

# Cash-based programming in South Sudan

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## Question

*A synthesis of evaluations and learning reviews of cash-based programming in South Sudan to include:*

- *Cash transfers*
- *Voucher schemes*
- *Conditional / unconditional grants*

## Contents

1. Summary
2. Key evidence from recent evaluations of cash-based programming
3. Cash Transfers in South Sudan
4. Learning from the field: selected organisational case studies
5. References

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*The K4D helpdesk service provides brief summaries of current research, evidence, and lessons learned. Helpdesk reports are not rigorous or systematic reviews; they are intended to provide an introduction to the most important evidence related to a research question. They draw on a rapid desk-based review of published literature and consultation with subject specialists.*

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# 1. Summary

There is not a large body of recent published academic material on cash programming in South Sudan. The few evaluations of the food security response across the sector note its use; but cash transfers remain a minor part (25%) of overall spending (WFP, 2018). There is more material published by implementing agencies to profile case study examples from their work; unsurprisingly these present largely positive findings. They reflect a modest scale of programming and some short-term impacts.

Cash based interventions (CBI) or cash based transfers (CBT) are a complement to humanitarian assistance that is delivered in kind. They transfer decision-making away from humanitarian agencies and into the hands of crisis-affected populations through direct distribution of money or vouchers (IOM, 2017). Cash transfers are quicker to implement than distributions in kind. Transaction costs of cash transfers are substantially lower than those of food distributions.

CBI are increasingly recognised as an effective way of responding to humanitarian needs while also adding value by boosting local economies, reducing logistical costs and promoting ownership, dignity and resilience within target communities. Without question the injection of cash into the local economy has an impact on markets and trade; the literature is mixed as to the net benefit or risks from this (Peppiatt et al. 2001, p17).

Thomas et al., (2018) argue that cash based programmes can work in conflict-affected societies. There is evidence that in South Sudan they help poor households address food needs and nutrition; and by injecting funds from vouchers, paid work, or grants into the local economy affect local markets. These cash based programmes are changing Sudanese society by affecting traditional kinship relationships and social safety networks; and affecting livelihood strategies as people are switching from subsistence to market-based activities. The volume of cash based aid affects exchange rates, commodity prices and the macro economy. The review<sup>1</sup> identifies and explains how injecting money into communities in growing volume influences the organisation of Sudanese society, including rebel groups and others who might profit.

- It cautions a strong, well informed, locally researched analysis of the context in which more cash programming will doubtless take place (Thomas et al., 2018)
- And advises close monitoring of an incremental approach to increasing cash based programming so that learning is stepwise and used to properly inform expansion.
- It makes a series of important recommendations (15 in total) appropriate to any further volume of funding donors may direct via cash based programmes (Thomas et al., 2018).

Alongside this there is one 'experimental evaluation' (Chowddhury et al., 2017) that directly compares the impact from cash invested via a supported, graduation style social protection programme (Transfers to the Ultra-Poor or TUP) with unconditional cash transfers of the same

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<sup>1</sup> Cash-based Programmes and Conflict: Key areas of interaction and options for conflict sensitive programming in South Sudan (CSRF)

value made to three comparison groups of households. BRAC<sup>2</sup> in South Sudan thus tested its ultra-poor graduation framework in the context of political and economic instability; and it works.

This key experimental evaluation finds that both asset transfers and unconditional cash transfers improve household consumption, in the short term. But there is a persistent wealth effect, only from the TUP; the asset wealth of households does not improve for the cash group. It also finds suggestive evidence that support from BRAC may have helped the TUP beneficiaries cope with economic uncertainty after the outbreak of violence in 2014. So while cash increases household consumption in both approaches, the goal of improved income or wealth is only supported by the additional services that the ultra-poor graduation framework offers. This evaluation suggests evidence for the value of investing in a graduation framework and social protection package designed to build resilience; over and above similarly expensive cash transfers (Chowdhury et al., 2017).

Additional material in this Helpdesk report is drawn from information published or presented by implementing agencies. This provides some evidence from South Sudan that cash based programmes bring numerous advantages. Both in terms of impact (improved nutrition, increased spending, assets replaced or added, children in school, women taking control over household spending). Also in terms of implementation (speed of delivery, efficiency and reduced transaction costs, the way in which cash transfers are delivered can help empower the target community – and the local community and market that surrounds them). See for example impact monitoring after cash disbursements (DanChurchAid 2017). Key findings from implementing agencies include:

- That there are many agencies, delivering cash based programmes, to relatively small numbers of beneficiaries (generally less than 25,000 persons in any one project)
- In total 1.4M persons are targeted by cash transfers or vouchers, yet this is not more than 25% of those in need (WFP 2017)
- The World Bank, UNDP/UNICEF, DFID have piloted larger scale cash for work, cash for education and a child grant mechanism (unverified). This illustrates interest and some capacity to bring successful approaches to scale
- Beneficial impacts of cash-based programmes include: improved nutrition, increased spending, assets replaced or added, children in school, women taking control over household spending. Programming advantages include: speed of delivery, efficiency and reduced transaction costs, the way in which cash transfers are delivered can help empower the target community – and the local community and market that surrounds them.
- Some evidence is given for positive gender impacts: women desist from collecting fuel wood and making charcoal; women collect the household's cash and take decisions over food choices and some spending. In one instance (Juba Protection of Citizens camp 2016) women experienced greater risk of violence after disbursements. More widely this effect is not recorded.
- Targeting can be a lengthy process and still result in large numbers of dissatisfied households. This is commonly because supply does not address total demand/need.

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<sup>2</sup> BRAC is an international development organisation based in Bangladesh, which runs economic and social programmes that empower men and women living in poverty

Occasionally community leaders misuse their influence in the targeting process (DCA 2017).

- In addition disabled people are highly likely to be missed from targeting and aid distribution exercises (HI / IOM 2017). 35% of disabled people among citizens in Bentiu Protection of Citizens camp reported major difficulties in accessing essential services. People with psychosocial disabilities, unaccompanied people with disabilities and women with disabilities report facing greater risk of discrimination or barriers to exclusion than others.
- The timing of payments is important to allow timely spending when prices are not inflated. Regular payments over extended timescales provide households' capacity to make savings, invest in assets (commonly small livestock), and make them more resilient in the face of economic or security challenges (see for example DCA (2017) & BRAC programme (2017)).

**Evidence base:** Information from 2014 - 2018 was prioritised in writing this report to provide more recent assessments of the impact from cash based programmes. There are few recent formal evaluations of cash transfer programmes although this strategy is mentioned within wider evaluations (WFP portfolio evaluation 2011-2016; Inter Agency Humanitarian Emergency evaluation 2015). There are more presentations and articles prepared by implementing agencies to profile their work. In these the impact on (small) population groups is described (World Vision 2016; DanChurchAid 2017; Danish Refugee Council 2017; International Organisation for Migration 2017; Support for Peace Education Development Programme (SPEDP) undated. As discussed above, this report found limited academic research on the topic that was specific to South Sudan.

**Gender considerations** are often lacking from the evaluation literature. Where gender is considered the impact for women is largely assumed to be positive with women gaining purchasing power, making joint decisions about spending, and abandoning some high risk activity (collecting firewood from remote locations). Beneficiary reporting does not include large-scale data collection but is based on small samples, however these show positive impacts.

**Disaggregated data** is not readily available. Although it is likely that activities targeted at the most vulnerable households would include a high proportion of households headed by women, or with vulnerable children under 5 years, or with a disabled family member this report is not able to verify if this was the case. In general people with disabilities are very likely to be excluded or face barriers accessing basic services – this includes access to food, water, health care in humanitarian contexts (World Report on Disability, WHO, 2011). Only one study (HI/IOM 2018) makes explicit reference to this and finds that 35% of people with disabilities report that they are unable to access basic services. This situation is worse for women with disabilities, those persons with disabilities who are unaccompanied or persons with psychosocial disabilities.

## 2. Key evidence from recent evaluations of cash-based programming

### Cash-based Programmes and Conflict: key areas of interaction and options for conflict-sensitive programming in South Sudan

A key recent report commissioned by donors in South Sudan, analyses the interactions between cash based programming and conflict and discusses options for ways to approach additional programming (Thomas, et al., 2018). The author of that report was generous in sharing a large collection of material previously gathered. This confirms that relatively few project and programme evaluations are available to inform sector learning about implementation and impact of cash based programming (Thomas et al., 2018 p15).

Nevertheless this paper notes the global expansion in the value of cash programmes within the total value of humanitarian spending. A paper by ODI (2015) finds that this has risen from less than 1% in 2004 to 6% in 2016. In the context of an increased volume of cash transfers it is important to highlight key findings for South Sudan (Thomas, et al., 2018) which are:

- Cash-based programmes can be implemented successfully in conflict-affected societies. In South Sudan, programming which provides beneficiaries with financial resources that are exchanged for goods in the local market, is changing aid delivery and social systems. New systems structured around local markets and local currency are evolving.
- Increases in the volume of cash in circulation may interact with the conflicts, channelling resources into the war economy and placing demands upon markets that are undersupplied. Beneficiaries may be at risk of predatory violence. Traditional kinship relations and social safety networks may be impacted by the introduction of cash-based aid.
- Livelihoods are switching from production or subsistence to the market place and cash. As a consequence traditional kinship relationships and social safety networks are changing. Because growing volumes of funds are being channelled through cash programmes it is appropriate to look at how these may and do, interact across three main areas:
  - Cash based aid affects exchange rates, commodity prices and the macro economy
  - Financial services, trade and the checkpoint economy
  - Local systems of production and exchange, including influences on markets, kinship, gender and ethnicity

This helpdesk report does not attempt to reproduce here the in-depth analysis from this longer and more wide-ranging study. But, it is important to highlight it as parts of the analysis reflect experiences also found in the small amount of published evaluations and reviews that are synthesised below. Cash-based programmes are growing, can be effective, can positively benefit local market links and other traders if carefully planned and implemented with good levels of community participation. They are generally felt to be a good thing and an effective mechanism. As outlined in the summary section of this report the paper discusses implications for scaling the volume of aid delivered via cash transfers and advises on areas for further local research.

## Valuing Assets Provided to Low-Income Households in South Sudan

A second important study from South Sudan (Chowdhury, et al., 2017) examines the first two years of a BRAC pilot (Yei in Western Equatoria). This offers a direct comparison between a 'Transfers to the Ultra-Poor' (TUP) approach and unconditional cash transfers totalling the same cash value, in a population that was tested by an outbreak of violence during the time of this field experiment. A TUP approach makes a sizeable transfer of productive capital coupled with training and continuous support over 1 or 2 years. Several studies find that the TUP approach helps extremely poor households increase their productivity and graduate from poverty (for example Banerjee et al. 2015). A second body of literature suggests that unconditional cash transfers may have a similar effect on productivity and welfare with fewer fixed costs (for example Blattman, Jamison et al. 2014). This study of the first two years of the BRAC pilot offers a direct comparison of these very different approaches. This study is especially important for considering the short-term immediate impact from cash programming against improved resilience from 'Cash-plus' programming.<sup>3</sup>

The programme provides assets linked to each target household's chosen activity. Activities were vegetable cultivation, duck rearing, goat rearing and small trade business. After selection and targeting, households chose their preferred enterprise and receive training. Assets are transferred some time later. Households attend weekly meetings with BRAC staff; this helps them in their business and to learn from one another. Impact for the women eligible to participate was fully monitored (from baseline, midline and endline surveys). The immediate cash transfers drive increased food consumption for both treatments (TUP or unconditional cash transfers). Only in the TUP households that are trained and guided for some time, participants are more likely to report having savings. Cash households are no more likely than the control households to report having cash savings.

This key experimental evaluation finds that both approaches improve household consumption, in the short term. But, there is a persistent wealth effect only from the TUP. It also finds suggestive evidence that support from BRAC may have helped the TUP beneficiaries cope with economic uncertainty after the outbreak of violence in 2014. So while cash increases household consumption in both approaches, the goal of improved income or wealth is only supported by the additional services that the ultra-poor graduation framework offers.

This study suggests a cost effective approach that delivers greater resilience in vulnerable households. In the context of the protracted food emergency that has affected South Sudan, programmes that are able to strengthen resilience to conflict shocks, to climate change and to displacement, are needed. In this small study, 649 women were selected and randomly allocated to the TUP programme, unconditional cash transfers or a control group. The control group did not get consistent contact with BRAC and attrition was high. Both other groups made positive changes to household consumption; the group in the TUP programme also made savings and invested in assets. These appear to make this group more stable (less likely to report having

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<sup>3</sup> Cash-plus programming means that cash is supplied with other elements: cash plus child nutritional supplements; cash plus obligatory membership of small savings groups; cash plus agricultural extension, seeds tools or livestock etc.

been affected by conflict and rendered unable to plant crops or invest in business) (Chowdhury, et al., 2017, p. 22).

This study dates from BRAC programming in 2014/15. It signposts a useful place to seek further evidence for the impact of graduation style safety net programmes, delivered in a context of conflict.

### **3. Cash Transfers in South Sudan**

This section presents the overall context for cash transfers in South Sudan and is drawn from available grey literature.

#### **Volume of aid provided through cash based programmes**

At the start of 2018 the World Food Programme (WFP) and others expected the food security situation to deteriorate for the fifth consecutive year. Conflict has disrupted natural resource based livelihoods; both settled agriculture as people fled; and livestock rearing if assets were sold to meet needs. With warring factions in Greater Equatoria region (the country's bread basket) the cereal deficit of 500,000 MT experienced in 2017 was expected to be greater in 2018. The number of severely food insecure people has reached the highest ever number at the start of year (Jan-Mar) and was expected to climb further in the hunger gap period (May- August) (WFP 2017).

Spending across the food security sector is divided 47% (\$4.42M) on life saving food assistance, dietary diversity and coping strategies for the most vulnerable; and 53% (\$4.96M) on stabilising rural and urban livelihoods to improve food availability and reduce the food gap. This might be described in terms of immediate needs versus resilience investments. Of the 5.7M severely food insecure people in need of life saving and sustaining food assistance 1.4M (25% of people in need) are targeted by cash transfers or vouchers (WFP 2017).

#### **The Food Security and Livelihoods Cluster**

The literature records that a large number of agencies that deliver cash transfers meet regularly as members of the Cash Working Group (CWG) for Sudan, grouped under the Food Security and Livelihoods Cluster. This group is a part of the CaLP the Cash Learning Partnership, a regional forum that helps to promote learning between countries across East Africa, standardise practice and promote efficient approaches.

Minutes of meetings held twice monthly list about 30 international and local NGO members (Food Security Cluster South Sudan: Documents/cash working group). Agencies have recently worked together to develop a Minimum Expenditure Basket (MEB) which will standardise the value of cash transfers and food items provided in kind needed for survival, once the draft MEB is adopted (CWG minutes January 2018)

The forum is a way to work towards standardisation in other areas:

- WFP/FAO have expressed interest in funding CaLP trainings,
- CWG is mapping financial service providers who will be invited to present their services to CWG members as a group,

- the CWG is also developing some standard operating procedures and cash transfer tools to that members can implement interventions in efficient and standardised ways.

## Programming at scale

**The World Bank** supports the public works component of the Safety Net and Skills Development Project (SNSDP) operational in the city of Juba, benefitting 6,000 households (about 50,000 individuals). The programme provides temporary income to poor and vulnerable households who provide labour to work on public works like road repair, restoration of community assets and receive wages in return. The longer-term aspect of the project is to establish the building blocks of a national social protection system, to be used to help the South Sudanese government and its partners design—and implement—social protection interventions in the future.

Over 70% of households participating are female-headed; about 30% percent of individuals supported are internally displaced persons (IDPs). The programme began in urban and semi-urban districts of Juba. With positive initial results from the intervention in Juba, preparations are underway to scale up the public works component to six other counties.<sup>4</sup> The scaling up is expected to benefit an additional 35,000 poor and vulnerable households (about 210,000 individuals). SNSDP has succeeded in getting key results because of the high degree of commitment of government counterparts, and dedicated, innovative efforts by the World Bank team despite the uncertain political and very difficult economic environment in South Sudan (World Bank 2018).

Immediate results include:

- Cash transfers had a positive impact on the lives of the beneficiaries, including increased purchasing power for basic necessities, such as food, clothes, and medicines, and home improvements. They have also allowed households to pay children’s school fees and uniforms, contributing to improved results in education.
- Household capacity was strengthened through training in financial literacy and sanitation and hygiene. Better decision making related to wages was noted. Child care centres at work sites have allowed both mothers with young children, as well as the elderly who take care of them, to participate and earn wages.
- Improvements in community assets (road building, drainage, clearing public spaces) have increased access to services and mobility due to better road networks. They have also empowered beneficiaries to engage in small-scale income generating activities, such as setting up tea kiosks, selling vegetables etc. in new markets. Crime is reduced.
- Public engagement in public works has provided a platform for greater interaction and social dialogue in Juba, contributing to local-level peace building and stabilization by creating a sense of unity and social cohesion among diverse ethnic groups.
- Coordination and oversight structures have also been established within target local governments, and these could now be replicated to serve as the pillars of a coherent national social protection system (World Bank, 2018).

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<sup>4</sup> Gogrial West and Tonj South counties, Warrap state, Bor and Pibor counties in Jonglei state, and Torit and Kapoeta East counties in Eastern Equatoria state



**UNDP** has been a long-term development partner contributing to the first South Sudan Development Plan (2011). Social cash transfers were included in this plan as an approach to human development. Pensions, child benefit or family grants provide regular transfer of cash by government to a broad section of the population. They avoid any need to discriminate between the so-called deserving or undeserving poor. Such cash transfers have maximum impact where health and education services are available and poor families can use cash to access these. A cash grant to all households in South Sudan with children under 5 years was proposed. UNDP expected to link this to UNICEF's plans to roll out a comprehensive birth registration system. Information on the rollout of this strategy and its impact could not be located.

Unrestricted cash grants are used by **DFID** in the Girls Education South Sudan programme to target girls from Primary Level 5 to Secondary Level 4. Girls at risk of dropping out of school (from pressure to marry or lack of money to pay for school needs) receive unconditional cash grants of £18 per girl. Survey results show these are spent on shoes (79% of girls), school materials books etc. (67% of girls) and uniforms (65% of girls). By November 2017 more than 200,000 girls had benefitted from this five-year programme <sup>(5)</sup> There is robust data to show that school enrolment increases in schools in the year following payment of either capitation grants (paid to schools) or cash transfers (paid to pupils) (Crawford, 2017). This programme offers robust learning about conditional cash transfers (cash for education) applied at some scale.

## 4. Learning from the field: selected organisational case studies

### Cash transfers as part of livelihood strategies

The use of cash vouchers was noted as an innovative complement to in-kind distributions of seeds and tools to boost livelihood strategies (IAHE Evaluation 2015). A number of agencies experimented with these as an alternative to traditional relief. Strong work was taking place with Government allowing substantial volumes of cash to be moved into opposition-held areas provided this was justified on humanitarian grounds (p50). The evaluation recommends (p75) that more is done to boost livelihoods and reduce dependence on food aid by increasing the use of materials and cash transfers, backed where appropriate by agricultural extension.

### Cash based transfers: a small part of World Food Programme strategy

Cash based transfers (CBT) were used by World Food Programme as part of the programme portfolio for South Sudan. Evaluation of this portfolio for the period 2011-2016 (Maunder et al, 2017 pp.iv) describes CBT as one element of assistance to returnees, internally displaced persons and refugees under the key Emergency Preparedness and Response thematic area. Nonetheless general food assistance (GFA) was the largest component provided to 64% of beneficiaries.

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<sup>5</sup> [girlseducationsouthsudan.org](http://girlseducationsouthsudan.org)

Cash, vouchers and food assistance were also provided under the Food for Assets initiative that addresses immediate food needs at the same time as promoting the building and rehabilitation of assets that will improve longer-term food security and resilience. This strategy targeted just 2% of beneficiaries.

Both beneficiaries and partners complained that distributions of food assistance were unpredictable because of interruptions to the food pipeline; full food baskets were not always delivered. CBT may often provide a solution to such challenges but were also problematic because of widespread insecurity, few markets, few financial service providers and hyperinflation. CBT beneficiaries remained a minor part of the total caseload. Operational targets were missed: CBT reached an average of 70% of the beneficiaries planned in the three emergency operations during the period under evaluation; and just 20% of beneficiaries during one protracted relief and recovery operation (Maunder et al, 2017 pp.xi).

The evaluation finds that South Sudan has not been a conducive environment for the use of CBT for the following reasons:

- widespread insecurity creates protection challenges,
- markets are weak and poorly integrated,
- there are few financial service providers and no electronic money transfer facilities,
- hyperinflation and a tumbling exchange rate, plus the unwillingness of the Government of the Republic of South Sudan to authorise reimbursement of traders in USD limit the ability of traders' to import commodities.

The use of CBT was suspended in Juba's protection of civilians' camp in July 2016 because of protection concerns: some women leaving the camp to buy food in wholesale markets were attacked. Despite the problems of context that limited the roll out of CBT, where these formed an integral part of the emergency response they were significantly more cost efficient, predictable and timely than in-kind transfers. They also brought potential secondary benefits to the local economy (Maunder et al, 2017 pp.xii).

The evaluation recommends that WFP develop a strategy to address the underlying constraints to expanded use of CBT (including strengthening supply chains, advocating for cross-border trade and improved financial and transport infrastructure). This would improve synergies between humanitarian and development strategies.

## **Vouchers as a partial substitute for in-kind food distribution: a small scale World Vision project case study**

World Vision has published one case study (Yunusu.et al., 2016) that describes the introduction of vouchers of limited cash value, into their programming to address hunger in South Sudan. Distribution of in-kind foodstuffs had been going on in a Protection of Civilians (PoC) project targeting civilians gathered in IDPs camps on the outskirts of Juba town, from 2013. Pipeline breaks interrupted supply of pulses and cooking oil at specific times. World Vision also found that almost 28% of IDPs were selling food in order to buy more culturally acceptable foodstuffs or foods not covered by in-kind distributions.

Cash based programming is not appropriate for every context. It performs best in a situation where the economy and local currency are stable. Markets need to be accessible, functioning,

well stocked and competitive. Cash based programming was used by World Vision to complement rather than replace in-kind provision in order to give markets time to adapt. Lack of access to banks and security issues in the PoC area helped to rule out cash transfers. World Vision decided to introduce cash value vouchers, exchangeable with contracted traders and shops for a fixed value of food or a fixed monetary value. Another reason for the choice of vouchers over transfer of cash, was to keep the focus of the project on nutritional outcomes.

The project targeted 21,000 people including 5,000 children under 5 years. Vouchers were introduced to replace some of the in-kind foodstuffs and were exchanged for eight food items, agreed with the target community as the most desirable products to diversify a nutritious food basket for children.

Households gained access to additional food products that were not distributed (milk and wheat flour were the most popular items followed by tomatoes and onions). 53% of households improved the diversity in their food baskets; 32% reported that they had more food to eat since receiving the vouchers. Milk for children was of particular nutritional value.

Decision-making was transferred into the hands of women who over time became the major group collecting the in-kind vouchers and using these at shops. At the beginning of the project 60% men collected vouchers; changing to 92% women by the end of project. In part men handed over this responsibility as they learned that vouchers could only be exchanged against a finite list of food items.

Cash-based programming worked in the camp situation as long as traders remained linked to outside markets (supply). On the market side 184 traders became linked to the project with shop signs used to show where vouchers were accepted. On days vouchers were redeemed traders boosted staff numbers and also used young people or family members to go and buy commodities. About 400 youth are newly engaged in economic activity.

Increased conflict restricted access to external markets and caused high inflation; this was managed by monthly adjustments to the transfer value of the in-kind vouchers. World Vision worked with WFP and project stakeholders to monitor market prices closely to determine range in price of cereals. As the prices changed, the value of the voucher was adjusted accordingly. In this economic climate the in-kind proportion of the food assistance was valued by beneficiaries, who saw it as an important safety net when the prices of food on the market were changing.

## **Switching from vouchers for food assistance to unconditional cash transfers: DanChurchAid**

DanChurchAid (DCA) switched in 2016, away from vouchers for food assistance, which the organisation had been using for years, to unconditional cash transfers (Kiaby, A., 2017). The reasons for making this change are:

- that unconditional/unrestricted cash transfers are faster to set up,
- respond to a broader set of needs, and
- are better suited to a situation where beneficiaries and traders frequently move.

Equally important to note is that unrestricted cash is DCA's default modality as it best supports dignity and offers the greatest range of benefits. 90% of people asked in DCA surveys in South

Sudan clearly said that they preferred cash to in-kind food assistance. Recipients echo many of the global arguments in favour of cash assistance:

- it allows for more choice,
- it can be saved and transported more easily during displacement.
- it can be used for more purposes.

Almost all recipients spend their money on food and basic goods (soap, utensils), with smaller amounts going on smaller assets (animals), business investments, paying school fees and medical treatment. As in many global studies, there are very few reports of money being spent on alcohol or other anti-social expenditures; at times some 'high cost' items such as sugar are bought as it is socially important to be able to offer sweet tea to visitors.

Markets matter because without markets, cash transfers make no sense. Cash transfer programmes are only appropriate if people can buy food, essential goods and services in the right quantities and qualities and in a safe manner. This requires at least a partially functioning market. DCA and its partners start cash transfer programmes by defining the needs of target populations together with the community, and then deciding whether people can buy what they need at reasonable prices, in the right quantities, at the right quality and in a safe manner. If the answer is yes, then the programme can move ahead. Markets are assessed by looking at the number of traders, how often they restock, their ability to move goods between markets, price trends and the availability of key commodities.

Livelihoods and cash grants can also help people adopt better self-protection strategies. Women have been able to escape daily firewood collection. This task can take large parts of the day and women are forced to move further and further into insecure territory. By using cash to invest in businesses women say they feel safer.

## **Rapid monitoring post cash distribution: Danish Refugee Council**

This famine response project targeted 4,500 households (22,200 persons) in three counties of North Leich State providing material livelihoods equipment (seeds, tools, fishing kit) complemented by technical training in improved agricultural practices. 49% (2,200 households) also received unconditional cash transfers (6,000 SSP/mth) or conditional payments (cash for work done on communal gardens and demonstration fields). Reporting on monitoring of beneficiaries (250 from among 404 beneficiaries) carried out 32 days after the cash payments in Rubkona County highlights the following:

- Though criteria for beneficiary selection were well understood (90%) 32% noted exclusion errors with needy households excluded. This was largely because of demand exceeding supply. There were also some cases of mis-targeting through favouritism and influence by community leaders
- Cash payments were generally made in the months planned and these were appropriate (Oct – Dec); some families paid later in this timeframe would have preferred November payments to cover extra costs around Christmas. 70% of those interviewed acknowledge the project helped them to buy food and other basic household needs – clothing for children in school and health costs

- 79% of respondents said food was the most important item they spent the cash on; clothing the second most important (31%) and healthcare (30%)
- 46% of respondents said the amount of money was not enough to cover all food needs for substantial families; exchange rate changes aggravated this challenge
- 37% of respondents said the food they bought with cash transfers lasted just one week
- Extra funds were desired to pay school fees, invest in livestock particularly goats, to improve housing and household goods, to invest in productive agriculture to make the home more food secure, and to save against future commodity price changes
- 38% shared part of the cash they received with relatives and this was another reason given for needing more cash; conversely most people (68%) did not share the food they bought with cash transfer money; 58% of cash transfers were collected by women among this set of respondents; 13% reported making decisions on expenditure jointly with husbands; no case of violence or abuse within relationships was reported
- Sale of charcoal, previously used as a coping strategy, declined with some environmental benefit assumed
- Traders followed beneficiaries to cash distribution points, mostly selling clothes for women and children; some traders say the cash transfer project has boosted their income

## **Cash based interventions for shelter and non-food items: International Organisation for Migration**

The Protection of Civilians site in Wau was established in June 2016 after fighting in the north-western region prompted tens of thousands of people to move seeking refuge. By the end of 2016, 30,000 internally displaced people (IDP) lived in this most congested PoC site of South Sudan. During this cash-based intervention (Jan-Mar 2017) 810 conditional cash grants were made to upgrade shelter for 6,480 individuals (22%) among the caseload of 30,000 individuals.

The process:

- 10 individual traders from the PoC site formed a consortium that was collectively responsible for supplying all upgrade materials used by target families
- 180 IDPs who did not directly benefit from a shelter upgrade, were trained for 3 days on traditional bamboo thatching techniques
- Vouchers were provided to target families and exchanged firstly for elephant grass and later for bamboo walls/doors. Families were allowed one week to complete the first upgrade following the voucher distribution; work was checked by IOM staff with corrections made as necessary
- A second voucher fair gave access to materials for the second upgrade (walls and doors) with three days allowed for work to be completed
- Final verification of both upgrades generated a cash for work grant (800 SSP) paid to qualifying families (via a voucher redeemable for cash within 24 hours)

The results:

- The shelter upgrades provide cooler, more robust shelter that will last longer and improve quality of life for residents
- The community was a critical actor in every stage of the process: selecting traders, sensitising beneficiaries, responding to feedback/complaints and organising skills

trainings. This active role restored dignity and some self-sufficiency among the affected population

- The CBI had higher fixed costs (staffing and set up costs) than in-kind interventions. But cost savings were made by contracting out procurement, transport and storage of materials to local traders. Overall the project generated a 38.5% cost reduction compared to in-kind assistance
- Temporary employment opportunities were created; the project supported the effort of traders to rebuild their businesses; and more than \$40,000 was injected into the local economy after distribution of cash for work grants and redemption of vouchers

The learning:

- Even while living as IDPs, traders may have far reaching networks and be able to respond to demand from their local market
- Using local practice and skills can bring improved shelter design and improve local ownership
- It is important to engage community interest and buy-in from the start, and monitor closely for smooth implementation
- Local traders may over exaggerate their capacity; analyse their business size, stocks and regular turnover
- Giving appropriate responsibilities to the affected community builds self sufficiency
- Transfer of learning in early project cycles is likely to speed up implementation in subsequent cycles
- Compared to in-kind approaches this cash based intervention was time consuming
- Strict monitoring of voucher distribution and collection is important
- The spike in demand for upgrade materials was not sustained after implementation; leaders and traders should be involved in realistic discussions about the longer term
- Accountability via feedback and complaints was established; but a failure to consistently log and track resolution was a project weakness

## Guidance developed by implementing agencies

Implementing agencies have consolidated their experiences to produce guides to cash based programming. As such these form a collection of learning and best practice as recorded and reproduced by the agency. Of particular note are:

- Cash Transfer and Markets Working Group: Guidance for Cash Transfer Programming within South Sudan (February 2015)  
Mercy Corps: Cash Transfer Implementation Guide May 2017 developed from international experience  
[www.mercycorps.org/sites/default/files/CTP1MethodologyGuide.pdf](http://www.mercycorps.org/sites/default/files/CTP1MethodologyGuide.pdf)

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## **Agency Publications**

Cash Transfer Programming – Post distribution monitoring Danish Refugee Council South Sudan Bentui December 2017 [https://fscluster.org/sites/default/files/documents/cash\\_transfer\\_pdm\\_report\\_2017.pdf](https://fscluster.org/sites/default/files/documents/cash_transfer_pdm_report_2017.pdf)

Cash Transfer Programming – Post distribution monitoring DRC South Sudan Bentui December 2017 [http://fscluster.org/south-sudan-rep/documents/SouthSudan\\_Food Security and Livelihoods Cluster 2018 HRP Infographic](http://fscluster.org/south-sudan-rep/documents/SouthSudan_Food_Security_and_Livelihoods_Cluster_2018_HRP_Infographic)

Cash based interventions (CBI) in Wau Protection of Civilians area IOM 2017  
<https://reliefweb.int/.../wau-poc-iom-cash-based-intervention-cbi-january-march-2017>

Factsheet August 2018 HI IOM Displaced and disabled: Humanitarian services fall short  
[reliefweb.int/report/south-sudan/displaced-and-disabled-humanitarian-services-fall-short](https://reliefweb.int/report/south-sudan/displaced-and-disabled-humanitarian-services-fall-short)

Guidance for Cash Transfer Programming: Cash Transfer and Markets Working Group February 2015  
[https://fscluster.org/sites/default/files/documents/guidance\\_for\\_cash\\_transfer\\_programming\\_within\\_south\\_sudan\\_-\\_feb\\_2015\\_0.pdf](https://fscluster.org/sites/default/files/documents/guidance_for_cash_transfer_programming_within_south_sudan_-_feb_2015_0.pdf)

Support for Peace Education Development Programme (SPEDP) Cash Transfer Programming in South Sudan June 2017

UNDP South Sudan Social Cash Transfers  
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*This report is based on six days of desk-based research. The K4D research helpdesk provides rapid syntheses of a selection of recent relevant literature and international expert thinking in response to specific questions relating to international development. For any enquiries, contact [helpdesk@k4d.info](mailto:helpdesk@k4d.info).*

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