



Humanitarian Cash Transfer Programming Symposium

Cash based responses in North-eastern Nigeria: harmonising CTP approaches, sharing learning and cash transfer mechanisms experiences

Report and joint recommendations

Abuja, 12th and 13th of April 2016.

Reiz Continental Hotel, Abuja, Nigeria

Humanitarian Cash Transfer Symposium: Report and joint recommendations

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Background

The violent conflict in North-East Nigeria prompted by Boko Haram has led to widespread displacement, violations of international humanitarian and human rights law, protection risks and a growing humanitarian crisis. Since 2009, over 20,000 people have been killed, and more than 2,000 women and girls have been abducted. 2.5 million people have fled their homes, of whom 2.2 million are IDPs and 177,000 are seeking refuge in the neighbouring countries of Cameroon, Chad and Niger. Seven million people are in need of emergency, life-saving assistance in the four worst-affected states in the North-East, Adamawa, Borno, Gombe and Yobe, of which an estimated 3 million are caught up in insecure and inaccessible areas ([OCHA Nigeria](#)).

92 per cent of IDPs are living among host communities, where resources and basic services are being exhausted, leading to risky coping mechanism and livelihood strategies amongst displaced and hosting communities alike. Escaping from attacks in rural areas, IDPs are taking shelter in the relative safety of urban centres, causing overcrowding in already-inadequate living conditions and putting resources and basic services under huge strain. Maiduguri, the capital of Borno State, has more than double its population as result of the influx of people IDPs from other areas of the state. 3.9 million people in the North-East are food insecure, and 2.5 million are malnourished, especially children and pregnant and lactating women. 1 million children are in need of emergency education. With the ongoing disruption to basic services like health care, clean water and sanitation, susceptibility to disease is high, like the cholera outbreak in September 2015 that infected over 1,000 people in IDP camps and surrounding communities in Maiduguri ([OCHA Nigeria](#)).

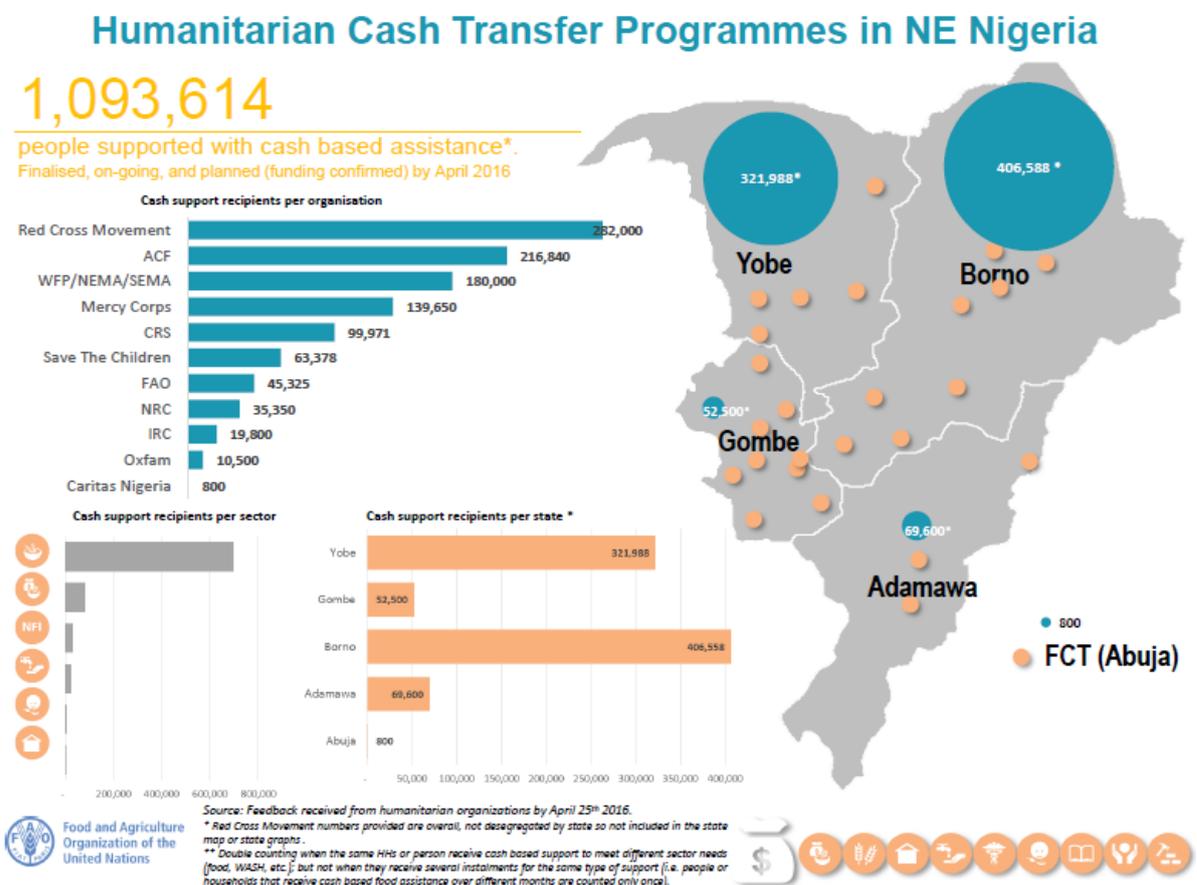
The North-East of Nigeria has a long history of marginalization and chronic under-development, and has a higher rate of poverty, illiteracy and youth unemployment than the rest of the country. Long-standing environmental degradation has contributed to eroding livelihoods for farmers in the North-East and fishermen in the Lac region. The Boko Haram conflict has exacerbated this pre-existing situation, and has caused displacement and human suffering on a massive scale ([OCHA Nigeria](#)).

HUMANITARIAN CASH TRANSFERS IN THE NORTH EAST (NE) OF NIGERIA

Several humanitarian organisations are responding to the humanitarian needs of internally displaced and host population in the north east, using cash based responses as the most effective and feasible way to reach and support the most vulnerable populations. The use of cash and vouchers delivered directly to the population via bank or mobile transfers and e-vouchers. These are seen as effective ways to minimise security risks (suicide bombers often target crowded places and events), as beneficiaries can choose when to go to the partner shops, banks or money agents to collect their entitlement. Technology enables organisations to track cash disbursements and the use of e-vouchers in real time minimising corruption and diversion; facilitating monitoring and accountability processes. Post distribution monitoring reports and key informant interviews indicate that affected communities prefer to receive assistance via cash or vouchers, reasons cited include flexibility and control over the resources, choice and use of local vendors and markets. Donors are supporting cash based responses consistently, including DFID, DRF, ECHO, FFP and USAID, and others. 95 per cent of Food for Peace (FFP) funding is supporting cash transfer programming.

Over one million people have or are being assisted using CTP. This includes responses implemented in 2015, ongoing and planned for the coming months where funding has been confirmed. Cash and vouchers are being used to support mainly people living in host communities (rural and urban areas); those living in formal camps often have movement restrictions and limited or no access to local markets. A high percentage of the cash and vouchers responses are used to meet food needs. Other sectors using cash based responses include nutrition, NFIs, shelter and livelihoods.

Figure 1: Humanitarian CTP in NE Nigeria (2015-2016)



Double counting of cash based assisted people occurs when the same person has been assisted with cash or voucher responses for more than one sector, meaning that one person or household receiving cash for food and a WASH voucher is counted twice. This disaggregation should be done and corrected in the future. When the same person or households received several instalments or vouchers to meet the same sectoral need (i. e. food) they are counted only once.

The overall number of people in the figure above include the cash transfers provided by the Red Cross Movement but as we do not have the breakdown of beneficiaries by state we are unable to include these numbers in the state breakdown. The Red Cross Movement is using cash transfers mainly to meet food and livelihoods outcomes.

Humanitarian Cash Transfer Symposium

With the increasing use of cash based responses in NE Nigeria the humanitarian organisations identified the need to share the knowledge and experiences that exist to date. The Humanitarian Cash Transfer Symposium was a structured workshop for humanitarian organisations to share experiences, learnings, and to harmonise and agree on joint recommendations to move forward with some of the strategic and operational challenges of implementing cash based responses in North-eastern Nigeria. This event was organised by FAO on behalf of humanitarian organisations using cash transfers or vouchers responses across one or more sectors. This event was funded jointly by FAO and OCHA.

The 2-day Humanitarian CTP Symposium was facilitated by the Cash Cap team seconded by the Norwegian Refugee Council (NRC) NORCAP to FAO in Nigeria to provide technical and strategic support to the Food Security Working Group (FSWG) and to the Cash Working Group (CWG). The two-person Cash Cap team were deployed for 3 months and the facilitation of this Symposium was one of their outputs. They had extensive consultations with all the humanitarian actors in the month before the event to prepare and define the agenda that was designed according to the feedback received. The consultation feedback summary document is included as an annex to this report.

OBJECTIVES

- Document, raise awareness and share experiences, challenges and learnings from the different humanitarian cash based responses implemented in the NE.
- Agree or make recommendations on how to improve and harmonize approaches on: household size, targeting, setting cash transfer values and joint market assessment and monitoring.
- Share humanitarian experiences around the main cash transfer mechanisms used in the NE (bank transfers, vouchers and mobile transfers). Providing, a marketplace for CTP service providers to present their products to a wide humanitarian audience.

AGENDA

The 2-day event was structured differently each day. All presentations from both days are included in the annexes.

Day 1 focused on addressing the critical strategic and operational challenges of cash based responses using the group work to develop some recommendations that were then discussed in plenary with the participants reaching an agreement on key recommendations to improve and harmonise CTP tools, methodologies and approaches. Pre-symposium consultations with humanitarian actors identified the following as the priority challenges to implementing cash based responses in the NE: Use of different household size, targeting, market assessment and monitoring; and calculating the transfer value. The

recommendations included in this report are the result of the Symposium group work and plenary agreement. Afterwards were shared via email with all participants for their revision and endorsement.

Day 2 focused on sharing experiences, learnings and opportunities for different cash transfer mechanisms that are used in the northeast. Three humanitarian organisations shared their humanitarian responses using a different mechanism: CRS presented their e-vouchers response using Red Rose technology and local vendors; ICRC their use of bank transfers and WFP/NEMA the mobile money transfers. They all shared challenges, learning and recommendations derived from those experiences with the audience. This session was followed by presentations from a number of services provided from the humanitarian and private sector, after each of the sessions the audience had the opportunity for Q & A. These included:

- Banks: UBA, Stanbic and Ecobank
- Humanitarian and private sector business solutions: Red Rose, SCOPE and Last Mile Mobile Solution (LMMS).
- Mobile companies: Airtel and Teasy Mobile

PARTICIPANTS

Over 40 people attended the first day of the symposium, including leaders and programme managers of humanitarian organisations UN agencies, NGOs, and Nigerian Government representatives responsible for overseeing or implementing humanitarian responses in the NE. To achieve the intended outputs and recommendations.

Day 1 audience was limited to people involved in strategic and operational CTP implementations to discuss and make joint recommendations on how to overcome some of the critical challenges to CTP. Participants included more than 44 representatives (Abuja and field based) from all the humanitarian organisations that are implementing cash based responses in the NE, donors, OCHA and the Red Cross Movement.

Day 2 audience was wider with over 84 participants, including in addition to participants from day 1, the event was attended by humanitarian managers and decision makers that wished to be better informed of the different cash transfer mechanisms and opportunities in the NE, donors (DFID, ECHO, FFP), humanitarian and development organisations, Government (NEMA) and also representatives of the private sector. Private sector participants included Airtel, Teasy Mobile, MTN, Red Rose, LMMS, SCOPE (WFP), Access bank, UBA bank, ECObank, etc.

Figure 2: Humanitarian organizations, Government and donors that participated in the Humanitarian CTP symposium



Summary of Agreed Recommendations

HOUSEHOLD SIZE AND PROVIDING FAIR AND ADEQUATE SUPPORT TO LARGE HOUSEHOLDS

1. Agreement on household definition.
2. Organisations working in the same geographical area should agree on the average household size for planning and monitoring coverage. The average household size should be informed by evidence from the field (registration, assessments, PDMs, etc.).
3. When possible, provide support based on actual household size numbers.
4. When using the actual household size is not possible, segment the households according to their size and consider it as two or three households instead of one, enabling all members to receive fair and adequate support.
5. Develop ranges of assistance for each of the sectors, considering specific transfer values applicable to the households.

TARGETING

1. Create a common household assessment and methodology containing the minimum set of common vulnerability indicators.
2. Undertake advocacy through the sectors for organisations to use the assessment/ minimum common indicators and collection tool.
3. Develop a template for sharing information on beneficiaries between organisations.
4. Develop an MOU governing how this information should be protected and who has access.
5. Work towards establishing a common registration system that would enable the sharing of beneficiary lists and accompanying vulnerability information. Reviewing best practice from other scenarios, conduct advocacy among NGOs, ensure that the system can protect beneficiary information.

JOINT AND HARMONIZED MARKET ASSESSMENTS AND MONITORING

1. Create a joint monitoring team with staff seconded by different organisations; this monitoring team uses agreed methodology and tools to collect market information (price, access, availability, security, inflation deflation, seasonal variances, volume of trade, etc.) on a monthly basis.
2. The Cash Working Group and partners to conduct joint market monitoring analysis on monthly basis at state level using the information and data collected by the joint monitoring team at state level ensuring results and recommendations are shared widely (State and Abuja level) informing changes in the response when relevant.
3. Whenever possible, engage in joint market assessments covering a variety of market systems and places to inform sectoral humanitarian and recovery responses (food, WASH, shelter, etc.).
4. The use of CTP and markets support can play a vital role in the recovery phase, especially in those areas where populations are able to return; the use of market based interventions are expected to bring a multiplier effect in the local economies and should be supported.

CASH TRANSFER VALUE

1. The transfer value should be based on households reaching the MEB (minimum expenditure basket). Two methods of calculating this were:
 - a. $MEB + \text{cost of transportation to market} - \text{income}$ (Income = average daily wage and number of adults working)
 - b. $MEB/30 - \text{number of hungry days per month}$.
2. CWG should define the MEB and adjust it for various geographical areas.
3. Sectors should define a method for calculating their portion of the costs for multi-purpose cash grants (MPGs).
4. Sectors should calculate the costs for their portion of the MEB for various geographical areas/ contexts.

5. CWG should document adapted and agreed ways to calculating the transfer value in the northeast, keeping it up to date and ensuring that covers all acceptable methodologies, including:
 - a. Calculation through income and expenses to determine the shortfall.
 - b. Calculation through number of days a household is hungry per month.
6. Organisations should increase the value of the transfer for households over average size.
7. Organisations should move to a per capita approach where possible.

Detailed joint recommendations

SESSION 1: HOUSEHOLD DEFINITION, SIZE AND PROVIDING FAIR AND ADEQUATE SUPPORT TO LARGE HOUSHOLDS

1.1 JOINT AGREEMENT ON THE HOUSEHOLD DEFINITION FOR USE IN THE NORTH EAST (NE): A multi-person household is defined as a group of two or more persons, related or not, living together who make common provision for food and other essentials for living. Individuals living alone are also considered to receive humanitarian assistance. Even if single person households are not common in the north east; a few organisations like CRS, have stated that they have a number of beneficiaries that live alone and are highly vulnerable; therefore, it is important to include them in beneficiary lists.

1.2 JOINT RECOMMENDATION ON AVERAGE HHS SIZE: Humanitarian organisations working in the same geographical areas and sectors should agree and harmonise the household size. This figure should be based on evidence from households (HHS) assessments, registration and post-distribution monitoring. Justification:

- Households in the same areas should receive similar (sector specific) packages of assistance and understand the rationale for the support. This approach reduces unfairness across a geographical area, minimising the risk of households feeling discriminated against or cheated if one organisation provides less assistance than others.
- Given the differences across the NE in average HH size the group does not recommend to use an overall HHS average for the whole area but to agree on average HHS size in the different States and locations according to their specifications. For example, in Maiduguri most organisations use an average of 7 or 8; but for Yobe and Adamawa the average is between 9 and 12 as households there seem to have a higher number of people.
- Harmonising household averages is important also to speak a common humanitarian language used for budgeting, donors' communication and harmonised estimations of assistance needs and coverage.
- It is recommended that whenever possible, the organisations should use the actual HH size to provide humanitarian support even if they use average for other purposes (planning, budgeting, coverage, etc.).

1.3 JOINT RECOMMENDATIONS ON HOW TO PROVIDE ADEQUATE ASSISTANCE TO LARGER HOUSEHOLD TO ENSURE THAT EXPECTED OUTCOMES ARE MET:

1. **When possible, provide support based on actual household size numbers.** The increased use of technology in cash and vouchers responses, enables the organisation to do easy and quick calculations and adjustments to the cash transfer value or voucher content to ensure households are supported based on their real needs. For example, in food assistance using cash or vouchers and mobile technology it is easy to adjust the value to the number of people. WFP and CRS are using this approach. Most of the other organisations are using HHS averages

instead, meaning that the support provided to large HHs is not sufficient to meet the needs of all its members.

2. If calculating the actual household size is not possible, the group recommends to segment the large households according to their size, considering it two or three HHs instead of one, this will ensure that the support received meets the expected outcomes.
3. Develop ranges of assistance for each of the sectors, considering specific transfer values applicable to the households. *Some types of support might need to consider the household size (i.e. food assistance), but there are other types of support that is independent of the family size, for example CTP to support the construction of a toilet that is normally provided per HHs.*

LARGE POLYGAMOUS HOUSEHOLDS:

The joint recommendation is to consider and register the mothers as head of households. When applying this measure protection and cultural aspects need to be considered carefully.

SESSION 2: TARGETING

2.1 TOP JOINT RECOMMENDATIONS ON TARGETING

1. Create a common households' assessment and methodology containing the minimum set of common vulnerability indicators (see suggestion below).
2. Undertake advocacy through the sectors for organisations to use the assessment/ minimum common indicators and collection tool.
3. Develop a template for sharing information on beneficiaries between organisations.
4. Develop an MOU governing how this information should be protected and who has access.
5. Work towards establishing a common registration system that would enable the sharing of beneficiary lists and accompanying vulnerability information. Reviewing best practice from other scenarios, conduct advocacy among NGOs, ensure that the system can protect beneficiary information.

2.2 COMMON CROSS-SECTORAL VULNERABILITY CRITERIA FOR VARIOUS CHARACTERISTICS OF A HOUSEHOLD AND JUSTIFICATION

Groups indicated several reasons for collecting household information on a small set of indicators of vulnerability: Ease of collection, validity as a proxy indicator, urgency of issue/ability of the responses to be used in future programming, cross sectoral humanitarian relevance – not related to mandate or donor.

The **indicators ranked as most important** by most of the groups were:

1. Dependency ratio
2. Food consumption score
3. Head of household female gender/disability/under 18/ over 60/ divorced/ widow/ widower/ separated
4. Households with malnourished children or PLM
5. Household hunger scale
6. Water availability
7. Incomes sources (i.e. permanent work/employee, handicraft, petty trade, casual labour, sales of crop stocks, sales of livestock, begging)

Of medium importance were:

1. Household Debt

2. Income gap - Estimated ability to cover monthly household expenditures, i.e. income as a % of expenditure
3. Involuntary household Relocation: # of times households has moved involuntarily prior to current location
4. Access to health services by target populations
5. Crowding index: # of household members per room

Of less importance were:

1. Ratio of household members to functional latrines/ Latrine Accessibility
2. School Attendance
3. Youth literacy and numeracy

Additional indicators were identified by all groups. All of these were rated at the medium or high levels. The level of consensus on these indicators should be checked. New:

1. People in Isolated of conflict areas
2. Child household
3. GBV risks
4. Period of displacement
5. Assistance received
6. Unaccompanied children
7. Lactating/pregnant/special need woman households
8. Loss of assets
9. Household in special need of protection
10. HDD (household dietary diversity)

SESSION 3: JOINT AND HARMONIZED MARKET ASSESSMENTS AND MONITORING

3.1 RECOMMENDED APPROACH TO A JOINT MARKET MONITORING SYSTEM: Create a joint monitoring team with staff from different organisations that uses agreed upon methodology and tools and collects information on a monthly basis.

To agree on how best to proceed During the discussions the groups considered the following options:

- a) Development of a harmonized market monitoring approach, methodology and tools, then each organisation conducting the market monitoring; the information would be shared, consolidated and analysed by the CWG on monthly basis.
- b) Creation of a joint market monitoring team with staff seconded from different organisations
- c) Third party market monitoring using experts in country (i.e. FEWSNET, etc.)

After considering different options of how best to create a practical and effective market monitoring system for the north east, the majority of humanitarian participants agreed that the preferred way to move forward is the creation of an **inter-organisation market monitoring team with seconded staff that collects market information on a monthly basis**. Once a month the CWG and representatives from different organisations and some additional experts (FEWSNET, etc.) will be invited to a meeting to analyse the results that will be later widely disseminated across organisations and sector working groups.

Ideally, some of the expert organisations in country like FEWSNET or WFP, that are monitoring markets at the national and regional level will participate in the analysis, providing a more detailed picture of the performance and integration of those markets in the national and regional context.

Table 1: Agreed joint market assessment and monitoring system components

| JOINT MARKET ASSESSMENT AND MONITORING SYSTEM: AGREED COMPONENTS | | | | | | |
|---|---|--|---|--|--|--|
| WHAT? INFORMATION TO COLLECT | HOW? TOOLS, DATA MANAGEMENT AND ANALYSIS SYSTEM | WHERE? PLACES, AND FROM WHOM | WHEN? FREQUENCY | WHO? LEAD+TEAM | WHY? HOW THIS INFORMATION WILL BE USED | HOW WILL THE RESULTS BE SHARED? |
| <ul style="list-style-type: none"> - Commodity price and availability - Exchange rates - Government policy - Accessibility - Security - Inflation /deflation - Volume of trade - Transportation - Market infrastructure - Supply/demand - Supply chain - Beneficiary preferences - Exchange rates - Supply chain components - Etc. | <ul style="list-style-type: none"> - Harmonized methodology and tools that uses primary data collection and secondary data analysis. - Agree and develop a data management system (collection, analysis and dissemination) - Secondary data sources: FEWSNET, National Bureau of Statistics, Ministry of Agriculture, Chamber of Commerce, UN agencies, etc. - Focus group discussions (FGDs), key informant interviews, mystery shopper, observation, etc. - Tools: Mobile data collection, Point of Sales (POS), sms, paper, etc. | <ul style="list-style-type: none"> - Market sites, regional markets, border markets - Warehouses, shops kiosks, supermarkets, local formal and informal markets. <p>From whom:</p> <ul style="list-style-type: none"> - Traders, buyers, community leaders, - Producers, manufacturers, - Market associations - Cooperatives - Online market data | <ul style="list-style-type: none"> - Monthly (but opportunity to do it as needed depending on program needs or at critical intervention periods) | <ul style="list-style-type: none"> - Create a market monitoring group led by the CGW and include other organisations as relevant (FEWSNET, etc.). - INGO with capacity and expertise in market assessments and monitoring (WFP?) - Create and train a joint monitoring team made of seconded staff including IMOs <p>Existing expertise in country: FEWSNET, FAO, WFP, universities</p> | <ul style="list-style-type: none"> - Planning, implementation, contingency planning - Response options analysis, select modality of response and determine transfer value and analyse purchasing power - Do no harm - To identify vendors - To capture and analyse shocks in the market and use for contingency planning - Adjust response modality - Inform revisions of transfer value - Inform content of PDMs - Use market monitoring information and data in sectoral updates and analysis | <ul style="list-style-type: none"> - CWG mechanism for dissemination - Individual organisations sharing mechanisms - Online availability - Public publication, use existing platforms OCHA sector HR websites, dropbox, etc. |

SESSION 4: CALCULATING THE CASH TRANSFER VALUE

4.1 TOP JOINT RECOMMENDATIONS FOR CALCULATING THE CASH TRANSFER VALUE

1. The transfer value should be based on households reaching the MEB (minimum expenditure basket). The two methods proposed for calculating this were:
 - a. MEB + cost of transportation to market – income (Income = average daily wage and number of adults working)
 - b. MEB/30 – number of hungry days per month.
2. CWG should define the MEB and adjust it for various geographical areas
3. Sectors should define a method for calculating their portion of the costs
4. Sectors should calculate the costs for their portion of the MEB for various geographical areas/ contexts.
5. CWG should write a guide on calculating the transfer value, and keeping it up to date, that covers acceptable methodologies, including:
 - a. Calculation through income and expenses to determine the shortfall.
 - b. Calculation through number of days a household is hungry per month.
6. Organisations should increase the value of the transfer for households over average size.
7. Organisations should move to a per capita approach where possible.

4.2 METHODS AND JUSTIFICATION FOR CALCULATING THE TRANSFER VALUE

Group feedback

- 1 CWG should define the MEB and adjust it for various geographical areas
- 2 Due to fixed and proportional costs the amount should be increased for large households by amounts related to the per capita costs.
- 3 Sectors should calculate the costs for their portion of the MEB
- 4 MEB needs to consider that some items are consumable (i.e. food, water) and others are not (NFIs)
- 5 Sectors should define a method for calculating their share of the costs – not necessarily calculate the actual cost as it will vary.

4.3 AGREEMENTS ON PROCEDURE FOR LARGE FAMILIES

- 1 Double the value for households over average
- 2 Move to a per capita approach where possible

4.4 AGREEMENT ON HOW TO KEEP THE TRANSFER VALUE UP TO DATE

CWG to include this aspect in the guide to calculating the transfer value so that the support provided is aligned with changes in market prices.

Annexes

1. Presentations Day 1 and Day 2 (14 presentations).
2. Humanitarian CTP Symposium Agenda and Objectives
3. Participants List
4. Pre-Symposium Consultation with Humanitarian Actors Consolidated Feedback
5. Market Assessment: Best Practices and Recommendations
6. Humanitarian Cash Transfer Symposium Poster and Flyers