

## **DRAFT Report**

Cash & Voucher Lessons Learned Workshop OFDA/ DG ECHO– Niamey 09 &10 Dec 2010

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1. The total number of families served with cash or vouchers in Niger in 2010 exceeds 165,000 families or over 1 million people (7% of the population), worth close to 16 MEUR. A fifth of these beneficiaries (approximately 33,000 families) have been served with DG ECHO funding (please see attached overview based on data presented).
2. A big variety of mostly cash and some voucher instruments were and continue to be used in different ways, using at times innovative methods such as transfer by SMS (Concern Worldwide in Tahoua). At least 15 different agencies (13 operators presented at the workshop, as well as the Cash Learning Partnership (CaLP) programme and the World Bank/ Government of Niger - CCA) used cash/ vouchers in response to the food and nutrition crisis this year (which provided the purpose, the opportunity and the means to plan, develop and scale-up the use of cash).
3. The workshop gave a very good and sustained turn-out and interest, lively discussions and a large sharing of experience both on and off the workshop. Positive feedback was in general received from the participants. The quality of presentations was generally good, people stayed throughout and the LRRD session on Friday-afternoon was attended by the WB - GoN/ Cellule de Crise Alimentaire, the EU Delegation and France.
4. The first time limited ad hoc unconditional cash interventions (Cash For Work has been more common) were implemented in Niger was in 2005 and 2006 by the British Red Cross in response to the food-security crisis at the time, but data and outcomes were not retained. Notably DG ECHO's active interest in Household Economy Analysis (HEA) from 2006 with SC UK allowed for introducing an objective and comparable methodology.
5. HEA enables an objective identification and description of needs based on economic criteria at household level, leading to comparable baselines (with areas in other regions and countries) with a 5-year validity. This 'discovered' a 4th tier of population living far below the poverty marker, undetected and thus not served by development programmes.
6. Evaluations of the 2005 crisis in Niger and the impact of the international response included a study by the French research institute Lasdel. It considered the success of the emergency response from the point of view of the beneficiaries and observed that they had relied on the money transfers from own families and diaspora ('Western Union') rather than on international relief (with the exception of targeted nutrition/ health assistance).

7. The results from HEA studies, progressively available from 2007 in Niger, have also started to provide the kind of detailed information that can be exploited for **precise targeting, a vital pre-condition for successful cash transfer programming**. The data may further contribute to provide insights in correlations from a socio-economic point of view, such as solid indications of high prevalence of acute malnutrition that is found in the poorest tiers of the population. Well targeted cash transfer programmes may prove to be a highly cost-effective component in the efforts to prevent acute malnutrition.
8. A first mixed un-conditional and non-contributory (such as cash for training) cash transfer pilot on the basis of HEA to persons on that group during the lean season of 2008 was implemented by SC UK, using participatory community-based targeting. Such or similar HEA-based approaches informed almost all cash operations in 2010. This way of targeting as a participatory process, where the entire community agrees that intended beneficiaries indeed require the cash most, seems less known in aid programmes elsewhere.
9. This is thus also per definition obliging the aid to be programmed bottom-up for and with the beneficiaries, tailored to individual and families' needs and appropriate to the context avoiding harm (where top-down programmed large international commodity transfers are less obliged to understand local conditions and needs in detail and may run such risks more easily).
10. The workshop reported by and large satisfying results, judging the precision of targeting, the lack of conflict between beneficiaries and non-beneficiaries, the persistent targeting of women in the household (thus also avoiding issues of polygamy, albeit not usual practice in this poorest part of society), the use of cash by the beneficiaries spending it mostly for more and a better quality and variety of food, the stimulation of local markets. The FFP team reported a preference for vouchers rather than cash in one location, as vouchers were fixing entitlements to commodities for them, thus protecting them from creditors who were waiting to be reimbursed from debts.
11. The onset of the 2010 food and nutrition crisis in the eastern part of the West Africa Sahel was recognised early-on in the fall of 2009, with DG ECHO making 10 MEUR available from 01/11/09 for an initial response, benefiting Burkina Faso, Chad and Niger in particular. It provided the opportunity in Niger to prepare for a scaled-up implementation of emergency cash transfer programmes thanks to the expertise meanwhile acquired, through SC UK and Concern Worldwide, initially aiding over 20,000 families (more than 150,000 persons) and co-funded by OFDA in particular as well as DFID and other donors.
12. This trend largely contributed to the rapid progressive use of cash and voucher programming in response to the evolving crisis into 2010, made possible by sustained functioning of regional markets and importation of surplus food from non-drought affected regions elsewhere in West Africa to Niger. Availability of food on Niger markets remained adequate (at one point, over 90% of food on markets was imported) which made cash operations relevant (priority commodities available to buy), albeit at a cost.

13. The lack of access to available foods by the poorest is exactly what cash aims to address, with all the advantages this brings. Although many evaluations are still on-going, there is general agreement on the success of emergency cash interventions in Niger this year. Aspects such as **the individual choice and dignity of the recipient**, an increased confidence in the beneficiary as recipients do actually use it for buying priority items (between 67 and 90+ % for more and better/ more diverse foods, also for potable water (in urban settings), other items, reinvestment (animals) and debt-relief) were most reported at the workshop.
14. Cash-programming was also increasingly chosen later in the year during the drastic scale-up of the response (WFP EMOP) by notably WFP and UNICEF to reduce the delays in resource delivery with months, instead of having to wait for in-kind international and regional delivery, in times of a stretched pipeline and high logistics challenges. Although the question of overheads to install and operate cash and voucher-based was not much discussed, cash was likely also much more cost effective (for instance, imported foods reached 900 EUR per tonne values whilst local prices ranged around 3-400 EUR/ tonne).
15. In particular the interventions of Concern and also SC UK included an important operations research component, focusing on the impact of cash transfers on nutrition. As a result, proof of direct positive impacts on nutrition status of <5's and <2's during this year's hunger gap in highly food insecure areas due to the crisis is being reported by Concern in particular. The cost-effective synergy between socio-economic support and nutrition and health services delivery programming has become increasingly evident.
16. These promising results require verification and an additional effort in training and capacity building training as well as a scale-up in monitoring and evaluation. Most of all, approaches needs to be harmonised and **a protocol for emergency cash needs to be formulated**. The CaLP programme in Niger (as part of the global CaLP initiative) that is actually starting implementation from January next year (hosted by SC UK) presents the perfect and timely opportunity to accompany this process.
17. The ongoing regional HEA training of Trainers programme in West Africa, supported by ECHO, aims to increase the number of certified HEA practitioners in West Africa, thus contributing to the means to prepare for more exploitable baselines in Niger and elsewhere in the Sahel region. These may form the basis of more appropriately targeted sound cash-transfer interventions.
18. The link to social transfers and safety-nets was also addressed in the numerous discussions held and was addressed by the WB's and GoN/ CCA's presentation and ensuing discussion with all the cash operators active in Niger in 2010. Three main concerns were observed:

- The WB cash-pilots and its main/ scaled-up cash programme that is currently being prepared as a follow-up may mismatch. The large 5-year project is already up for WB board review in May next year whilst the pilot is about to start now and project design for the new phase is planned for completion by latest early February 2011. How to include any lessons learned in the design of the follow-up? Possible answer: increased and deeper consultation with current operators.
- Regarding the WB's geographical targeting, they are so far focusing on the «easily accessible» areas in terms of security concerns (impact of the 'French maps'; the WB team moved around with fully armed gendarme escort for their field trips unfortunately) as well as the high density of population that increases impact probability. Further regarding targeting, the household targeting method is not clear. And regarding the baseline data employed, the information currently used is provided by the national bureau of statistics (INS) and the national early warning system (SAP), not fully equipped to provide the required detailed data. These offices will need an overhaul and be adequately modernised to provide the required accuracy and completeness in their data for use of cash transfer schemes.
- The current incapacitation of the existing free access to healthcare policy for <5's and PBW's ('gratuité) should be redressed. The correct functioning of this social transfer scheme in its own right - implemented also under instrumental influence of the WB in 2006 and 2007 – is crucial for the success of these new schemes. The current problems were not addressed by the WB team but it should be linked. The effectiveness of a new scheme will be much diminished if this system is not being repaired. And the fact that this scheme is currently damaged and why should be taken into consideration and understood by the WB so as to not fall similar trap risking this new scheme's feasibility. The repair of 'gratuité' of healthcare should be made conditional to the social safety-net activities under preparation by the WB and the GoN.

19. As mentioned above, regarding the remarks made by the FFP Delegation regarding beneficiaries' preference for vouchers over cash, this followed their brief field visit to a cash and voucher scheme implemented in Tillabéry by Mercy Corps ( USAID funded). The argument or possibility of creditors approaching cash-beneficiaries to seek reimbursement was discussed at several occasions during the workshop but wasn't reported to be a major problem, but it's an interesting observation that requires more exploring.

20. Not presented at the workshop was the cash transfer programme targeting Pastoral regions in Niger by the CCA with full EU Niger Delegation support that aims to assist over 12,000 families (84,000 beneficiaries) for three months (25,000 FCFA/month) until February 2011 via CARE and VSF-B (and 9 more national and international NGO's implementing this programme). It's part of a 14.9 MEUR support programme to restore the GoN's food-security capacity including the purchase of 30,000 MT of cereals to restore Niger's strategic grain reserves. =====