



# Zimbabwe Emergency Cash Transfer (ZECT) Pilot Programme

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## Monitoring Consolidated Report, November 2009 to March 2010

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## **List of Acronyms**

CBT	Community Based Targeting
CFSAM	Crop and Food Security Assessment Mission
CIT	Cash In Transit
CSI	Coping Strategies Index
CT	Cash Transfer
CWW	Concern Worldwide
DFID	Department For International Development, UK
ECHO	European Commission Humanitarian Aid Office
MFE	Missing Food Entitlement
M&E	Monitoring and Evaluation
PDM	Post-Distribution Monitoring
SDC	Swiss Agency for Development and Cooperation
VGF	Vulnerable Group Feeding
WFP	World Food Programme
ZECT	Zimbabwe Emergency Cash Transfer

## Executive Summary

Concern Worldwide Zimbabwe together with WFP implemented the Zimbabwe Emergency Cash Transfer (ZECT) Pilot Programme in three districts of Zimbabwe as part of the Vulnerable Feeding Group intervention for the food shortages of 2009/2010.

In spite of its limited duration (5 months) the ZECT was highly innovative and generated a range of positive effects. Drawing from extensive monitoring qualitative and quantitative fieldwork conducted during the 5 months the programme lasted, this report reviews the effects of the programme on households, communities and markets, and draws lessons learned for Concern Worldwide and for other organizations interested in emergency cash transfers in Zimbabwe and beyond.

In total, Concern together with Safeguard –the Cash in Transit Company (CIT)- distributed on average USD107,000.00 in cash and 180mT of food every month to an average of 29,300 beneficiaries in almost 6,000 households. In spite of the potential security problems the programme could have had, one of the main successes of the ZECT was the secure atmosphere that the CIT, Concern staff and benefiting communities managed to ensure in all distributions, resulting in few complaints from beneficiaries and no incidents of corruption or theft.

The type of assistance provided by the ZECT had an important effect on households' monthly livelihoods. The greatest contribution to households' income for cash and cash and food beneficiaries was the ZECT programme which accounted for 91% and 81% of the monthly household income respectively. Since the commencement of the programme most cash beneficiaries reduced their engagement on casual labour activities as the ZECT provided the necessary amount of cash needed to sustain their families every month. On the other hand, food aid beneficiaries indicated that although the quantity of food received every month was adequate, "leakages" on these commodities due to payment of milling, transport, etc forced them to engage on casual labour to complement food "losses" and to purchase other food and non-food items. ***This report concludes that ZECT achieved higher "livelihood protection" amongst cash benefiting households if compared to food only beneficiaries. But in order to ensure that the programme does not contribute to an enhancement of the so called "dependency syndrome" new cash transfer programme modalities should be explored rather than keep unconditional transfers for all.***

Almost all of the food transferred under the ZECT project –maize, beans and oil- was consumed by beneficiary households. Minimal stocks were shared with hungry relatives or neighbours or bartered for other items, mainly milling and transport (from the distribution points to beneficiary dwellings).

Cash transfers were used for a wide variety of purposes- basic needs (staple food, groceries, milling), education and health, debt repayments, etc. Yet ZECT cash was primarily invested on staple food (45% of the total household expenditure), other food items, milling and non-food items. Overall, households receiving cash spent an average 70% of the monthly cash allocation in food items (including milling). ***The higher level of flexibility granted by cash transfer when choosing the items and services that they want to purchase and consume, gave households autonomy to plan and decide on their monthly budgets.***

In spite of the initial concerns about the potential misuse of cash as compared to in-kind support, less than 0.5% of the monthly allocation was used on items such as alcohol and tobacco. ***Quantifying "extravagant expenditures" was one of the main limitations***

**of the ZECT monitoring system, as beneficiaries knew that the cash allocation was not meant for these items and we believe this expenditure was underreported.**

ZECT achieved positive effects on beneficiaries' food security across a range of indicators. Food consumption was higher and diets were more diversified in cash beneficiary households than among food only and non-beneficiary households. ZECT cash beneficiaries were less likely to adopt damaging coping strategies that could undermine their future livelihood viability. ***This report suggests that the ZECT pilot project protected food consumption, assets and livelihoods amongst all households but mainly amongst cash and cash and food households, and that these positive effects are attributable to the cash and food provided.***

There is significant evidence that the ZECT had an impact on local markets in the three target districts. Competitive trends among traders were found in local markets located in cash and cash and food catchment areas. The injection of cash in these areas triggered an increase in liquidity that pushed consumers' demand at first to a price increase until supply also increased, this bringing the prices down. Prices in cash only markets were found lower than in food only markets where unfair bartering practices were still common. ***The methodology of adjusting the cash transfer to local markets monthly food prices is a lesson learned that should be replicated in future cash transfer programmes that aim at maintaining household food security.***

Concerns regarding the negative effects that cash placed on women's hands could have on intra-household relationships were cautiously monitored throughout the duration of the programme. Men and women separately indicated that no tensions were generated by the programme as the decisions on how to spend the cash was consultatively decided by male and female in the households. Furthermore, beneficiaries indicated an improvement in household relationships as tensions diminished with the injection of cash in the household. ***In spite of beneficiaries' arguments, there is the need to collect more in depth information on the real level of female empowerment when it comes to making decisions regarding cash and productive assets at household level. This information will be collected during the external gender study that will be carried out in May 2010.***

This report concludes by highlighting the positive effects the cash transfer programme has had on beneficiaries, communities and local markets. ***Although the ZECT pilot programme has shown the benefits a programme this type could have on households as compared to households receiving in-kind support, there is the need to come up with different cash transfer modalities such as "seasonal safety nets" or "cash for work" in order to move more towards long term development programmes and social protection programmes. For the reasons mentioned above, monitoring data suggests that the principles and innovative features of the ZECT should be integrated into Concern livelihood programmes, and applied to future social protection and cash transfer programming in Zimbabwe and elsewhere.***

## Section 1 Background and Context

The 2009 Crop and Food Security Assessment Mission (CFSAM) <sup>1</sup> special report for Zimbabwe reported a harvest of 1,382,000 tonnes and 2.8 million people in need of food aid before the 2010 harvest. Out of this the World Food Programme (WFP) and C-SAFE plan to feed 2.2 million people under the vulnerable group feeding (VGF) programme.

In previous years, cash transfers have not been possible due to Government tight control of the maize market as well as the hyperinflationary economy. With the liberalization of the market and the dollarization, cash transfers became an option as a response to food security across the country.

The CFSAM report suggested that cash transfers should be piloted:

*In view of the lack of access to foreign currencies in the rural areas and the possibility that private traders will be able to supply food products, the opportunities for cash and voucher programmes should be explored.... However, the limiting factor for these programmes will be the scale of these interventions during their necessary pilot phase, insufficient to reach all beneficiaries.*

Over the years, Concern Worldwide (CWW) long-term involvement in Zimbabwe has allowed the agency to test out new ways to save both lives and livelihoods of those most vulnerable. It is in this context that the decision to pilot an emergency cash transfer programme was made.

In 2009, Concern in association with WFP planned to pilot a cash transfer programme in 2 wards of three districts –Gokwe North, Gokwe South and Nyanga- where Concern has been operational since 2002. The pilot cash intervention started from scratch. There was no tried and tested method of transferring, delivering and paying cash to large numbers of beneficiaries. There were no previous examples to reveal likely price impacts on staple goods after the cash injection. It was not known how households would spend their money, nor whether the shift from food to cash would create intra-household tensions as husbands and wives negotiate their rights to the new resource.

Concern Worldwide emergency cash transfer programmes in other southern Africa countries<sup>2</sup> demonstrated that the provision of cash is an excellent option to respond to food insecurity. In addition to enabling the targeted household to access their food entitlement, this type of programme creates a “multiplier effect” resulting from cash being spent in the local economy that benefits the wider community.

The ZECT pilot programme was designed to meet the food needs of approximately 20,000 people (approximately 3,900 households) by distributing cash only in one ward in each district and food and cash in another ward in each district.

The programme had four specific objectives:

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<sup>1</sup> <ftp://ftp.fao.org/docrep/fao/011/ai483e/ai483e00.pdf>

<sup>2</sup> 2005-06 Food and Cash Transfer (FACT) Project, Concern Worldwide Malawi  
2006-07 Dowa Emergency Cash Transfer (DECT) Project, Concern Worldwide Malawi  
2006-07 Cash Transfer programme for household affected by floods, Concern Worldwide Zambia

1. To enable approximately 1,900 households in Zimbabwe to obtain their Missing Food Entitlement (MFE) for a period of five months (November 2009 to March 2010) by providing direct cash transfers.
2. To enable approximately 1,900 households in Zimbabwe to obtain their Missing Food Entitlement (MFE) for a period of five months (November 2009 to March 2010) by providing 50% direct cash transfers and 50% food aid.
3. To better understand, demonstrate and document market response to cash transfers in rural areas, and to draw lessons both for potential market enhancement programmes and for larger scale emergency CT programming.
4. To better understand, demonstrate and document the community response to cash transfers in rural areas and to draw lessons for future years and potential scale up.

To address the first and second objective, before the commencement of the programme it was essential to conduct a Maize Market Assessment in the three target districts in order to anticipate whether previous years economic meltdown had affected the functioning of the maize markets in the target districts and more specifically it was crucial to ascertain traders' ability to supply the required amounts of maize when needed in the target areas.

The Maize Market Assessment presented favourable findings for the implementation of the programme, indicating that although maize stocks were different across the target wards, there was a strong likelihood that the local markets would be able to sustain the demand for maize grain.

With the likelihood that local markets would respond to beneficiaries' food demands programme planning started. As indicated above the ZECT pilot programme had the same objectives as the Vulnerable Group Feeding (VGF) programme that had been implemented in the target wards in previous years, which meant that the pilot was going to replace the food transfer with a cash handout. The cash amount given per beneficiary correlated as closely as possible to the cost of the food basket in the local market.

However, since it was the first time a sizeable cash transfer programme was implemented in Zimbabwe, it was unknown how market prices would react to a major cash injection in the rural areas. Therefore it was decided that the cash transfer would be directly linked to the household size (i.e. the larger the family the larger the transfer) and would be linked to local market prices to ensure that households' level of consumption could be maintained.

The third and fourth programme objectives were addressed by designing and implementing a comprehensive monitoring system that collected M&E data that allowed tracking the effect of cash transfer on households, local markets and communities. External consultants and researchers were also brought in to conduct specific studies such as a gender study, a multiplier effect study and an external evaluation.

It is in line with objective three and four that this consolidated report has been put together in order to understand the effects the cash transfer programme has had on households, market and communities.

## Section 2 Monitoring Methodology

The findings of this consolidated monitoring report are derived from two sets of data: one quantitative and one qualitative. Firstly, as part of its internal management of the ZECT programme, Concern Worldwide Zimbabwe designed and implemented a comprehensive monitoring system, which included household surveys involving several hundred beneficiaries and non-beneficiaries, cash distribution monitoring involving beneficiaries, market price and growth points monitoring conducted in several shops thrice monthly, and gender focus groups discussions. Secondly, during the month of March 2010, a round of focus group discussions with traders, business people, local food producers, teachers, health personal and households in the targeted communities were also conducted to get more qualitative data on the effects the programme was having on market and communities. This section describes the methodologies used in data collection and data analysis.

### 2.1. Household surveys

In addition to the data collected during the ZECT Baseline survey conducted in November 2009, five sets of household surveys were conducted by Concern Worldwide monitoring and evaluation team between December 2009 and April 2010. Table 1 summarizes the timing and sample sizes of the six surveys. After each survey a report was written presenting main findings. Each PDM sample was divided into ZECT cash only beneficiaries, cash and food beneficiaries, food only beneficiaries and non-beneficiaries. Beneficiaries for each group belonged to two different types of villages. One set of beneficiaries surveyed lived in isolated villages (far from local markets and passable roads) and a second set of beneficiaries surveyed lived in well communicated villages. Non-beneficiaries were added to the survey in order to have a control group against which the effects of ZECT support could be compared.

**Table 1. ZECT- related household surveys (November 2009- April 2010)**

Date	Survey	Sample Size		
		Total	Beneficiaries	Non-beneficiaries
November 2009	Baseline Survey	373	301	72
December 2009	1 <sup>st</sup> Post-Distribution Monitoring	112*	82	30
January 2010	2 <sup>nd</sup> Post-Distribution Monitoring	165	130	35
February 2010	3 <sup>rd</sup> Post-Distribution Monitoring	186	162	24
March 2010	4 <sup>th</sup> Post-Distribution Monitoring	185	155	30
April 2010	5 <sup>th</sup> Post-Distribution Monitoring	180	148	32

**Note: (\*)** The number of households interviewed during the 1<sup>st</sup> round of PDMs is lower than in the other rounds as only has data from Gokwe North and Nyanga. Distributions in Gokwe South only started in December 2009 reason why the first round of PDMs for this district was conducted in January 2010.

For most of the monitoring analysis the sampled households are divided into two groups: male-headed and female-headed households or in four groups: cash only household, cash and food household, food only household and non-beneficiary. As well as comparing findings across these different household categories, trends over the six-month survey period are analyzed as they constitute a panel (the same households were interviewed in each survey round).

### 2.2. Market surveys

In addition, the ZECT team conducted regular **market price and traders monitoring** in each of areas where the ZECT was implemented, to monitor food prices pre-distribution, post-distribution and seventeen days after the distribution. The collection of data on local commodity prices was done in order to establish the amount of monthly cash transfers.

Interviews with traders and millers were also conducted on a monthly basis in the target areas in order to ascertain any positive or negative changes faced during the month as a direct or indirect effect of the programme.



### 2.3. Distribution monitoring

Distribution monitoring was carried out with two different tools. Firstly, an **exit monitoring** form was administered to 10 beneficiaries on the day of each ZECT distribution and it focused on perceptions about the delivery process, security around distribution points, etc. Secondly, a **process monitoring** questionnaire was also completed at each cash, food and cash of food distribution point after observing the dynamics of the distribution.

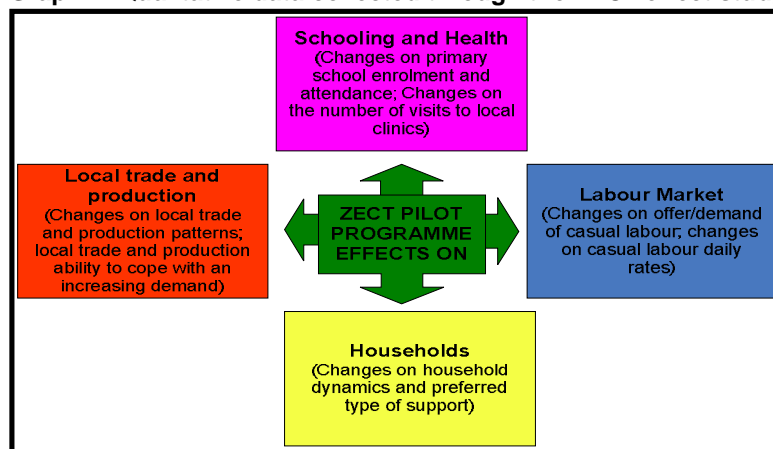
### 2.4. Gender Focus Group Discussions

One of the main concerns that programme implementers and donors had with the programme was a potential increase of intra-household violence as in Zimbabwe bringing income and productive assets to the household has been traditionally a male's domain. Therefore it was agreed that monthly focus groups discussions with male and females separately were to be conducted in 2 villages in each district receiving cash and cash and food every month.

### 2.5. Qualitative fieldwork (ZECT effects study)

In order to collect more in-depth qualitative data that would complement PDM information during the month of March 2010 a set of focus groups discussions were conducted by Concern and WFP M&E staff. The objective of this exercise was to conduct a round of focus group discussions to collect qualitative data on the effects direct and indirect effects the ZECT was having on schools and clinics, local trading, local business, local production and households. The graph below shows more details information on the data collected through this exercise. Findings from this exercise complement quantitative data presented throughout this report.

Graph 1. Qualitative data collected through the ZECT effect study



### 2.6. Limitations of the ZECT M&E system

Despite our efforts to interview every month the same households when collecting PDM data, this was not possible due to: a) inability to find the same households every month and b) time constraints affecting monitor flexibility to travel to far apart locations. However by collecting data in the same villages and almost to the same households we were able to capture and measure trends across the programme.

Although we indicated to households that their responses would not affect their selection or deselection from programme, the fact that we represented Concern and WFP made respondents understandably guarded. At times it was clear we were being told a sort of "clean" version of the truth. For instance, since beneficiaries had been instructed by project staff not to 'waste' ZECT money on drinks and other unproductive items, they categorically denied any such irresponsible behaviour/ expenditure, fearful of being excluded from the programme.

### Section 3 ZECT Pilot Intervention

In November 2009, Concern and WFP agreed on the implementation of a pilot cash transfer programme that would reach 20,000 beneficiaries in three districts of Zimbabwe: Gokwe North, Gokwe South and Nyanga.

The pilot aimed at replacing cash in one ward per district as well as replacing 50% of the food ration with cash in another ward per district to enable about 20,000 people to obtain their missing food entitlement during the lean period (November 2009 to March 2010).

**Table 2. ZECT Pilot Programme Entitlements per Beneficiary type as of January 2010**

District	Cash Only Entitlements	Cash and Food Entitlements	Food Only entitlements
Gokwe North and South	USD 6.42	5 kg Maize grain 0.5 kg Beans/ 0.9kg 0.30 kg Vegetable Oil USD 3.21	10 kg Maize grain 1kg Beans/1.8kg 0.60 kg Vegetable Oil
Nyanga	USD 6.80	5 kg Maize grain 0.5 kg Beans/ 0.9kg 0.30 kg Vegetable Oil USD 3.40	10 kg Maize grain 1kg Beans/1.8kg 0.60 kg Vegetable Oil

Note: Pulses ration size went 1kg of beans per person from November 2009 to January 2010 to 1.8kg in February and March 2010.

In January 2010, the cash transfer programme was expanded to new wards within the targeted districts, increasing the number of people receiving cash from 20,000 to approximately 60,000 people in 20 additional wards.

**Table 3. Targeted Wards under ZECT Pilot Programme**

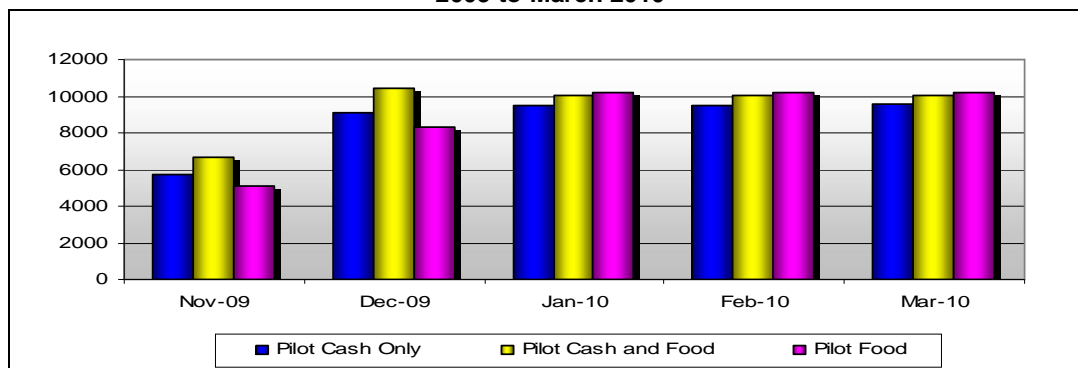
District	Ward	Ward No.	Type of support	Total Population	Planned Benef.	% population benefiting from CT programme	Benef. HHs
Gokwe North	Makore 1	11	Cash only	8,155	3,772	46%	754
	Chireya 3	9	Cash and Food	5,953	2,753	46%	551
	Chireya 8	34	Food only	5,953	2,753	46%	551
				<b>20,061</b>	<b>9,278</b>	<b>46%</b>	<b>1,856</b>
Gokwe South	Nemangwe1	13	Cash only	12,106	3,765	31%	753
	Nemangwe 2	12	Cash and Food	10,252	3,349	33%	670
	Nemangwe 3	11	Food only	10,866	3,379	31%	676
				<b>33,224</b>	<b>10,493</b>	<b>32%</b>	<b>2,099</b>
Nyanga	Tombo	15	Cash only	8,003	3,930	49%	786
	Rgwange	4	Cash and Food	8,151	1,776	22%	355
	Guramathundu	9	Food only	5,255	2,360	45%	472
				<b>21,409</b>	<b>8,066</b>	<b>38%</b>	<b>1,613</b>
Total Cash only				28,264	11,467	41%	2,293
Total Cash and Food				24,356	7,878	32%	1,576
Total Food only				22,074	8,492	38%	1,698
<b>TOTAL</b>				<b>74,694</b>	<b>27,837</b>	<b>37%</b>	<b>5,567</b>

Intensive monitoring exercises were carried out only in the pilot wards aiming at learning about the effects cash had on households, communities and markets. It was very important to understand how cash could affect directly or indirectly households in the target communities, reason why post-distribution monitoring (PDMs) exercises were carried out amongst four different households groups in the same district:

- Cash only households
- Cash and food households
- Food only households
- Non-beneficiaries

In total, Concern together with Safeguard –the Cash in Transit Company (CIT)-distributed on average USD107,000.00 in cash and 180mT of food every month to an average of 29,300 beneficiaries in almost 6,000 households.

**Graph 2. Number of beneficiaries reached by the ZECT pilot programme from November 2009 to March 2010**



**Note:** The pilot programme started in November 2009 in Gokwe North and Nyanga and reached Gokwe South in December 2009. Due to this the number of beneficiaries reached in November is lower than that in the other months.

Household cash allocation varied monthly and it was calculated based on local monthly market prices. This approach was used to ensure that the price of food and the amount transferred correlated as close as possible to local market prices so potential price volatility would not undermine the value of the transfer.

**Table 4. Calculation of ZECT Monthly Cash Transfer Allocations, November 2009 to March 2010**

District	Commodities	Quantity (kgs)	November		December		January		Quantity (kgs)	February		March	
			Cost	Cash Transfer	Cost	Cash Transfer	Cost	Cash Transfer		Cost	Cash Transfer	Cost	Cash Transfer
Nyanga	Maize	10.00	0.30	\$3.00	0.29	\$2.90	0.35	\$3.50	10.00	0.30	\$3.00	0.34	\$3.40
	Beans	1.00	2.00	\$2.00	2.00	\$2.00	2.00	\$2.00	1.80	2.00	\$3.60	2.00	\$3.60
	Veg. Oil	0.60	2.00	\$1.20	2.17	\$1.30	2.17	\$1.30	0.60	2.17	\$1.30	2.17	\$1.30
<b>Cash transfer per person per month:</b>				<b>\$6.20</b>		<b>\$6.20</b>		<b>\$6.80</b>			<b>\$7.90</b>		<b>\$8.30</b>
Gokwe North & South	Maize	10.00	0.20	\$2.00	0.17	\$1.70	0.29	\$2.90	10.00	0.23	\$2.30	0.23	\$2.30
	Beans	1.00	2.00	\$2.00	2.00	\$2.00	2.00	\$2.00	1.80	2.00	\$3.60	2.00	\$3.60
	Veg. Oil	0.60	2.00	\$1.20	2.53	\$1.52	2.53	\$1.52	0.60	2.16	\$1.30	2.17	\$1.30
<b>Cash transfer per person per month:</b>				<b>\$5.20</b>		<b>\$5.22</b>		<b>\$6.42</b>			<b>\$7.20</b>		<b>\$7.20</b>

As it can be observed in table 4, some degree of price volatility was observed during the implementation of the programme. However price volatility was not related to the ZECT programme but to the following factors:

- The anticipation of failure of the current crop season caused by late rains in several project areas forced many farmers to retrieve their maize stocks from the markets. The reduction of maize stocks in some markets created an increase on the price of maize towards the month of January 2010.
- Poor road network in some areas of Gokwe North and Gokwe South affected commodity prices. High transport costs are a major constraint, as transporters assume heavy maintenance costs and high risks during each trip (especially during rainy season), which ends up affecting the retailer cost of all commodities.
- Poor market infrastructure led to lack of market competitiveness that forced households living in isolated areas to purchase prices in the few shops available in their areas. This isolation affects commodity prices not only caused by lack of

competitiveness by also by high transport costs. These issues were observed in some isolated areas of Gokwe North and Nyanga.

- The limited availability of beans in Nyanga affected on the final price of this item in the market and consequently resulted on an increase on the amount of the cash transfer for this district in the last two months.

Despite all, the monthly cash allocations handed-out were accurate as it increased households' consumption and purchase capacity as compared to food only beneficiaries (Please refer to household consumption patterns and coping strategy index section).

One of the main successes of this programme was the secure atmosphere that the Cash In Transit Company, Concern staff and communities achieved at all the distribution points. As a result of this, all distributions under the pilot and the expanded programme were carried out smoothly with no security incidents or political interferences.

## **Section 4 ZECT programme effects**

Emergency cash transfer programmes implemented in the southern Africa region had shown the potential benefits that cash transfers can have over direct input distributions. However this was not known for Zimbabwe as it was the first time that a sizeable cash transfer programme was implemented. In order to ascertain the effects that different types of ZECT assistance has had on households the following hypothesis were developed:

- ✓ Cash gives flexibility of choice, therefore empowering households, often headed by women to choose for themselves how they spend their money;
- ✓ Cash can re-stimulate local markets;
- ✓ Cash empowers women as they are able to control the use of cash within the household as they do with other in-kind resources;
- ✓ Cash can be speedy and cost effective to implement.

The monitoring system developed for the programme had the capacity to prove or refute the first three hypotheses while the external evaluation will be in charge of determine the cost-effectiveness of the intervention for the different types of assistance provided amongst other programme impacts.

### **4.1 Measuring ZECT effects on Households**

#### **4.1.1. Beneficiaries' use of ZECT entitlements**

Before looking into how beneficiaries and non-beneficiaries used their income, we look at the different livelihood sources that contribute to the total household income<sup>3</sup>.

The main livelihood source for households in ZECT target areas is casual labour (*maricho*). This type of activity is seasonal, limiting the period in which households can earn some extra income from this external source. Focus groups discussion indicated that the pick season for *maricho* was from November to April, but its demand is conditioned by rainfall and other climatic conditions. During the reporting season, although an initial dry spell predicted low demand for casual labour, late rains maintained the demand for casual labour in all three target areas.

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<sup>3</sup> Data on different livelihood sources and its value was only collected by PDM questionnaires in February and March 2010.

Focus group discussions information and PDM data revealed that the type of assistance provided by the programme had an important effect on household livelihoods. As indicated in the table below, the greatest contribution to the total household income for cash and cash and food beneficiaries was the ZECT programme, accounting for 91% and 81% respectively. Those not receiving cash from the programme -food only beneficiaries or non-beneficiaries- relied on casual labour as main source of income. Important to note, that although food aid is a source of income, none of the food only recipients mentioned it.

**Table 5. Main households sources of income by beneficiary type, March 2010**

	Main source of income	Second main source of income
Cash only beneficiaries	<ul style="list-style-type: none"> <li>• ZECT programme -100%</li> </ul>	<ul style="list-style-type: none"> <li>•Casual labour- 67%</li> <li>•Remittances- 8%</li> <li>•Vegetable production- 8%</li> <li>•Other – 8%</li> <li>•Petty trade - 4%</li> <li>•Brewing- 4%</li> </ul>
Cash and Food beneficiaries	<ul style="list-style-type: none"> <li>• ZECT programme -98%</li> <li>• Other- 2%</li> </ul>	<ul style="list-style-type: none"> <li>•Casual labour- 72%</li> <li>•Livestock sales- 9%</li> <li>•Gifts- 6%</li> <li>•Small business- 3%</li> <li>•Petty trade- 3%</li> <li>•Vegetable production- 3%</li> <li>•Pension- 3%</li> </ul>
Food only beneficiaries	<ul style="list-style-type: none"> <li>• Casual labour- 75%</li> <li>• Food crop production- 10%</li> </ul>	<ul style="list-style-type: none"> <li>•Casual labour- 30%</li> <li>•Gifts- 25%</li> <li>•Vegetable production- 10%</li> <li>•Livestock production- 10%</li> <li>•Remittances- 10%</li> </ul>
Non-Beneficiaries	<ul style="list-style-type: none"> <li>• Casual labour -39%</li> <li>• Remittances- 16%</li> <li>• Food crop production- 10%</li> </ul>	<ul style="list-style-type: none"> <li>•Casual labour- 29%</li> <li>•Remittances- 24%</li> <li>•Vegetable production- 10%</li> </ul>

This trend of food only beneficiaries and non-beneficiaries engaging more in casual labour has been constant since the beginning of the programme. Yet this does not mean that cash and cash and food beneficiaries have stopped working, but since the programme is giving them the cash needed to cover all or most household monthly requirements, they decided to put their efforts on their fields rather than on somebody else's fields.

Food only beneficiaries indicated that the quantity of food received every month by the programme was somehow adequate, yet by the time they paid for transport, for maize milling and for other urgent household items, they were left with a "loss" that had to be complemented with food or cash earned through casual labour activities. Food only beneficiaries also indicated that since bartering transactions are not always fair, they prefer to engage in casual labour to get basic items such as soap, salt and sugar, rather than barter them for food aid or commodities from their own produce.

### **Use of ZECT food**

Data from both quantitative monitoring surveys and qualitative methods (focus group discussions) reveal that the bulk of food transferred to ZECT beneficiaries was consumed at home. Results from PDMs indicate that beneficiary households consumed more than 93% of their maize, more than 94% of the beans and almost all (97%) of the oil they received in January and March 2010 (Table 6). A small portion of the food was

shared with other households and in the case of maize, it was also bartered and used to repay loans.

**Table 6. Use of ZECT food, January and March 2010**

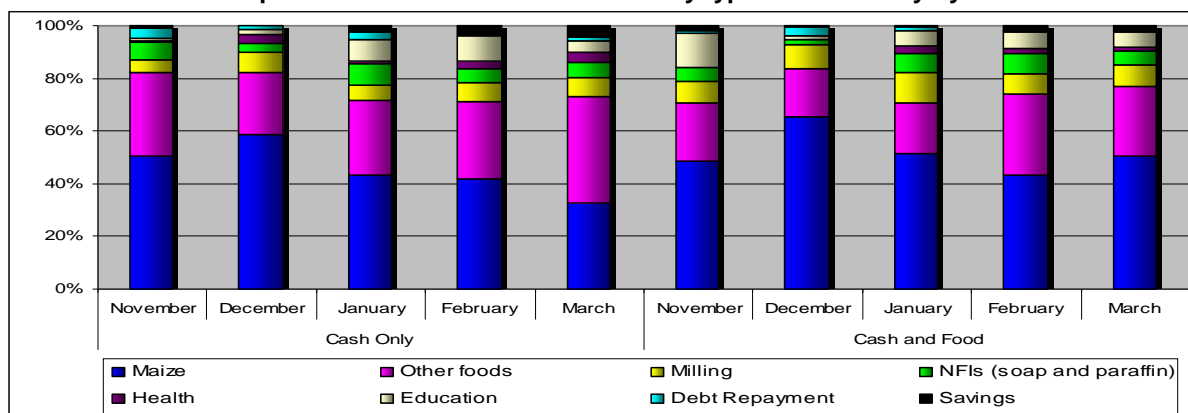
Food item	Food use	January	March	Mean
Maize	Consumed	94.7%	92.0%	93.4%
	Bartered	1.1%	1.7%	1.4%
	Shared in kind	1.5%	5.1%	3.3%
	Loan payment	2.7%	1.3%	2.0%
Beans	Consumed	98.7%	90.0%	94.4%
	Bartered	0.0%	0.0%	0.0%
	Shared in kind	1.3%	10.0%	5.7%
	Loan payment	0.0%	0.0%	0.0%
Oil	Consumed	99.5%	93.9%	96.7%
	Bartered	0.0%	0.0%	0.0%
	Shared in kind	0.5%	6.1%	3.3%
	Loan payment	0.0%	0.0%	0.0%

We found no cases, in either the qualitative discussions or the household survey data, of beneficiaries selling their food. There were however more reports of beneficiaries sharing their ZECT food in qualitative fieldwork than through PDMs. Most beneficiaries claimed to have informally redistributed small amounts of maize to needy relatives and friends each month. This suggests that the programme reached the right people yet communities feel that the ZECT coverage is not adequate (too small) reason why they go into sharing practices. As an example of this when non-beneficiaries were asked the type of support they preferred several of them indicated that if they were to become beneficiaries they would prefer cash but if they had to stay as non-beneficiaries they would like Concern to keep providing food, as food was shared amongst non-beneficiaries while cash was not.

### Use of ZECT cash

The ZECT pilot project was designed to provide 10,000 beneficiaries with a full cash transfer and other 10,000 beneficiaries with 50% cash transfer and 50% food transfer. Beneficiaries were explicitly told that the cash they received was to enable them to buy the same amount of food as otherwise would receive in-kind (i.e. 10kg of maize, 1.8 kg of pulses and 0.6kg of oil per person) and that the amount of cash transferred was adjusted each month to the price movements of these three commodities in local markets.

**Graph 3. Use of ZECT cash allocation by type of beneficiary by month**



Nonetheless the cash component of the ZECT package was used in more diverse ways than the food items. Graph 3 shows the breakdown of ZECT cash transfer spending. Through the duration of the programme maize represented the main expense for both cash and cash and food beneficiaries and although it decreased towards the end of the programme amongst cash only beneficiaries, the amount of ZECT cash transfer spent every month on maize was on average 45%. On average, cash and cash and food beneficiaries consumed the same amount of maize a month as they purchased 13kg and 7kg of maize per person per month respectively (in addition to the 7kg of maize per person that cash and food beneficiaries purchased they received and additional 5kgs from the food aid basket).

Although maize and other groceries (including milling of maize) dominated households expenditures each month (taking on average 70% of the monthly cash allocation), the purchase of non-food items and payment of education became part of households' monthly expenditure.

With the closure of the programme, cash only beneficiaries mentioned that the last cash allocation would be spent more on food and non-food items than on the staple cereal (maize). The anticipation of a good harvest amongst many beneficiaries drove them to buy and stock "payable" items such as sugar, salt, oil and soap, rather than foods that were producing in their own fields (i.e. maize, roots and vegetables).

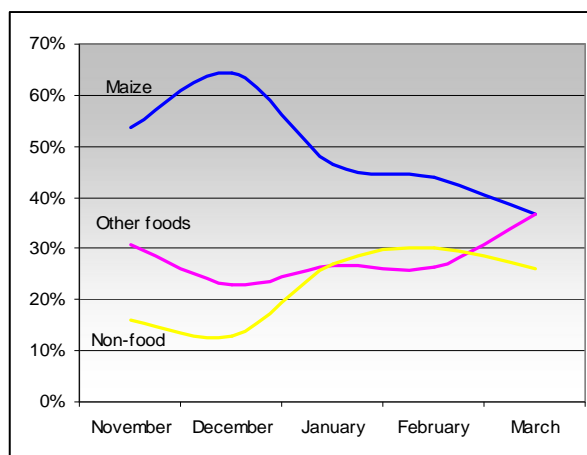
Importantly, part of the cash was used to mill the maize that beneficiaries either received directly from the programme or bought with the ZECT cash. This was a significant expense – up to 7% of cash spending in some households- and suggests another benefit of providing cash. As mentioned earlier, food aid recipients have to meet milling costs through other means, including bartering part of their food aid.

Although in small percentages (5% on average) many households invested in education, using ZECT money to buy notebooks and pens for their children that were attending school and in isolated cases paying for school fees arrears for their sons and daughters. Most of the households interviewed during focus group discussions indicated that it was a common practice to pay annual school fees towards May once the money from the cotton harvest was made available. Therefore ZECT money was hardly used to pay fees but was used on school stationary and uniforms.

Although informal discussions with benefiting households revealed that various types of investments were made (i.e. purchases of small livestock, purchases of fertilizers and seeds, etc) the majority reported that when the ZECT started their fields had already been taken care of and if not, the monthly amount distributed was just sufficient to cover households' most basic needs.

One of the main concerns raised when the programme started was the potential misuse of cash as compared to food aid, in terms of being used for items like alcohol and

**Graph 4. Average percentage of maize, other foods and non-food items by cash beneficiaries**





tobacco. Overall, less than 0.5% of the grant was reported to be spent on unproductive items such as alcohol and tobacco. During gender focus groups discussions a few women reported that they gave a few dollars to their husbands for their own use but these amounts were not disclosed and therefore could not be quantified.

Quantifying “extravagant” expenditures was one of the main limitations of the programme monitoring system. Although we indicated to households that their responses would not affect their selection or deselecting from programme, the fact that we represented Concern and WFP made respondents understandably guarded. At times it was clear we were being told a sort of “clean” version of the truth. For instance, since beneficiaries had been instructed by project staff not to ‘waste’ ZECT money on drinks and other unproductive items, they categorically denied any such irresponsible behaviour/ expenditure, fearful of being excluded from the programme.

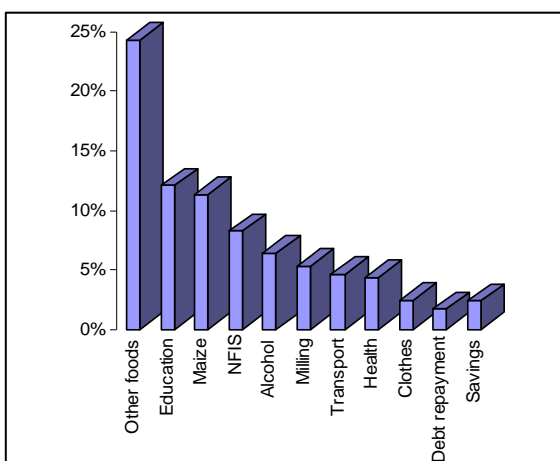
### **Use of non-ZECT cash**

The large amount of ZECT cash spent on food items kept implementers wondering on whether this was due to high food insecurity among households that kept them spending all the money in food or as a result of beneficiaries being told that the ZECT cash was meant for food only (so households utilize other cash sources to buy non-food items or other extravagant items).

During the last two rounds of PDMs (February and March 2010) additional data was collected on different livelihoods sources and on how households were spending the cash from these different households livelihood sources (including the ZECT).

Out of the 103 households interviewed that received cash and cash and food in March 2010, 45% had an additional source of income to the ZECT programme. Yet this additional source of income only accounted for 9% and 19% of the total household income amongst cash and cash and food beneficiaries respectively. The suggestion that non-ZECT income may be spent more on non-food items or other services rather than purchasing maize and food items is not valid as the same percentage of cash (50%) was spent on foods and non-food items (Graph 5).

**Graph 5. Use of Non-ZECT cash by cash only and cash and food beneficiaries, March 2010**



#### **4.1.2. Beneficiaries consumption patterns and coping strategies**

Two indicators of household food security were monitored by Concern during the duration of the programme. These were: meals per day and dietary diversity.

Monitoring the number of meals eaten per day by various households at different times can measure food security. In the ZECT PDMs all households were asked how many meals both adults and children were eating per day each month.

Before the programme started in November 2009 some households had started rationing their maize stocks. At this point non-beneficiaries were eating more meals than future ZECT beneficiaries.



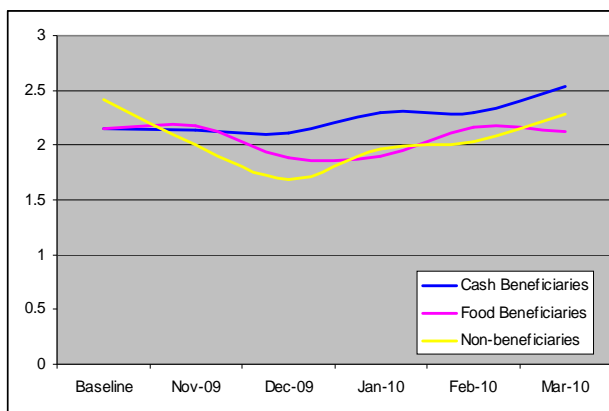
In November and December 2009 the numbers of meals adults were eaten a day fell for all the groups except for the cash only beneficiaries who kept a constant adult daily intake and increased it slightly towards the end of the programme.

The ZECT programme helped food only beneficiaries to avoid food consumption falls and despite daily meals were just below 2 meals a day in December and January, their daily consumption was better than those not benefiting from the programme.

Using a 7-day recall period,

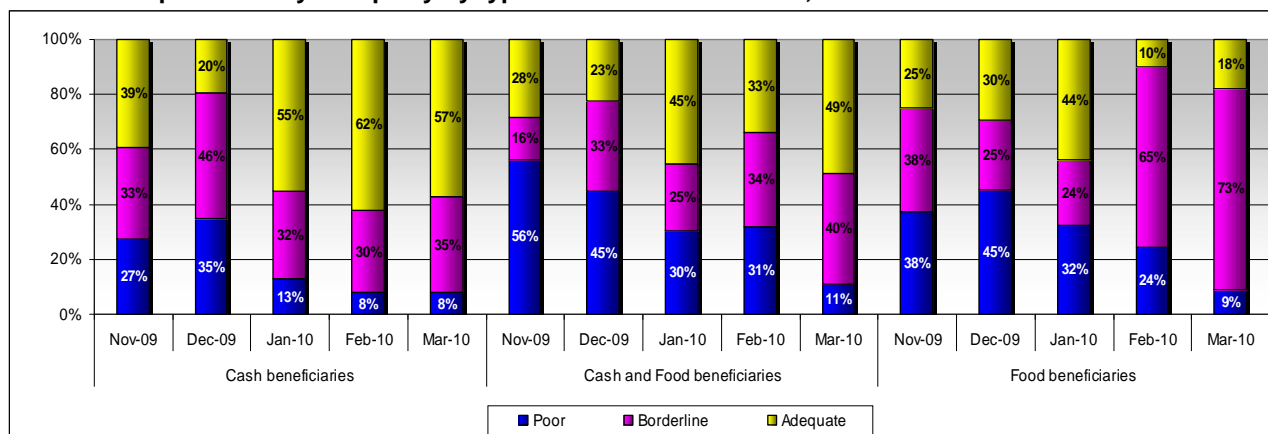
information was collected on the variety and frequency of different foods and food groups to calculate household food consumption patterns. The analysis of household food consumption patterns not only allows comparison of dietary quantity and diversity between beneficiary and non-beneficiary populations but also establishes a threshold of dietary quality against which to compare these populations.

**Graph 6. Meals per day for adult (mean by households type and month)**



Graph 7 shows that the percentage of beneficiary households with poor consumption decreased since the commencement of the programme to almost less than 10%. The best consumption in terms of diversity and richness of food intake was found amongst cash only beneficiaries with 57% of them having an adequate weekly dietary consumption in March 2010. Almost half (49%) of cash and food beneficiaries presented also adequate weekly food consumption, while the majority of food only beneficiaries fell under the borderline consumption category<sup>4</sup>.

**Graph 7. Dietary Adequacy by type of assistance received, November 2009 to March 2010**



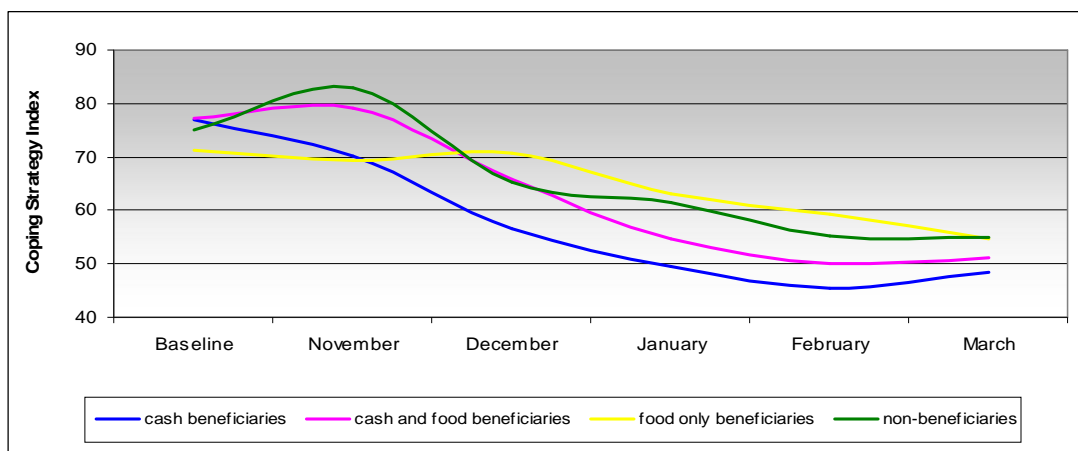
<sup>4</sup> Information on the 7-day recall period was collected on the variety and frequency of different foods and food groups to calculate a weighted food consumption score. Households were classified as having either “poor”, “borderline” or “adequate” consumption based on the analysis of the data. Households with “borderline” consumption consume the equivalent of cereals and vegetables on a daily basis plus pulses/nuts and oils about 4 times a week. Those with “poor” consumption managed to eat the equivalent of only cereals and vegetables on a daily basis.

Information from graph 7 on dietary consumption and therefore dietary diversity coincide with the type of food items purchased monthly. Cash only beneficiaries although still consuming a greater variety of items if compared to the other two groups, decreased slightly their consumption on sugar, poultry and eggs, oils and fats and milk in March 2010. Reports from the districts indicate that cash only beneficiaries consumed less as they planned to restock non-perishable items for the coming months when the programme will no longer provides cash. However most of them still consumed maize, vegetables and oil/fats daily, sugar and beans at least twice a week, groundnuts four times a week, beans and peas at least twice a week, and meat at least once a week.

The majority of food only beneficiaries fell under the borderline category as their diet was mainly reduced to the food basket entitlements which are cereals, beans and oil. Although local products such as vegetables and fruits were also incorporated in their diets, their consumption was not enough (consumption below 4 times a week) to be considered adequate<sup>5</sup>.

In order to measure the effect that the ZECT assistance is having on households' food security, we used also the Coping Strategies Index (CSI) which measures the frequency and severity of actions taken by households in response to the presence or threat of a food shortage.

**Graph 8. Evolution of the Coping Strategy Index by Beneficiary Type**



The comparative analysis amongst cash, cash and food, food and non-beneficiaries, shows that although cash and cash and food still have the lowest CSI score (48 and 51 respectively) the differences with food only beneficiaries has been narrowed down thanks to a decrease on food households' CSI score from 59 in February to 54 in March 2010.

The slight increase on the CSI amongst cash only beneficiaries is due to an increase on coping mechanisms such as: i) limit portion sizes at meal times; ii) rely on less expensive or less preferred foods; and iii) harvest immature crops. In spite of the increase, this group still presents the lowest CSI score at 48 points which makes them the less food insecure group. Non-beneficiaries presented for the first time the highest CSI score at 55.

<sup>5</sup> The measurement to determine “Poor”, “Borderline” and “Adequate” had been done following the syntaxes utilized on the Community and Household Surveillance (CHS) for Zimbabwe.

Overall, the indexes obtained from all four groups are relatively low which indicate that all households interviewed are not engaging in threatening coping mechanisms and suggest that they currently are food secure. This has to be contextualized as March is the month in which beneficiaries and non-beneficiaries start harvesting their maize and will soon (April) start picking the cotton.

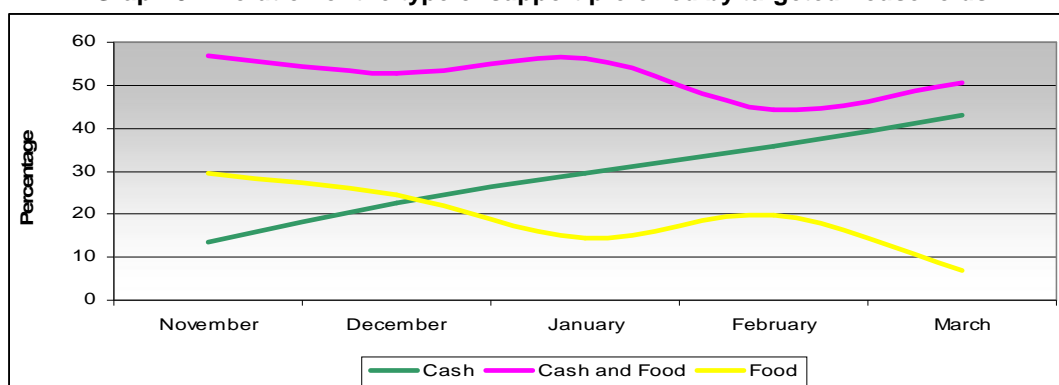
#### 4.1.3. Beneficiaries preferred type of support

After many years of food aid distributed in the target areas one of the main concerns identified at the beginning of the programme was whether benefiting households were going to support the new distribution method.

Although during the first two months of ZECT implementation there was a tendency to prefer food support only over cash support (due to households' lack of confidence in the local markets) this trend progressively changed and by the end of the programme cash transfers were almost as popular as cash and food transfers.

It is important to understand the context in which the programme started and the evolution of several factors that contributed to a change on the type of support preferred amongst beneficiaries. After many years of hyperinflationary economy and lack of liquidity, local market structures were in most cases decaying. Poor local market structures and unforeseen availability of maize (especially during the months of January and February 2010 in several areas of Gokwe North and Nyanga districts) led households mistrusting the ability of local markets to satisfy costumers' increasing purchasing demand.

**Graph 9. Evolution of the type of support preferred by targeted households**



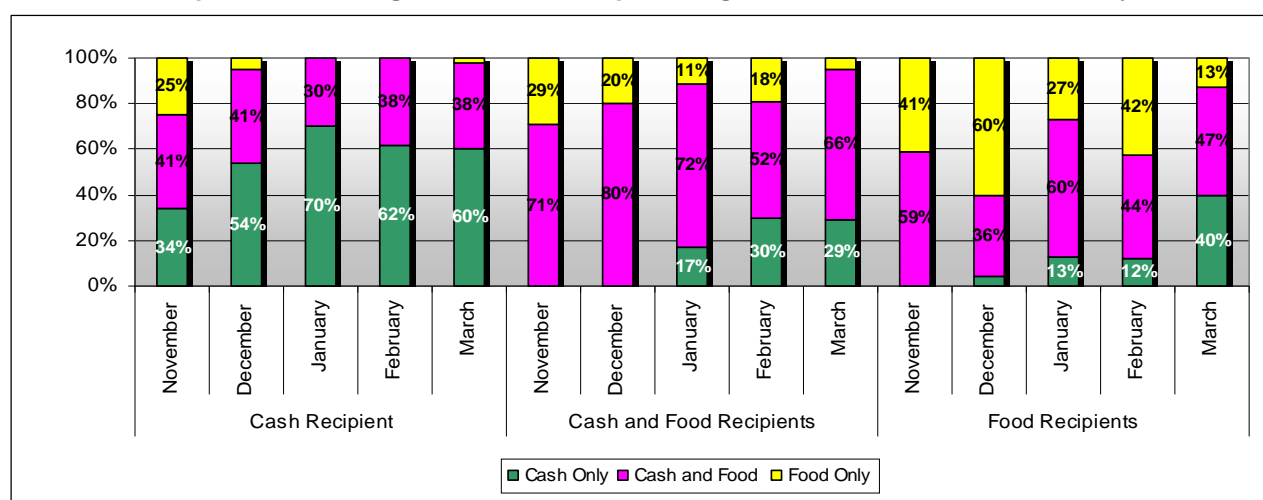
Furthermore years of in-kind humanitarian assistance had reduced households' ability to deal with purchases, to understand changes in prices and to understand the value of the newly introduced currency, the American Dollar<sup>6</sup>.

However, progressive preference for cash only assistance shows that during the implementation of the programme markets and maize local producers gained the trust of costumers not only by increasing the stocks of certain products but also by diversifying commodities on sale based on household demands. It is important to note that access to maize conditioned households' preferred type of support more than the access to other food items (see *Effects on local markets* section for further details).

<sup>6</sup> It is important to note that many ZECT beneficiaries handle USD for the first time thanks to the programme.

Although cash has become one of the most preferred types of support among beneficiaries, the combination of both cash and food is still the most supported type of assistance by 51% of ZECT beneficiaries. However implementing a programme where both food and cash are distributed would considerably increase programme's operational costs. Therefore while conducting focus group discussion in March 2010, beneficiaries and non-beneficiaries were asked to choose between cash only or food only. Important to note that almost all beneficiary groups interviewed selected cash over food, and only those that were close to non-functional markets or had never received cash were supporting food aid only. The majority of non-beneficiaries indicated that cash was the most preferred type of support, however they highlighted that it was less beneficial to them as cash was as much shared as food used to be. This corresponds with the results from Graph 10, where food only beneficiaries have a tendency to prefer food over cash due to limited local market knowledge and limited access to competitive markets.

**Graph 10. Percentage of beneficiaries preferring cash, cash and food or food only**



Based on the above, access to well stocked markets and good forecasts for next agricultural season boosted Gokwe South households' confidence, pushing the percentage of households preferring cash only and cash and food to 60% and 34% respectively. In Gokwe North an increase on maize stocks at local markets (coming from neighbouring wards and district such as Gokwe South) increased households confidence on the market, and the number of households preferring cash only over other types of support went from 20% in February to 45% in March 2010. In Nyanga the programme ended with no beneficiaries preferring food, but the majority preferring both cash and food (79% preferred cash and food and 21% preferred cash only).

**Table 6. Reasons for Preferred Type of support**

Prefer Cash	Prefer Cash and Food	Prefer Food
<ul style="list-style-type: none"> <li>▪ Can purchase foods and other items</li> <li>▪ Can purchase a variety of other products</li> <li>▪ Easy to transport</li> <li>▪ Can save part of it</li> </ul>	<ul style="list-style-type: none"> <li>▪ Can purchase foods and other items</li> <li>▪ Can purchase a variety of other products</li> <li>▪ Satisfies HH food shortages</li> <li>▪ Can save part of it</li> </ul>	<ul style="list-style-type: none"> <li>▪ Satisfies HH food shortages</li> <li>▪ Food prices are unpredictable</li> <li>▪ Easy to share with family and friends</li> </ul>

Flexibility on purchases seems to be the main benefit of cash over some other in-kind distribution as it allows beneficiaries to determine their own priorities and spend the cash accordingly. Other reasons given for preferring cash to food was "easy to transport", "can save part of it" and "it does not encourage unfair transaction practices". Households

preferring cash believed that the lack of cash prior to the programme encouraged unfair bartering practices especially when it came to maize milling and purchase of hygienic products such as soap.

### **Human Story: ZECT Programme Transforms a Widow's Social and Economic Status**

Sophia Chitsatse a sixty five year old widow who resides in Ward 4 of Nyanga North. In September 2009, she was selected into the Vulnerable Group Feeding (VGF) programme on the basis of her food insecure status. Housing 4 orphans and one chronically ill household member, she continued to face a myriad of challenges to access non food services like milling of the grain she received as well as other critical cash needs like school fees. She embarked on casual labour to meet these cash needs and most of her time would be spent working in other community member's fields. The money realized from the casual labour could not meet both her food and basic needs, and by the time the ZECT programme was introduced, the 4 orphans she looks after had already been kicked out of school for more than ½ of the term for failure to pay school fees and this strained her family.

In the aftermath of the Zimbabwe economic doldrums and the subsequent introduction of multicurrency system, the American dollar, the main trading currency remained scarce in the rural communities. For the casual labour, Sophia says her payment was now made in kind. As a result of this cash deficit, most services were now transacted through bartering. To grind her grain ration for instance, she would part with a quarter of the ration, which currently costs twice the cash equivalent of grinding (grinding costs a dollar per bucket while 5Kgs maize grain now costs approximately USD 2).

#### **Impact of ZECT**

Since the introduction of ZECT project in November 2009, Sophia's life transformed. She spent less time working in other villagers' fields. Now she has time to work in her family garden and field. Barter trade has become a thing of the past for her. The 'monster' has since left my household, says Sophia. Gone are the days of unfair deals with the millers and fellow villagers. She now has the cash from ZECT for milling and obtaining missing food items and paying school fees. *'As I speak right now, my children all have school stationery and are attending school everyday'*. She has since bought plastic sandals for her children who used to walk barefooted. This has indeed boosted her children's morale to attend school. They appear more confident and assertive.

*'It's strange what money can do, I am suddenly recognized like every one else in my community'*. Sophia now keeps aside a dollar or more every month for emergency such as medical expenses.

At the time of the interview, Sophia had bought 4 chickens which were now laying eggs thus allowing for diversity in her family's diet.

#### **Future dreams**

Sophia dreams of starting a chicken and goat project so that she would be one of the sellers under the Small Livestock Program, another project supported by Concern Worldwide in the adjacent ward. She is also determined to ensure her children excel in school and not end up as vulnerable as she was. Her focus now is to maintain this improved social status.

Clearly, Sophia is in support of the cash option as she believes it gives her a lot of flexibility as well as opportunities to enterprise. *'No more unfair transactions for me'* smiles Sophia.

## 4.2 Measuring ZECT effects on the Local Economy

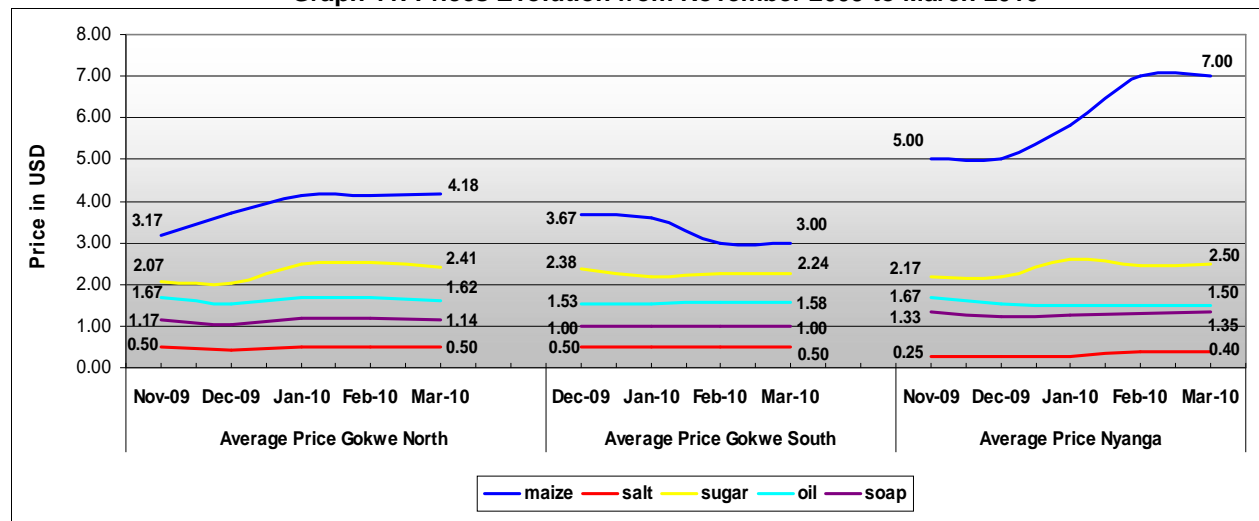
### 4.2.1. Effects on local markets

The local market structure in Zimbabwe is based on small shops stocking basic items required by the local population. However years of tight control of the maize market, hyperinflationary economy and USD liquidity problems left many rural markets in the verge of collapse. Consequently, baseline data collected in November 2009 indicated that the constant decline most rural markets had experienced resulted on many shops closing down, and those still open were selling a limited amount of products such as oil, soap, salt and sugar which they bartered<sup>7</sup> for labour work or productive assets.

The debate about the impact of cash transfers on markets is double-edged. On the one hand, cash transfers are expected to improve the functioning of rural markets, especially in contexts where markets are weak, by sending signals of increased purchasing power to traders who should respond by bringing in more supplies to address an increase on demand. Thus equilibrating supply and demand and reducing prices. On the other hand, sceptics fear that a substantial injection of cash transfers into a weak economy can have inflationary effects, especially in times of crisis when food supplies are scarce and market prices are already high (Devereux, Mvula and Solomon, 2006).

Monthly monitoring data collected on basic commodity prices found no evidence that the ZECT programme had a negative impact on those prices but a positive one. Although during the first month it was noticed that some traders were increasing their prices to increment the benefits from their sales, competitiveness among traders regulated the prices and prices variations resulted mainly from seasonal price variations (i.e. Christmas season) and poor agricultural previsions of next season's maize harvest (which caused an increase on the price of maize grain in some areas of Nyanga and Gokwe North).

**Graph 11. Prices Evolution from November 2009 to March 2010**



The competitive trend among traders was found only in cash and cash and food wards where the injection of cash triggered an increase of liquidity in local markets that pushed consumers' demand at first to a price rise until supply also increased, this bringing the

<sup>7</sup> In November 2009, 61% of the markets transactions were bartered in the ZECT three targeted districts. ZECT Baseline Survey, November 2009.

prices down. This was specially noticed during the last two months of the programme in Nyanga, where markets on food only catchment areas were selling maize grain on average USD 1 higher than in cash only markets. Overall, prices in cash only wards were lower than in food only markets.

Gokwe South was the district that presented the steadiest price evolution for most of the basic commodities and a considerable decrease on the price of maize grain. An expected good maize harvest in the district resulted in oversupplies of maize in some markets, thus bringing prices down. Contrarily to this, prices of maize in Gokwe North but especially in Nyanga increased in those areas where the maize harvest prevision was poor, as local producers decided to keep in stock surpluses of maize grain from previous year.

High transport costs are a major constraint to some isolated rural markets in Gokwe South but mainly in Gokwe North. Poor road infrastructure means that transporters assume heavy maintenance costs and high risks during the trips. Even those traders that do not use dedicated transporters to move their stocks but public transport indicated that high transport costs have to be reflected in their commodity prices. However this is not affecting local traders' business load as the same high transport costs prevent most households from Gokwe North to go to main markets to purchase commodities at more competitive prices.

In spite of the relative short duration of the programme (5 months) there has been a reported increase in the number of traders, volume of commodities and number of commodity traded in local markets while the cash transfer programme was implemented.

Monitoring data reveals that markets in cash and cash and food catchment areas have been growing steadily for the past 5 months. Previous to the ZECT, some shops would operate only during the cotton season but an increase on liquidity patterns and on household consumption capacity pushed local business opportunities and most shops remained open to satisfy the demand created by the programme. In cash only areas of Gokwe North local traders have been complaining of external traders (mainly from Gokwe South) that now come to the markets during distribution days to sell several commodities (including maize) at more competitive prices.

Prior to the programme traders had limited stocks on offer except during the cotton season. However, by-weekly restocking in cash only and cash and food wards has become a regular practice since the ZECT started and the markets have become now more competitive trying to satisfy their costumers' needs.

Diversification of products in offer has also been a trend since the programme started. Since November 2009 new commodities such as margarine, flour, bread, fertilizers, school stationery, uniforms, paraffin, kitchen ware, etc. were introduced after many years of absence in local markets.

Local traders expressed their satisfaction with the programme as they are attributing the increase on local business to it:

- *"This programme is not only benefiting the few targeted (households) but the whole community including the business community, and we hope it will go long*





*way in creating labour opportunities for the locals as it has enhance cash circulation in most markets where barter trade was the common practice five months ago”.*

- *“Barter trade is now a thing of the past. This has actually helped the community for parting with 5kg of maize as payment, reduced quantity taken home. People then preferred to go and seek casual labour to raise milling money. Now people spent more time in their gardens”.*
- *“The local economy improved greatly thanks to the cash transfer programme. The traders are now restocking regularly and people are buying more than usual. People are paying in cash for services rendered. Prices have been constant except for sugar which is always rising from the wholesalers”.*
- *“There is high turnover for items such as salt, sugar, cooking oil, matemba around ZECT days. The restocking levels of groceries have improved to say twice a month and the quantities have increased as well”.*

No complaints on the inability of local markets to respond adequately to household demands were recorded from households. Although some beneficiaries (mainly food only beneficiaries) felt that commodity prices had increased considerably since the programme started, traders tend to disagree to that by indicating that firstly most products were not available before the programme started and secondly bartering was the common practice and the value of commodities bartered was not know in USD.

#### **4.2.2. Effects on local labour markets**

Information on the effects that cash transfers were having on labour markets was collected through a series of focus groups discussions conducted in the three target districts in March 2010.

Apart from the direct effects indicated above the ZECT programme also created several indirect benefits, for both beneficiaries and non-beneficiaries. Every year when the farming season starts most rural households rely on casual labour (*maricho*) to earn food, non-food items and in fewer cases cash wages. This can cause an excess supply of labour, especially in bad years when the number of people offering *maricho* increases and the demand declines. Due to the dry spell experienced in some areas this year a larger offer of casual labour than demand could have affected many needy households. However it was reported by beneficiaries and non-beneficiaries that most of those receiving cash were not currently searching for *maricho*, which could increase non-beneficiary chances to access casual labour. However there is no evidence that the programme -or even a much large one- was on a sufficient large scale to cause an under-supply of labour.

Respondents indicated that the time cash beneficiaries used to spend on casual labour activities was now spend in their own fields and/or taking care of their families. Most households receiving cash indicated that they *“do no need to do maricho anymore as the cash we receive is enough to cover our monthly needs”*. On average those receiving food aid engaged in *maricho* 3 to 5 days a month while those not benefiting from the programme worked on average 8-10 days a month. Data collected clearly indicated that households in the three target areas do *“subsistence maricho”* which means that they work to cover households’ more immediate needs and the rest of their time they spend it working on their fields.



### 4.3 Measuring ZECT effects on gender relations intra-household

One of the main concerns that rise when planning this programme was the effect that the provision of cash to women could have on intra-household gender relations.

Literature has shown that while women tend to spend altruistically men often spend on personal items that do not always benefit the household at all<sup>8</sup>. Yet the introduction of any asset into the household has potential implications for the power dynamics between women and men, especially in Zimbabwe, where men have “traditionally” had decision-making power over most household aspects in their role as household heads, while women are confined to home environment spheres of responsibility<sup>9</sup>.

The uncertainty created by the assumption that women are less likely to be able to control the use of cash within the household compared to certain types of in-kind assistance and that men may use cash for anti-social expenditures –notably on alcohol and cigarettes- led the ZECT monitoring system to set up a tool to collect monthly information on intra-household relationship among cash and cash and food beneficiaries.

Given the cultural perception of men as the main household decision-makers, monitoring data indicates that since the commencement of the programme women are reporting being the ones in control of the cash (given by the programme) within their household, although when we asked them who makes the decision on how to use the cash and other productive assets at the beginning of the programme this response was 100% in favour of men. Yet this trend shifted towards the end of the programme when the responses regarding decisions on cash and productive assets went 100% to “both”. This could be as a result of: i) the programme main recipients are women and therefore this could give them more control over the cash; and ii) programme information campaigns/public addresses on the need to discuss household monthly budget allocation between household male and females.

Beneficiaries indicated that there were intra-household negotiations regarding how the money had to be spent. However the real extent and equality of participation between women and men was not always clear: were women really able to veto men’s proposals or were they merely informed about decisions their husbands had already taken? In-depth information on intra-household struggles when it comes to decision-making was not collected through monitoring data, yet more in-depth information on this matter will be collected during a gender focused evaluation that will take place in May 2010.

Comparing the use of the cash transfer between male headed household and female headed household during the five months the project lasted, we observe that both groups had mainly used ZECT money to buy maize, other food items (such as sugar, salt and oil) and non-food items (i.e. paraffin and soap). And although women seem to spend more money in health (2% for female and 1% for male) and education (6% for women and 4% for male), expenditures between both groups were so similar that these facts indicate that given similar circumstances men do not show “irresponsible spending” if compared to women.



**Ms. Hawadi, Gokwe North ZECT M&E Officer conducting a female FGD. Photographer: Elena Ruiz/ CWW Zimbabwe**

<sup>8</sup> Whitehead and Kabeer (2001:18)

<sup>9</sup> James, Milanzi and Zimbizi, *Zimbabwe Gender Scoping Study*, 2007.

Focus group discussion with men and women separately indicated that as a result of an improvement on the cash situation in the household, household members need to spend less time searching or doing casual labour and as a result ZECT beneficiaries felt that this not only has improved their crops productivity but also has improved household relationships, as there is more communication and less tensions.

During the five months the programme was implemented no reports of gender-based violence were issued. Yet some women reported that to avoid tensions they give one or two dollars to their husbands so they had money for their own expenses. This information could not be supported by post-distribution monitoring data on expenditure patterns as respondents, mainly women, did not know on what their husbands had spent the money given.

One of the possible reasons why there were no cases of gender-based violence was the continuous programme's information and dissemination campaigns that explained the potential implications that this type of programme could have at household level. Public addresses advised women to address any violence issue occurred at household level to village leaders and/or Concern staff.

In Gokwe North a group of men gathered during a focus group discussion summarized the household gender division when it comes to use of cash by saying: *"women are just the correct recipients, we refer to them as the household treasurers; and as men, we are the chairman, so we use the cash consultatively. If it was us chairman receiving the cash, we would not hesitate taking some (money) to the bottle store without consulting women"*.

## Section 5 Conclusions and Recommendations

This report concludes by looking at the effects the ZECT pilot programme had on beneficiaries, communities and markets by proving or refuting the hypotheses developed at the commencement of the programme.

### **Hypothesis 1. Cash gives flexibility of choice, therefore empowering households, often headed by women to choose for themselves how to spend their money.**

In terms of food security, the ZECT programme went some way toward providing much needed food at a time of shortage. In other words, it covered part of the households' "missing food entitlement" as the ZECT programme intended.

Evidence shows that ZECT transfers protected food consumption and increased food diversity mainly in cash and cash and food beneficiary households (and food only beneficiaries to a lesser extent) against the rationing that non-beneficiary households had to endure especially during the months of December- January 2010.

As we have seen, ZECT food packages were in its entirety consumed by beneficiary households, with some sharing among poor relatives and/or neighbours, while ZECT cash transfers were put to a wide range of uses, including health and education and basic non-food items. Although the combination of food and cash transfer achieved the dual objectives of guaranteeing access to food while also giving beneficiaries choices over allocating cash transfer to their food and non-food priorities, this option of mixed type of support does not seem to be the most cost-efficient as two different distribution mechanisms need to be in place to deliver the full household package. Therefore, and in the presence of functioning and competitive markets, cash only interventions seem to be the preferred method amongst households and the most adequate if we look at the impact this type of assistance has had on food consumption, diversity and flexibility of choice.

Furthermore cash transfer beneficiaries seemed to get more benefits from their monthly allocations as they did not only enjoy of a higher level of flexibility when it comes to choosing the items they want to purchase and consume, but it also gave them the autonomy to focus their efforts on their fields rather than on casual labour. Cash allocations were found to cover most households' monthly needs as opposed to food parcels. Food aid beneficiaries were found to be engaging in casual labour 3 days more a month than cash only beneficiaries, as they need to compliment the food aid with other food and non-food items such as salt, sugar, soap and paraffin. In addition to that cash beneficiaries indicated that another additional benefit of cash transfer was the injection of liquidity in markets which forced the eradication of unfair bartering practices in many markets and communities.

The reduction on the number of days cash beneficiaries were engaging in casual labour could be seen as a negative effect rather than positive, as some people indicated the reducing the need of households for casual labour could undermine the local labour market of the target areas. Yet it has to be considered that the number of people benefiting from the programme was not enough: i) first to jeopardize the local labour market; ii) secondly, this is a Vulnerable Group Feeding programme that is meant to target those that are most vulnerable, including those not able to work; and iii) thirdly this is an emergency programme that should only be activated when there is are life-threatening food shortages.

Another concern raised when the programme started was the potential misuse of cash on "extravagant expenditures" as compared to food aid. However this was not found in

any round of PDMs, as the overall expenditure on items like tobacco or alcohol did not exceed the 0.5% of the total monthly household expenditure. Yet in spite of this information, it was impossible to quantify the extent of this expenditure, but it appeared to be limited, as women and men were regularly reminded (during distribution public addresses) on the importance of using the money wisely and the need to react strongly and report to Concern staff or village leaders if any cash abuse was perpetrated.

Looking at how communities benefited from cash transfers there were mixed feelings amongst non-beneficiaries from food aid wards and cash transfer wards. During focus group discussions non-beneficiaries living in food aid only areas indicated that they were benefiting from the programme as food was normally shared amongst households. When the same question was asked in cash only wards, initially non-beneficiaries indicated that they were not benefiting at all from the programme (as sharing was not a common practice with cash) however after some thought they indicated that the fact that there was cash in the communities was helping them to sell small livestock when they were in need of quick cash (which did not happen before the programme due to lack of cash liquidity).

***Recommendations:***

1. The decision to provide either food only, cash only or a combination of both should be always determined by the findings of a market assessment. This assessment -as done by Concern prior the implementation of the programme- should go beyond regular monitoring of market prices and it should be carried out in advance of introducing an intervention. The assessment should predict ability of the market to cope with an increase of demand, and any other positive or negative effects, so the intervention can be modified to minimise the risk accordingly.
2. The flexibility and the positive effects that cash only has had on benefiting households should be considered over households' preferences on the type of transfer when designing a future intervention. The cost-effectiveness analysis that will be carried out during the external evaluation would also determine the most cost-effective intervention and this cost plus the impacts that different types of assistance have had on beneficiaries' food security should determine future interventions.
3. Long term emergency programmes in the form of food aid or cash transfer could strengthen the so called "dependency syndrome" among beneficiaries. In order to avoid these different modalities of cash transfers should be explored specially when targeting households with able bodied people. Although households have mentioned the positive effect that cash transfers will have on their fields (as they spend more time working on them) this should not set the grounds to keep unconditional transfer for all.

**Hypothesis 2. Cash can re-stimulate local markets.**

When ZECT was being designed there were fears about the possibility of markets failing to cope with an increase on households' purchasing capacity. Yet this fear did not materialize as the increase of USD liquidity thanks to the programme resulted in an increase of competitiveness between traders that not only increased the offer of products in local markets but in some instances brought the prices down.

Prior to the ZECT local markets in the three target districts used bartering as the main market transaction. During the programme bartering practice were only observed in local markets belonging to food only catchment areas. Furthermore and in spite of the relative short duration of the programme there has been a reported increase in the number of traders, volume of commodities on sale and the number of commodities traded in local markets.

Although commodities prices went down towards the end of the programme (in cash only wards), some sort of price volatility was observed at the commencement of the programme. Price volatility was caused mainly by the anticipation on the failure of the current maize crop season and high transport costs that some markets had to incur due to poor road network.

There is no doubt that one of the main impacts of the ZECT has been re-stimulating local markets and local economies. The injection of cash in markets that were at the verge of collapse has benefited not only local business people but also the whole population in those areas whom can now rely on their market structures to access an array of food and non-food commodities at competitive prices.

***Recommendation:***

1. Unexpected price volatility caused by failure of the agricultural season, general increase of prices at national level, etc, needs to be supported by an increase of the monthly cash allocation. The methodology used by the ZECT of adjusting the transfer to local food prices is a lesson learned that should be replicated if cash transfer programmes aiming at maintain households' food security are implemented in the future. The adjustments of monthly cash allocation should be done by district as poor road network, rainfall, and other external factors could affect nearby districts differently.

**Hypothesis 3. Cash empowers women as they are able to control the use of cash within the household as they do with other in-kind resources.**

In line with the VGF gender policy, it was agreed that the programme was going to hand over ZECT beneficiary cards to women, them being the recipients of the ZECT assistance. This was seen as having a number of advantages and one potential disadvantage. The advantages were on the line that women tend to prioritize household consumption over personal consumption more than men do, so resources under the control of women are more likely to benefit children and other dependents. The disadvantage to this approach is that it could increase intra-households conflict between husbands and wives, especially in societies like Zimbabwe where women do not control cash and resource allocation decisions within the households.

The assumption that women were less likely to be able to control the use of cash within the households if compared to in-kind assistance was not observed when conducting monitoring field work. Although monitoring data was not able to determine the real control that women had over the cash distributed, all households interviewed through PDMs and focus group discussions indicated that women were the ones deciding how to spend the cash given by the ZECT programme.

Comparing the use of cash transfer between male headed households and female headed households during the whole duration of the programme, we observed that they were no significant differences between these two groups when looking into how they spend the transfer. Both groups spent most of the cash allocation purchasing and milling maize, and purchasing other food items and non-food items. And although women seem to be spending more money on health and education this could be because women headed households tend to have more dependants than male headed households. Therefore the "irresponsible spending" attached to men when distributing cash transfer was not observed.

In spite of the initial concerns that placing cash in the hands of women could create intra-household violence this was neither observed nor reported during the five months

the programme lasted. This could be as a result of constant information facilitated through public addresses in which Concern staff and village leaders reiterated the need of reporting any case of violence that could occur intra-household.

Overall men and women benefiting from the programme indicated that the programme improved relationships within households since the cash situation had improved. Prior to the programme the need to get money created tensions amongst household members and the need for money forced household members to spend days away from their dwellings in search for casual labour. With the programme this issue of searching for cash has been resolved, reducing intra-household tensions.

***Recommendation:***

1. Monitoring data did not capture clearly to which extent women had the capacity to decide on what to spend the cash allocated to their households. It could be that consultatively men and women talk about how to spend the money, and although engaging in a consultative process, the husband is the one proposing what to do with the money. In order to ascertain the effects of cash transfers on women empowerment, a gender study will be conducted in May 2010, where the issue of empowerment will be looked at.

Overall the ZECT has achieved its main objective of providing food insecure households a monthly food entitlement during the lean season. However, different types of assistance have had different results on households, being those located in the cash only catchment areas benefiting the most. Looking at cash only beneficiaries we saw an increased dietary consumption, a higher number of meals a day, an increased variety on their diet, a lower CSI, etc, which was above the cash and food and food only beneficiaries.

The case for delivering cash rather than food is that cash not only has a better impact on food security indicators but could contribute overtime to stabilising local market supplies and strengthen markets, unlike food aid which discourages traders and perpetuates the problem.

Although the ZECT pilot programme has shown the benefits a programme this type could have on households as compared to households receiving in-kind support, there is the need to come up with different cash transfer modalities such as “seasonal safety nets” or “cash for work” in order to move more towards long term development programmes and social protection programmes rather than perpetuating emergency support.

For the reasons mentioned above, monitoring data suggests that the principles and innovative features of the ZECT should be integrated into Concern livelihood programmes, and applied to future social protection and cash transfer programming in Zimbabwe and elsewhere.

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