



FEASIBILITY STUDY

ON CASH AND VOUCHER ASSISTANCE
PROGRAMMING IN THE TIGRAY REGION,
ETHIOPIA

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EXECUTIVE SUMMARY

The two years of conflict in Tigray has fueled a large-scale humanitarian crisis and resulted in loss of livelihoods and widespread food insecurity of the population especially Internally Displaced Populations and agrarian communities in the region.

The crisis affected the livelihoods of the communities, loss of lives, livestock, destruction of shelter and infrastructures including water points, schools, health facilities, etc. Furthermore, in some areas people faced several failed rainy seasons (el-Nino affect) and the humanitarian needs continue to be dire.

Plan International launched a feasibility assessment of Cash and Voucher Assistance and adopted a mixed data collection tools, which were qualitative focus group discussion FGD and Key informant interview (KIIs) and quantitative approaches through questionnaire survey. Accordingly, the assessment finding indicate that the humanitarian needs in the crisis affected communities are dire. The conflict induced crisis coupled with natural disaster fueled food insecurity, water shortage, failed rainy season, disruption of livelihood options, loss of assets, shelter destructions, lack of access to WASH, lack of access to menstrual health hygiene, shut schools and inaccessibility, lack of Child Protection /Gender Based Violence and MHPSS services etc. Respondents during Focus Group Discussion in G/Mekeda (Rigbay Medebay Kebele) expressed in a local language as *“Nafenya zeyre-keba zkurtems nriesen shash mtemtem”*-This expression emphasizes their top priority/need is food (food insecurity problem) and the other needs are to be met only after solving food insecurity issues.

Thus food insecurity was the major need and challenge they encountered, which is triggered by the low productivity, lack of agricultural inputs such as fertilizers, improved seeds, related agricultural tools and alternative income sources

Moreover, lack of essential drugs in hospitals and health centres; human and livestock disease (disease which are communicable from animal to human and from human to animal also).and shortage of veterinary medicine; lack of animal fodder, problems related to access to education (scholastic materials); shortage of rainfall; lack of fertilizers and drought resistant improved seeds; health issues, child health issues and under-nutrition have exacerbated the humanitarian situation. Women face bleeding during delivery leading to death, lack of food for bal-

anced diet for infants; PWD and people with chronic diseases face critical food insecurity and there is a high unemployment rate.

The crisis affected communities adopted different negative coping mechanisms to alleviate and mitigate the food insecurity situation. All respondents reported to have retorted to reducing number of meals; decrease quantity and variety of intake; selling livestock, consuming seeds meant for cultivation, waiting for the rainy season for growing crops; borrowing in kind/food and cash from others and through humanitarian assistance; sharing any available meals; eating unusual plants such as cactus leaf and mostly youth migrating to the Middle East countries.

Government led rural Productive Safety Net Program (PSNP), where most of the communities used to be supported by this program, and food ration assistance provided by USAID and WFP in the region is halted.

Generally, respondents indicated that out of these problems encountered the crisis affected communities, food insecurity was found to be the key need which has a multifaceted impact on the lives of the communities. Two market centres (one primary and one secondary market) were considered for this assessment and following conclusions were derived:

- ◆ There is a functional and regionally integrated market with sufficient supply of goods and services in the target areas. It is critical that markets are able to supply the goods and services that people need, that people can afford them and people are able to get access to those markets.
- ◆ Vendors, wholesalers, retailers and FSPs are willing to participate in the Cash and Voucher Assistance (CVA), price is set by the owners/vendors/wholesalers/retailors and they don't display price of items they sell;
- ◆ There are cash programming efforts in the region implemented by different humanitarian organizations including PIE (Plan International Ethiopia), Red Cross, ICRC, Action Against Hunger (ACF), FAO, World Vision, and managed to address



crisis affected people (with experiences in implementing CVA programming). However, the case load is huge, the humanitarian situation continues to be dire;

- ◆ There are different financial service providers which are fully operational and accessible.
- ◆ The primary need of the crisis affected communities were identified as food and wheat, barely, sorghum, teff, maize and millet cereals are the communities prioritized cereals/food items.
- ◆ The purchasing power of the crisis affected people is very low and most of the people couldn't afford accessing basic services except the humanitarian

assistance provided to them including Cash provided by a few humanitarian organisations, and in-kind assistance from government and individual philanthropists.

- ◆ Child protection issues were overall observed including separated children, school dropout and low enrolment rate in the area.
- ◆ The feasibility study found cash and/or voucher or even mix modality to be highly feasible in the areas. Furthermore, there is a strong CVA appetite in the target areas;
- ◆ It is recommended Plan International Ethiopia (PIE) aligns its cash transfer value for MPCGs to



ABBREVIATIONS

CVA: Cash and Voucher Assistance
CBE: Commercial Bank of Ethiopia
CBP: Cash Based Programming
CFM: Community Based Feedback Mechanism
CP: Child Protection
CWG: Cash Working Group
FSP: Financial Service Providers
FGD: Focus Group Discussion
GBV: Gender Based Violence
HHs: House Holds
IGAs: Income generating activities
KII: Key Informant Interview
KYC: Know Your Customer
MEB: Minimum Expenditure Basket
MPC: Multipurpose Cash
MHPSS: Mental Health and Psychosocial support services
NFIs: Non-Food Items
PDM: Post Distribution Monitoring
PIE: Plan International Ethiopia
PLW: Pregnant and Lactating Women
PSNP: Productive Safety Net Program
PWD: People with Disabilities
TV: Transfer Values
SRHR/MHH: Sexual and Reproductive Health/Menstrual Health Hygiene

BACKGROUND

The outbreak of the Northern Ethiopia conflict including Tigray triggered a massive refugee and displacement crisis which persist this year. The crisis affected the livelihood options of the communities, loss of lives, lost their livestock, destruction of shelter and infrastructures including water points, schools, health facilities, etc. Furthermore, due to the impact of Covid-19 and in some areas people faced failed rainy season (El Nino)² and the humanitarian needs continue to be dire.

The two years of conflict in Tigray resulted in the loss of livelihoods and widespread food insecurity of the population especially IDPs and agrarian communities in the region.

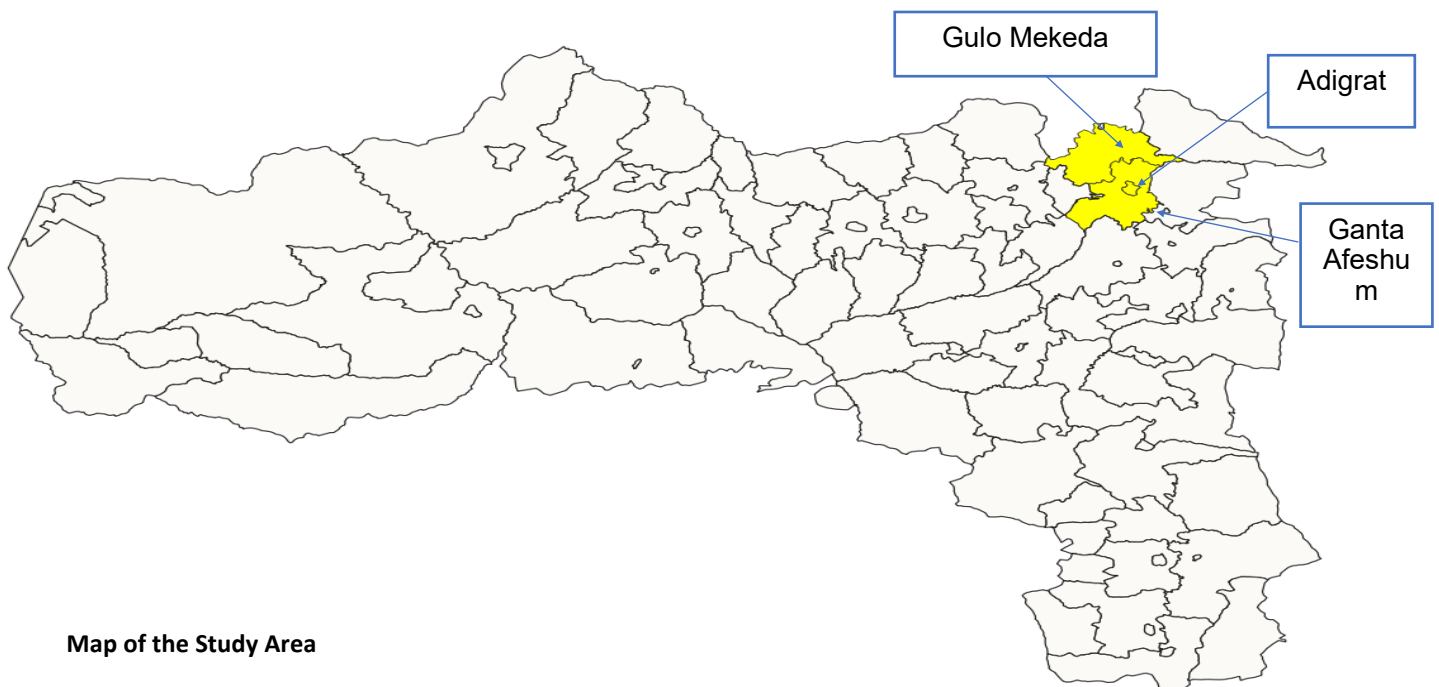
UNOCHA, Sitrep August 2023 estimates 20.1 million people are food insecure /in Ethiopia. Of these 15.1 million will require emergency food assistance and 8.8 million people are in the conflict affected areas of Tigray, Amhara, and Afar regions), need food assistance.

Humanitarian organizations are working to support the affected population in Tigray. UN agencies, ACF, World Vision, FAO and others including Plan International are providing humanitarian assistance to the conflict affected communities (IDPs, host communities, and returnees).

There is a dire humanitarian need in Tigray (Eastern zone), rural part of the zone, which is highly affected by the conflict and failed rainy seasons.

Plan International Ethiopia (PIE) has been working to address the most vulnerable girls, women, boys, men, elderly, people with disabilities in terms of access to education, WASH, ES/NFIs, livelihood supports through Cash and Voucher Assistance (CVA) and other modalities. PIE conducted quick feasibility assessment in September 2023 consisting of a rapid market assessment of two major markets i.e Adigrat and Fatsi in Eastern zone of Tigray region to understand the appetite and the suitability of using CVA as a modality for meeting the basic needs of the affected households.

Besides, PIE conducted FGD (Focus Group Discussion) in Rigbay-Medebay Kebele, Gulomakada woreda and Kokeb-Tsibah kebele, Ganta Afeshum woreda and KIIs (Key Informant Interview) with Gulomakada authorities; meeting with peer humanitarian agencies, Tigray Cash working Group (TCWG) and FSPs (Financial Service Providers)



Map of the Study Area

² El Niño refers to a warming of the ocean surface, or above-average sea surface temperatures, in the central and eastern tropical Pacific Ocean. In Ethiopia, El Niño is associated with drought in the north-west region during the Kiremt season [26, 27], and increasing rainfall in the south during the short Belg season

METHODOLOGY

PIE team adapted the existing market assessment tool from the Global CVA toolkit and adopted a mixed approach to gather information. Market assessment tool was used to gather primary data from retailers, whole sellers and vendors in 2 market centres on Kobo platform. Traders were interviewed using the tool to understand availability of supplies, prices including current inflation rates, and the supply chain.

FGDs were conducted separately with women & girls and men and boys in Rigbay Medebay kebele, Gulomakada woreda and Kokeb-Tsibah kebele, Ganta

Afeshume woreda. A total of 20 women & girls and 25 men & boys attended the focus group discussion. The primary goal of FGD was understand the context and situation of the communities and households affected by conflict and drought including their basic needs, services and to clearly understand their priorities. In addition, systematic observation of market places was conducted to identify the availability of basic goods, market actors, supplies, etc. and secondary data was used to support the assessment result



LIMITATIONS OF THE STUDY

The feasibility assessment conducted was a rapid in nature within four days and the primary objective was to provide an overview of current market functionality, appropriateness of cash and voucher assistance as a modality, operational conditions and community preferences. The data collected through both digital and manual platforms have been analysed to maximum details and closed to accurate at the time of study while the

market remains volatile due to different reasons, including the conflict situation in Amhara and inflation that could influence the future functionality of market. Further, the assessment is limited to Fatsi and Adigrat market with limited sample of traders/vendors and the trade dynamics with other traders/vendors were not capture due to limitation of time.

KEY FINDINGS

GENERAL CASH AND VOUCHER ASSISTANCE ENVIRONMENT IN THE COUNTRY

The CVA environment in Ethiopia is generally favourable as many humanitarian agencies including the UN agencies are already pursuing this approach in a humanitarian setting. There is a national CWG which is active CWG (Addis Ababa) and regional/subnational CWG in Tigray, Amhara, Oromia, SNNP, Somali, Afar, and Benishangul Gumuz and developed and endorsed interim guidance for MPCA (Multi-Purpose Cash Assistance). PIE is actively engaging in the CWG at national and subnational CWG through its respective CVA specialist and Programme Areas. CWG meet every month to discuss the technical issues and to harmonize good practices. The CWG has developed some tools including Market Assessment, PDM (Post Distribution Monitoring), FGD, KII and MPCA interim guidance regions through the sub-national CWG which are being used by different agencies and CWG jointly. ECWG has developed a revised MPCA interim guidance for Tigray in early 2023 and it remains to be endorsed by the key stakeholders. Interactions with key stakeholders including ECWG, peer agencies, crisis affected communities and local authorities indicate a strong appetite for CVA intervention as a modality to achieve food security, protection, education, livelihood and other sectoral outcomes.

Accordingly, the following key determinants, were used to arrive at a conclusion if the CVA modality will be feasible to achieve the set outcomes through integrated humanitarian assistance to the conflict affected communities in the project area.

- ◆ General Cash and Voucher Assistance (CVA) environment in the country and acceptance of cash and voucher by the local, and regional government and the communities
- ◆ Accessible and functional market with adequate stock to absorb increased demand, robust supply chain, relatively stable price of the commodities with some fluctuations.
- ◆ All market actors reported the ability to double and restock their existing commodity stocks within 1 to 15 days. (all the commodities they have in their stock except commodities from Amhara region due to disturbance)
- ◆ Willingness of the traders to participate in the CVA intervention
- ◆ Availability of FSPs and their willingness to collaborate with the program.
- ◆ Coordination with peer agencies to harmonize CVA approaches and avoid potential duplication.
- ◆ Project implementation capacity of the PIE and the implementing partners.
- ◆ Favourable security situation (operational conditions) in the project areas with appropriate risk assessment in place.
- ◆ During the assessment, due to the conflict in Amhara region, the Alamata trade route and Gondar trade routes were closed;
- ◆ Retailors, vendors and wholesalers indicated that lack of purchasing power of crisis affected communities are their challenges to expanding their businesses;

RESULTS OF MARKET ASSESSMENT

NUMBER OF SHOPS BY SECTOR

Of the two markets assessed in Eastern Zone Adigrat, is the third largest market in the Tigray, was by far the largest market compared to Fatsi. Shops with Clothing and hygiene have the highest number of shops with more than 600 and 300 respectively followed by food item/cereals 200-250 shops, SRHR/MHH 50-60 and Scholastic material shops 30-45 respectively. Fatsi is a secondary market and operates on a daily basis through market structures that are mostly permanent. However, once a week it operates actively with a surge in vendors where rural communities usually come and do their weekly shopping. Adigrat is a primary market, fully integrated and functional; operates daily with robust supply chain, competitive price and well connected regionally to Mekele and Addis Ababa.

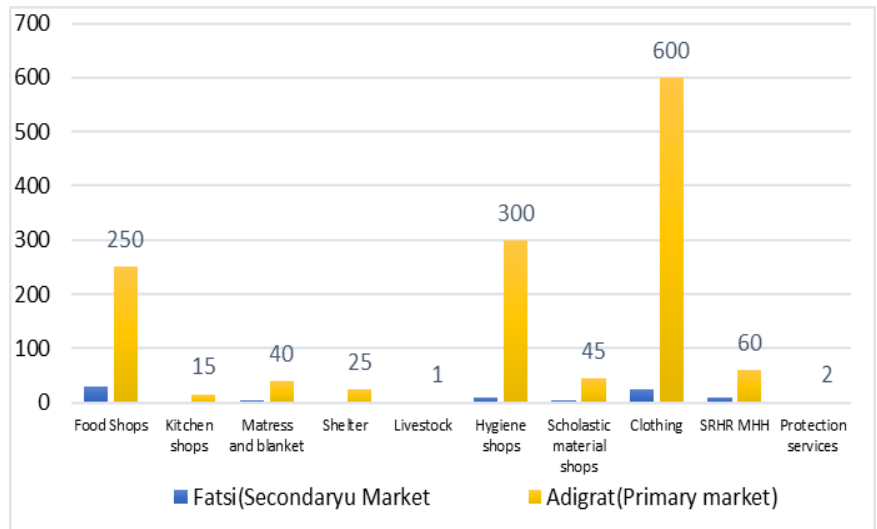


Figure 1: Estimated number of shops

MARKET MAP OF ADIGRAT

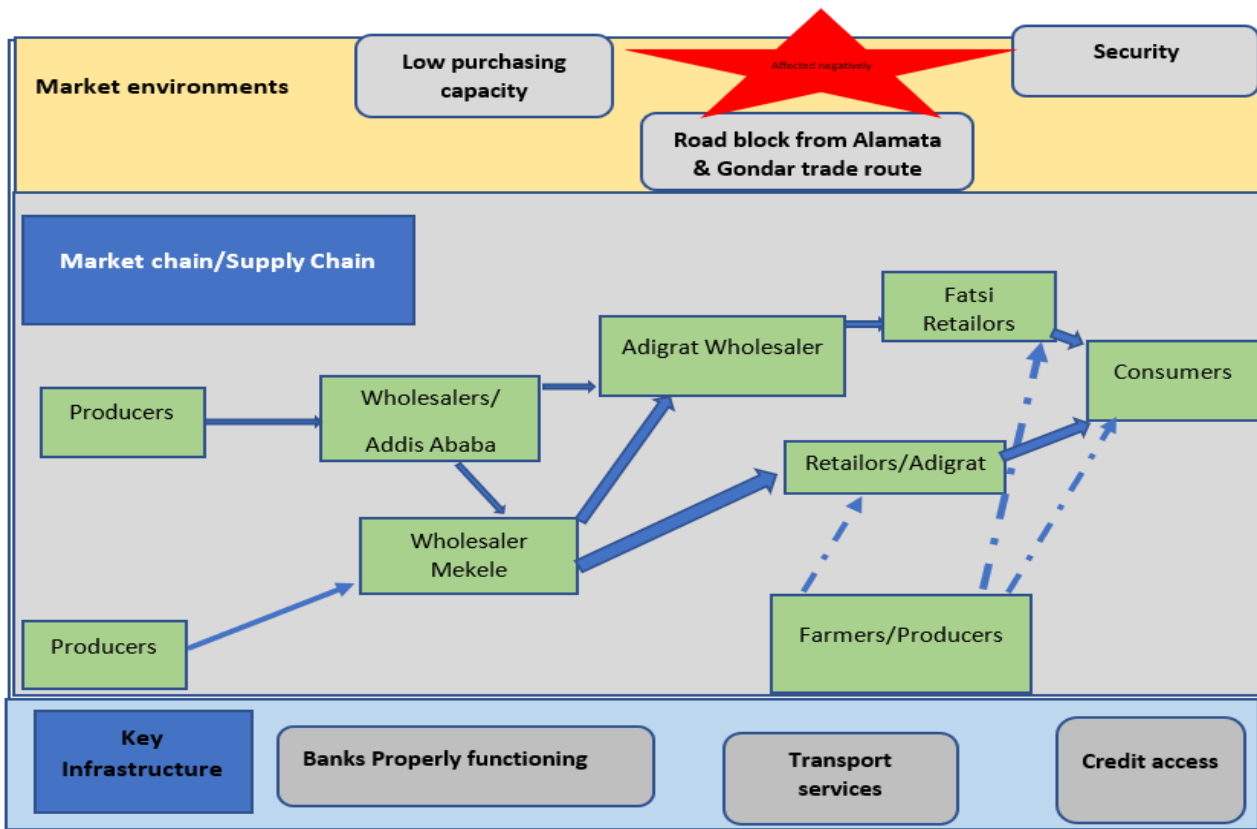


Figure 2: Market Supply Chain Map

BUYERS BASED ON GENDER AND PRIORITIES

Based on the assessment results, buyers in the 2 markets covered were largely adult women followed by men and adolescent girls and boys. Their priorities were predominantly food items kitchen tools,

food, WASH, hygiene, and MHH products; this finding is also triangulated through the focus group discussion with the communities. Around 85 percent of food items and products in the market are purchased by adult men and women; whereas livestock are purchased dominantly by men followed by women. Similarly, above 60% of the MHH (Menstrual Health and Hygiene) prod-

ucts in the market were purchased by women followed by an adolescent girls with only 35 percent. The priorities for men on the other hand were food, livestock and shelter materials and equally prioritize materials such as clothing, and protection. However, in terms of education materials, boys and girls were actively engaged in the market particularly between August and September months due to the school opening season and January and February during mid semesters.

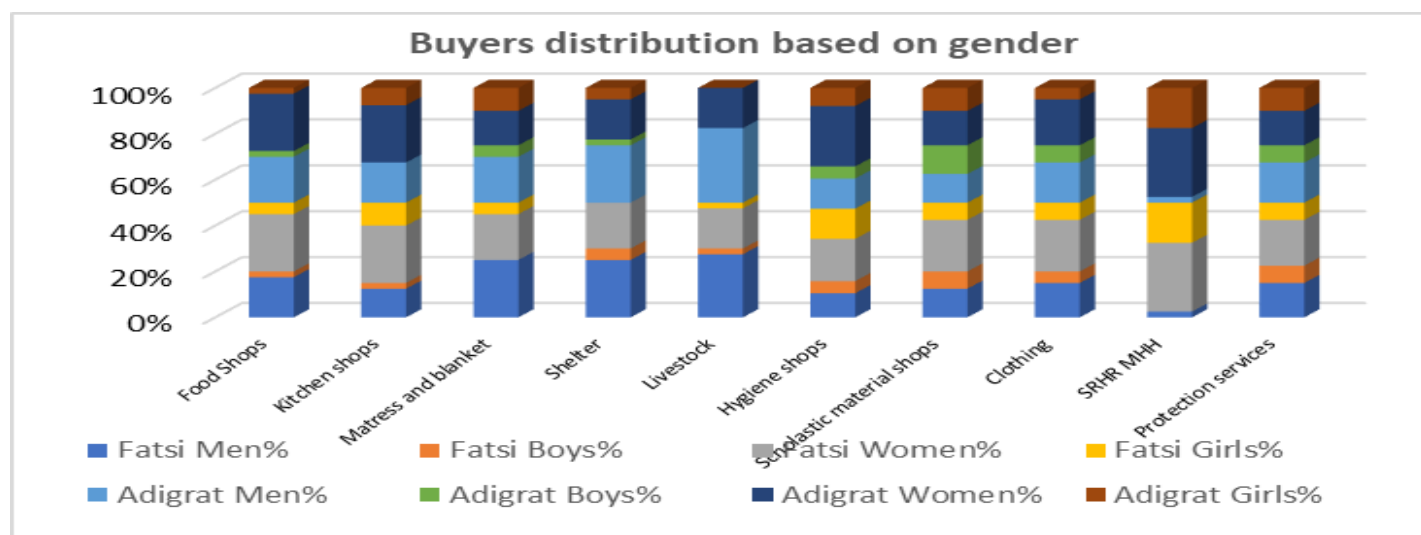


Figure 3 Buyers based on gender and priorities

PRICES OF COMMODITIES IN TWO MARKETS



The price of most commodities varied in the range of 5-10% in between Fatsi and Adigrat markets and prices in Adigrat being a primary market is relatively little economical than Fatsi market. For ex. and there is very little variation in food prices such as Teff and Wheat grain between 110-120 ETB and 70-80 ETB per kilogram respectively. Similarly, maize with a price of 50-53 ETB/kg, white sorghum 49-53 ETB/kg, barley 66-79 ETB/kg and beans 60-70 ETB/kg respectively. Significant price difference is observed in the range of 10-50% especially for cooking oil (200 to 220 ETB/ litre), tomato (60 to 120 ETB/kg) and onion (60 to 90 ETB/kg). Laundry and bath soap, and MHH materials cost between 60- 70 ETB/ pieces.

Moreover, the other noticeable difference was observed in scholastic supplies, especially on bags and it was largely attributed to the quality, size, different options



and categories available in the market while notebooks have a similar range of price in the two markets i.e. around 55 to 60 ETB/piece.

The price of lentil in Fatsi is more expensive (160 to 180 ETB/kg) than its price in Adigrat which ranges between 140 to 180 ETB/kg. One of staple vegetable potato is

also more expensive in Fatsi (45-60 ETB/kg) than Adigrat (35 to 40 ETB/kg). This indicates the gap in price regulation by the chamber of commerce and this is attributed to the impact of conflict, logistics and also drought conditions which is borne by the consumers.

Items	Unit	Fatsi			Adigrat		
		Min Price in ETB	Max Price in ETB	Max Price in USD	Min Price in ETB	Max Price in ETB	Max Price in USD
Teff	kg	115	120	2.18	110	115	2.09
Wheat grain	kg	80	80	1.45	70	75	1.36
Maize	kg	51	53	0.96	50	52	0.95
Sorghum(white)	kg	50	53	0.96	49	51	0.93
Barely	kg	69	70	1.27	66	67	1.22
Lentils	kg	160	180	3.27	140	180	3.27
Beans	kg	65	70	1.27	60	65	1.18
Oil	lit	210	220	4.00	200	210	3.82
Livestock(goat)	no.			-	7,500	8,000	145.45
Livestock(sheep)	no.			-	6,000	6,000	109.09
Onion	kg	70	90	1.64	60	80	1.45
Tomato	kg	80	120	2.18	60	80	1.45
Potato	kg	45	60	1.09	35	40	0.73
Salt	kg	28	30	0.55	25	28	0.51
Cabbage	kg	80	90	1.64	70	80	1.45
Bath soap (125g)	gram	60	65	1.18	50	60	1.091
Laundry Soap 200g	gram	65	70	1.27	60	60	1.09
MHH (Menstrual Health Hygiene)	pcs	60	65	1.18	60	60	1.09
Scholastic material (notebook)	pcs	58	60	1.09	55	58	1.05
Scholastic material (bag)	pcs	380	1,300	23.64	350	1,300	23.64

PERCENTAGE INCREASE FROM THE SOURCE

The figure 4 aside indicates price increase from sources of products and commodities in percentage and most of commodities price increase ranges between 1 to 10% in the two markets compared with sources. The trend indicates the price increase is relatively less in primary versus secondary market. The price of cereals (Teff, wheat, maize, sorghum) in Adigrat (primary market) has a price difference in between 2% and 5% against original sources versus Fatsi (secondary market) is in between

3% and 7% for similar items.

Similarly, the price of stable vegetables (tomato, cabbage, onion and potato) has a higher difference Fatsi (6.5% to 10%) versus Adigrat (5.5% to 9%) respectively. As mentioned by traders, in both markets, the price is set by the owners with some regulation by trade and industry departments especially in food and other basic items while there are rooms for strengthening in the interest of vulnerable consumers

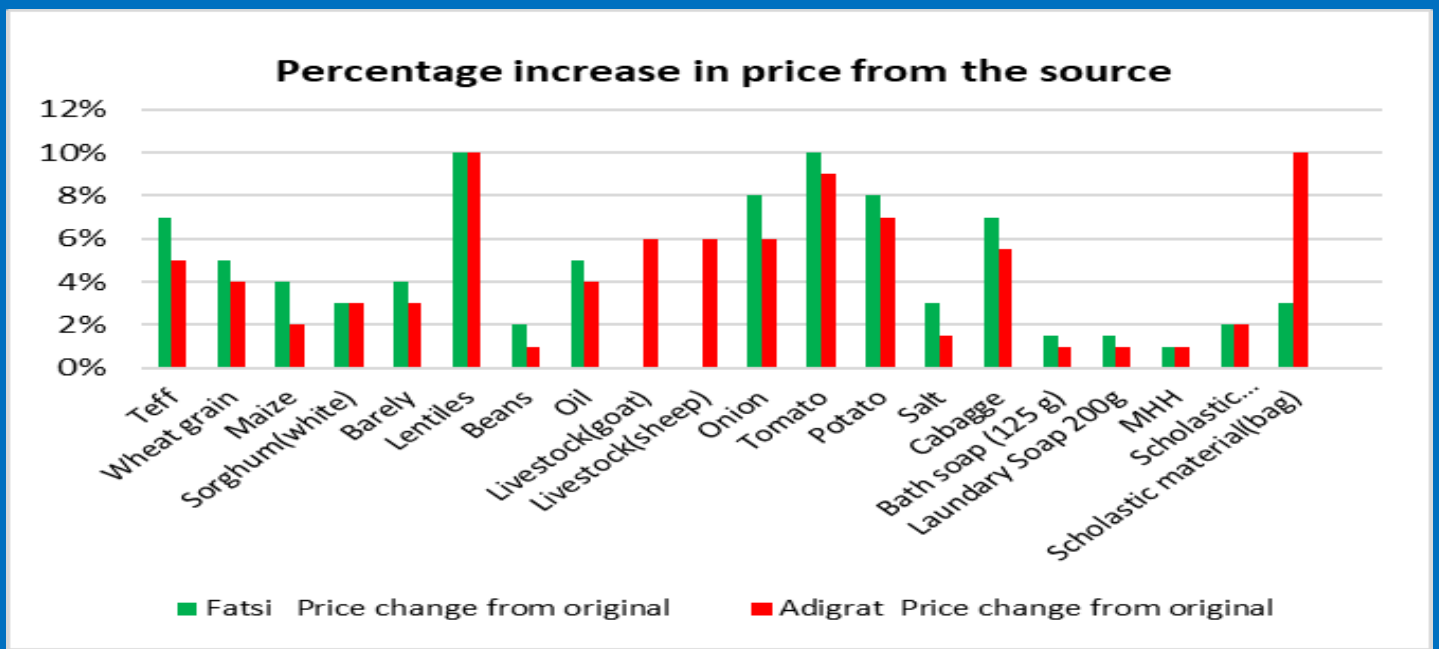


Figure 4: Percentage increase in price from the source

SOURCE OF PRODUCT

Adigrat market is supplied and sourced by Mekele, Afar, Shire, and Addis Ababa. Food products are sourced from Mekele, Shire, Amhara region, Addis Ababa and Afar for Adigrat; and Adigrat and Mekele for the Fatsi market. Most of the commodities for Fatsi market originate from Adigrat and Mekele markets. Similarly, WASH, clothing,

hygiene kits, Mattress & blanket, pharmaceutical, health supplies, Scholastic materials/education, kitchen kits are supplied from Mekele, Addis Ababa, and Afar. Livestock such as cattle, goat, sheep are sourced from Afar, Adigrat and surrounding areas.

Sources of commodities and Products		
Items/Sector	Fatsi	Adigrat
Food	Adigrat and Mekele	Mekele, Addis Ababa, Shire, Dessie and Afar
Livestock		Afar, Adigrat and its surroundings
Shelter items	Adigrat and Mekele	Addis Ababa, and Mekele
WASH	Adigrat and Mekele	Mekele, Addis Ababa, Shire and Afar
Kitchen kits	Adigrat and Mekele	Addis Ababa, Afar, and Mekele
Scholastic materials/education	Adigrat and Mekele	Addis Ababa, Afar, and Mekele
Clothing	Adigrat and Mekele	Addis Ababa, Mekele and Afar
Mattress and blanket	Adigrat & Mekele	Addis Ababa, Mekele and Afar
Health clinics and pharmacies	Adigrat and Mekele	Addis Ababa, Mekele and Afar
SRHR/MHH	Adigrat and Mekele	Addis Ababa, Mekele and Afar
Hygiene kits	Adigrat and Mekele	Addis Ababa, Mekele and Afar
Protection services	Adigrat and Mekele	Addis Ababa, Mekele and Afar

STORAGE FACILITIES

Adigrat market has storage facilities for food items, WASH and Hygiene materials, clothing, and health and pharmaceutical products, SRHR/MHH, and protection services items. On the contrary, Fatsi market has no storage facilities for most of the commodities.

Vendors, retailers and wholesalers were asked about their capacity to re-stock in case of an increase in demand due to cash/voucher distribution, all of them responded as “yes”. In addition, they have access to credit both from the suppliers and financial institutions in case they decide to increase the volume to anticipate demand due to cash/voucher transfers.

Table 2: Storage facilities

Items/Sector	Fatsi	Adigrat
Food	No	Yes
Livestock	No	No
Shelter items	No	No
WASH	No	Yes
Kitchen kits	No	No
Scholastic materials/ education	No	No
Clothing	No	Yes
Mattress and blanket	No	No
Health clinics and pharmacies	No	Yes
SRHR/MHH	No	Yes
Hygiene kits	No	Yes
Protection services	No	Yes

WHO SETS THE PRICE?

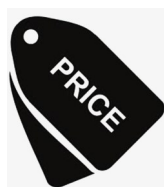


Table 3: Who sets price

Items/Sector	Fatsi	Adigrat	Remark
Food	Owners/private	Owners/private	Close follow up by government
Livestock	Owners/private	Owners/private	
Shelter items	Owners/private	Owners/private	
WASH	Owners/private	Owners/private	
Kitchen kits	Owners/private	Owners/private	
Scholastic materials/education	Owners/private	Owners/private	
Clothing	Owners/private	Owners/private	
Mattress and blanket	Owners/private	Owners/private	
Health clinics and pharmacies	Owners/private	Owners/private	
SRHR/MHH	Owners/private	Owners/private	
Hygiene kits	Owners/private	Owners/private	

Respondents were asked about “*who sets the price?*” and they responded that all the items in both the markets of Fatsi and Adigrat set their own prices but for some basic items such as sugar, oil, food items, etc.

price is regulated by the trade and industry department, at Woreda, Zonal and Regional government in both markets. There are some initiatives to provide community-based health insurance for the community and protection services are provided for free while medical services, as well as medicines, are largely regulated by the government.

SAFETY AND SECURITY



Respondents were asked about safety and security concerns for accessing markets; and the result indicates that both markets are accessible to the affected population and no issues or barriers were mentioned in terms of

access, security, and safety for the population including young adolescent girls, boys, women, and men of the households.

However, at night time there are some risks associated with theft, robbery for all groups of people.

DISPLAY OF PRICES/LABELS

All the traders in the Adigrat and Fatsi markets do not display the prices and labels of the items and commodities. Traders try to justify the absence of regulatory body on prices and frequent fluctuation of commodities price as a reason for “not displaying”.

WILLINGNESS TO PARTICIPATE

Respondents were asked “*whether they are willing to participate in the CVA?*” and all traders, vendors, wholesalers, retailers and shop owners are willing to participate in the CVA. Most of them have no information about the CVA in the area. However, all the traders, wholesalers, retailers and vendors in Fatsi and Adigrat markets are more than happy and have sufficient capacity and interest to participate in CVA for all the items mentioned in the survey.

Items/Commodities	Fatsi	Adigrat
Teff	No	No
Wheat grain	No	No
Maize	No	No
Sorghum(white)	No	No
Barely	No	No
Lentils	No	No
Beans	No	No
Oil	No	No
Livestock(goat)	No	No
Livestock(sheep)	No	No
Onion	No	No
Tomato	No	No
Potato	No	No
Salt	No	No
Cabbage	No	No
Bath soap (125 g)	No	No
Laundry Soap 200g	No	No
MHH	No	No
Scholastic material(notebook)	No	No
Scholastic material(bag)	No	No

EXISTING CVA PROGRAMS IN THE LOCALITY AND CAPACITY TO RESPOND TO INCREASED DEMAND

There are different humanitarian organizations implementing CVA including PIE, Action Against Hunger, UNICEF, Red Cross, World Vision, FAO in the program areas. PIE has some level of experience on implementing CVA mostly multipurpose cash assistance in Tigray Program areas with funding from GFFO, ECHO, DANIDA, DFAT, WFP and other projects. This would be an asset to implement CVA in the targeted communities with the active participation of crisis affected communities throughout the CVA cycle.

Almost all of the traders mentioned, they have the capacity to re-stock with the anticipated increase in demand. An average of 2 to 10 days is required to re-stock most of the basic commodities. However, due to the security situation in Amhara region, it would take up to

15 days to re-stock for some of the items if sourced from Addis Ababa.



FINANCIAL SERVICE PROVIDER'S AVAILABILITY

Commercial bank of Ethiopia (CBE) owned and operated by federal government, and Dede-bit Micro Finance Institution owned and operated by Tigray regional government, and Wegagen Bank (private bank) have presence and are fully functional in both Fatsi and Adigrat towns covered in the assessment. Moreover, all the list of banks included in the below table are operating in Adigrat with different branches functioning with full potential.

There is only one telecommunication (Ethio-Telecom) technology service provider in the two markets. Ethio-telecom provides telecom services, mobile banking and digital banking technology for the community. The service is limited to the urban areas due to network coverage issue; however, any person who has a mobile phone, Ethio telecom sim card can use the service of digital financial services (sending, receiving, purchasing services) by using her/his mobile phone.

FSP	Fatsi	Adigrat	Ownership	Requirement	Challenges
Commercial bank of Ethiopia	Yes	Yes	Public	KYC (ID, photo, etc.)	KYC for account opening for bulk
Dede-bit Microfinance	Yes	Yes	Public	KYC (ID, photo, etc.)	KYC for account opening for bulk
Wegagen Bank	Yes	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Lion International bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Awash bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Nib Bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Abay bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Dashin bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Abyssinia Bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Oromia Bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Coop bank of Oromia	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Hibret Bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk
Birhan Bank	No	Yes	Private	KYC (ID, photo, etc.)	KYC for account opening for bulk



FOCUS GROUP DISCUSSION

NEEDS AND PRIORITIES

There is a clear humanitarian situation following the conflict and exacerbated by the continuous drought. The affected communities were urgently in need of humanitarian assistance and the most pressing need was food assistance followed by livelihood, WASH, education, health, protection, , and mental health and psychosocial support, etc. services. To understand the needs better, FGDs (Focus Group Discussion) were undertaken separately with women, men, adolescent girls and boys and KIIs (Key Informant Interviews) with Woreda/local authorities and peer humanitarian organizations. Please refer to the findings at FGD section below.



COPING STRATEGIES

The affected communities adopted different negative coping mechanisms that included reducing number of meals; reduction in quantity and diversity of food; drinking plain soups and staying the whole day without eating any meal for about 3-4 days in a week (adults to feed the children), selling fuel wood and charcoal; disposal of livestock, consuming of seeds meant to be sown, waiting for the rainy season which failed for 5 seasons; borrowing of food and cash from others and dependence on humanitarian assistance; sharing of

available meals; sending children to relatives and the well-to do ones for temporary care and support; consumption of unusual plants such as cactus leaf which was usually consumed by their livestock and migration of mostly youth to Middle East.

Moreover, to address those problems the community practice sharing of available among each other; humanitarian assistance from government, humanitarian organization, and individuals.

PRIORITY OF NEEDS

The primary need identified by the communities was food comprising of wheat, barley, sorghum, teff, maize and millet. Cactus is a seasonal plant and source of food between June to August or mid of September months. There is no access to food assistance by government, WFP or PSNP since it is put on hold. Thus, following September cactus will disappear and access to food including cereals will be a big challenge. The second priority of food included bean, cooking oil, and vegetables. Access to proteins such as meat and fish was a far dream and communities mentioned they usually have meat once a year around Christmas or festive occasion.

Prior to the conflict and drought, they used to produce cereals but post conflict they largely depend on market and to access market they need cash which they do not have. On one side they have no access to market and on the other side there has been high inflation also re-

sulting from conflict and drought. The community have been in a desperate and acute humanitarian situation. Respondents were asked on whether they have food stocks and how long it will enable them to survive; and they reported that they didn't have any food stock at all and all their storage was empty.

Following the food need, WASH, shelter NFIs, education, nutrition, MHHs and related items were other priority needs. Water points were damaged; schools destroyed, shelters and livelihoods were disrupted and communities especially women and adolescent girls were forced walk long distance to fetch water which thereby has increased school dropout rate and also gender based violence. To mitigate this challenge for survival, parents leave their children with grandparents and community and migrate to different locations to earn some income for their survival.

WASH/CURRENT SOURCES OF WATER

Prior to the crisis the community accessed water from hand dug well/hand pump while post crisis, almost 80% of them were damaged and non-functional. Culturally, women and girls are expected to fetch water and due to the damaged water points they are forced to travel long distance (on average 1.5 km to 5 km) and this may pose safety and security concerns. The community is forced either to travel more distance or to use running water (rivers, streams and ponds) for drinking and bathing, washing clothes and other domestic use. This leads to reduction of water consumption per person and per

household too.

Some of the community members have pit latrine (with concrete slab) and most of them don't have and due to water shortage, the latrines are not clean and people tend to avoid using latrines and opted for open defecation. On the other hand, people wash their hands before and after meal, after toilet and when they wake up early in the morning.

HEALTH AND NUTRITION IMPACT

Respondents reported that due to food insecurity and shortage children's development/growth (poor growth) is negatively impacted, some children are highly affected due to lack of access to food, health services, hygiene and sanitation related services. Some noticeable behavioral changes are observed which has led to children's abuse including engaging in child labour. An esti-

mated of 300 to 500 adolescent girls and boys have migrated to other places including middle east countries in search of livelihood. Respondents indicated that due to the food insecurity, there are separated children in the community, with grandparents and relatives- the details to be assessed.

SUMMARY OF FGD AND KIIS, EASTERN ZONE, TIGRAY REGION

Focus Group Discussions (FGDs) with community members (men, women, girls and boys), Key Informant Interviews with woreda office representatives **Gulo Makada and Ganta Afeshum** and **peer humanitarian actors in Mekele** were conducted to understand their priority needs in Tigray region.

KEY FINDINGS:

Gulo Makada and Ganta afeshum, eastern zone, Tigray

- ◆ The acute problem is food insecurity due to the prolonged conflict and failed rainy season, lack of agricultural input supplies, loss of cattle for ploughing, and other reasons. This has led to a huge gap in access to food thus resulting in food insecurity for the entire household members and communities. All community members were highly affected, and the level and degree of vulnerability for children, elderly, child and women headed households, PLWs (Pregnant and Lactating women), people with chronic disease and PwD (Persons with Disabilities) were observed to be the most vulnerable.
- ◆ The people and communities in the target area have been encountered with conflict coupled with failed rainy season/ el-Nino drought like season) and almost all their livelihood options have been disrupted and lost to the crisis.
- ◆ As a coping mechanism, number of meals, quality, quantity of food intake by the affected communities are reduced and they have been consuming cactus, its fruits and also less preferred food items collected from bushes.
- ◆ The rural PSNP have been (social safety net program), food ration distribution programs by WFP and USAID have been put on hold due to aid/food diversion and capacity issues.
- ◆ The purchasing power of the crisis affected people is extremely low and more than 90% of the people consulted couldn't afford accessing basic services except the humanitarian assistance provided through Cash or in-kind assistance from government and individual philanthropists. This has resulted in increase in unemployment (either on their own farms or on others' farms) and disruption of livelihood options.
- ◆ Water shortage, absence of animal fodder, lack of livelihood support, lack of access to education and menstrual Health and Hygiene conditions are miserable due to a lack of access to basic services including clean water, sanitary pads, detergents and basic health services.
- ◆ There are programme interventions through "cash" in the region by PIE, Red Cross, ICRC, Action Against hunger (ACF), FAO, World Vision and they have managed to address the concerns partially. However, the case load is huge and the supply in the form of humanitarian response is very minimal.
- ◆ Adolescent girls and boys are forced to migrate to middle east and neighbouring countries for livelihood options and income generating activities.
- ◆ Child protection issues were overall observed including separated children, increase in school dropout and low enrolment rate in the area. The increase in school dropout has also resulted both from lack of school feeding and also acute food insecurity at the household level.
- ◆ For MHH (Menstrual Health Hygiene), the adolescent girls and women have the awareness and they used the sanitary pads prior to crisis but post crisis they couldn't afford buying sanitary disposable pads.
- ◆ There are four ECD centres and more than 30 primary and secondary schools in the selected Woredas / Kebeles at a distance of 2-10 kilometres and the schooling season didn't get started yet. Parents responded they cannot send their children to school "empty stomach" and there is no "school feeding" which will affect the children negatively in both mental health, food security and academics. On top of this, children have another major issue i.e lack of scholastic materials which contributes in increase of school dropout.

KEY INFORMANT INTERVIEWS (WOREDA LEVEL OFFICIALS, PEER ORGANIZATIONS), TIGRAY

Key informant interviews were conducted by the team with government officials in the Gulomakada Woreda, Eastern zone, peer humanitarian organizations operating in the region and following are the key points:

- ◆ The whole Tigray region in general is severely impacted by the two years prolonged conflict coupled with failure of rainfall resulting in disruption of the livelihoods of the people and thus leading to acute food insecurity.
- ◆ The crisis affected communities didn't manage to engage in agricultural activities over the previous two years and were forced to sell their livestock including cattle, camels, goats, sheep to meet immediate basic needs, low productivity of agricultural land and lack of agricultural inputs like fertilizers and improved crop and vegetable seeds, lack of alternative income sources for the youth and these put the situation of the crisis affected people in a dire situation;
- ◆ Government led rural Productive Safety Net Program (PSNP), where most of the communities used to be supported by this program, and food ration assistance provided by USAID and WFP in the region is on "hold"
- ◆ The KIIs validated the deterioration of humanitarian situation and the key need for the people was food assistance at the centre which was a grave concern and all other needs including livelihoods, WASH, education and protection were linked to food security.

FEASIBILITY OF CASH/VOUCHER PROGRAMMING - CASH/VOUCHER/IN-KIND? WHY?

Understanding whether or not CVA is feasible and appropriate means by which to respond to needs in a given context relies on a number of critical factors (appropriateness, market functionality and accessibility, availability of operational conditions, communities' preference).

For example, whether cash transfers are to be an effective way of meeting the needs of people affected by crisis following are the critical factors in place:

- ◆ There is a functional, accessible and regionally integrated market. It is critical that markets

are able to supply the goods and services that people need, that people can afford them and people have access to those markets.

- ◆ There are financial service providers (FSPs) including Awash bank and Commercial bank of Ethiopia that are fully operational in the target areas. There is no "liquidity issue". To ensure that programmes are efficient, safe and accountable, it is important that an appropriate means of delivery can be identified. There are multiple functioning delivery mechanisms such as Mobile, Banks,

Post Office and Micro Finance. The best possible option to be considered based on the context and situation.

- ◆ Given the increasing use of CVA globally and multiple benefits cash can provide over commodity-based transfers (under the appropriate conditions), this study sought to consider the feasibility and appropriateness of cash/voucher transfers in emergencies due to hunger and food insecurity crisis in Tigray region of Ethiopia. The study considered contextual factors, including the levels of acceptance by stakeholders, and pre-existing or crisis-related socio-economic vulnerability.

- ◆ To understand concerns about feasibility in Tigray region, markets and financial services were explored in some depth.

- ◆ Thorough discussions with crisis affected people (adolescent girls, boys, women and men) from the communities indicate the strong preference for cash/voucher programming as the modality of response.

- ◆ Discussion with humanitarian agencies including Tigray CWG, Government agencies and key humanitarian agencies (ACF, World Vision, FAO) are of the strong opinion to go ahead with CVA as the preferred modality of response.



CONCLUSION

- ◆ The feasibility study found cash and/or voucher or even mix modality to be highly feasible in the areas.
- ◆ The markets are well functioning, accessible, and regionally integrated.
- ◆ Humanitarian agencies including PIE, World Vision International, ACF, FAO and others have been undertaking CVA covering multiple needs of the affected population in the region.
- ◆ There is a strong appetite for CVA by all stakeholders including communities, humanitarian agencies, donors, FSPs and authorities.
- ◆ The extent to which CVA has already been used in past and current humanitarian response is a strong indicator of the feasibility of using the modality in future emergencies.
- ◆ It is clear that the approach to use cash/voucher in humanitarian response in Ethiopia is now “preferred” modality of response. However, there are rooms for improvement where the approach can be uniform through larger coordination among the humanitarian agencies or a cash coordination mechanism.

RECOMMENDATIONS

According to the assessment findings, PIE is recommended to implement the project with CVA modality in the proposed locations. Here below are some specific recommendations.

RECOMMENDATIONS ON CASH AND VOUCHER ASSISTANCE (CVA) MODALITIES

- ◆ It is recommended PIE aligns its cash transfer value for MPCGs to 9,200 Birr /HH (€ 155.9) maximum per HH up to three rounds as per the Tigray CWG MPC interim guidance. Moreover, PIE should put a contingency plan with a variation of 20% in place for increasing the cash/voucher transfer value in accordance with the foreseen revised (regional CWG MPC interim guidance) and keep donors informed in the respective proposals. Should the MEB be not revised during the implementation phase of a programme then the same amount can be used to reach out to additional beneficiaries or top-up cash transfer to the same beneficiaries.
- ◆ Cash for livelihoods- Projects should prioritise providing unconditional multipurpose cash, and cash as start-up grants to ignite IGA (Income Generation Activities) and livelihood restorations, establish enterprise, workshop and also to purchase the livelihood entities.
- ◆ Consider Vouchers, and sectorial cash (cash for education, protection, WASH, livelihoods, food and nutrition, MHH/SRH kits, etc.) for achieving specific sectorial outcomes;
- ◆ Commodity voucher- Commodity voucher is recommended for activities when the cash transfer doesn't work or not permitted by authorities or there is a speculation that the particular deliverable will not be achieved with cash transfer.
- ◆ Cash for Work CFW: should be undertaken for rehabilitation of damaged water points, environment protection and greenery, public assets such as in schools for cleaning and levelling the ground, the classrooms and toilets, construction of Child Friendly Space and Education Centres.
- ◆ It is highly recommended to put the affected community at the centre of the project through engaging, participating the community throughout the project cycle including complaint and child friendly feedback mechanism, and community-based targeting process.
- ◆ Post Distribution Monitoring (PDM) should be conducted within two weeks of cash or voucher distribution.

RECOMMENDATIONS ON PROTECTION, MHH AND EDUCATION OBJECTIVES

- ◆ Plan International Ethiopia is highly encouraged and recommended to undertake CVA modality for activities under Food and Nutrition, Health, Shelter, Protection, MHH and Education objectives. There are several avenues such as the project can provide cash/voucher support instead of “material support” to help beneficiaries meet the quality requirements associated with services/caring for survivors of GBV (Gender Based Violence) and child protection cases; providing cash to teachers,

providing scholastic materials through vouchers, providing MHH materials such as under garments, sanitary pads, hygiene materials through CVA and many more. The team has been briefed on this and they are most welcome to consult Global Hub CVA team for any technical support.

RECOMMENDATION ON LIVELIHOOD ACTIVITIES

- ◆ To support the restoration of livelihood options cash grants for agricultural inputs, livelihoods and IGAs and farm activities if promoted well will not only be a source of income for the poor people but will also help to address food insecurity and under nutrition issues. Thus, on-farm activities should be encouraged. There are several examples and evidences of cash for livestock and also through in-kind in the region. Cash/ Voucher should be promoted to provide enhanced ownership, choice and flexibility to programme participants to procure their livestock which are considered to be their “family members”.
- ◆ There will be different types of potential livelihood activities with corresponding training duration, costs and start-up grants. Identified potential trainings for On/Off farm livelihoods should follow the prescribed training modules of corresponding ministry, bureau or other authorised federal, regional, zonal and woreda level institutes. Also, courses should be adapted and contextualised in consultation with the potential beneficiaries. The trade/vocation selected should fit with the available value chain and potential to ensure consistent income.
- ◆ There are capable suppliers for the livelihood kits (as start-up support) in the market assessed specifically, Adigrat, in Tigray. The wholesalers/suppliers have sufficient capacity and commitment to supply at any location in the assessed areas to the beneficiaries through cash or vouchers. The project team should coordinate with them well in advance for their necessary preparation.
- ◆ Communities in the prolonged conflict affected and failed rainy season that lead to crop failure areas have lost their livestock and harvest/crops. Agricultural inputs including fertilizer, improved tools, improved animal breeds, improved quality seeds (such as vegetable seeds, cereals) are not available in all markets. When there is an interest for vegetable production, fertilizer, improved tools, and seeds should be distributed in-kind or through voucher modality to ensure quality.
- ◆ Usually there are cooperatives; and credit and saving groups in all communities and these groups can be sensitised and capacitated as per the principles VSLA and some projects can be designed to implement different activities through community level VSLAs. The livelihood beneficiaries should be linked with the existing VSLAs to promote saving credit activities to further promote their enterprises.

RECOMMENDATIONS FOR GENDER / CROSS-CUTTING ISSUES

PIE should:

- ◆ Ensure the representativeness of community-based targeting and community feedback and complaint committees and diversify CFMs to properly address concerns, opinions and views of different groups and analyse feedbacks from the community.
- ◆ Establish safeguarding and accountability mechanisms including complaints procedures. Ensure that both women and men staff represent the complaints/grievance section so that different members of the community feel comfortable in reporting.

- ◆ Conduct gender and risk analysis to understand the power dynamics, potential risks of GBV induced by the cash/voucher programming. Engaging the affected communities' males and females in the identification of the beneficiaries, pre-distribution sensitization of all genders will hence be necessary as also setting up of robust feedback response mechanism for addressing safeguarding, protection and quality concerns;
- ◆ Ensure CVA distribution mechanisms take gender considerations on location, time and safety issues, ease of access and minimise overburdening beneficiaries.
- ◆ Ensure women beneficiaries as much as possible but not less than 50% of the total participants
- ◆ The CVA Specialist of PIE should remain in close coordination with the Global CVA team and request for technical support as and when required.

LINKS TO CVA TOOLKIT

CVA TOOLKIT:

Plan International has developed a number of tools to support CVA programming. They are:

- [Checklist for Assessing Financial Service Provider \(FSP\)](#)
- [Market Assessment](#)
- [Sample Beneficiaries Selection Criteria](#)
- [Cash Distribution Process Monitoring Observation Checklist](#)
- [Beneficiary Exit Interview](#)
- [Post Distribution Monitoring](#)
- [Sample CVA indicators \(developed by Grand Bargain Cash Workstream 2019\)](#)