

Can you text me now? Mobile money transfer in Niger

Concern Worldwide has been operating in Niger since 2003, in Tahoua district, one of the areas worst-affected by the recent food crisis. The severe drought of 2009 meant that the average household production in Tahoua Region for 2009-10 met only 25% of food requirements.

Concern's early analysis of the situation highlighted the vulnerability of large portions of the population to food insecurity and acute malnutrition. The underlying causes identified were: severely limited availability of household food due to crop failure, rising prices in local and regional markets caused by drought, and insufficient public health services. In December 2009, an assessment showed that up to 410,087 people would face production deficits by the end of March 2010 and malnutrition rates for children under five in Tahoua region breached emergency thresholds. In affected communities the poorest 10% of the population were already spending 64% of their money on food.

Concern launched an early, multi-sector response using cash, improved seed varieties and emergency nutrition programmes to reach the most vulnerable, before food ran out and large numbers of children became severely malnourished. The programme aimed to reduce child mortality due to malnutrition, and protect productive assets among the most vulnerable. Between April and September 2010, Concern distributed cash on a monthly basis to 9,000 of the poorest households in villages which had greater than 50% crop failure and with children under the ages of five and two. People in villages experiencing the greatest food shortages had the choice of a monthly cash transfer or a package of assistance comprising drought resistant seeds, fertilizer and two monthly cash instalments.

In a ground breaking pilot, Concern entered into a partnership with Zain (now Airtel Niger), a leading telecoms provider, to deliver some of the cash through the company's new mobile money transfer (MMT) service, ZAP. This was the first such pilot in Francophone Africa. The partnership overcame numerous operating constraints (Box 1) to prove that MMT technology can be a viable option for supporting vulnerable groups to access their basic needs even in difficult environments. An operational research component led by Tufts University is documenting the cost effectiveness of the MMT solution along with the wider effects of the introduction of the MMT system. Early findings of interest are detailed in Box 2.

The findings and recommendations of this research will be available later in 2011.

Box 1

Constraints facing the use of the MMT solution for delivering cash in Niger

- Only one mobile service provider had the technology to run a MMT system and was only just beginning to roll it out as a commercially viable product
- Mobile phone coverage can be sporadic and patchy
- The MMT service provider had little experience in this type of programming, requiring close collaboration
- One of the lowest mobile phone ownership rates in Africa
- One of the lowest female literacy rates in the world
- Rural and semi nomadic communities

Box 2

Early findings of research into the impacts of MMT: mid-term review Tufts University November 2010

- 100% of MMT-recipients recognised when they received their funds, through word of mouth, prior notification that the message was coming and the distinctive ZAP transfer tone. Almost 100% of MMT-recipients received the full transfer value even if helped by a third party.
- Although overall ability to use the phone was extremely low at the beginning of the programme there were significant improvements over the three months. The vast majority were able to send and receive text messages and use ZAP with some assistance, whilst the remainder could answer and make calls. However, the need for on-the-ground assistance remains.
- MMT-recipients had significantly higher diet diversity than those receiving cash manually (manual-recipients).
- MMT-recipients reported significantly more involvement in household decisions on expenditure than either the manual-recipients or control-recipients (these received cash manually and were given a free phone).
- MMT-recipient households were less likely to have one of their household members work as a domestic servant.
- Both MMT-recipient and control-recipient households were more likely to have a member of the household migrate for work, due to the increased communication the phone offered.
- Manual-recipients had a far higher opportunity cost, walking on average 2km to receive the transfer. MMT-recipients generally walked less than 0.5km.
- MMT-recipient households significantly increased production of cash crops and use of improved seeds and fertilizer relative to manual-recipients. They were also more likely to sell their animals at a higher price.
- MMT-recipients used their phones in a variety of ways including to communicate with friends and family.



Women displaying their ID cards in Niger. © Concern Worldwide



Concern produced picture-based teaching tools and sent teams to over a hundred villages. These teams taught women to recognise letters and numbers, to send and receive text messages and the codes they needed for cash.

MMT-recipient case study: June 2010

Goma Isuné, 70 years old – she had nine children, six have died

"I look after my grandchildren, there are many of them. This is the first time I have a phone. All my family keeps calling me, and I can answer the phone. My grandchildren help me to use it, but I don't know yet how to write text messages. A woman in the village is responsible for charging everyone's phone... I am very happy to own a phone, because I can easily get in touch with my children who live far away."

MMT-recipient case study: June 2010

Chawaatou Ohone: 29 years old – six children (10 months to 13 years)

"This is the first time that I have owned a phone, and thanks to Concern staff, I've learnt how to use it. I can manage to switch the phone on and answer it when someone calls me. I can also open the Zain cash transfer message. Once I receive the message, I go over to the customer service to pick up the money."

Impact of cash on nutrition

In September 2010 after five months of intervention, prevalence of acute malnutrition in children under five was lower in the cash beneficiaries than in the non-beneficiaries. The lack of baseline nutrition survey data, (due to political constraints), means it is not possible to attribute these differences to the cash intervention. However, the fact that children in the poorest households had better nutritional status at the end of the hunger season than the wider population demands more investigation. The differences in under nutrition between the groups, however, could not be explained by differences in dietary diversity and number of meals per day. Nutritional impact pathways are complex and factors such as illness, access to healthcare and behavioural practices all influence nutritional outcomes. This highlights the need for further work on these impact pathways and on developing indicators linking cash directly with improved nutrition outcomes.

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<http://www.concern.net/about/our-programmes/livelihoods/socialprotection>

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