

Using social protection systems to implement emergency cash transfers: the case of Lesotho

Ousmane Niang and Betina Ramirez

Lesotho has experienced significant economic growth in the past two decades, but deep poverty and chronic malnutrition are persistent problems. In 2010, an estimated 57% of households in Lesotho lived below the basic needs poverty line of \$1.08 per day, and 34% lived below the food poverty line of \$0.61 per day. Poverty is compounded by a steep drop in domestic agricultural production – the sector where most of the poor make their livelihoods – severe environmental degradation, the effects of the global financial crisis and one of the highest HIV/AIDS rates in the world (23%). This extended household food insecurity fuels an inadequate dietary intake and a high disease burden, which have together translated into a level of chronic malnutrition of 40%. Under this ‘silent crisis’, 39% of Basotho children under the age of five suffer from stunting, the consequences of which are serious, lifelong and irreversible.¹ This chronic vulnerability coupled with exposure to erratic weather patterns results in recurrent crises. Most recently, in 2011 and 2012, floods, late rains and early frost badly hit agricultural yields, with domestic production reduced to a third of the national average cereal harvest. At the time, some three-quarters of a million people – more than a third of the population – were food insecure.

Given the scale of the emergency and the urgent need for a response, in August 2012 the government declared an emergency food crisis, and in September it launched an appeal for international assistance. As part of the United Nations Flash Appeal, UNICEF supported the Ministry of Social Development (MoSD) in responding to the food emergency through the Livelihood Intervention during Food Emergency (LIFE) project.

The LIFE project and the Lesotho Child Grants Programme

The main objective of the LIFE intervention was to strengthen national capacity to meet the needs of orphans and other vulnerable children in areas affected by the food crisis. The one-year intervention, funded by the UN’s Central Emergency Response Fund (CERF) and the UK Department for International Development (DFID), targeted 6,802 households caring for 21,345 orphaned and vulnerable children to ensure their access to adequate food. The approach taken was the provision of cash transfers amounting to \$20 per month. The grant aimed to cover 40% of a household’s basic income.

To deliver the emergency grant, the intervention was embedded in the Lesotho Child Grants Programme (CGP). The CGP is an unconditional cash transfer. Established with the support of the European Commission in 2009, its funding and administration has recently been fully taken over by the MoSD. It currently (mid-2014) reaches almost

¹ Government of Lesotho, *Lesotho Demographic and Health Survey*, 2009.

25,000 of the most vulnerable households in Lesotho through quarterly cash grants covering on average 21.5% of a household’s income. Targeted at households with children, it operates in half the community councils in all ten districts of the country and through the National Information System for Social Assistance (NISSA). Embedding the LIFE intervention within the CGP meant that the project could use the CGP’s existing targeting mechanisms and implementation and monitoring procedures, improving response time and cost-efficiency. It also helped to build the capacity of the newly established MoSD to manage and lead cash transfers using national systems.

Using the Child Grants Programme system to implement LIFE

Within the CGP, households’ socio-economic information is registered in the NISSA database. Beneficiaries are then selected through a combination of proxy means-testing and community validation. The NISSA currently holds information on around a quarter of the country’s households. Starting with critical areas identified by the national Disaster Management Authority (DMA) not covered already by NISSA, LIFE performed a rapid assessment to register over 16,000 households on the system. The Management Information System (MIS) subsequently provided a list of all households within the affected areas, their poverty status, livelihood assets and average food consumption, as well as the number of adults and children in the household. This allowed for fast and easy targeting of the population most vulnerable to the food emergency.

The LIFE cash top-ups were paid as part of regular CGP payments. This allowed for rapid distribution as no new procurement processes had to be set up to sub-contract payment agencies; new areas were simply added to existing arrangements with the banks and security companies that disburse money for the CGP. This arrangement also maximised economies of scale: besides insurance costs for increased payment amounts, no additional costs were incurred for the emergency payments. The LIFE intervention also used the barcode and payment book system used for the CGP, which increased transparency and accountability.

In terms of longer-term impact, the LIFE grants could easily have been a short-term emergency response, but instead its funds were used to expand the basic structures of protection available to the most vulnerable Basotho. All households classified as ultra-poor and poor in NISSA were not only eligible for LIFE top-up grants, but in recognition of their chronic vulnerability approximately 3,500 households validated by community representatives were also invited to enrol in the CGP, and thus continued to benefit from institutionalised social protection.



A resident of Qacha's Nek, Lesotho, collects her cash grant

Besides providing direct support to a total of 16,474 vulnerable households, the LIFE project also helped register an additional 30,000 households on NISSA. These households will now be easily identified and tracked by all public assistance programmes using the platform.² LIFE was thus more than a humanitarian intervention: it was a clear gateway into development programming, not only for the above-mentioned families, but also by building capacity within the MoSD to manage emergency interventions when necessary.

UNICEF's participation included a basic social services component that was meant to sensitise communities and households on the long-term implications of negative coping mechanisms. It included social mobilisation activities to keep children in school, ensure their proper nutrition, reduce child labour, prevent and protect children from violence, abuse and exploitation and increase children's access to health services.

Impact on communities and the local economy

While there was no evaluation specifically of the LIFE intervention, the findings from the 2013 impact evaluation of the CGP allows us to extrapolate conclusions.³ The study found that, among CGP recipients, the poverty rate had fallen by 7% from the baseline in 2011. The CGP

² The MoSD is currently piloting an integrated social safety net scheme under which the four core social protection programmes in the country (Old Age Pension, Public Assistance, OVC Bursary and CGP) use NISSA for targeting their beneficiaries.

³ L. Pellerano et al., *Child Grants Programme Impact Evaluation: Follow-up Report*. UNICEF, FAO and Oxford Policy Management, 2014.

had a strong impact on food security: while non-CGP households continued to experience high levels of food insecurity, there has been a significant improvement among CGP households and their children. The proportion of CGP households that did not have enough food to meet their needs for at least a month between mid-2012 and mid-2013 (the peak of the crisis) fell by 5%. Similarly, the proportion of CGP adult recipients and, more significantly, children under 17 that had to eat smaller or fewer meals in the three months prior to the survey because there was not enough food in the house also decreased (by 11 percentage points). The direct impact of the CGP was large and particularly significant for children. The study also suggested that CGP beneficiaries were better equipped to deal with unanticipated shocks and less likely to send their children to live elsewhere, send children to work and take children out of school. They were also less likely to reduce spending on health and sell assets in response to shocks. These findings suggest that the provision of grants not only helps vulnerable households survive lean periods, but if distributed on a regular bases can considerably improve their capacity to cope with future shocks.

The cash injections also had a wider impact on the local economy, stimulating demand for locally supplied goods and services. A recent impact evaluation found that, for every Loti spent on a transfer, 1.36 Maloti are generated in the local economy.⁴

⁴ E. J. Taylor, K. Thome and M. Filipiak, *Evaluating Local General Equilibrium Impacts of Lesotho's Child Grants Programme*. Rome: FAO, 2013. Maloti is the plural of Loti.

Lessons

Using existing structures can increase the speed and efficiency of emergency responses

The main lesson from the LIFE intervention is that emergency responses can and should make use of existing government structures and social protection interventions to reach the most vulnerable. By attaching the LIFE top-up payments to the CGP grant, it was possible not only to reach those in need quickly, but also to ensure that the help went to those who needed it most (pro-poor targeting). When the nature of the emergency dictates that poverty predicts vulnerability – as is the case with widespread food insecurity caused by poor production affecting subsistence farmers – it is important to ensure that funding is directed to those who most need it.

Exploiting synergies between emergency responses and social protection schemes is critical to promoting resilience

Linking the emergency response to social protection instruments from an early stage ensures a smooth transition from emergency to development, as is the case for the thousands of households enrolled in the CGP following LIFE's rapid assessment. In 2013, almost 3,500 households became beneficiaries after their data

was collected through LIFE. As such, the funds provided by donors for LIFE will have an effect on the long-term social protection of thousands of children far beyond the emergency response. In fact, one of the recommendations of the 2013 Vulnerability Assessment published by the DMA was that the NISSA should be expanded and used for other social protection programmes, not just the CGP, recognising the potential social protection systems have to prevent vulnerability to shocks and disasters.

A national single registry has great potential for governmental and UN agencies to better link emergency and development programming

Tools like NISSA will be crucial to realise the vision presented above, and both the European Commission and UNICEF are committed to ensuring its evolution into a single national registry for social assistance, including its potential during emergency responses. Indeed, the UN's regional strategy for disaster risk reduction and resilience-building has incorporated NISSA into its framework. This has the potential to benefit the work of other actors, not just UN agencies, but government and civil society entities as well.

Ousmane Niang is Chief Social Policy, UNICEF Lesotho. **Betina Ramirez** is Social Protection Consultant – Knowledge Management, UNICEF Lesotho.

Gaining acceptance: lessons from engagement with armed groups in Afghanistan and Somalia

Ashley Jackson

While securing 'acceptance' is vital for aid agencies operating in insecure environments, precisely how acceptance is secured and understood varies. Recent research on engaging with armed groups in Afghanistan and Somalia provides greater insight into the kinds of 'acceptance' tactics and strategies that are most effective – and those that may pose unintended risks.

Operationalising 'acceptance'

Despite the extensive literature devoted to acceptance strategies, and the widely held belief that acceptance is essential for humanitarian agencies to maintain presence, field research in Afghanistan and Somalia indicated that 'acceptance' remains inconsistently understood and implemented. Few agencies in either country had a clearly articulated acceptance strategy, implemented consistently throughout the organisation; acceptance appeared to be assumed more than actively cultivated through engagement with belligerents. Consequently, some senior managers were not fully aware of how staff at the local level were gaining or maintaining access. In some cases, managers appeared to want to know as little as possible, or perhaps felt unable to ask field staff exactly what they were doing to gain access. One senior representative of an international NGO in Afghanistan commented that 'we trust our people in the field' to 'gauge risk and then do

what's needed to get the programmes done ... we don't discuss it internally much'.¹

This avoidance of direct, intentional engagement with armed groups is hardly surprising in volatile operating environments. More active approaches require significant long-term investment in staff training, analysis, outreach and communication – costs that are often more difficult to justify to donors than 'hard' security expenditures such as blast walls or armed guards.² Additionally, donor governments have exerted pressure on aid agencies not to engage with Al-Shabaab in Somalia and, until recently, the Taliban in Afghanistan. In Somalia, counter-terror restrictions are a powerful deterrent to engaging with Al-Shabaab. In Afghanistan, interviewees described the 'chilling effect' on engagement of the Afghan government's expulsion of two Western diplomats in late 2007 for allegedly engaging in political talks with the Taliban in Helmand.

¹ Ashley Jackson and Antonio Giustozzi, *Talking to the Other Side: Humanitarian Negotiations with the Taliban in Afghanistan*, HPG Working Paper, 2012, p. 5.

² Adele Stoddard and Abby Harmer, *Supporting Security for Humanitarian Action: A Review of Critical Issues for the Humanitarian Community*, Commissioned by the conveners of the Montreux X Conference, Humanitarian Outcomes, 2012.