Beginning in early 2013, CRS implemented a series of food voucher programs, designed to meet the urgent food needs of vulnerable IDP and host households in urban communities. The vouchers were unconditional, but restricted to food purchases. The programs began in Kismayo in January 2013 (to December 2013), Baidoa (February 2014 to August 2014) and Mogadishu (July 2014 to December 2014). While the voucher program focused primarily on increasing food access and improving food security outcomes, CRS noted multiple unanticipated impacts on households, market actors, and communities, demonstrating the wide-reaching potential of urban cash-based programming.
EXECUTIVE SUMMARY

Beginning in early 2013, CRS implemented a series of food voucher programs, designed to meet the urgent food needs of vulnerable IDP and host households in urban communities. The vouchers were unconditional, but restricted to food purchases. The programs began in Kismayo in January 2013 (to December 2013), Baidoa (February 2014 to August 2014) and Mogadishu (July 2014 to December 2014). While the voucher program focused primarily on increasing food access and improving food security outcomes, CRS noted multiple unanticipated impacts on households, market actors, and communities, demonstrating the wide-reaching potential of urban cash-based programming.

Key Findings (unanticipated impacts)

The case study highlights several key findings that are applicable as learning opportunities, as well as for consideration in the urban food security sector. Some of the most important findings include:

- **Urban food vouchers offer substantive opportunities for vendors to increase basic skills such as literacy and numeracy; access formalized banking/ business planning; expand their economic opportunity; support local labor opportunities; and build stronger relationships with each other, with the community, and with other market actors.**

- **Unconditional, restricted food vouchers are well-suited to the unpredictable security context of urban hubs in Somalia, as they reduce logistical burdens on staff, reduce visibility of food aid, and allow household choice.**

- **Food vouchers improve household relationships and reduce labor burden on household members, including children. Reduced need for immediate cash also eases tensions within the household, and minimizes the need for women and children to participate in socially-unacceptable income-earning opportunities to support food needs. Food vouchers can replace the role of absent or inconsistent breadwinners in food insecure households.**

- **Household debt management is facilitated by food vouchers, and has a demonstrated impact of reducing and/or halting acquired debt among beneficiary households.**

- **Household economy and resource-based decision making is influenced by the use of vouchers to obtain basic food items. Though households received assistance to meet just 50 percent of their needs, funds “freed up” by voucher programs are used for schooling and education, debt repayment, startup of household businesses, and medical needs.**

- **Urban communities receiving food vouchers may experience reduced social tensions; in the case of Somalia, conflict and tension between IDP and host community groups was dramatically reduced.**

- **Food assistance delivered through vouchers can benefit from community solidarity and existing safety nets, resulting in household sharing of food resources to the benefit of other vulnerable families; therefore, the impact of the voucher on reducing acute food insecurity for non-beneficiaries is noteworthy.**

Key Recommendations

- **Where literacy, vendor financial management capacity, or logistics are constraints, unconditional, restricted vouchers (or possibly cash) may be appropriate modalities for food assistance.** The CRS team modified its program modality along the way in response to identified constraints; this enabled beneficiaries, vendors, and staff to participate in safe, transparent and accountable programs in a complex setting.

- **Security risk can be reduced by adjusting voucher distribution and redemption cycles according to the context.** Programs should avoid the risk of crowding and unrest or frustration within the proximity of
project offices or vendor locations by ensuring well-established and communicated time periods for the collection and use of vouchers.

- **Actors should anticipate community safety net and social solidarity systems** in targeting and voucher allocations, as these are important indigenous coping strategies for food security.
- **Program monitoring systems should consider unintended and wider “ripple effects”** of vouchers on households, market actors, and the community at large.

A review of the urban voucher program demonstrates that cash-based food security programs impact not only food security outcomes at the household level, but have a reverberating effect on household economy, local market actors, and community relationships. This case study demonstrates the appropriateness of a cash-based approach as a means of providing food assistance in insecure environments, and how the infusion of cash can support household relationships, school attendance, personal safety and health, formalization of market sectors and increased community cohesion. Catholic Relief Services asserts that interventions such as the Somalia Food Assistance Voucher program point to the use of cash as an efficient means of addressing multiple humanitarian and recovery-oriented objectives through a streamlined activity.
INTRODUCTION

Project Background and Context

From late 2010 to early 2012, a series of precipitating factors, including low levels of humanitarian aid, rising food costs, and an extended and severe drought, culminated in severe food insecurity and widespread malnutrition, in southern and central Somalia. Compounding poor climate conditions and long-standing under-production of staple foods, severe food insecurity was critically impacted by protracted armed and violent conflict and prolonged systemic and acute malnutrition. In 2011, crisis level food insecurity culminated in famine, which resulted in an estimated 243,000 to 272,000 deaths.1

In the aftermath of famine in Somalia, and recognizing the need for food assistance in urban areas, Catholic Relief Services (CRS) intervened in critically impacted cities to mitigate the impact of high prices and limited incomes on market-dependent populations. Between January 2013 and December 2014, CRS implemented a series of voucher-based programs designed to allow households to meet basic food needs during lean season periods in years in urban centers where food security outcomes were projected to be at crisis or emergency levels.

Market-based food voucher programs were implemented in three urban market hubs: Kismayo (January 2013 to December 2013) Baidoa (February 2014 to August 2014), and Mogadishu (July 2014 to December 2014). These programs successfully enhanced household food access for both internally displaced families and host community members, resulting in improved food security outcomes such as dietary diversity, and number of meals consumed.

Goals and Objectives of the Case Study

The voucher programs were successful in improving food security outcomes as expected, but also yielded indirect positive results on participating households and the broader community, including market actors. To better understand the broader impact of voucher programs beyond household-level food security in urban, insecure contexts, this case study aims to:

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1 Mortality among populations of southern and central Somalia affected by severe food insecurity and famine during 2010-2012. FSNAU, FEWS NET, London School of Hygiene and Tropical Medicine and the Johns Hopkins University Bloomberg School of Public Health. May 2013.
1) Provide input for technical guidance for future food security programs in urban, insecure contexts; and
2) Contribute to intellectual capital in the domain of cash-based programming in urban, insecure contexts.

The case study addresses two key research questions, which examine the most important aspects of program implementation, impact and outcomes, and key considerations for replication. The case study is organized according to the following research questions:

What specific assumptions drove the project methodology and design of the voucher mechanism?
The case study analyzes assumptions that guided the team in determining the most appropriate modality for food transfers, considering the urban and highly-insecure context. Such an analysis will contribute to overall learning on conducting urban cash-based food programs in similar conflict-prone environments.

What were the unanticipated economic and social impacts of the CRS urban voucher program in Somalia?
CRS recognizes that the impact of the food security voucher program extended beyond the direct objectives of mitigating poor food security outcomes and increasing access to diverse foods. The case study reviews other unanticipated impacts on market actors, household dynamics, and the community at large, reflecting on differences in location and urban context, where significant.

The case study research draws from a series of key informant interviews and focus groups conducted as part of final program evaluations, as well as several follow-up focus groups in Mogadishu in May 2015.

PROGRAM DESCRIPTION

CRS has provided critical development and humanitarian support in South Central Somalia since the 1990’s. Beginning in early 2013, CRS implemented a series of voucher programs designed to meet urgent food needs of vulnerable IDP and host households in urban communities. The program was first implemented in Kismayo, beginning in January 2013, and was later expanded several times to Baidoa (February 2014 to August 2014) and Mogadishu (July 2014 to December 2014).

Objectives and goals of the program
The initial goal of the program was to improve the food security of IDP and local vulnerable households in Kismayo in a market context characterized by insecurity and in the backdrop of protracted conflict and mass displacement in the selected program cities. The goal was later revised to “improve food access for IDP and local vulnerable households in Mogadishu and Baidoa” as the location shifted.

Project Timelines and Locations
In 2013, CRS, with local partner Sean Devereux Human Rights Organization (SEDHURO), with funding from USAID’s Food for Peace (FFP), began a life-saving voucher program in Kismayo City that originally targeted 3,000 HHs and was later expanded to feed 2,500 IDP HHs and 2,500 local vulnerable households in Kismayo, for a project total of 5,000 households (30,000 people total).
Security concerns resulted in the cancellation of Kismayo programming, and subsequently, voucher-based food assistance activities shifted to both Baidoa, in partnership with local partner SADO, and later, Mogadishu, with local partner MURDO through December 2014.

Beneficiary selection and targeting
Voucher activities in all three urban locations targeted the most vulnerable members of both IDP and host communities, specifically households most at risk of acute food insecurity, especially during the lean season. Typically, this included household with restricted or no means of income. Female headed households, households with young children, widowed households, child headed households, and households with elderly members were the primary beneficiaries of the food voucher program in Kismayo, Baidoa and Mogadishu.

Households in target areas were also experiencing IPC Phase 2 (Stress) or IPC Phase 3 (Crisis) levels of food insecurity, were managing significant household debt, and were consuming fewer than three meals a day. In Mogadishu, 10 percent of households reported having one meal for children per day, while 45 percent ate only two meals per day. In Baidoa, about 26 percent of the households were reported having only one meal per day for children. CRS intended for vouchers to provide direct assistance to the most vulnerable household members and households, and determined that unconditional vouchers would remove any work or time obligation from extremely vulnerable beneficiaries. Roughly 53 percent of all program beneficiaries were internally displaced households.

CRS and local partner staff worked closely with Village Relief Committees, comprised of local stakeholders such as teachers, clan and tribal leadership, representatives from local government and agencies affiliated with emergency response to identify beneficiaries according to specific criteria (see Box). Lists were circulated among recipient communities and vetted by community members, who also had access to a feedback mechanism in case of dispute. CRS notes that this process worked well and resulted in a beneficiary pool that consisted largely of women, female-headed households, and vulnerable as well as disabled and elderly individuals.

Program Results
The program reached a total of 102,000 beneficiaries (17,000 households, with 6 members per household) from January 2013 to January 2014, equating to a total of 5,000 households in Kismayo, 6,000 households in Baidoa, and 6,000 in Mogadishu. Each household received at least 6 months of food assistance per project, during the lean season months. In addition to addressing household food security outcomes, the voucher program also benefitted a total of 58 vendors by providing technical support as well as increased economic

<table>
<thead>
<tr>
<th>Voucher Program Timelines and Locations</th>
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<tbody>
<tr>
<td><strong>Project site</strong></td>
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<tr>
<td>------------------</td>
</tr>
<tr>
<td>Kismayo</td>
</tr>
<tr>
<td>Baidoa</td>
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<tr>
<td>Mogadishu</td>
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</tbody>
</table>

Beneficiary Selection Criteria
- Disabled-headed households
- Households with orphaned children
- Households with EVIs
- Female headed households
- Widows
- Large extended families without income
- Households with children under 5 years
- Displacement status and duration
opportunity. Additional household-level impacts were also identified. Details on these additional program outcomes are in the next section below, under “Program Impact”.

PROGRAMMATIC ASSUMPTIONS

The voucher program was guided by several key assumptions, which drove the project methodology, design, and implementation. The following key programmatic assumptions represent the most critical to program success as identified by the project team and staff:

**Assumption #1. Vouchers are an appropriate means of delivering food assistance to extremely vulnerable populations in the current market and security context of urban Somalia.**

**TRUE.** Compared to unrestricted vouchers, the restricted voucher reduced the need for intensive program oversight of vendors, reduced the administrative burden of tracking receipts and documentation, allowed for sufficient household choice in the proportion of pre-selected and pre-packaged food items, and ultimately assured that the food needs of vulnerable households were reliably met on a monthly basis. The fundamental rationale behind the selection of vouchers for food assistance in this urban, complex emergency context was based on efficiency, adaptability, and appropriateness of the delivery mechanism in assuring basic food needs to highly vulnerable households. Overall, the paper voucher mechanism proved to be a highly effective, accurately targeted, and well-received means of food assistance in a complex implementing environment.

In Kismayo, during the early stages of the first program iteration, CRS tested an “unconditional, unrestricted” system, whereby selected beneficiary households were provided with a cash voucher in the amount of 63 USD for use in the selection of food commodities. The allocated voucher amount was intended to meet approximately 80 percent of food needs for a household. Households received monthly vouchers for the life of the program, which ranged from 6-10 months depending on the program site. Early in program implementation, this key assumption was challenged due to unanticipated crowding, and inconsistent timing of voucher use by beneficiaries. Beneficiaries would receive the voucher and would be free to purchase and frequent participating stores as needed, which resulted in overcrowding and/or lack of voucher redemption by beneficiaries in a timely manner. Within the first voucher distribution cycles, CRS observed several logistical and administrative challenges associated with the “unconditional, unrestricted” approach, specifically:

- Administrative burden of monitoring 40 vendors and sales activities,
- Low capacity of vendors to manage voucher processes and paperwork,
- Overcrowding on voucher transfer days, and subsequent increased security risk.

CRS staff made critical adjustments to voucher delivery and transfer processes in Kismayo, which were adopted for the rest of the program as well as future iterations of the program in Baidoa and Mogadishu. In order to assure more efficient distribution of vouchers and food, and service through vendors, the CRS team instituted a 10-day cycle, with five days for voucher distribution and 5 days for redemption at selected stores and instituted expiration dates of two weeks on vouchers. Separation of voucher distribution and later redemption on different dates

> “Some of the most poor and vulnerable households in Kismayo were able to survive largely due to the food vouchers given out by CRS/SEDHURO.”

~Hashi Abdirahman, Deputy Director and supervisor of humanitarian activities in Kismayo
proved easy and convenient to both beneficiaries and vendors, and has mitigated security concerns for partner organizations and staff, vendors, and beneficiaries.

Appropriateness of the voucher distribution and redemption process was echoed by recipients of food assistance through the CRS program. Over 90 percent of beneficiary respondents indicated total satisfaction with the voucher program in Kismayo; respondents in Mogadishu indicated unanimously that the voucher program was the best they had experienced and pointed to transparency and security as particularly notable features of the program.

**Assumption #2. Vendor capacity is sufficient to support a large-scale voucher program in a timely fashion.**

**PARTIALLY TRUE.** CRS/ Somalia’s initial market assessment indicated that the markets would be able to handle an increase in demand, without negative market impacts; this was corroborated by program monitoring. However, some vendors were initially not able to mitigate security risks and conduct basic business management. The success of the program as designed relied heavily on the capacity of participating vendors to absorb new capital, meet sourcing and supplying needs, and comply with CRS regulations and policies for documentation and reporting. In the earliest stages of the program, CRS staff observed significant challenges with vendors, specifically:

- Illiteracy and low levels of numeracy;
- Insufficient staffing in vendor shops to respond to demand, and
- Limited vendor ability to meet required CRS standards for documentation, financial accounting, and transparency.

In order to respond to these challenges, CRS engaged in significant training, capacity building, guidance, and vendor observation. CRS staff also adjusted the number of vendors, reducing the program to about half the initial number of vendors; this was sufficient to maintain a strong competition among vendors, but eased the management burden. With needed support and training, vendors were able to support a total maximum consumer base of approximately 5,000-6,000 households with sufficient supply chain management, procurement of necessary food commodity inputs and management of voucher transactions. About 85 percent of the vendors (Kismayo) were able to meet the increased demand generated by the project, implying functional and effective supply systems.

<table>
<thead>
<tr>
<th>Project Location</th>
<th>Number of Vendors</th>
<th>Number of Beneficiary HHs</th>
<th>HHs per Vendor</th>
<th>Value of voucher</th>
<th>*Estimated Average Increase in Capital flow per Vendor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kismayo</td>
<td>40</td>
<td>5,000</td>
<td>125</td>
<td>63 USD</td>
<td>7,875 USD</td>
</tr>
<tr>
<td>Baidoa</td>
<td>6</td>
<td>6,000</td>
<td>1,000</td>
<td>50 USD</td>
<td>50,000 USD</td>
</tr>
<tr>
<td>Mogadishu</td>
<td>12</td>
<td>6,000</td>
<td>500</td>
<td>50 USD</td>
<td>25,000 USD</td>
</tr>
</tbody>
</table>

*Note that estimates are not based on specific vendor data but represent average flows of new capital due to participation in the program. Capital does not represent net profits, as vendors were reimbursed for the cost of goods at market price.
Assumption #3. The amount of the voucher was sufficient to meet at least 50 percent of basic household food needs per month. The additional financial flexibility provided by the voucher would allow households to supplement their monthly food intake with healthy and diverse fruits, vegetables, and proteins.

PARTIALLY TRUE. In general, it was assumed that a voucher covering 50-70 percent of staple food needs would enable each household member to consume an average of three meals day, for 2-4 weeks. Project evaluation survey results suggested that food needs for 2-3 weeks were met, although for at least 50 percent of participating households, this did not enable each household member to eat 3 meals a day. The amount of the voucher in all programs was determined through a calculation of household staple food needs over the course of a month. The intended use of vouchers was to allow households to procure 50-70 percent of their food needs for an average family size of 6. The proportion of food needs met by the voucher was not intended to cover all household needs, in an effort to decrease the likelihood of dependence and to allow households discretion in the purchase of supplementary food needs. In Kismayo, food assistance lasted for three weeks for 54 percent of beneficiary households and four weeks or more for 39 percent of the beneficiaries.

Households frequently shared their food assistance (as much as 25 percent) with other vulnerable members of their community, family, and social network, particularly in the Mogadishu program communities. While feedback from project reporting, final evaluation surveys, and beneficiary feedback indicated that food assistance was sufficient to dramatically increase food security outcomes in terms of dietary diversity and number of meals consumed per beneficiary household, people shared. Thus, community solidarity and safety net systems reduced the total amount of food per household, while increasing the community benefits. This is an interesting finding in an urban setting, where the social fabric is often not considered as strong as in rural communities.

Households participating in the voucher program ate four times more roots and tubers, nearly twice as many dark green vegetables, nearly 10 times more fruits, and twice as much meat when compared to non-beneficiary households in Kismayo. While food baskets exchanged for vouchers did not include perishable items, beneficiaries consumed more supplementary nutrient-rich foods than non-beneficiary households, indicating that increased purchasing power promoted the purchase of more diverse and nutritious food groups. These results suggest that the voucher program is effective in promoting the consumption of higher nutrient and diverse food groups. Households in Baidoa tended to consume the most vegetables and fruits outside of their monthly food assistance package provided by the CRS voucher. These results also suggest that such a cash-based program can have an impact on supporting local farmers and local production, as people may increase their consumption of such foods. More study and attention is needed to this important aspect of rural-urban linkages. Reinforcing the cyclical and seasonal links between rural and urban areas will require attention to the balance between providing assistance and ensuring resilience, recognizing that both urban and rural economies play a role in food access, availability, and stability.

Assumption #4. The program design was appropriate for the security context in selected urban areas.

PARTIALLY TRUE. Armed conflict is endemic and commonplace in Somalia, and Kismayo, Baidoa, and Mogadishu are at high risk of insecurity. Security was a constant consideration for the implementation of the voucher program in these cities. The initial program design caused crowds and elevated security risks; thus, it was modified to reduce crowds and ensure peaceful transactions. Actions CRS took to conduct cash-based activities in this insecure setting included the following:
The voucher modality was modified to include short distribution cycles during quiet and stable periods, thus encouraging beneficiaries to buy food when vendors and CRS/partner offices were accessible.

Cash payments were made to vendors via check, and vendors managed payments through bank accounts (dahabshil) established at the beginning of the program. Transactions were monitored by CRS finance staff.

CRS and local implementing partners in each city relied heavily on local stakeholders in government and communities to provide information and guidance regarding the evolution of security incidents and perceived threats. This collaboration enhanced the ability of program staff to plan for community mobilization, monitoring, and technical assistance visits to vendors and beneficiary groups.

As noted above, CRS and local partner staff worked closely with Village Relief Committees to identify beneficiaries according to specific criteria, thus reducing potential conflict over food assistance. CRS and partner staff made great effort to communicate all aspects of the program to beneficiaries and communities, but recognized that additional mobilization would be beneficial to the project, especially regarding the complaints mechanism.

Assumption #5. The voucher-based food assistance initiative would result in significant improvements in household food security outcomes.

TRUE. Significant gains in household food security outcomes were noted in all program sites, and consistently point to the successful use of food vouchers in improving household food access and consumption of staple foods. Based on the results of the program evaluations and data collected for final reporting, food security gains are clear in nearly all major outcome areas, with key outcomes highlighted below:

**Household Dietary Diversity (HDD):** Dietary diversity increased notably across all beneficiary groups in all program iterations. In Mogadishu, HDD improved from an average of 4.1 to 5.4 and from 4.7 to 5.3 in Baidoa. In Kismayo, 83 percent of beneficiaries reported consumption of 6-11 food groups, compared to households who did not receive a food assistance voucher, 76 percent of whom had consumed fewer than 6 food groups. Nearly all final survey participants consumed cereals, which are carbohydrate rich, with some consumption of tubers/roots. Other food items consumed by majority include: sugar, oils/fats and miscellaneous (tea leaves). Sources of protein consumed include: meat, pulses, milk/milk products, sea foods, and eggs, although proteins and nutrient rich vegetables and fruits had a comparatively lower consumption rate.

**Household Hunger Scale (HHS):** In Mogadishu IDP camps, the proportion of households with moderate or severe hunger dropped from 83 percent (at baseline) to 24 percent. In Baidoa, the percentage of participating households with moderate or severe hunger dropped from about 82 percent to only about 1.2 percent. Approximately 90 percent of surveyed beneficiaries in Kismayo reported little or no hunger, compared to non-beneficiaries, among whom only 5 percent reported no hunger and nearly 50 percent reported severe hunger.

**Daily Meals Consumed:** In Baidoa and Mogadishu, the number of meals consumed per day improved dramatically, with 65 percent of children consuming 3 meals per day during the voucher program, compared to 10 percent pre-voucher. In Mogadishu, at the end of the project, only .04 percent of children were consuming one meal per day, compared to approximately 10 percent at the beginning of the voucher program. In Kismayo, 97 percent of children from beneficiary households consumed three
or more meals, compared to 69 percent of children from non-beneficiary households, while 60 percent of female beneficiaries consumed three or more meals, compared to 22 percent from non-beneficiary households.

**Reduction in Negative Coping Strategies:** Households facing severe and/or acute food insecurity adopt negative coping strategies in an effort to conserve resources used to acquire food. For urban households in Somalia, some examples of negative coping strategies include: limiting the portion size of meals, reducing number of daily meals, sending household members to eat elsewhere, and acquiring debt. In Kismayo, 69 percent of households reported that they did not adopt any negative coping strategies during the voucher program, compared to only 7 percent of non-beneficiaries.

### UNANTICIPATED PROGRAM IMPACTS

Primarily a food security program targeting a very specific vulnerable group at risk of severe food insecurity, the voucher programs were successful in improving food security outcomes as expected, but also yielded indirect positive results on participating households and the broader community, including market actors. Other unanticipated impacts at the household level also emerged as a result of increased food access. Aside from the expected community reaction to limited program resources, which resulted in some aggression towards CRS and partner staff, as well as consistent feedback that more resources were required to meet the full scope and scale of community needs, no negative impacts were observed or reported. Based on a series of key informant interviews and focus groups conducted as part of final program evaluations, and several follow-up focus groups in Mogadishu in May 2015, the following unanticipated impacts were observed, and should be considered as important program outputs for future voucher and cash-based initiatives that address urban food security.

**Market Systems and Actors**

**Market Vendors:** Market vendors selected for participation in the voucher programs received direct technical support intended to improve literacy, numeracy, business management and planning skills, and greater ability to work with humanitarian partner agencies. These gains in capacity were illustrated by improvements in competency and administrative engagement with program staff, and consistent ability to meet requirements for financial documentation. Vendors participating in Mogadishu focus groups also self-reported the improved ability to manage business operations with the skills they have developed. Additionally, vendors reported a perceived increase in business activity and revenues due to increased customer volumes in their shops during the program. Aside from these fairly clear and projected positive impacts, consultation with participating vendors revealed several other key impacts:

- **Increase in household revenues**, stemming from new sales and new customer demand allowed for expansion of livelihoods activities, improved food security in the home, and additional expenditures for schooling, housing costs, healthcare, and increased charity contributions (Ramadhan and Eid) to vulnerable community members. While not quantified, these impacts were consistently reported through focus groups and semi-structured conversations with participating vendors.

- **Expansion of personal business**, as several vendors indicated that they were able to open new shop locations in the community with the revenues earned from the voucher program, as well as respond to increased demand for non-food items, thereby expanding commercial sales. In Kismayo, approximately 70 percent of vendors reported an ‘above normal’ increase in demand of non-food items. Other benefits included new and trusted relationships with an expanded network of
wholesalers, retailers, and transportation agencies. Vendors also expressed confidence in seeking future opportunities with humanitarian agencies where they can apply new skills and systems for food assistance programming.

- **Job creation in the community** was an outcome of increased business and volume of voucher sales, reflecting a positive impact on the local labor market. Most vendors indicated that they had hired assistants, and in Mogadishu, focus groups revealed that vendors hired up to 10 assistants (clerks, cashiers, loaders, security, shopkeepers) to provide part- or full-time support during the project implementation, providing an economic opportunity to local community members. While many of these employees were short-term, some vendors in Mogadishu reported that they had permanently retained some of the additional staff hired during peak program implementation.

- **Community trust** was a key result of working closely with CRS and partners, as well as delivering assistance transparently, on time, and without incident. During and following the voucher program, vendors reported in focus groups feeling that their reputation in the community became more positive, and that they were ‘giving back’ to their community in a meaningful way through the program. While this information is based on self-reported perceptions of increased trust in the community, this impact is valuable for future replication in communities where conflict and unstable markets may create opportunistic environments for vendors and market actors.

- **Adoption of new technologies and formalized business practices**, including the use of SMS messaging systems and formal banking to manage revenues and increase business efficiency. While specific statistical data is not available, several vendors in all three project locations reported that they introduced formal banking into their business operations because of the voucher program.

- **Organization and association-building** was an informal outcome of the voucher program, as vendors also increased their ability to advocate and organize with institutional stakeholders such as municipal leadership.

**Porters and transport agents:** Anecdotal responses from program stakeholders suggest that several other groups of market actors benefitted economically from the voucher program, including local transport providers such as donkey cart owners, porters, and taxi drivers. These informal reports suggest that this group of market actors experienced increased revenues due to increasing needs of food assistance recipients to travel to shops, and to transport food baskets back to their homes and areas of residence. While the scope and scale of the impact on this group is conjectural, additional economic benefit was reported in all three project sites and thus indicates some advantage to these market intermediaries.

**Benefits to local farmers:** The program offered the opportunity to capitalize on the linkages between urban and rural economies along the shared market chain, as vendors of locally-produced foods could stimulate local production. While this was not directly measured through this case study, recognizing
the potential synergies that connect urban and rural economies is critical for donors and humanitarian agencies to design emergency food security interventions and promote policies that ultimately integrate economies and build resilience at all economic levels of both urban and rural populations. Market-based food security interventions in urban areas increase beneficiaries’ access to food and diet diversification both in rural and urban settings, generate income in rural areas, create demand for agricultural production, and reduce expenses in urban areas, creating a beneficial and constant cycle that can increase purchasing power and ease access to more and diversified diets.

**Household Economy and Household Dynamics**

**Decrease in household conflict:** Focus groups frequently reported increased harmonization in the home, indicating that reduced financial stress and more abundant food supplies mitigated tension between husband and wife. Women in Mogadishu reported referring to the voucher as the “father of families” because it supported the role of the male wage earner and provided for the household. Families reported that family members maintained better relationships during the voucher program because household medical, school, and food needs could be met without typical coping mechanisms such as sending children away, looking for work, and feeling stress over lack of food and cash. Where children and the women in the family might be forced to seek paid labor opportunities, the voucher eased financial burdens and allowed children to stay with the family, and not work. Similarly, because some food needs were met, household members were free to seek extra income earning opportunities, as indicated by beneficiaries in Baidoa.

**School Attendance:** In all three program locations, program beneficiaries indicated that they were able to continue to send their children to school, largely due to resources that were “freed up” during the voucher program.

**Women in the household:** Women noted that their contribution to the household via the food voucher was recognized by other household members, including their husbands, which brought elevated appreciation and reduced tensions between spouses, even if only for the duration of the voucher program. As primary beneficiaries, women were perceived as bringing both financial and food resources into the home, a direct benefit to the household that reduced stress and labor pressure on all family members. With the immediate burden of food access alleviated, women and girls (and children) were able to avoid hard and casual labor as a means of rapid-income earning. Given free time and more household capital, women were able to pursue other forms of income earning such as weaving mats and petty trade, such as ice cream vending, while the labor burden on children was reduced.

**Protection and safety:** Women noted that the addition of the voucher in their household livelihoods strategy had a positive effect in reducing both safety and health risks. Some focus group members suggested that they were not compelled to do “indecent” and exploitative jobs in order to bring sufficient income for family food needs. Participants reported that they were able to reduce the need to travel long distances alone or in the evening in search of work, thereby reducing personal safety.

“I often quarrel with my husband whenever we missed food in the house because I had to put pressure on him to look for food, we almost separated on several occasion, since receiving the food vouchers our quarrels have reduced.”

IDP beneficiary, Kismayo

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2 While this could refer to prostitution, it is important to note that many jobs are indecent for women, and that the voucher program may have helped women avoid participating in paid work that is socially inappropriate but not necessarily exploitative.
Female beneficiaries also noted that income saved from the voucher program was allocated for other health and medical costs, as well as for supporting other vulnerable families to meet basic needs.

**Debt reduction:** Households unanimously reported a positive impact of the voucher program on seasonal debt, reporting that no new debts were acquired during the voucher program, and that they were able to allocate a third of their saved income to repaying existing debts (Mogadishu focus groups).

In Mogadishu, the study found that the average IDP/host household debt decreased from $143 to $73 over the course of the program, a 49 percent reduction in value. Typically, debt is acquired due to failure to pay school fees, for medical emergencies, and to meet food needs; therefore, the voucher alleviated some financial pressure for households with debt. Participants also noted that the ability to pay more debt during the voucher program reduced the inevitability of future negative coping strategies such as sending children to domestic servitude, marrying out of financial necessity, and borrowing from family members.

**Community Cohesion**

**Community Conflict Mitigation:** Community stakeholders and beneficiaries from both IDP and host family populations noted that the implementation of the voucher program for vulnerable households in both groups created a renewed sense of solidarity, smoothing out existing tensions over limited resources. In Kismayo town, IDP populations were either returnees or new arrivals, and had a “weaker voice” compared to the host community, in terms of mobilization for support and representation in local affairs. IDP households noted that participation of IDPs in the project allowed their clan elders and camp committees to provide them with equal opportunity, and a sense of empowerment. Similarly, host communities viewed previous assistance to IDPs as unfair and unbalanced; therefore, inclusion of host families allowed for less resentment between the two populations. VRC representatives echoed this important element, suggesting that equal inclusion of both groups had a soothing effect on community relationships, especially in Baidoa and Mogadishu.

**Village Relief Committee Support:** Engagement of the VRC encouraged stakeholder collaboration, as the members of the VRC were able to reach into various institutional and clan-based leadership to garner support for the voucher program. Engagement of the community through the voucher program has resulted in VRCs becoming the “go-to” source for beneficiaries and information to support government inquiries and humanitarian programming, earning a trusted status in the community and with the government.

*I have observed that since the food voucher project started, the well-known beggars mostly IDPs at Baidoa city have decreased. We also have a better relationship with the host community now, because the burden and the expectation of the host community to cater for the IDPs needs has been greatly reduced.* — IDP, Baidoa

**Reinforced Community Solidarity and Safety Nets:** The voucher program had a far wider impact on community food security than anticipated, largely due to the traditional sharing practices, which guide households to share their resources with other households in need. **Focus groups in Mogadishu suggested that food assistance recipients gave up to one quarter of their food assistance to other vulnerable households in their community in keeping with local and clan-based solidarity customs.** The voucher program therefore mitigated acute food insecurity for other families who were not formally beneficiaries of food assistance delivered by CRS.
KEY LEARNING AND CONSIDERATIONS

Overall, the urban voucher program is an effective and adaptable approach to meeting crucial food security needs for vulnerable households, while offering a wider benefit to the local community, market landscape, and individual household economies. The implementation of the voucher approach in the context of urban Somalia yielded key learning points and presents several considerations for future programming. The following considerations can be used to inform future replications of voucher and cash-based food assistance programs in other urban settings, with careful appraisal of the local context, particularly security and market function. Some of the most salient points, organized by the original case study research themes, include:

Addressing programmatic assumptions for future urban cash-based programming

Where literacy, vendor financial management capacity, and logistics are constraints, unconditional, restricted vouchers (or possibly cash, where feasible) may be appropriate modalities for food assistance. Given the scope and scale of the project, combined with low literacy rates, vendor capacity and market conditions, and the security context, CRS recommends unconditional, restricted vouchers rather than unrestricted voucher mechanisms for emergency food assistance to urban populations. Unconditional, restricted vouchers offer choice for beneficiaries in selecting food proportions appropriate for their household while reducing security risks to vendors and implementing partners, and streamlining the administrative process. Clear voucher redemption cycles also help distribute beneficiaries across vendors, thus enabling markets to respond to demand, while also reducing crowds. While unrestricted vouchers allow for more beneficiary choice in food commodity purchases, administrative monitoring, quality control, vendor training and capacity building, as well as transparency are key obstacles to timely implementation of cash-based food programs in an insecure or conflict-prone urban context. As learned in the early stages of the Kismayo program, unconditional and unrestricted vouchers are inappropriate for a volatile security context where vendors lack capacity to meet administrative and financial demands. Having a predetermined set of goods allowed CRS and its partners to reach a large number of beneficiaries, and to monitor and control the quality, quantity, and price of goods sold from the vendors to the beneficiaries.

Unconditional, unrestricted vouchers also introduce multiple “moving parts” which are difficult to track in a highly insecure operational context such as Somalia. Unrestricted vouchers may be more appropriate for urban markets where conflict and security is not a concern, and where allowances for capacity and cyclical redemption processes can be more flexible and less time-bound to secure periods. Vendor literacy and ability to meet the reporting and documentation requirements of the voucher program may be specific to the urban environment in Somalia; however, care should be given to incorporating these constraints in other settings and voucher transfer systems should be adjusted accordingly to minimize the risk of corruption and delays in the delivery of assistance.

As evidenced by other programs in Somalia, cash may also be appropriate in such a context. Cash is a consideration in areas where beneficiary targeting is thorough and accurate, and where cash can be delivered safely. With continued support from CRS as well as their own new learnings from links to the formal banking sector, vendors will have financial and managerial capacity to better implement voucher and other cash-based programs; thus, the modality may be able to shift to a less restricted option.
Security risk can be reduced by adjusting voucher distribution and redemption cycles according to the context. Programs should avoid the risk of crowding and unrest or frustration within the proximity of project offices or vendor locations through the incorporation of well communicated and established time periods for the collection of and use of vouchers. CRS implemented a 10-day cycle, allocating five days for the collection of vouchers from a designated area, and five days for use of vouchers in assigned vendor locations to reduce the risk of crowd formation. Crowd formation could lead to larger scale misunderstanding of the program, community unrest, and risk of theft or pressure on vendors. Voucher distribution and redemption cycles should be determined according to the context.

Constant and carefully messaged outreach and sensitization of non-beneficiaries is crucial to maintain stability in the implementation area. In the context of Somalia, the potential for escalation of conflict into a high-risk and dangerous implementation zone is directly tied to community stability and mitigation of tensions over perceived inequities in the delivery of food assistance. CRS staff note that despite early outreach and messaging, non-recipient households became angry with the lack of assistance and directed anger and aggression towards staff through the course of program implementation. While adequate messaging and outreach may be considered a ‘best practice’ in all humanitarian programming, and especially cash programming, care should be given to maintaining consistent, constant, and accurate messaging about selection criteria, resource availability, prioritization of assistance, and recognition of need at the community level. Regular and repeated transmission of these messages will reduce misunderstanding and resentment among potentially volatile and aggressive populations.

Extremely vulnerable populations (EVI) may require additional logistical support for the voucher redemption process. While the project beneficiary targeting criteria successfully identified extremely vulnerable individuals for food assistance, feedback from the community indicated that the elderly, the sick, and the disabled or otherwise incapacitated should not have to wait in line for extended periods or navigate the logistics of taking their food basket to their home. Future programs should consider special accommodations for these vulnerable groups to avoid undue physical and mental stress or increased security risk during the voucher redemption process and the transportation of purchased food items.

Beneficiary preferences should be reflected in food baskets. When considering the components of food baskets in a pre-determined voucher mechanism, care should be given to surveying local households to assure that preferences and traditional food options are reflected in the selected commodities. In the case of urban Somalia, beneficiaries expressed preference for imported staple goods such as pasta and sugar, which were incorporated into food baskets. However, they also purchased fresh foods with money saved. The advantage of delivering food baskets that include in-demand staples over direct distribution is the removal of logistical burdens in an insecure market and transportation environment which could cause comparative delays in the delivery of assistance, where vouchers did not appear to have this impact, and allowed for immediate household access. Additionally, the “under-the-radar” approach to reducing visibility allowed by voucher programs could be considered a risk-reducing approach when compared to higher-visibility distributions and large scale procurement efforts from local and regional markets, especially in the context of Somalia.

Tracking and measuring unanticipated economic and social impacts of urban cash-based food assistance initiatives
Actors should anticipate community safety net and social solidarity systems in targeting and voucher allocations. In all project sites, households frequently shared their food assistance with family, friends, and/or vulnerable community members. Community solidarity practices should be considered in the final determination of the voucher amount and use, to assure that food assistance is sufficient for households who may engage in these practices. Understanding and negotiating expected contributions of assistance from beneficiaries within their communities could affect the impact of food assistance.

Program monitoring systems should consider including the wider “ripple effects” of vouchers on households, market actors, and the community at large. Given the demonstrated ripple effect of a cash-based program on household dynamics, local economic actors, and community relationships, program monitoring can capture the broader impacts of vouchers by measuring outcomes that extend beyond food security. For example, where feasible, monitoring could include any of the following:

- tracking school attendance rates during voucher programs;
- obtaining real-time financial data from households (use of extra income) and vendors;
- tracing tertiary market actor activity (transport agents, porters);
- observing household sharing practices and intra-household dynamics, including gender-based violence, and
- tracking household income sources as well as household debt reduction.

While not feasible to track all of these indicators systematically, monitoring such additional benefits will capture the more complete spectrum of program impact. Where regular monitoring is not practical or appropriate during implementation, final evaluations or post-distribution monitoring could also report on how vouchers or cash can have wider impacts on families and market actors.

Evaluate and sufficiently plan for vendor capacity needs: Vendors require a sufficient literacy and numeracy level in order to participate in a humanitarian food assistance program using vouchers. Therefore, CRS recommends that future programs account for low vendor capacity in the following ways:

- Simplify documentation, policies, and procedures to reduce the learning curve for vendors while still assuring program compliance with internal and donor requirements.
- Account for sufficient time to include training and capacity building, as well as stand-by technical assistance for vendors during the first months of the program.
- Incorporate rigorous selection criteria for vendors to assure that participating vendors are demonstrably able to meet all standards and administrative requirements. In addition, extend participation to small and medium sized traders to diversify the injection of capital across different points in the market chain.
- Determine an appropriate ratio of vendors to beneficiaries, taking into consideration timed cycles of voucher redemption, safety and security, access, as well as distance to and from shops to community hubs. This may vary according to the local urban context, vendor capacity, security issues, access, and other factors. From the Somalia example, the project team noted that 40 vendors was too many to support from an administrative point of view, rather than as a standard for vendor-to-beneficiary ratio.

Restricted voucher programs can enhance household consumption of nutrient rich foods, even if these foods are not included in the restricted voucher. Voucher programs can support increased access to nutritious foods, which may present cost-benefit choices for households. The CRS voucher was designed to meet approximately half of food needs, with the expectation that households would complement their staple food assistance with these items and other additives that increase nutritional value. This was observed in the CRS programs, especially in Kismayo; however, including perishable
goods as part of a voucher program may import logistical and cost implications. A key lesson learned is that households will make calculated choices to include more nutrient rich foods in their diet. CRS recommends further consideration of complementary project activities and support that promote increased consumption of more nutrient-rich options, which could include sensitization and education, incorporation of micronutrient-rich vouchers, including micro-nutrient powders or supplements with the voucher, and cash-grants for daily purchase of perishable goods, among others.

CONCLUSION

A review of the urban voucher program demonstrates that cash-based food security programs impact not only food security outcomes at the household level, but have a ripple effect on household economy, local market actors, and community relationships. The Somalia case study demonstrates the appropriateness of vouchers as a means of providing food assistance in insecure environments, and how the infusion of cash can support household relationships, school attendance, personal safety and health, formalization of market sectors and increased community cohesion, all while achieving the primary goal of averting acute food insecurity among the most vulnerable populations. Catholic Relief Services asserts that interventions such as the Somalia Food Assistance Voucher program point to the use of a cash-based approach as an efficient means of addressing multiple humanitarian and recovery-oriented objectives through a relatively streamlined activity.

CRS continues to support urban food security for the most vulnerable communities in Somalia urban centers, particularly Baidoa and Mogadishu, through carefully adapted cash-based programming that seeks to minimize dependency, maximize choice and autonomy, and support increased food consumption. Upcoming programs, funded by USAID/ FFP, will extend the voucher program to an additional 19,000 households, and will assure access to food during the lean season in displaced and host communities by building on the successes of previous and ongoing cash-based food security programming.