 August)
 - Cash Consortium and UNICEF hold discussions on joint monitoring
 - UNICEF assumes ‘donor’ role to the Cash Consortium
 - TOR developed for the Cash & Voucher Monitoring Group (CVMG)
 - Famine declared in five out of eight regions of southern Somalia
 - CONCERN begins famine response in Mogadishu, Lower Shabelle and Bay with vouchers to 148,000 recipients
 - Al Shabaab leaves Mogadishu
- September 2011
- Horn Relief begins implementation in Lower Juba (with AFREC) and UCG in Gedo
 - Save the Children begins implementation of UCG in Hiraan and vouchers in Mogadishu (through CPD)
 - FAO/EARO supports inter-cluster coordination on cash and vouchers and requests all actors to complete 3Ws (CBRWG 6 September)
 - UNICEF establishes the CVMG (including Oxfam and COOPI as well as the Cash Consortium) and takes over the management of ODI
 - CVMG market monitoring starts
 - CVMG baselines undertaken in some areas (ODI)
 - CONCERN operations in Lower Shabelle and Bay suspended and then restarted
- October 2011
- Implementation of UCG at scale through southern Somalia
 - FAO Somalia inter-cluster coordination unit is established

- 
- November 2011
 - FSNAU convenes Roundtable Meeting on Somalia Market Analysis
 - CONCERN banned from AS controlled areas (28 November)
 - December 2011
 - CONCERN operates only in Mogadishu from here on
 - ODI/CVMG meets with donors (19 December)
 - January 2012
 - ICRC banned from AS-controlled areas
 - FAO/ICC for cash-based programming recruits two national staff
 - CBRWG *Hawala* Guidelines drafted
 - M&E training workshop (Mogadishu)
 - March 2012
 - ODI/CVMG feedback meeting on first quarter data (Nairobi)
 - FAC and ALC amalgamated into the Food Security Cluster Nairobi
 - April 2012
 - Inter-Cluster Working Group reports that AS is banning the implementation of UCG in areas they control (10 April)
 - ODI/CVMG Feedback meeting on first quarter date (Mogadishu)
 - M&E training workshop in Mogadishu
 - May 2012
 - FAC and ALC amalgamated into the Food Security Cluster Mogadishu (29 May)
 - ODI/SATG training of trainers for Phase Two (Mogadishu)
 - June 2012
 - FSC to finalise the response strategy for Somalia
 - FAO convenes round-table on cash-based responses

Annex 3a. Detailed Unconditional Cash Grant Distribution by Month, Region, Size of Transfer and NGO

Month	Area / NGO / Size of Transfer																
	Benadir Hijira	Hiraan HARDO	Hiraan HARDO	MJ SADO- Oxfam	Gedo SADO- Oxfam	MS CED	LS CED	MJ Oxfam- AFREC	LJ WASDA	Bakool ACF	Banadir ACF	Banadir DRC	Banadir DRC	Banadir DRC	LJ Adeso AFREC	Hiraan SCSOM	Gedo Adeso
	75	80	120	85	80	120	75	85	100	115	120	115	119	95	115	120	125
Jul-11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aug-11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sep-11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,000	0
Oct-11	12,548	0	0	0	0	0	0	0	7,802	7,878	0	20,850	0	0	5,300	0	5,299
Nov-11	12,548	0	0	0	0	0	0	0	7,802	0	0	20,850	0	0	5,300	11,000	5,299
Dec-11	12,548	0	2,830	0	978	0	0	0	7,802	0	0	20,850	0	0	5,300	11,000	5,299
Jan-12	0	4,000	2,830	1,000	978	1,000	3,900	3,000	7,802	0	0	20,850	0	0	5,300	11,000	5,299
Feb-12	0	4,000	2,830	1,000	978	1,000	3,900	3,000	7,802	0	0	20,850	0	0	5,300	11,000	5,299
Mar-12	12,548	4,000	0	1,000	978	1,000	3,900	3,000	0	0	0	20,850	5,300	0	0	0	5,299
Apr-12	0	0	0	0	0	0	0	3,000	0	0	0	20,850	0	0	4,900	11,568	5,299
May-12	0	0	0	0	0	0	0	3,000	0	0	0	0	0	0	0	16,216	0
Jun-12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Jul-12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,000	0
Aug-12	0	0	0	0	0	0	0	0	0	6,450	0	0	0	17,525	0	5,784	0
Sep-12	0	0	0	0	0	0	0	0	0	6,439	0	0	0	19,165	0	0	0
Oct-12	0	0	0	0	0	0	0	0	0	6,450	0	0	0	19,165	0	0	0
Nov-12	0	0	0	0	0	0	0	0	0	0	0	0	0	19,165	0	0	0
Dec-12	0	0	0	0	0	0	0	0	0	0	0	0	0	19,165	0	0	0
Total value of distributions ('000)	\$ 3,764	\$ 960	\$ 1,018	\$ 255	\$ 313	\$ 360	\$ 878	\$ 1,275	\$ 3,901	\$ 906	\$ 2,321	\$ 14,387	\$ 631	\$ 8,948	\$ 3,611	\$ 10,628	\$ 3,974

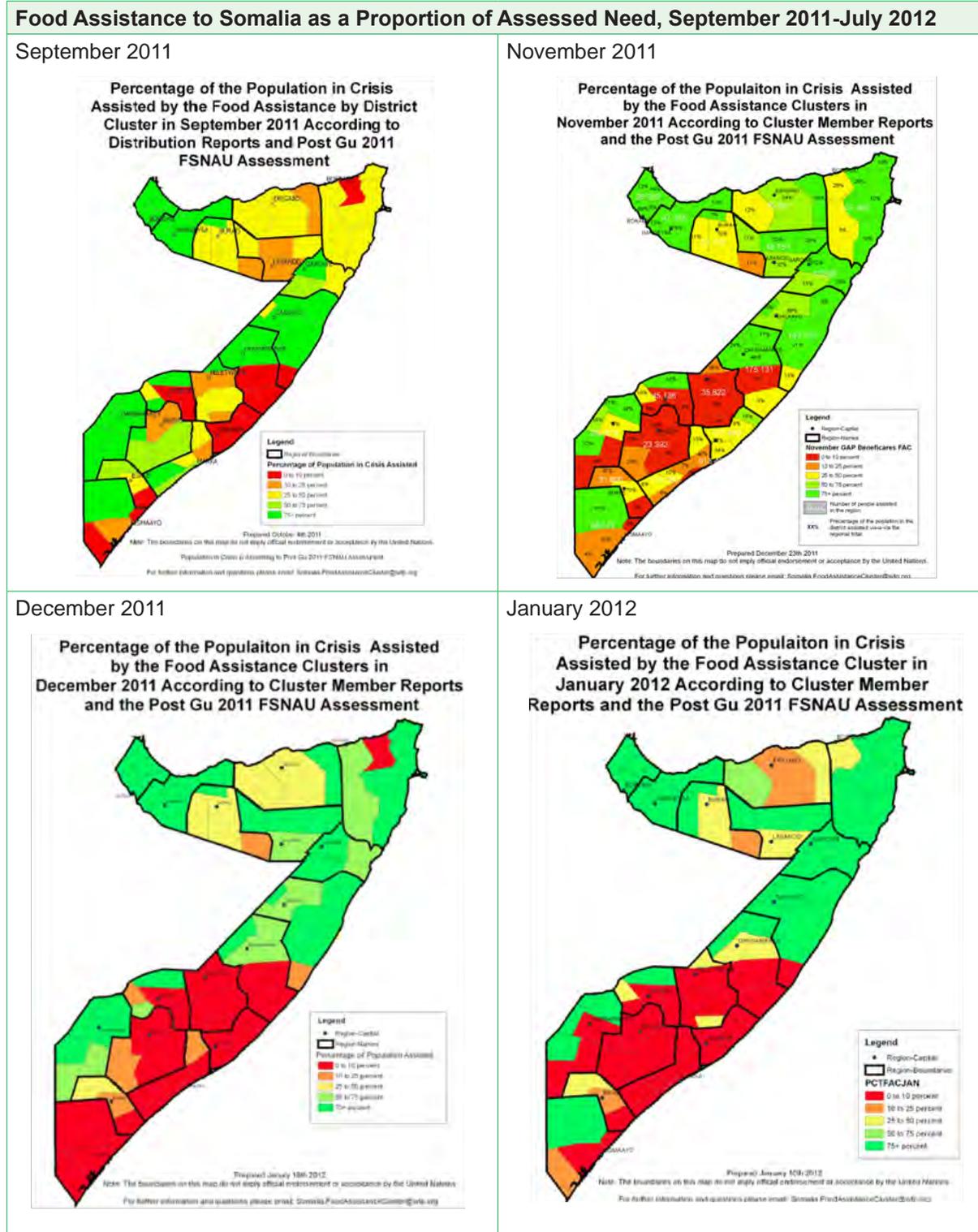
Annex 3b. Detailed Voucher Distribution by Month, Region, Size of Transfer and NGO

Month	Voucher Values																		
	LS Afgoye		Banadir		Banadir		Banadir		Banadir		Banadir		Banadir		Banadir		Banadir		
	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	Concern	
	47	47	52	75	83	51	61	46	61	46	61	46	61	46	61	46	61	46	
07-11	2,501	1,918	0	0	0	4,309	0	0	0	0	0	0	0	0	0	0	0	0	
08-11	7,000	6,108	0	0	0	11,007	0	0	0	0	0	0	0	0	0	0	0	0	
09-11	0	600	0	0	0	0	2,000	0	2,170	0	2,170	0	2,170	0	4,000	0	4,000	0	
10-11	10,000	7,965	0	0	0	13,473	2,000	0	2,170	0	2,170	0	4,343	0	4,343	0	4,500	0	
11-11	0	11,059	0	0	0	0	2,000	0	2,170	0	2,170	0	5,100	0	5,100	0	6,000	0	
12-11	0	11,559	0	0	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	4,500	0	
01-12	0	12,531	0	0	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	4,500	0	
02-12	0	0	0	12,531	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
03-12	0	0	0	12,498	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
04-12	0	0	0	12,531	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
05-12	0	0	0	14,106	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
06-12	0	0	0	0	0	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
07-12	0	0	0	0	1,016	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
08-12	0	0	0	0	15,505	0	4,200	0	5,800	0	5,800	0	5,100	0	5,100	0	7,000	0	
09-12	0	0	4,429	0	0	0	0	4,818	0	3,324	0	3,324	3,165	0	3,165	475	7,000	0	
10-12	0	0	4,429	0	0	0	0	4,818	0	3,324	0	3,324	3,165	0	3,165	475	7,000	0	
11-12	0	0	0	0	0	0	0	4,818	0	3,324	0	3,324	3,165	0	3,165	475	7,000	0	
12-12	0	0	0	0	0	0	0	4,818	0	3,324	0	3,324	3,165	0	3,165	475	7,000	0	
'000	\$ 917	\$ 2,432	\$ 461	\$ 3,875	\$ 1,371	\$ 1,468	\$ 2,672	\$ 887	\$ 1,459	\$ 612	\$ 810	\$ 3,570	\$ 617	\$ 1,440	\$ 475	\$ 450	\$ 2,279	\$ 5,376	\$ 1,853

Annex 3c. Summary Distribution by type of Transfer and Total

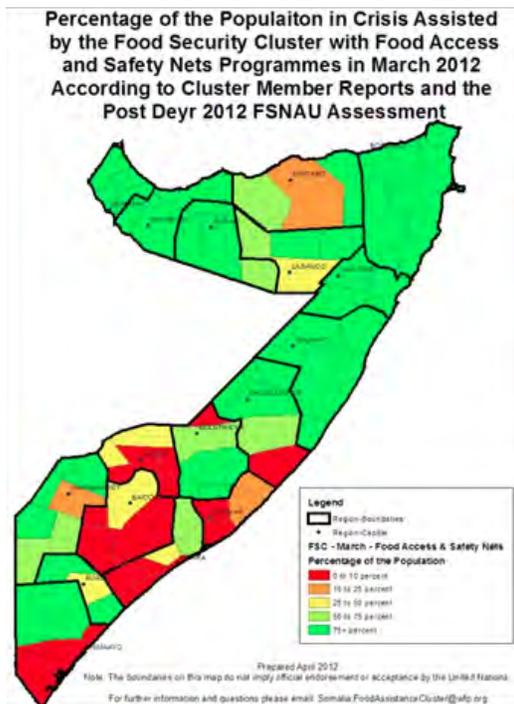
Month	Total Individual Transfers Made	Total Cash Values		
		Total Cash Value of All Distributions	Total Value of Cash Distributions	Total Value of Voucher Distributions
Jul-11	49,453	\$427,452	\$0	\$427,452
Aug-11	81,232	\$2,242,703	\$0	\$2,242,703
Sep-11	60,557	\$1,802,570	\$1,320,000	\$482,570
Oct-11	156,945	\$9,454,893	\$6,296,895	\$3,157,998
Nov-11	148,976	\$9,604,568	\$6,710,925	\$2,893,643
Dec-11	142,144	\$9,181,538	\$7,128,765	\$2,052,773
Jan-12	153,359	\$9,987,002	\$7,260,165	\$2,726,837
Feb-12	144,890	\$9,192,870	\$5,940,165	\$3,252,705
Mar-12	103,993	\$4,945,590	\$2,722,540	\$2,223,050
Apr-12	121,948	\$7,927,310	\$5,266,785	\$2,660,525
May-12	97,152	\$4,979,570	\$2,200,920	\$2,778,650
Jun-12	65,861	\$1,855,775	\$0	\$1,855,775
Jul-12	64,407	\$2,152,603	\$1,320,000	\$832,603
Aug-12	104,686	\$5,658,145	\$3,132,955	\$2,525,190
Sep-12	91,493	\$4,025,830	\$2,593,355	\$1,432,475
Oct-12	82,534	\$3,402,075	\$2,594,675	\$807,400
Nov-12	78,686	\$2,887,767	\$1,820,675	\$1,067,092
Dec-12	71,716	\$2,397,767	\$1,820,675	\$577,092
	1,820,032	\$ 92,126,000	\$ 58,129,000	\$ 33,997,000

Annex 4. Time Series Kilocalorie Maps and Coverage of Food Assistance

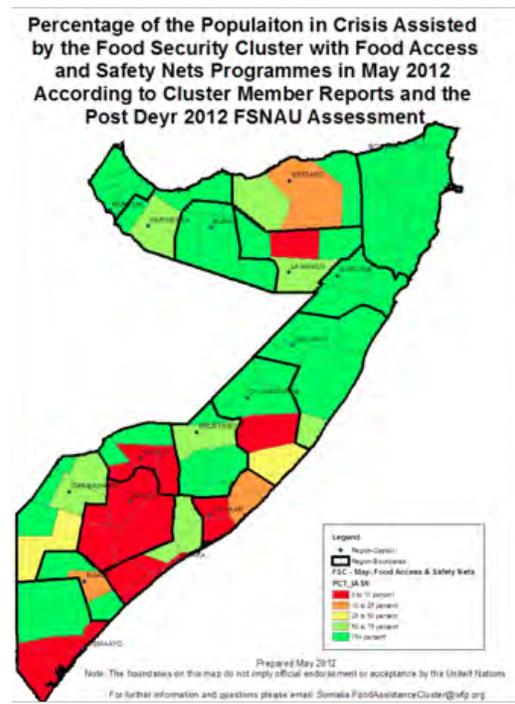


Food Assistance to Somalia as a Proportion of Assessed Need, September 2011-July 2012 (cont.)

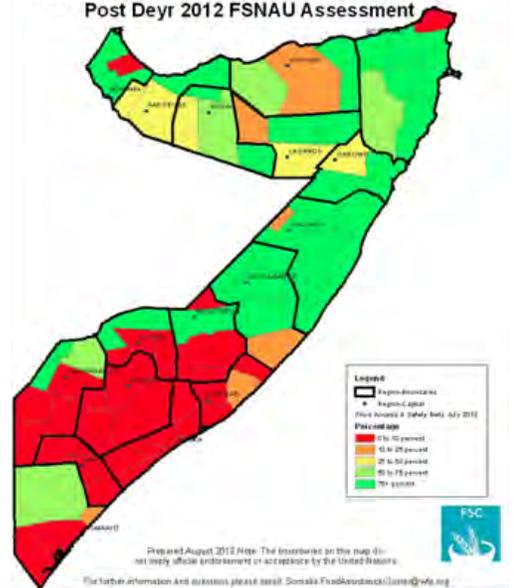
March 2012



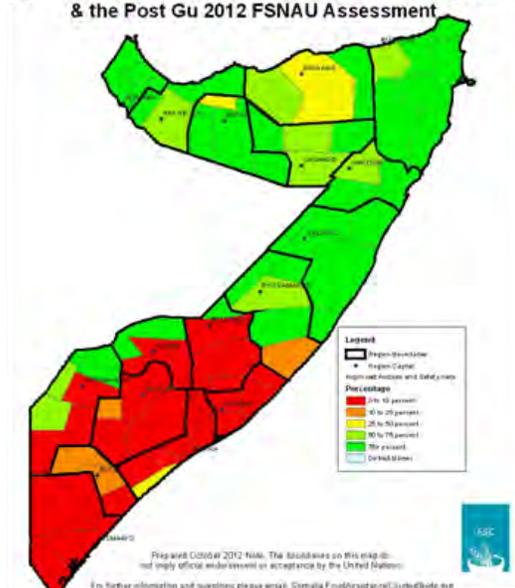
May 2012



Percentage of the Population in Crisis Assisted by the Food Security Cluster with Food Access and Safety Nets Programmes in July 2012 According to Cluster Member Reports and the Post Deyr 2012 FSNAU Assessment



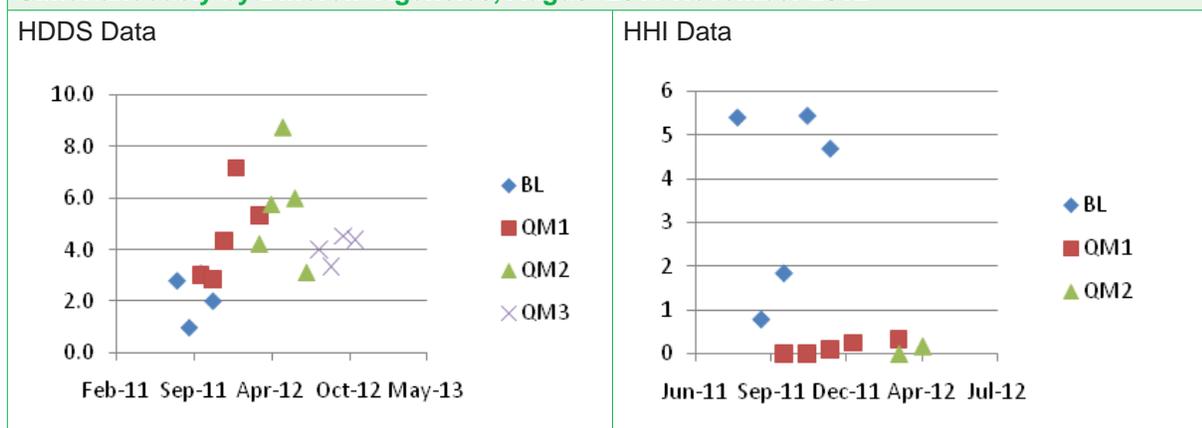
Percentage of the Population in Crisis & Emergency Assisted by the Food Security Cluster with Food Access & Safety Nets Programmes in September 2012 According to Cluster Member Reports & the Post Gu 2012 FSNAU Assessment



Annex 5. Caveats about the Impact Analysis, the Food Security Indicators Used and the Data.

- There are two ways of looking at these indicators: (a) their numerical score (average) or (b) the percentage of beneficiaries falling into a category (poor, borderline or acceptable). It depends largely on the objective of the response, which in this case was to prevent further death and malnutrition and, by default, try to achieve a *minimum* diet quality and quantity. The two analyses are presented here: average values under the section on Impact and percentage of population achieving a minimum food quality in the section under Effectiveness. Cash evidently improves overall quality of diet and the more cash the better. But vouchers are also adequate to achieve minimum diet quality, if in fact the food basket is consumed and not sold or bartered for other food or non-food items, which may have been the case. Then the question becomes, ‘what is the objective’? And if the cost to achieve additional benefits (reduced diversion, greater acceptability for beneficiaries, governments, etc., improved livelihoods recovery or security, market stimulation and multipliers that have positive impacts for non-beneficiaries, etc.) justify the additional cost.
- Given the strengths and weakness of a food consumption-based indicator described under Value for Money, *in the short term* HHI is most likely a better indicator. However, the modal score for HHI rapidly drops to zero, making it impossible to use this indicator for more than the first six months of the response.
- With the HDDS and HHI information, we analysed data by month, collected during two periods – baseline and quarterly post-distribution monitoring. Baseline data collected *before the intervention* started, e.g., by Oxfam’s partners, in October 2011 is therefore combined with quarterly data collected *after the intervention* by DRC and Concern. However as Figure 16 indicates, combining the baseline and quarterly data would have only slowed the rate of decline and not necessarily biased the result. Another potential bias in the sample is the effect of external factors, e.g., declining food prices, and improving wage and livestock prices. Indeed household dietary diversity and the proportion of expenditures on food and debt seem to follow trends – particularly for agricultural and agro-pastoral households.

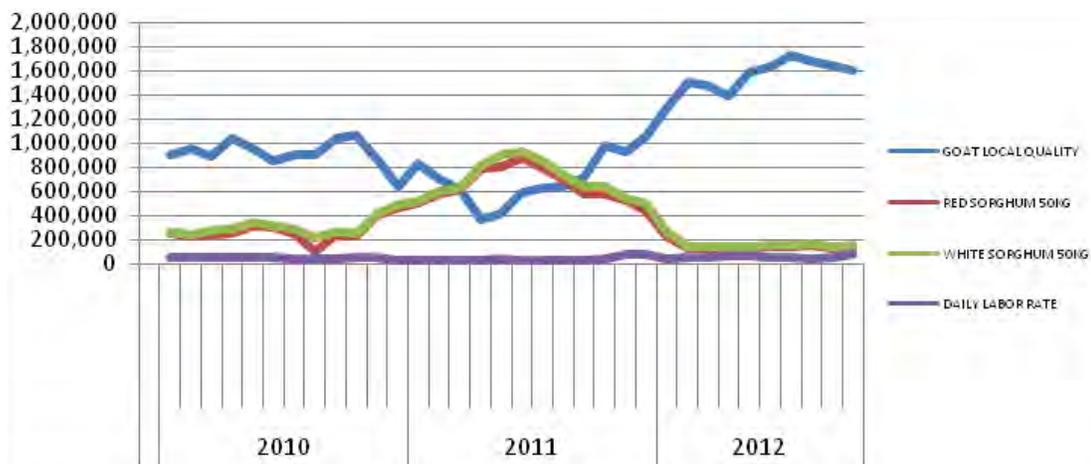
Figure 16: Potential Confounding because Pre and Post Intervention Data Was Collected Simultaneously by Different Agencies, August 2011-November 2012



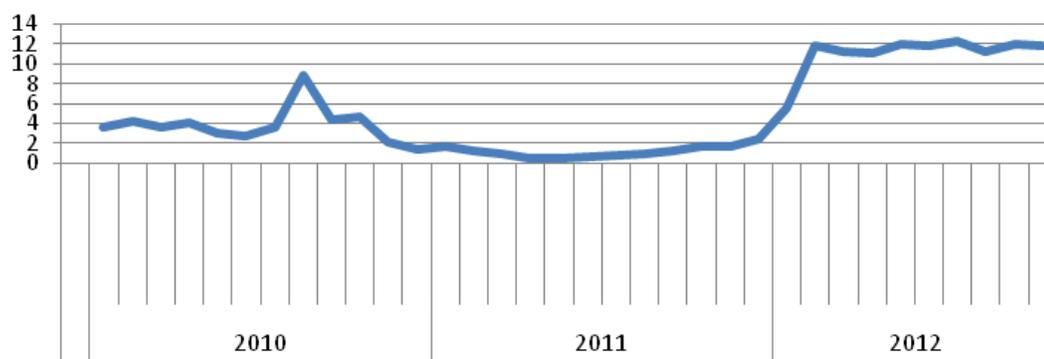
Annex 6. Market Trends in UCTP versus Non-UCTP Markets

Figure 1. Terms of Trade: Qansah Deere Market, Bay Region (Not a Cash Response Area)

Bay Region Prices: 2010-12



Terms of Trade Sorghum/Goats: 2010-12



Terms of Trade Sorghum/Daily Labour: 2010-12

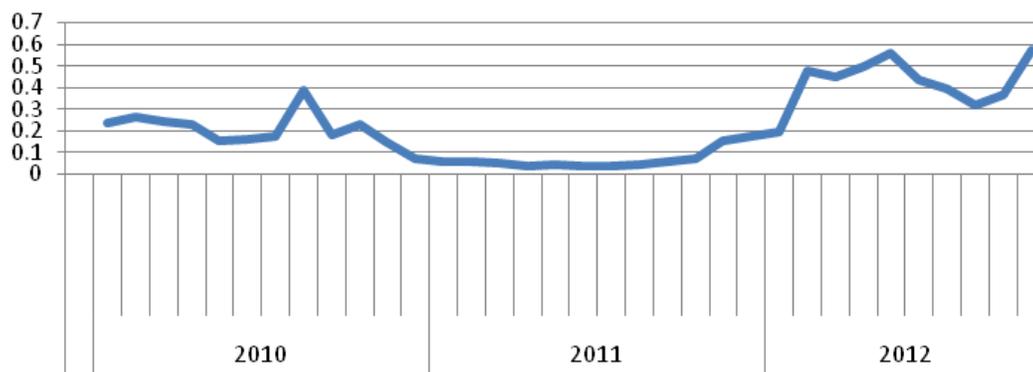
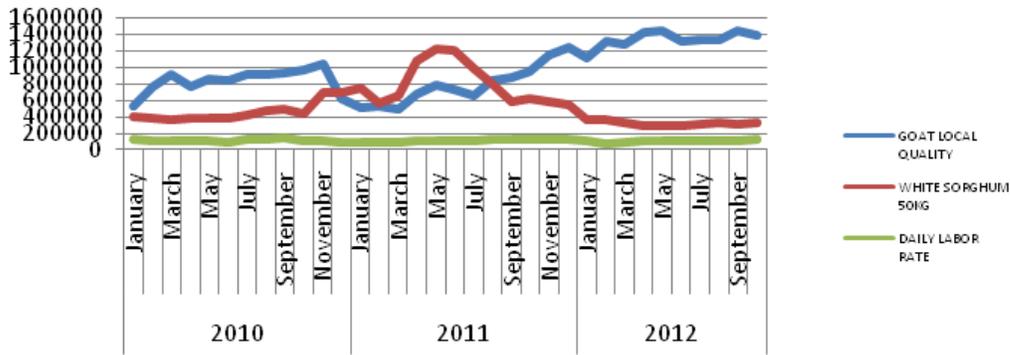
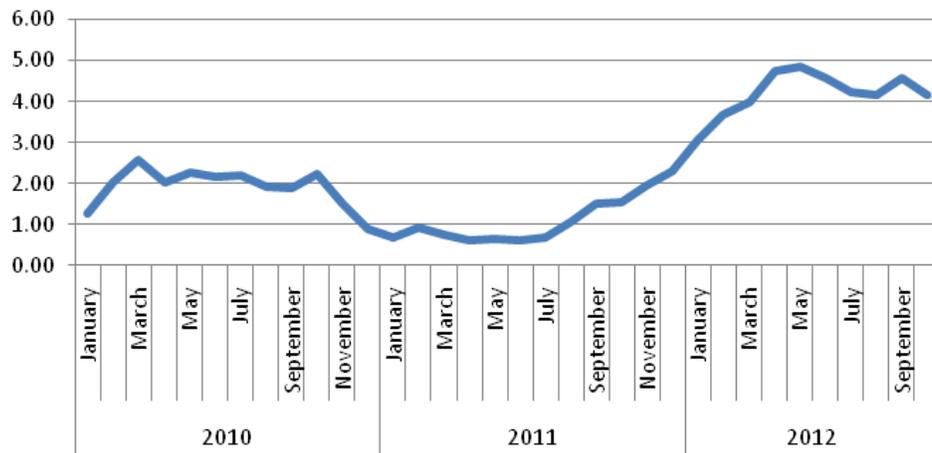


Figure 2. Terms of Trade: Belet Weyne Market, Hiraan Region (A Major Cash Response Area)

Hiraan Region Prices: 2010-12



Terms of Trade Sorghum/Goats: 2010-12



Terms of Trade Sorghum/Daily Labour: 2010-2012

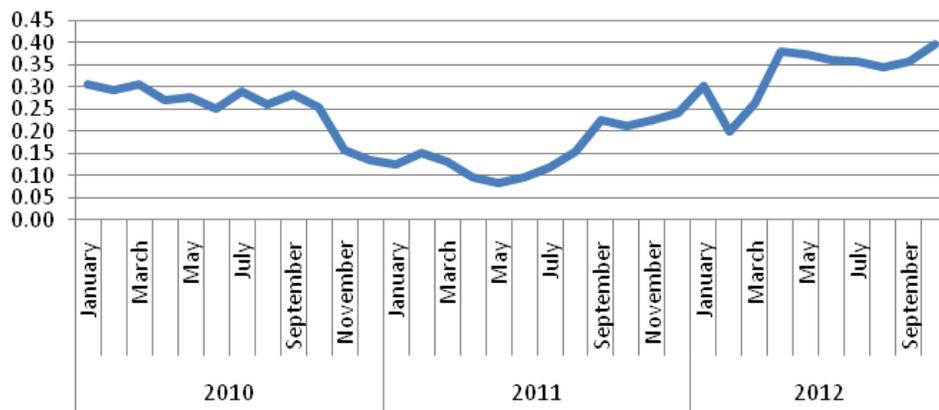
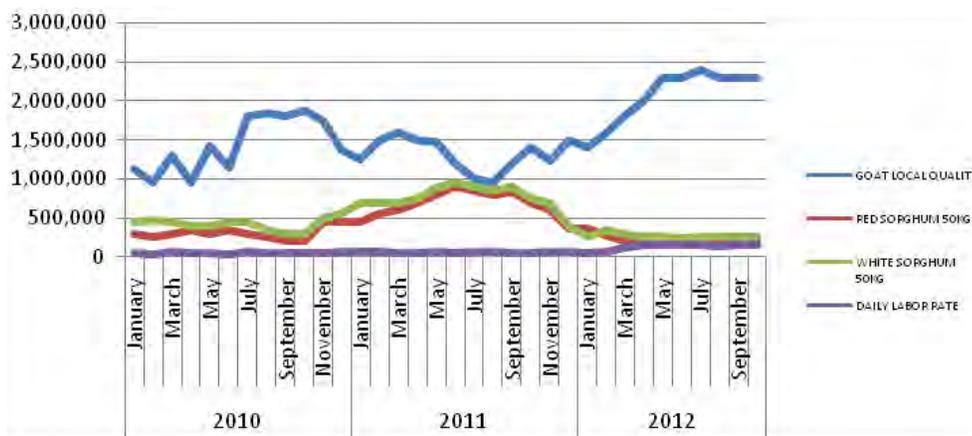
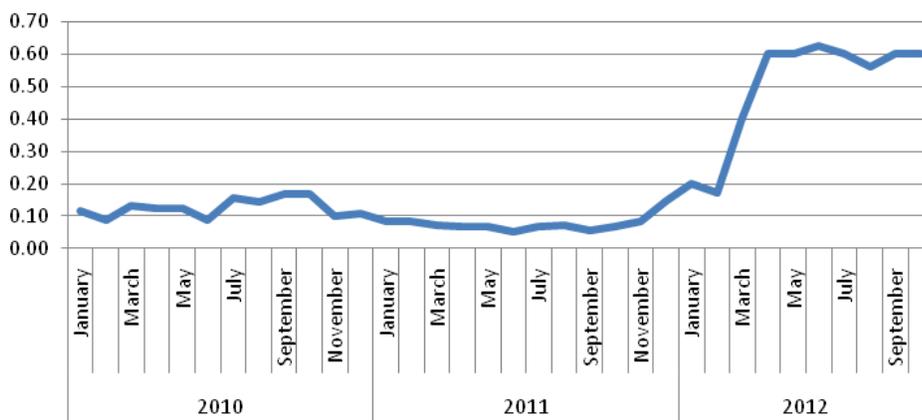


Figure 3. Terms of Trade: Bakara Market, Mogadishu (A Major Cash Response Area)

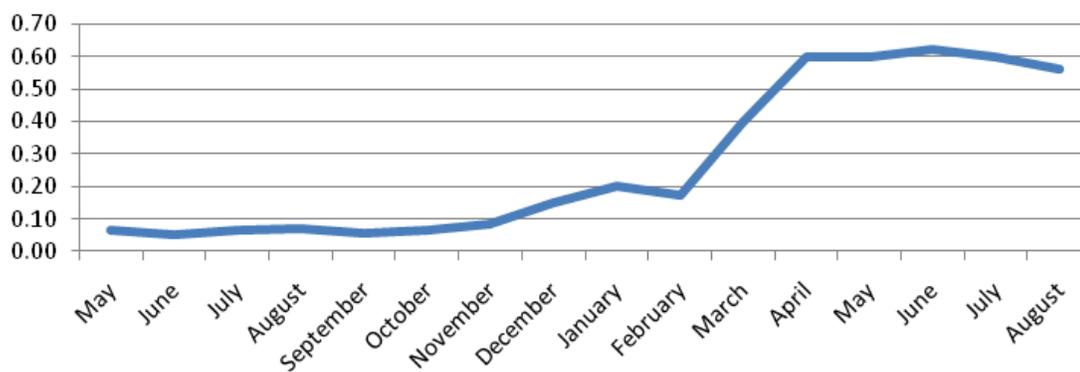
Bakara Market Prices: 2010-13



Terms of Trade Sorghum/Daily Labour: 2010-13



Terms of Trade: Sorghum/Daily Labour during Response Period (Cash Response Area)



Annex 7. Results of Women's Empowerment Scale

	Before the CTP	After the CTP
Economy	40 per cent earned at least some income.	
	40 per cent contributed nothing to the family's income, while 49 per cent contributed less than half.	Now 28 per cent provide half, while 36 per cent contributed less than half, and 33 per cent say they still contribute nothing (CTP is not registered in her name).
	34 per cent controlled none of the household expenditures, while 46 per cent controlled less than half.	Reduced: 21 per cent control none of the household expenditures, while 41 per cent controlled less than half, and now 28 per cent control half of expenditures.
	12 per cent were involved in savings schemes (<i>ayuto</i>).	Reduced: 7 per cent ARE involved in savings schemes (<i>ayuto</i>).
Decision-making	Regarding her health, 46 per cent say the husband makes the decision, while 35 per cent decided for themselves.	Regarding her health, 42 per cent say the husband makes the decision, 26 per cent joint, while 28 per cent decided for themselves.
	Regarding the health of the children, 40 per cent say the husband makes the decision, while 28 per cent say they do, and 28 per cent say decisions are made jointly.	Regarding the health of the children, 33 per cent say the husband makes the decision, while 40 per cent say they do, and 24 per cent say decisions are made jointly.
	Regarding schooling children, 35 per cent say the husband or both spouses make decisions, while 28 per cent say they (the mother) does.	Regarding schooling children, 35 per cent say the husband, 23 per cent both spouses make decisions, while 40 per cent say they (the mother) does.
	Regarding daily expenditures, 49 per cent say they make the decisions, 20 per cent say the husband, and 26 per cent say joint decision making.	Regarding daily expenditures, 40 per cent say they make the decisions, 33 per cent say the husband, and 24 per cent say joint decision making.
	Regarding large expenditures, 40 per cent say they make the decisions, 33 per cent say the husband, and 26 per cent say joint decision making.	Regarding large expenditures, 41 per cent say they make the decisions, 30 per cent say the husband, and 26 per cent say joint decision making.

	Concerning food cooked every day, 53 per cent say they make the decision, 30 per cent both spouses, and 14 per cent say the husbands.	Concerning food cooked every day, 58 per cent say they make the decision, 30 per cent both spouses, and 9 per cent say the husbands.
	Concerning decisions to help relatives, 40 per cent say the husband makes the decision, 42 per cent say joint decision making, and 26 per cent say it is them.	Concerning decisions to help relatives, 31 per cent say the husband makes the decision, 50 per cent say joint decision making, and 30 per cent say it is them.
Mobility	Concerning the decision to move the family (including children), 40 per cent say the husband makes the decision, 32 per cent joint, and 26 per cent themselves.	Concerning the decision to move the family (including children), 36 per cent say the husband makes the decision, 33 per cent joint, and 29 per cent themselves.
Social involvement	Before the CTP, 51 per cent joined in community activities.	Before the CTP, 61 per cent joined in community activities.
	WES= 3.9 (scale of 0-8)	WES = 4.6 (scale of 0 - 8)





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