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Humanitarian  
Policy Group

# Cash and Voucher Monitoring Group

## Final monitoring report of the Somalia cash and voucher transfer programme

Phase I: September 2011–March 2012

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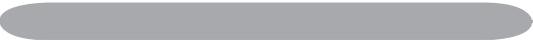


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# Acronyms and other terms

<b>AS</b>	Al Shabaab
<b>ASWJ</b>	Al Sunna Wal Jamma
<b>CaLP</b>	Cash Learning Partnership
<b>CBRWG</b>	Cash-Based Response Working Group
<b>CBT</b>	Community Based Targeting
<b>CHF</b>	Common Humanitarian Fund
<b>CPI</b>	Consumer Price Index
<b>CRC</b>	Cash Relief Committee
<b>CSB</b>	Corn-Soya Blend
<b>CVMG</b>	Cash and Voucher Monitoring Group
<b>DANIDA</b>	Danish International Development Agency
<b><i>Deyr</i></b>	the short rainy season (September–December)
<b>DFID</b>	Department for International Development (UK)
<b>DPT</b>	Digital Pen Technology
<b>EC</b>	European Commission
<b>ECHO</b>	European Commission Humanitarian Office
<b>FAO</b>	(UN) Food and Agriculture Organisation
<b>FEWSNET</b>	Famine Early Warning Systems Network
<b>FGD</b>	Focus Group Discussion
<b>FHH</b>	Female-headed households
<b>FSNAU</b>	Food Security and Nutrition Analysis Unit (FAO)
<b><i>Gu</i></b>	the main rainy season (April–June)
<b><i>Hawala</i></b>	money transfer agents
<b>HH</b>	Household
<b>HDDS</b>	Household Dietary Diversity Score
<b>ID</b>	Identification
<b>IDP</b>	Internally Displaced Person
<b>IFMs</b>	Independent Field Monitors
<b>INGO</b>	International Non-Governmental Organisation
<b>MEB</b>	Minimum Expenditure Basket
<b>MHH</b>	Male-headed households
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MoU</b>	Memorandum of Understanding

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<b>MUAC</b>	Middle Upper Arm Circumference
<b>NGO</b>	Non-Governmental Organisation
<b>OCHA</b>	(UN) Office for the Coordination of Humanitarian Affairs
<b>PDM</b>	Post-distribution monitoring
<b>SD</b>	Standard Deviation
<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>SIDA</b>	Sweden International Development Assistance
<b>SSA</b>	Sub-Saharan Africa
<b>TFG</b>	Transitional Federal Government
<b>TLU</b>	Tropical Livestock Unit
<b>UN</b>	United Nations
<b>UNICEF</b>	United Nations Children's Fund
<b>US</b>	United States
<b>VRC</b>	Village Relief Committee
<b>WFP</b>	(UN) World Food Program

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# Preface

This report is the result of a unique partnership involving 14 non-governmental organisations (NGOs) providing cash-based interventions in response to famine and humanitarian emergency in South Central Somalia. Coordinated by UNICEF, the Cash and Voucher Monitoring Group (CVMG) was established in September 2011 to monitor the effectiveness of cash and food voucher projects implemented at scale and to determine the impacts on local markets and beneficiary households. The NGO interventions and the monitoring undertaken by the CVMG have since continued into a second phase (April–December 2012). The partner NGOs in CVMG Phase I were: Action Against Hunger (ACF); African Development Solutions (Adeso); African Rescue Committee (AFREC); Centre for Peace and Democracy (CPD); Centre for Education and Development (CED); Humanitarian Action for Relief and Development Organization (HARDO); Humanitarian Initiative Just Relief Aid (HIJRA); Danish Refugee Council (DRC); Oxfam Somalia; Save the Children; Social-life and Agricultural Development Organization (SADO); Wajir South Development Association (WASDA); and others who prefer to remain anonymous for security reasons. Other CVMG partners providing technical inputs to the monitoring exercise were: the Cash

Consortium;<sup>1</sup> NorthLink; the Overseas Development Institute (ODI); and the Somali Agricultural Technical Group (SATG).

In order to work together effectively, all CVMG partners were governed by a Memorandum of Understanding (MoU) that laid out the agreed principles of cooperation. Data Protection Principles were also drafted and signed by each CVMG partner that clarified the ownership of the monitoring data collected and how it would be used. Under these agreements, the individual NGO partners cannot be named or inferred in the presentation of the monitoring results in this report. As such, the monitoring results are non-attributable.

In addition to the monitoring exercise that is documented in this report (CVMG Phase I) and its on-going continuation (CVMG Phase II), the CVMG cash and voucher projects are currently the subject of a two-stage external evaluation that will conclude at the end of 2012. Final results will be available in 2013. The CVMG monitoring tools and key outputs are available on the website of the Cash Learning Partnership (CaLP): <http://www.cashlearning.org/where-we-work/somalia-cash-and-voucher-monitoring-group>.

<sup>1</sup> The Cash Consortium comprised ACF, Adeso, DRC and SC. The Consortium employed two monitoring specialists who, together with NorthLink, ODI and SATG, formed the CVMG Monitoring Team.



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# Acknowledgements

The authors would like to thank all the CVMG partners, particularly those who provided field staff who were involved in the collection of data. The NGO field staff and the Independent Field Monitors (IFM) are far too many to name individually, but all were working under extremely difficult and at times dangerous circumstances. Their efforts in gathering the data used in this report are most appreciated. We also wish to thank those individuals from the NGOs and the IFM organisations involved in the coordination of the monitoring exercise. We recognise that each of these individuals worked very closely with their colleagues based in Somalia and appreciate their work in coordinating the monitoring exercise. We are grateful to the NGO staff not only in collecting the data and coordinating the monitoring exercise in the field, but also for their feedback to the various meetings, workshops and correspondence that took place throughout the programme, both in Somalia and Kenya, and their comments on earlier drafts of this report.

Members of the CVMG Evaluation Team included Irene Alunni (UNICEF), Mike Brewin (ODI), Sophie Dunn (ODI), David Guillemois<sup>2</sup> (Cash Consortium), Kate Longley (ODI), Kevin Nanzushi (Cash Consortium) and Gurudatta Shirodkar (Cash Consortium). Although only three team members authored the current report, we are grateful for the inputs of the other team members at various stages throughout CVMG Phase I, particularly Gurudatta Shirodkar, who played an invaluable role in data management and collation and provided important logistical support to the independent monitoring team. David Guillemois prepared the map in Figure 3.

As coordinator of the CVMG, Claire Mariani (UNICEF) provided essential leadership, facilitation and support to the overall CVMG exercise. We also thank UNICEF for providing much of the funding for the CVMG activities. Claire met the inherent challenges in playing the dual role of both coordinator and donor with great success, bringing in additional NGO partners to the process. We also wish to acknowledge the role of the Cash Consortium, especially Degan Ali (Adeso), in initiating the monitoring exercise. The accomplishments of the CVMG were very much inspired by the initial visions of both Degan

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<sup>2</sup> David Guillemois was employed on a short-term basis until the Cash Consortium Monitoring Officer (Gurudatta Shirodkar) was appointed.

and Claire, and were achieved through the hard work and determination of all the partners.

We would like to thank Sarah Bailey (ODI) for her timely advice and support throughout the monitoring exercise. Ernesto Gonzalez (Cash Consortium Coordinator), Jane MacAskill (Interim ODI Team Leader, CVMG Phase II) and Kerren Hedlund (Humanitarian Outcomes Team Leader for the external evaluation) all provided extremely useful feedback on the draft report. Jane and Kerren also offered inputs to some of the many revisions that were involved in the production of this report. We are grateful to the Food Security and Nutrition Analysis Unit (FSNAU), the Famine Early Warning System Network (FEWSNET) and the Inter-Cluster Cash Coordination Unit, among others, with whom we regularly consulted and shared information. We also thank the Cash Learning Partnership (CaLP) for agreeing to make the CVMG outputs available through their website.

Much of the funding for the monitoring activities undertaken by the CVMG was provided by UNICEF, but also included contributions (through the Cash Consortium) from the Danish International Development Agency (DANIDA), the European Commission Humanitarian Office (ECHO), the Swiss Agency for Development and Cooperation (SDC), the Swedish International Development Cooperation Agency (SIDA) and the UK Department for International Development (DFID). We are grateful for the support of these donors.

Last, but by no means least, we thank the Somali community, in particular those who provided information contributing to the data collection exercise. Despite the famine conditions that existed in Somalia at the time this programme started, beneficiary households and other stakeholders willingly shared their stories and personal information with the CVMG partners. We hope that the implementation of this programme has met the needs and improved the situations of the households with whom we worked. We thank you all for your time, your honesty and your patience with the monitoring process.

While we wrote this report on the basis of the information provided to us by the other members of the CVMG, any faults or misrepresentations remain the sole responsibility of the authors.



# Executive summary

This report presents the findings of the monitoring exercise undertaken by the Somalia Cash and Voucher Monitoring Group (CVMG) from September 2011 to March 2012 of the first phase of cash and voucher transfers. CVMG partners included 14 non-governmental organisations (NGOs) (six international NGOs and eight local NGO partners) that implemented various cash and commodity voucher projects in response to famine and severe food insecurity. Between them, these NGOs distributed \$50.6 million-worth of cash and vouchers to a total of 136,673 beneficiary households across nine regions of South Central Somalia, including 94,699 cash beneficiaries and 41,974 voucher beneficiaries.<sup>3</sup> Fifty-three percent of beneficiaries were located in parts of the country controlled by the Transitional Federal Government (TFG), and 47% were in areas controlled by the Islamist group, Al Shabaab (AS). The intervention represents the first large-scale cash-based response<sup>4</sup> to be implemented in Somalia, and – at a global level – the first non-governmental emergency cash-based programme on this scale.

At the time the project was being planned there were four main risks associated with large-scale cash-based interventions in Somalia: (i) whether NGOs would be able to gain access to the populations most in need, without safety risks to their staff, particularly since many of these areas were controlled by Al Shabaab; (ii) whether the cash would be diverted<sup>5</sup> by Al Shabaab and other authorities and local militias through taxation, intimidation and extortion; (iii) whether the market would be able to supply the quantities of food needed to meet the increase in demand that would be stimulated by a large injection of cash; and (iv) whether the cash/voucher distribution would lead to inflation. In view of the risks involved, a joint CVMG monitoring exercise was established, managed by an independent organisation, the Overseas Development Institute (ODI), and undertaken together with the international and local NGO partners.

For both cash and voucher projects, the general aim was to provide for the basic food needs (and in some cases also non-food needs) of targeted beneficiary households. The decision to distribute cash or vouchers was based largely on access, security and market considerations, and on the capacity and previous experience of the implementing NGOs concerned. For the cash projects, the amounts paid to beneficiaries ranged from

\$75 to \$125 per month,<sup>6</sup> depending on the cost of essential commodities in different areas. After targeting and registration had been completed by the implementing NGOs, the cash was transferred to beneficiaries through various different *hawala* companies.<sup>7</sup> The five cash transfer projects reached 94,699 beneficiary households and involved 11 contracts with six *hawala* companies. The ratio of projects to contracts was 1:2, and the ratio of *hawala* agents to beneficiaries was 1:15,783.

For voucher projects, the goods exchanged for the voucher were 25kg of wheat flour, 25kg of rice, 10kg of sugar and three or six litres of oil. The value of the commodities received through the vouchers was considerably less than the value of the cash; depending on local market prices, the value of the voucher commodities ranged from \$51 to \$65. The voucher projects aimed to meet up to 70% of an average family's nutritional requirements, according to market availability at the time. Vouchers were prepared and distributed to the beneficiaries by the NGO on a monthly basis, and the beneficiaries then exchanged their vouchers for the specified food items with local shopkeepers selected to participate in the project. The two voucher projects reached 41,974 beneficiaries and involved 168 contracts with 45 shopkeepers.<sup>8</sup> The ratio of projects to contracts was 1:84, and the ratio of shopkeepers to beneficiaries was 1:932. Following the exchange of vouchers, the shopkeepers were subsequently reimbursed for the value of the food distributed, based on the prices agreed in the contracts.

The biggest challenge in terms of implementation was access and security, particularly in Mogadishu<sup>9</sup> and areas controlled by AS. Negotiations with the local authorities led to delays in start-up time in some areas, and two INGO projects were suspended when permission to operate was withdrawn by AS. Although access was problematic in AS areas, the security situation (in terms of theft and banditry) was generally better than in TFG-controlled areas. However, security (in terms of armed conflict) deteriorated in AS areas during the course of the implementation period due to military incursions by the Kenyan and Ethiopian armies into Middle Juba and Hiran Regions, involving sporadic ground attacks and aerial bombardment. In TFG-controlled areas, one of the major challenges was attempts by the TFG or militia associated with local leaders to tax NGOs and beneficiaries, requiring additional negotiations. In many

<sup>3</sup> Two international NGOs implemented the projects directly themselves; three implemented directly and also worked through local implementing partners; and one international NGO implemented exclusively through local partners. Fifty-eight per cent of beneficiaries were reached by international NGOs, and 42% by local NGO partners.

<sup>4</sup> The term 'cash-based' is used throughout the report to refer to both cash and commodity voucher interventions.

<sup>5</sup> The humanitarian community was particularly concerned about the risk of diversion following a series of allegations of food aid diversion made against WFP-Somalia in 2009 and 2010.

<sup>6</sup> One of the NGOs varied the amount of the transfer slightly each month, according to changes in local market prices.

<sup>7</sup> *Hawala* is a private sector money transfer system through which money can be safely transferred into and within Somalia, effectively reaching individuals in remote areas.

<sup>8</sup> Each contract was renegotiated and renewed each month.

<sup>9</sup> AS withdrew from Mogadishu in early August 2011, leaving a power vacuum that made it difficult for NGOs to identify the appropriate local authorities with which to negotiate in order to gain access to IDP camps.

areas, the onset of the rains and poor roads also made access difficult. In instances where a planned distribution was not possible, beneficiaries were subsequently given two monthly transfers in one instalment, or the interval between transfers was less than one month.

The overall proportion of planned beneficiary transfers that were actually delivered was 64%. In areas controlled by AS, the proportion of planned transfers delivered was 42%, and in TFG areas it was 85%. Local NGO partners had higher delivery rates (52%) than international NGOs (38%) in AS areas; international NGOs had higher delivery rates (94%) than local NGO partners (75%) in TFG areas.

Access was also a challenge in the collection of monitoring data, but quantitative and qualitative data were successfully collected in seven out of the nine regions where the projects were implemented.<sup>10</sup> Three types of data were collected: process monitoring data (on targeting, transfer mechanisms and diversion); market data (supply and availability of commodities, market prices, impacts on participating traders); and household and community impact data (how cash was spent, and changes in household income, debt, food security and nutrition).

Taken as a whole, the CVMG projects targeted the regions that had been identified by the Food Security and Nutrition Analysis Unit (FSNAU) as being most in need of assistance.<sup>11</sup> Once geographic locations were decided, most projects used some form of community-based targeting (CBT); others specifically targeted the most vulnerable IDPs; and others targeted based on existing feeding programmes.<sup>12</sup> All projects gave priority to female-headed households. Baseline data indicates that over 95% of sampled households reported falling into the proxy categories used to determine targeting accuracy.<sup>13</sup>

The overall performance of *hawala* agents and voucher shopkeepers in the delivery of cash transfers and the supply of commodities through vouchers was generally good, particularly after initial teething problems were overcome. Although the *hawala* contracts took a long time to agree, and in some cases resulted in delays to the start of the transfers, the ratios presented above show that there were

<sup>10</sup> The two regions not covered (Bay and Bakool) were where the two projects were suspended.

<sup>11</sup> These were Lower Shabelle, Lower Juba, Middle Juba, Bay, Bakool and Gedo, and specifically the urban and rural poor and IDPs in these areas.

<sup>12</sup> The Cash Consortium agreed that four population groups would be prioritised: (i) households with malnourished children (identified either through their inclusion in existing feeding programmes or through MUAC screening within the operational areas); (ii) households with children 'at risk' of malnutrition (identified as elderly-headed households looking after children under five years, or single-headed households looking after children under five years); (iii) structurally vulnerable households (as above) but who also have no support, no income and no productive assets; and (iv) households who have no support, no income and no productive assets.

<sup>13</sup> These were households who were either registered for nutritional feeding support or who reported one or more of the following indicators for household food insecurity at the time of the baseline survey: not having food in the house, going to bed hungry or going 24 hours without food.

considerably fewer *hawala* contracts for the cash projects than shopkeeper contracts for the voucher projects. Despite this, the project with the fastest start-up time was in fact a voucher project; this is thought to be due to the capacity and experience of the implementing agency rather than the programming modalities used.

In order to ensure accountability to beneficiaries, all projects involved some form of community participation, generally by working with local community committees and local leaders. Committee members and local leaders played an important role in conveying information from the NGO to the community and beneficiaries, dealing with some types of complaints and managing cases of local conflict. All participating CVMG partners also had a feedback mechanism in place in order to collect and respond to complaints or feedback from the communities with whom they worked. Although the feedback mechanism proved to be vital in capturing simple operational issues that needed to be rectified (e.g. corrections to beneficiary ID cards, replacing lost ID cards) and also in highlighting cases of taxation, only 55% of sampled households were actually aware of the feedback mechanism by the end of the second project quarter. The feedback system during Phase I of the projects was not designed to capture feedback from non-beneficiaries and other stakeholders,<sup>14</sup> and did not capture fundamental issues such as inclusion and exclusion errors.

There were various attempts on the part of local authorities (both TFG and AS) to influence the targeting and registration process, and to tax implementing NGOs and beneficiary households. Most of these attempts were successfully resisted or resolved by the NGOs concerned, but in one case a local NGO implementing partner reportedly had their operations suspended by AS because they refused to pay a 30% tax on the value of the transfers. It is clearly difficult to establish a monitoring system where respondents will all feel able to report on diversion, but survey results indicated that, in total (across all post distribution monitoring surveys), 2% of sample cash beneficiaries (5% in Mogadishu) reported having paid someone to access their cash. This may over-report this aspect of diversion, since in some cases these payments were reportedly given as gifts to relatives, probably meaning that the respondent had misunderstood the question. Nevertheless, this analysis errs on the side of caution and classifies these payments as diversion. In Mogadishu however many of these payments are thought to have been made to gatekeepers.<sup>15</sup> The total reported amount diverted through such payments

<sup>14</sup> In Phase II the complaints mechanism will be expanded so that feedback from other stakeholders can be captured and recorded. Additional awareness campaigns will also be conducted so that community members and beneficiaries are aware of the feedback mechanism.

<sup>15</sup> Gatekeepers are self-appointed 'leaders' of urban IDP camps who provide services to IDPs (e.g. access to land, security, access to aid). Nominal, legitimate payments are made by IDPs to gatekeepers for these services, but in some cases gatekeepers exploit the IDPs and demand excessive payments (e.g. \$10 per transfer). The survey did not distinguish between legitimate and illegitimate payments to gatekeepers, but the analysis erred on the side of caution and classified all such payments as diversion.

is estimated to be \$18,940 or 0.04% of the total cash amount transferred. There was no confirmed evidence of any diversion to armed groups.

In addition to the diversion, the monitoring system tracked potential errors in targeting inclusion. Based on the Phase I monitoring information and on the working definition of diversion used by the CVMG, the total quantifiable error as a result of mistargeting or diversion is estimated to be 4.3% of the total value of cash and vouchers transferred.

Regular market price analysis was conducted in all project locations, and the data for October 2011–March 2012 are presented in this report. Key food items were generally available in the markets. There is reason to believe that the cash distribution probably contributed to greater quantities and diversity of food in most areas, particularly those that had previously lacked availability. However, because of the existence of other aid programmes and normal seasonal changes, and the impossibility of maintaining an unaided control population, it is not possible to know the impact of the cash distribution with any certainty.

No inflationary effect was found, as prices followed their normal seasonal pattern, declining considerably due to the good harvest season.<sup>16</sup> There was, however, an appreciation of the Somali Shilling by 20% over the same period that counteracted some of the decline in prices. This fluctuation in the currency rate was reportedly due to the massive influx of dollars into the market through relief operations, remittances from overseas, foreign investment and income from overseas livestock sales. Given that the cash and voucher transfers made up less than 3% of the total dollar inflows into Somalia, they did not cause the inflation.<sup>17</sup>

As a result of items being continually available in the market, and at decreasing prices, there were significant changes in household food consumption patterns over the project. Since the *Deyr* harvest was also collected during this period, it is obviously impossible to ascribe all changes in consumption to the cash projects, and the following findings should be read with that in mind. Before the projects began, households reported eating slightly more than one meal per day, largely consisting of cereals and oil (an average Household Dietary Diversity Score of 1.7). After the first three months of distributions, households were consuming two meals a day for adults, and three for children.

<sup>16</sup> The evaluation team is conducting further analysis of market data.

<sup>17</sup> The World Bank estimates that the Somali diaspora transfers approximately US\$2 billion annually into Somalia through the *hawala* system (World Bank (2005) Somalia: From resilience towards recovery and development. A Country Economic Memorandum for Somalia. Washington: World Bank Report No. 34356-SO). By comparison, it has been estimated that only US\$1 billion in international aid is provided to Somalia annually (Associated Press, 6 May 2011, Article by Katharine Houreld (Online) [http://hosted2.ap.org/COGRA/APWorldNews/Article\\_2011-05-06-AF-Somalia-Aid-Troubles/id-2576488c929647c9bfd3db5a679e4376](http://hosted2.ap.org/COGRA/APWorldNews/Article_2011-05-06-AF-Somalia-Aid-Troubles/id-2576488c929647c9bfd3db5a679e4376) [Accessed 31 May 2011]).

In addition, their dietary diversity had increased to at least four food groups, with cash-receiving households consuming a more varied diet (HDDS = 6) than those depending on commodity vouchers (HDDS = 4). It is however necessary to interpret averages with caution, because dietary diversity, as expected, showed great variability across different places, with different livelihood types and different livelihood calendars. Coinciding with the improvement in food consumption there was a rapid decrease in the household food insecurity indicators. At baseline more than 75% of households reported one of the following: going to bed hungry, going a full 24 hours without food or having no food in the house. After six months of distributions, no household in the rural areas reported these problems, while less than 10% of urban households did so. In addition, household debts decreased substantially, opening up the credit lines that are critical coping strategies in times of stress.

The lessons and recommendations that emerge from the report are as follows:

1. Cash and vouchers can be delivered at scale, even given remote management and access limitation, provided that appropriate checks and balances are put in place to ensure transparency and accountability in targeting and cash distribution. Although in Al Shabaab controlled areas just under half the beneficiaries could be reached, in the context of what would have been possible through any other form of programming, this can be considered a considerable achievement.
2. Functioning, efficient markets and the *hawala* system were key factors that allowed for the successful cash scale-up. However, there is a need for detailed guidance on setting up and negotiating *hawala* contracts.<sup>18</sup>
3. One of the voucher projects was able to scale up very effectively and very quickly, providing an innovative approach to food delivery in remote rural areas where essential food items were not previously available.
4. The CVMG monitoring exercise has shown that large-scale, collaborative monitoring can be done in a complex, conflict-affected environment, though constant attention needs to be given to improving it. The use of a common monitoring approach (objectives, tools, indicators) improved programming. Phase I monitoring has provided an opportunity to learn lessons on improving monitoring which are being incorporated into Phase II.
5. A feedback/complaints system and independent monitoring are crucial in picking up cases of diversion and taxation. The mechanism used in Phase I needs improvement, in particular to ensure greater awareness of the feedback mechanism among beneficiaries and other stakeholders; feedback from other stakeholders (including non-beneficiaries); and better capture of fundamental issues such as diversion, and inclusion and exclusion errors.

<sup>18</sup> Such guidelines have been drafted since the start of the CVMG programme.



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# Chapter 1

## Introduction

This report presents the findings of the monitoring exercise undertaken by the Somalia Cash and Voucher Monitoring Group (CVMG) from September 2011 to March 2012. The CVMG (Phase I) was made up of 14 non-governmental organisations (NGOs) (six international NGOs and eight local NGO partners), three independent consultants contracted by the Overseas Development Institute, plus two organisations contracted to provide Independent Field Monitors (IFMs). UNICEF, which also supported the coordination of the CVMG, provided most of the funding for the CVMG exercise.

Since September 2011, the CVMG has been monitoring cash-based interventions (both unconditional cash transfers and commodity-based food vouchers<sup>19</sup>) implemented in South Central Somalia in response to famine and humanitarian crisis. The intervention supported almost 137,000 households to meet their basic food needs. The monitoring exercise was undertaken in close collaboration with the implementing NGO partners in order to share findings on the impacts of the project and to learn from the challenges of implementation.

The programme represents the first large-scale cash-based intervention to be implemented in Somalia, and – at a global level – the first non-governmental emergency cash-based programme of this scale. Although cash transfers are increasingly used in humanitarian response, they still make up only a small fraction of overall humanitarian assistance<sup>20</sup> and

19 'Commodity vouchers' are vouchers that are redeemable for specific goods (in this case specific food items), as opposed to vouchers that have a cash value whereby the beneficiary can choose the goods to purchase. The term 'cash-based interventions' is used throughout this report to refer to both cash and commodity voucher projects.

are rarely used at scale except by governments responding to natural disasters and chronic poverty.<sup>21</sup>

In Somalia, cash and voucher interventions have been implemented since 2003, and there is considerable evidence to show that cash-based programming has been effective at a small scale in the Somali context. When the severity of the 2011 food crisis became apparent, large-scale food distributions were not possible because the World Food Programme (WFP) had been banned by the Islamist group Al Shabaab, which controlled large parts of South Central Somalia at the time. Given the risks relating to insecurity, possible diversion and the capacity of the market to supply the necessary food, there was considerable debate among humanitarian agencies as to the appropriateness of cash-based programming, particularly in areas controlled by Al Shabaab. This uncertainty prompted the decision to invest more heavily than usual in a significant and coordinated monitoring exercise, managed by an independent research organisation, to accompany the cash and voucher interventions.

20 Development Initiatives (2012) *Tracking Spending on Cash Transfer Programming in a Humanitarian Context*. Briefing; Harvey, P. and S. Bailey (2011) *Cash Transfer Programming in Emergencies. Good Practice Review 11*. Humanitarian Practice Network.

21 For example, the Pakistan government distributed money to more than 1.3m households in response to severe flooding in 2010; the Chinese government provided cash to 8.8m survivors of the 2008 earthquake in Sichuan, and the US government distributed more than \$7 billion in response to hurricanes Rita and Katrina in 2010.

22 Including Ali, D et al. (2005) *Cash Relief in a Contested Area: Lessons from Somalia*. Network Paper 50, Humanitarian Practice Network, Overseas Development Institute, London. Majid, N., Hussein, I & Shuria, H (2007) *Evaluation of the Cash Consortium in Southern Somalia: Oxfam GB and Horn Relief with AFREC, Development Concern and WASDA*.



# Chapter 2 Background

## 2.1 Food crisis/famine in Somalia

A protracted complex humanitarian and livelihoods crisis has existed in Somalia since at least 1991. This has resulted in large-scale population displacement, poor infrastructure, low education levels and lack of health care facilities, all of which have limited the livelihood opportunities of poor Somali households. In addition, recurrent droughts have made it difficult for rural households to maintain their livestock and crop production levels.

At the end of 2010, the southern regions of Somalia experienced a failure of the short *Deyr* rains (Figure 1). The subsequent failed production meant that local cereal stocks were rapidly depleted. This led to a rising trend in locally produced cereal prices affecting both urban and rural populations. Throughout the country the prices of locally produced cereals skyrocketed from October 2010, significantly surpassing their 2008 hyperinflation peaks. This led the humanitarian community to start calling for increased assistance to the country in order to help the thousands of people who would have difficulty accessing sufficient food and non-food items.

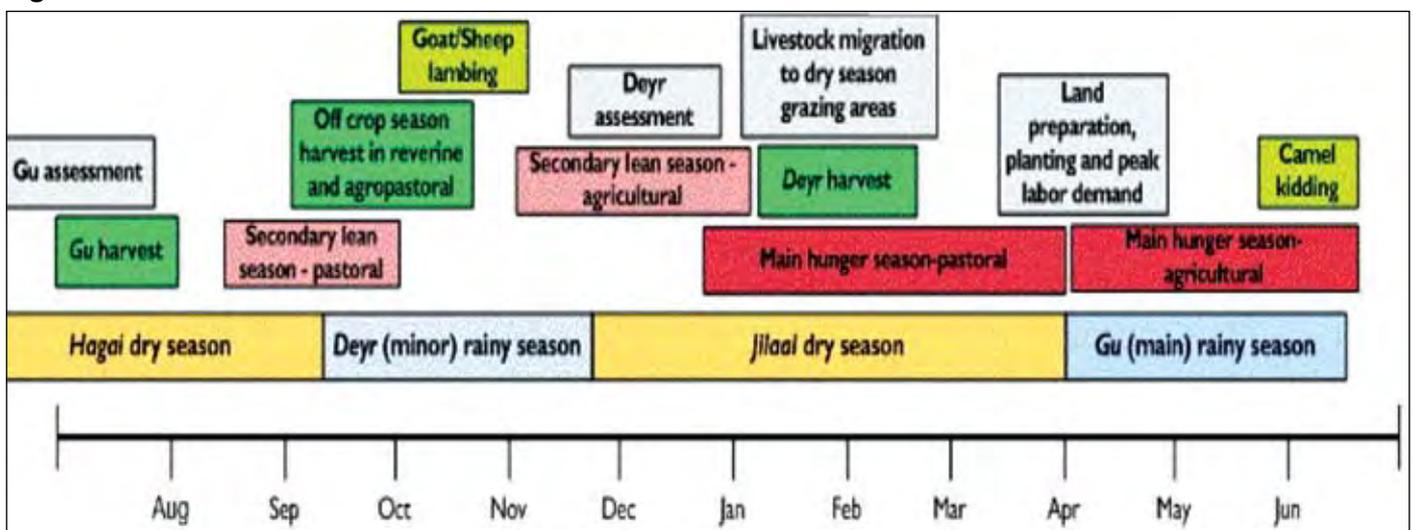
In May 2011, the Food Security and Nutrition Analysis Unit for Somalia (FSNAU) estimated that the total population in crisis in Somalia<sup>23</sup> was 2.85 million, up from 2.4 million in January 2011.<sup>24</sup> In June 2011, the United Nations stated

that Somalia represented one of the worst humanitarian crises in the world, with almost 50% of its people in need of urgent external assistance and close to 1.5 million internally displaced people.<sup>25</sup> On 21 July 2011, the UN Office for the Coordination of Humanitarian Affairs (OCHA) declared that famine existed in two regions of southern Somalia: southern Bakool and Lower Shabelle. The famine subsequently spread to five out of the eight regions in South Somalia, with humanitarian emergencies in parts of all eight southern regions, the two central regions and four of the eight northern regions (Figure 2).<sup>26</sup>

## 2.2 Challenges and opportunities in delivering humanitarian aid in Somalia

To address the famine in Southern Somalia, urgent humanitarian assistance was required on a large scale. However, many challenges faced the humanitarian community in implementing such assistance, not least the forced withdrawal of WFP from South and Central Somalia in 2010 after repeated attacks on its offices and transport conveyances and a subsequent ban imposed by Al Shabaab. Just two months after its withdrawal, the UN Monitoring Group on Somalia published a report alleging that three of WFP Somalia's primary contractors had been accused of mass corruption. The report estimated that half of WFP's food aid destined for Somalia was being diverted and sold off illegally.<sup>27</sup>

Figure 1: South Somalia seasonal calendar



Source: FEWSNET Somalia – <http://www.fews.net/pages/timelineview.aspx?gb=so&tln=en&l=en>.

<sup>23</sup> Total number of people categorised as in either Humanitarian Crisis or in Acute Food and Livelihood Crisis.

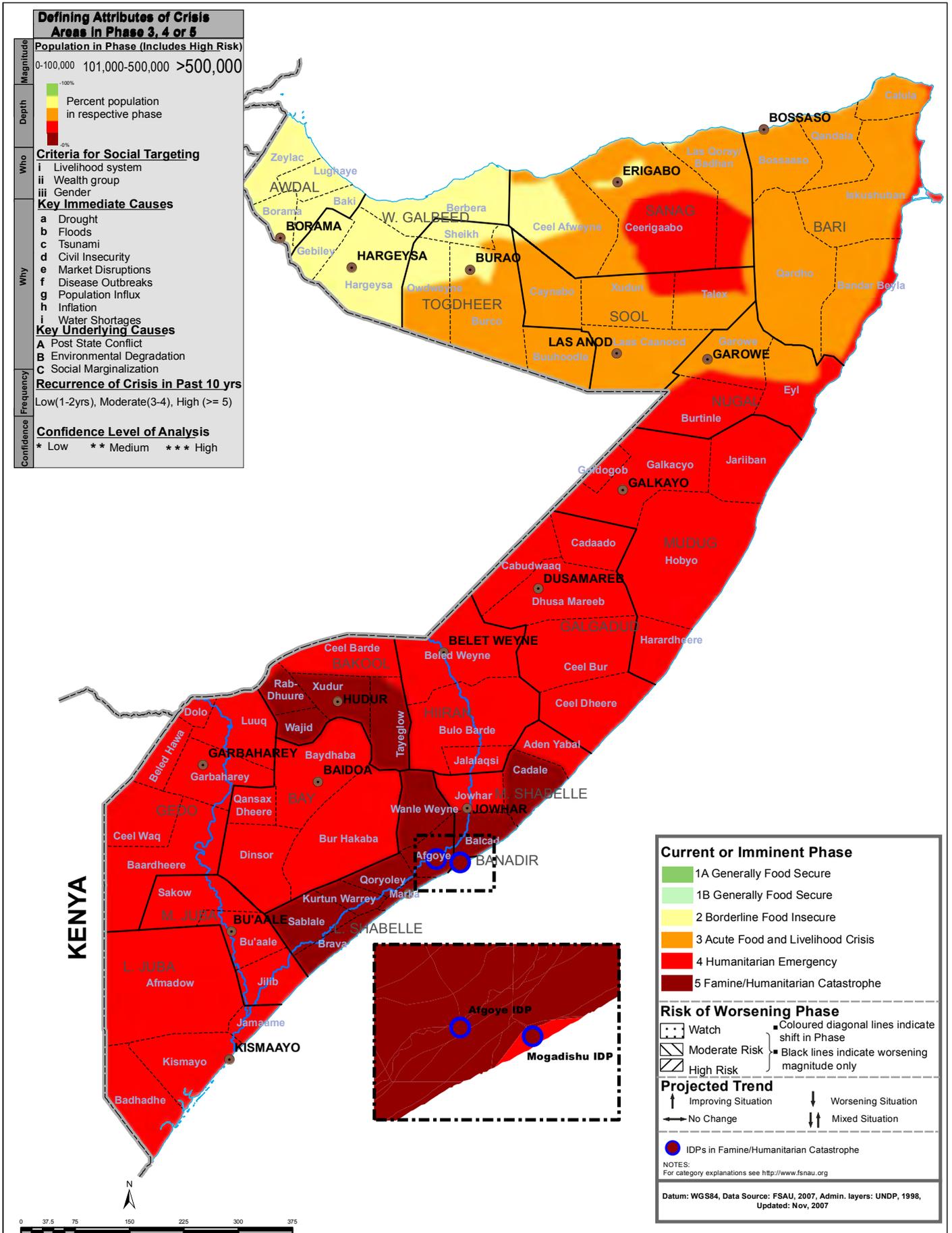
<sup>24</sup> FSNAU (2011) *New populations in crisis and estimating emergency cash needs in Southern Somalia to increase food access*. FAO Somalia, Nairobi Office.

<sup>25</sup> UNHCR Somalia website. Accessed 28 June 2011: <http://www.unhcr.org/pages/49e483ad6.html>.

<sup>26</sup> <http://www.fsnau.org/downloads/FSNAU-Rural-Urban-IDP-Populations-in-Crisis-August-September-2011.pdf>.

<sup>27</sup> UN Somalia Monitoring Group, 2010: 60.

**Figure 2: Integrated Food Security Phase Classification Map of Somalia, 4 August 2011**



Source: FSNAU (2011) [http://www.fsnaui.org/downloads/IPC\\_Aug\\_4th\\_2011\\_Somalia.pdf](http://www.fsnaui.org/downloads/IPC_Aug_4th_2011_Somalia.pdf).

With the withdrawal of WFP there were few options available to the humanitarian community for providing food assistance. In the context of deteriorating food security and rising malnutrition rates, cash-based programming was one of the only viable methods for providing food assistance to populations in crisis, particularly since cash and voucher transfers have the benefit of being largely 'invisible' compared to the large logistic and transport load of in-kind assistance. However there were four main perceived risks associated with large-scale cash-based interventions at this time: (i) whether NGOs would be able to gain access to the populations most in need, without safety risks to their staff, particularly since many of these areas were controlled by Al Shabaab; (ii) whether the cash itself would be diverted by Al Shabaab and other authorities and local militias through taxation, intimidation and extortion; (iii) whether the market would be able to supply the quantities of food needed to meet the increase in demand that would be stimulated by a large injection of cash; and (iv) whether the cash/voucher distribution would lead to inflation.

To determine if the market would be able to supply the amount of food needed after large-scale cash intervention, FSNAU/FEWSNET conducted an assessment in July 2011.<sup>28</sup> However, the other risks could not be determined until implementation began. The market assessment suggested that markets might be able to increase the supply of imported rice in response to cash in most of the regions affected by famine or humanitarian emergency in the south. In three of the affected locations, Middle Juba, Gedo and Middle Shabelle, markets were less integrated and there were concerns that cash programming in these regions might result in excessive food price inflation and that markets there would have limited ability to increase the supply of imported rice.<sup>29</sup> This meant that market price and availability monitoring were even more crucial in case cash beneficiaries were unable to purchase the required goods in these locations.

The ability of Somali markets to continue to operate in the face of considerable insecurity provided a key opportunity for the delivery of humanitarian assistance. Somalia has a robust market system, with both locally produced and imported food items generally available throughout the country. In September 2011, reports indicated that commercial import volumes had increased particularly for rice, wheat flour and pasta coming through the Mogadishu port. Trader import behaviour confirmed that there was potential for additional food supplies to flow commercially into both rural and urban markets in famine-affected areas of southern Somalia.<sup>30</sup> Additional market analysis from mid-2011 indicated that, in most parts of the country, food items including staples were available in the market, but that prices were very

<sup>28</sup> FSNAU (2011) *Special Brief: Market functioning in Southern Somalia – July 28, 2011*. FEWSNET, Washington DC.

<sup>29</sup> *Ibid.*

<sup>30</sup> FEWSNET (2011) *Executive Brief: Commercial imports in Somalia – September 15, 2011*. FEWSNET, Washington DC.

high.<sup>31</sup> Urban markets continued to function despite the many challenges market participants faced and the reduction in effective demand caused by collapsing livelihoods and weak purchasing power across southern Somalia.

A second opportunity was offered by the *hawala* system, an extensive system of money transfer agents operating throughout the country. Since the collapse of public institutions in 1991, including the national banks, an alternative method of transferring money has been needed. The *hawala* system allows money to be transferred into and within Somalia, effectively reaching individuals even in the most remote areas. Within Somalia the large network of *hawala* agents allows a beneficiary to receive payments often within 24 hours. The system operates through instructions to agents to pay the intended recipient, with the debt being settled at a later point via transactions involving other agents. The World Bank estimates that the Somali diaspora transfers approximately \$2 billion annually into Somalia through the *hawala* system.<sup>32</sup> By comparison, it has been estimated that only \$1 billion in international aid is provided to Somalia annually.<sup>33</sup> This clearly illustrates the scale and strength of the *hawala* system and the security of the payments made through it.

Given agency and donor concerns about money diversion and corruption, it is important to note that many *hawala* companies have been vetted by the US and European countries for compliance with anti-terrorism and money laundering laws. The *hawala* companies have a vested interest in their core business – the transfer of remittances primarily from the US, Canada, Europe and Australia to Somalia and neighbouring countries – and therefore depend heavily on their ability to operate internationally. This translates into a compelling incentive for the *hawala* companies to mitigate risk by not engaging with certain groups. There are at least 12 *hawala* operators inside and outside Somalia facilitating transfers into Somalia.<sup>34</sup> Of these, ten have the scale and network coverage needed to undertake large-scale cash transfers.<sup>35</sup> Contrasted with input delivery projects employing dozens of contractors and many more sub-contractors, using the *hawala* means that the money passes through fewer hands, decreasing the risk of diversion.

### 2.3 Cash-based programming in Somalia

At a global level, there are an increasing number of examples of large-scale cash interventions for supporting households

<sup>31</sup> FSNAU (2011) *Market Data Update – Monthly Market Analysis*, July 2011, <http://www.fsnau.org/downloads/Market-Data-Update-July-August-2011.pdf>.

<sup>32</sup> World Bank (2005) *Somalia: From resilience towards recovery and development. A Country Economic Memorandum for Somalia*. Washington: World Bank Report No. 34356-SO.

<sup>33</sup> Associated Press, 6 May 2011, Article by Katharine Houreld (Online). [http://hosted2.ap.org/COGRA/APWorldNews/Article\\_2011-05-06-AF-Somalia-Aid-Troubles/id-2576488c929647c9bfd3db5a679e4376](http://hosted2.ap.org/COGRA/APWorldNews/Article_2011-05-06-AF-Somalia-Aid-Troubles/id-2576488c929647c9bfd3db5a679e4376) [Accessed 31 May 2011].

<sup>34</sup> Hammond, L. et al. (2011) *Cash and Compassion: The Role of the Somali Diaspora in Relief, Development and Peace-Building*.

<sup>35</sup> Adeso (2012) *Guidelines: How to use Hawala in Somalia*. Adeso, on behalf of the Somalia Cash-Based Response Working Group, Nairobi.

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affected by emergencies. Donors and aid agencies now commonly accept cash as a potentially appropriate intervention, even in conflict-affected areas. As mentioned above, large-scale cash programming has most often been carried out by governments rather than by the humanitarian NGO community. Within Somalia, aid agencies have been implementing cash and voucher programmes since 2003. While cash-based interventions might not be suitable in all parts of the country, the documented evidence from Somalia suggests that cash-based programming appears to be particularly well suited to the Somali environment, due to the monetised economy, the strength and presence of *hawala*, the similarity of cash distributions and remittances, good security management at the local level and a good network of traders.

Each of the international NGOs involved in the CVMG has been operating in Somalia for more than five years, and all have used cash or voucher interventions in various forms. Previous emergency interventions have targeted fewer than 5,000 households, with the exception of a one-off cash distribution to 13,800 households in Sool/Sanaag in response to drought in 2003/4. Most have been implemented by a single agency or in partnerships involving two international NGOs and a small number of local partners. These interventions have generally been short term, lasting from a few weeks to a few months, although a multi-year social safety net programme is currently being implemented in Puntland. Various different types of voucher projects have also been implemented, including food vouchers, water vouchers, agricultural input vouchers (for seeds, tractor hours, veterinary inputs), and livelihood vouchers to support business development.

As a result of this experience, considerable capacity for cash-based programming has been developed in Somalia. This includes the publication of guidelines for cash interventions specific to the Somali context,<sup>36</sup> and inter-agency training sessions for NGO staff are conducted on a regular basis. Many of these capacity-building efforts have been initiated through the Cash Based Response Working Group (CBRWG), an inter-agency technical body established in 2008 to provide quality

assurance in the design and implementation of cash-based responses in Somalia. The CBRWG supported coordination efforts until September 2011, when this role was handed over to the newly created Inter-Cluster Cash Coordination Unit, managed by the Food and Agriculture Organisation (FAO). Beyond the Somali context, three CVMG agencies have their own guidelines for implementing cash programming based on their comprehensive global cash experience, while others are involved in the Cash Learning Partnership (CaLP).<sup>37</sup>

## **2.4 Formation of the Cash Consortium and the evolution of the Cash and Voucher Monitoring Group**

In April 2011, a number of international NGOs came together to discuss how they could respond to the emerging food crisis in South Central Somalia, and the idea of a consortium approach was born. An initial concept note was drafted and approved in June 2011, and a full proposal was submitted in July 2011, before the famine declaration of 21 July. Some funding was approved shortly after famine was declared, allowing projects to start in August, with the first cash distribution in September 2011. Each of the four international NGOs that make up the Consortium operated in their existing (or known) locations, where they had a relationship with the community and with the local authorities. For most of the Cash Consortium partners, a system of rolling registration was necessary as the available funding increased.

Terms of reference for the monitoring of the Cash Consortium programme were drafted in August 2011, and independent consultants were identified. The Overseas Development Institute was then approached by the Cash Consortium to manage the monitoring exercise and to ensure the quality of the monitoring system. As the main donor of the monitoring exercise and a key donor for other cash-based programmes in Somalia, UNICEF invited other international NGOs to join the monitoring exercise to allow for the comparison of methodologies and modalities. Two additional international NGOs agreed to take part, and the Cash and Voucher Monitoring Group was subsequently formed.

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<sup>36</sup> Somalia IASC Agriculture and Livelihoods Cluster (2010) Minimum Guidelines for Agricultural and Livelihood Interventions in Humanitarian Settings (Chapter 3 – Cash Interventions).

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<sup>37</sup> CaLP is a consortium of four organisations supporting capacity building, research and information sharing on cash transfer programming. For more information see [www.cashlearning.org](http://www.cashlearning.org).

# Chapter 3

## The cash and voucher interventions

### 3.1 Overview

The data presented in this report come from projects implemented across nine regions, reaching a total of 136,637 households (94,699 cash households and 41,974 voucher households). This report describes the results of Phase I cash and voucher distributions (six months) conducted by the CVMG partners. Although the majority of these transfers were scheduled to take place from October to March 2012, some agencies started their projects earlier, and others were delayed for various reasons (described below). Some projects did not make their final distribution until May 2012. All the distributions have been included in the final figures.

Implementation was affected by the banning of 16 aid agencies by Al Shabaab in November 2011, preventing some CVMG partners from working in some regions. One of the CVMG partners was denied access by Al Shabaab early in the implementation process, and no monitoring data were collected for this partner in Bakool Region. It was also impossible to gain access to collect data in Bay Region. Despite these constraints, the project areas for which CVMG monitoring data were collected included parts of the country controlled by Al Shabaab (AS), the Transitional Federal Government (TFG) and other authorities such as Al Sunna Wal Jamma (ASWJ), as illustrated in Figure 3. Further details of the coverage of the projects are provided in Annex 1.

### 3.2 Project modalities

For both cash and voucher projects, the aim was to provide for the basic food needs (and in some cases also non-food needs) of targeted beneficiary households. The decision to distribute cash or vouchers was based largely on access, security and market considerations, and on the capacity and previous experience of the implementing NGOs concerned.

In some remote rural areas there was a lack of food available through local traders, prompting the decision to bring food in through broader trade networks using commodity vouchers.<sup>38</sup> There was also limited *hawala* coverage and the *hawala* agents that were present were unwilling to take responsibility for the security of the transportation and distribution of large quantities of cash over the large distances involved. In Mogadishu, the decision to implement vouchers was based on security concerns, particularly after the withdrawal of AS in August 2011, when there was a power vacuum and theft was rife. In one case, the voucher project formed part of an integrated, multi-sector approach with full service coverage. The NGOs distributing vouchers

<sup>38</sup> Seeds and tools were also provided to allow beneficiaries to stay on their land and to recover from the drought.

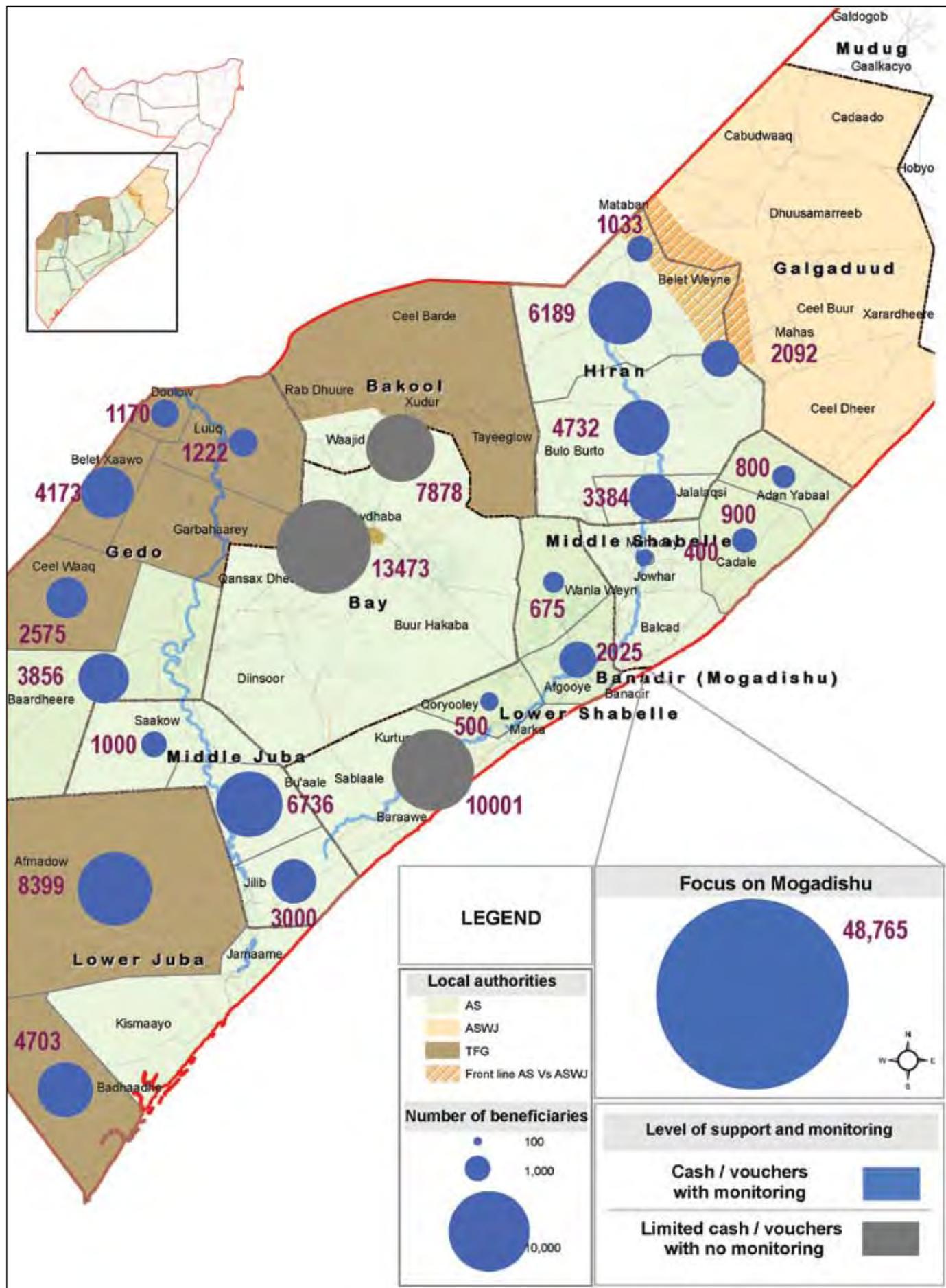
had considerable previous experience with both cash and voucher projects. In general, the NGOs distributing cash had considerable previous experience with cash projects. In all cases, the decision to implement cash or vouchers was taken following appropriate risk analyses.

The main differences between the cash and voucher programming modalities used by CVMG partners are that cash beneficiaries are able to choose how, where and when to spend their money, whereas voucher beneficiaries receive predetermined items shortly after the voucher distribution, according to quantities set by the implementing agency and the quality standards provided by selected traders (which are monitored jointly by the NGO and local community committees). Whilst cash clearly offers greater choice, the advantages of vouchers are that essential food needs are provided for, beneficiaries are protected from price increases and the risks of diversion, and potential conflict within the household over spending choices are (possibly) avoided. In remote rural areas, the voucher projects enabled food to be transported to beneficiary villages through existing trader networks, so that beneficiaries themselves did not have to travel to collect their transfers. As such, the commodity vouchers provided an innovative approach to the delivery of food assistance.

For the cash projects, the actual amount paid to beneficiaries varied among the NGOs and between regions according to the specific aim of the project and local market prices. In general, the size of the cash grant was calculated according to the cost of the Minimum Expenditure Basket (MEB), as determined by the FSNAU and shown in Annex 2. The MEB includes both food and non-food items; some projects calculated the size of the transfer based on food and non-food needs, while others based it on food needs only. To date, the size of the cash transfer has ranged from \$75 to \$125 per month, depending on the actual cost of the MEB in the local area. In some cases, this included a \$5 transport allowance to enable beneficiaries to reach their nearest urban centre to collect their grant and transport their purchases back to their rural homes. One of the NGOs varied the amount of the transfer slightly each month, according to changes in local market prices. After targeting and registration had been completed by the implementing NGO, the cash was transferred to beneficiaries through the *hawala* system. Each NGO had a contract with one or, in some cases, two *hawala* companies, which agreed to pay the required amount of cash in US dollars<sup>39</sup> to individual beneficiaries, based on beneficiary lists compiled by the NGO. Further details of the *hawala* arrangements are described below.

<sup>39</sup> In one case, the *hawala* agent was asked to make payment in Somali Shillings due to the remote location and difficulties of currency exchange.

Figure 3: Locations of cash and voucher beneficiaries and local authorities



Note: the local authorities indicated above are those that were in control at the start of the CVMG programme in September 2011.

For voucher projects, the goods exchanged for the voucher were three or six litres of oil, 10kg of sugar, 25kg of wheat flour and 25kg of rice. The quantity of oil varied according to the NGO. It is important to note that the value of the commodities received through the vouchers was considerably less than the value of the cash; depending on local market prices, the value of the voucher commodities ranged from \$51 to \$65. The voucher projects aimed to meet up to 70% of an average family's nutritional requirements.<sup>40</sup> Vouchers were distributed to the beneficiaries by the NGO on a monthly basis. The distribution of the vouchers was done at suitable locations, involving the implementing NGO and local community groups, providing an opportunity for the implementing NGO to have direct contact with the beneficiaries on a regular basis. The beneficiaries then exchanged their vouchers for the specified food items with local shopkeepers selected to participate in the project. The shopkeepers were subsequently reimbursed for the value of the food distributed, based on the prices agreed in the shopkeeper contracts (see below). As such, the voucher projects were similar to an in-kind distribution, though conducted in a manner that supported local shopkeepers. In remote rural areas where essential food items were not previously available, the voucher projects therefore represent an innovative approach to food delivery.

Two international NGOs implemented the projects directly themselves; one international NGO implemented exclusively through local partners; and three international NGOs both implemented directly and also worked through local implementing partners. In total, there were eight local implementing partners. Out of the total 136,637 beneficiary households, 79,456 or 58% were reached by international NGOs, and 57,172 or 42% were reached through local implementing partners. In most cases the local partners were NGOs that had a long-standing relationship with the international NGO concerned (over many years) and previous experience of cash-based programming, although three local partners were new to cash-based programming and new partners for the international NGOs concerned.

The main advantage of working through local partners is that it allowed international NGOs to expand their programmes without having to expand their own operations, both by increasing the capacity to reach more beneficiaries, and by expanding into new geographical areas. It has also been suggested that local NGO partners were able to access some areas controlled by Al Shabaab more easily than international NGOs. The main disadvantage of working through local partners is the limited capacity of many local NGOs (both in terms of human and physical resources), necessitating additional training and capacity-building support and close communication and supervision. In the case of the international

<sup>40</sup> The FSNAU Minimum Expenditure Basket (Annex 2) indicates that households require at least 95kg of rice or sorghum and 3.75kg of wheat flour per month, and the voucher beneficiaries were receiving 25kg rice and 25kg wheat flour in Phase I. Both NGOs have increased the ration size for Phase II.

NGO that worked exclusively through local partners, another independent monitoring system was in place, complementary to that of the CVMG.

Beneficiary households were selected by using community-based targeting mechanisms; by targeting vulnerable IDPs; or by targeting households with children enrolled in nutritional programmes. All targeting mechanisms focused on female-headed households. Details on the role of community-based groups in the targeting process are provided below.

The distribution of cash or vouchers was planned to take place on a monthly basis, but this was not always possible due to security and access constraints, as described below. In cases where a planned distribution was not possible, beneficiaries were subsequently given two monthly payments in one instalment, and/or the interval between payments was shortened to less than a month.

### 3.3 Community participation and accountability

All projects involved the participation of local relief- or development-oriented community-based organisations or local leaders in the implementation process. Such organisations generally included Village Relief Committees (VRCs), Camp Relief Committees and Community Education Committees that had either been previously established by the NGO or were established specifically for the cash-based interventions. Where no such community committees existed and it was not possible to establish them, the implementing NGOs worked with existing neighbourhood committees or local leaders. The local committees and local leaders played a vital role in passing information from the NGO to the communities, selecting and verifying the beneficiaries, and in addressing complaints and resolving local conflicts.

In the case of the voucher projects, the local committees/leaders helped to identify potential participating shopkeepers and supervised the food distribution at the shops. They also visited the shops prior to each distribution to check the quality and quantity of food. The voucher mechanism provided additional accountability to beneficiaries in that it allowed for direct contact between the implementing agency and the beneficiaries on a monthly basis. The name of the beneficiary and their entitlements were hand-written by NGO staff onto each voucher at the time of the distribution, ensuring that the right person received the voucher and understood its worth. Although writing the names and commodities by hand onto the vouchers was time-consuming it was considered by the NGOs to be worth the effort for accountability purposes, particularly in the Somali context.

Both cash and voucher projects had a feedback mechanism in place whereby beneficiaries or others could register complaints to the implementing NGO or to local elders, who then took appropriate action to rectify the problem. Complaints could

be registered in various ways: by reporting the matter to the local committee or local leaders, or by contacting the NGO, either by phone, in writing or in person. In one case, the implementing NGO recorded beneficiary phone numbers at the time of registration, and then the international NGO made phone calls to randomly selected beneficiaries during the course of the project to gather information about the project. For projects that issued beneficiary registration cards, the phone number for reporting complaints was printed on the back of the registration card. In other cases, beneficiaries were made aware of the feedback mechanism by the NGO (at the time of registration) and/or by the local committee/leaders. The feedback mechanism was designed so that any complaints or issues received by the implementing NGO were recorded together with any follow-up actions taken. This record of complaints and follow-up was submitted each month to the CVMG monitoring team for analysis. The results of the analysis can be found ahead in Section 5.7.

### 3.4 Arrangements with *hawala* agents and banks

For the cash projects, each agency made its own arrangements with its preferred *hawala* company to provide the cash to the beneficiaries. As a result, there were a number of different *hawala* companies and one bank involved in the distribution of cash for the CVMG projects: Dahabshiil, Amal Express, Taran, Kaah, Hodan Global and Salaam Somali Bank. In all but one case, establishing these arrangements proved to be both challenging and time-consuming,<sup>41</sup> even for agencies with long-standing relationships with *hawala* in their area. The transfer fees (commission) paid by the NGOs to the *hawala* companies ranged from 1.4% to 6.5%. The difference in the transfer fees was due to the relative distances involved in the physical transfer of the cash (i.e. the distance of the beneficiaries from main towns), and the need for the *hawala* company to establish new offices or employ additional staff. In general, a single contract was signed between the NGO and the *hawala* company, and this was valid for the duration of the project.<sup>42</sup>

In most cases, the *hawala* company pre-financed the cash transfers on a monthly basis and the NGO then reimbursed the *hawala* after the payments had been made. In one case the NGO provided partial pre-financing to the *hawala* company on a monthly basis, and in another case the NGO pre-financed the *hawala* in full for the monthly payments. Where the *hawala* was responsible for pre-financing the transfers, the contractual arrangements involved bank guarantees<sup>43</sup> to ensure that the *hawala* had sufficient funds to make the payments and insure against any losses, and also to ensure that the NGO had

<sup>41</sup> One *hawala* company tried to renegotiate its contract after signing and payments had commenced, and threatened to suspend payments if its demands were not met.

<sup>42</sup> Where projects were delayed and extended beyond their initial time frame, the *hawala* contracts had to be renewed.

<sup>43</sup> In some cases, contractual delays resulted from particular banks refusing to accept the guarantees provided by other banks, and alternative banks had to be found that would agree to accept each other's guarantees.

sufficient funds to pay the *hawala* companies. The *hawala* company bore all responsibility for security and the safe transfer of cash to the different distribution facilities, ensuring that the correct amount of money was paid to each beneficiary. In some cases, the *hawala* agencies helped the NGOs negotiate access to AS-controlled areas. In all but one case, beneficiaries were paid in US dollars because they are easy to exchange throughout the country and it would have been logistically difficult for the *hawala* to carry sufficient Somali Shillings due to the bulkiness of the notes required for the sums of money involved.<sup>44</sup>

### 3.5 Arrangements with voucher shopkeepers

Shopkeepers were selected to take part in the voucher projects based on their ability to deliver the goods required, their proximity to beneficiary populations and the results of a tendering process through which shopkeepers indicated the price at which they could supply the required items. In remote rural areas, shopkeepers were expected to transport the food commodities to the beneficiaries so that the beneficiaries would not have to travel to urban centres to redeem their vouchers. The implementing NGO and the selected shopkeepers then agreed on a contract that set out their respective roles and responsibilities and the types of food (and its quality and quantity and the timing of distributions) and services (i.e. the exchange of vouchers, adequate security) to be provided by the shopkeepers, and the prices to be paid by the NGO for the specified commodities. Each contract was renegotiated and renewed on a monthly basis.

The vouchers provided to the beneficiaries were exchanged with the designated shopkeepers, who were then reimbursed by the NGO at the prices agreed in the contract. This approach required detailed market price monitoring on the part of the NGO to determine the prices to pay the shopkeepers each month. The prices paid by the NGO to the shopkeepers included the costs of transport, storage and security, and no service commission was provided to the participating shopkeepers.

Although difficulties were experienced in finding suitable shopkeepers in rural areas who could procure sufficient quantities of the required foods, this was not a problem in Mogadishu. Some participating shopkeepers in rural areas worked through existing networks of smaller retailers to ensure that the food commodities were brought to the beneficiaries.

### 3.6 Donor arrangements

The funding arrangements for both the cash and the voucher projects were complex, with more than ten different donors contributing to the various different projects. Some agencies accessed common funds<sup>45</sup> made available for the Cash

<sup>44</sup> Exchange rate for 1USD was between 23,000–30,000 SoSh over the project period.

<sup>45</sup> Although some donors provided common funds for the Cash Consortium partners, the funding contracts were agreed bilaterally with each partner.

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Consortium and also accessed their own separate funds from other sources. As a result there were multiple donors for single projects, implemented in different geographic locations, and in some cases different donor funds were used to target different beneficiaries within the same locations.

### 3.7 Challenges of access and security

As illustrated by Figure 3 the cash and voucher interventions included areas under the control of a number of different local authorities. These authorities each brought their own challenges, some of which were more easily overcome by the implementing agencies than others.

While each project location had its own implementation challenges, perhaps the most difficult areas in terms of access were in Lower Shabelle, Bay and Bakool Regions, where some humanitarian operations were suspended in October/November 2011. One project was severely delayed by negotiations over access, and was barely able to start implementation before permission to operate was subsequently withdrawn. Two implementing NGOs were shut down by the AS ban imposed in November 2011. The Afgoi Corridor area (Banadir and Lower Shabelle Regions) just outside Mogadishu also proved difficult to access. Agencies that had originally planned to target IDP beneficiaries in the Afgoi Corridor moved their activities to Mogadishu instead.

Although the security situation (in terms of theft and banditry) improved in TFG-controlled areas, security (in terms of armed conflict) deteriorated in AS areas due to incursions by the Kenyan and Ethiopian armies into Hiran and Lower Juba Regions. These incursions led to an extremely volatile, unpredictable situation with sporadic ground attacks and aerial bombardment.<sup>46</sup> Insecurity resulted in population movements out of the affected areas and into nearby towns. In the affected areas, both NGO staff and beneficiaries were unable to travel for fear of bombardment or being mistaken for AS by the foreign forces. In the case of Beletweyne Town (Hiran Region), the displacement of AS by Ethiopian and TFG forces on 31 December 2011 left a power vacuum in the town. The security situation was not stable, causing one agency to postpone cash distributions in this area for the first three months of 2012.

In TFG-controlled areas, one of the major challenges involved attempts by the TFG or militia associated with TFG officials to tax the beneficiaries (see section on Taxation and Diversion). This required additional negotiations, and it was difficult to persuade the TFG that the programme should not be taxed,

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<sup>46</sup> Two cash beneficiaries were killed in a bombing; their next of kin continued to collect payment on behalf of the household.

particularly since some other agencies had reportedly been paying taxes for their interventions. In some areas, TFG officials changed their minds or reneged on agreements.

In AS areas, although it was more difficult to negotiate access, there was considerably less banditry and theft. But AS is an amorphous group and it was necessary to negotiate with each faction at the local level. The fact that there was initially no central authority and factions were not consistent in their decisions made them very difficult to deal with; the goal posts were constantly shifting and there was great uncertainty in operating in AS areas. In one case, a cash project in Hiran Region was suspended prior to the second distribution (having originally got permission for six distributions), and the NGO senior staff were arrested and briefly imprisoned. The NGO's longstanding positive community relationships led to significant community pressure to release the staff members and continue cash programming.<sup>47</sup> When AS subsequently established a central policy-making authority, the ability of NGOs to negotiate with local factions was reduced.

In other areas, AS attempted to place rules on locations for projects, as well as which beneficiaries to work with. This was dealt with through negotiations and by ensuring high levels of community acceptance, support and participation. In some locations AS did not allow agencies to employ more staff. In addition, community mobilisation, conveying information (talking to the community) and project monitoring were all major challenges in AS-controlled areas, with project staff sometimes being accused of spying when conducting household interviews as part of the monitoring exercise. Photographic identification cards were not allowed, and so agencies and *hawala* had to be innovative in how they identified beneficiaries. Some agencies used beneficiary-specific passwords (not to be shared with others) chosen by each beneficiary and held with the *hawala* agent. Coordination with other agencies was also difficult and prior permission was required from AS in order to hold meetings.

Table 1 shows the proportion of planned beneficiary transfers that were actually delivered: overall, the proportion of households reached was 64% of those planned. In areas controlled by AS, the proportion of planned transfers delivered was 42%, and in TFG areas it was 85%. As indicated by the figures in Table 1, local implementing partners had higher delivery rates (52%) than INGOs (38%) in AS areas, but INGOs had higher delivery rates (94%) than local partners (75%) in TFG areas.

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<sup>47</sup> It is thought that this incident may have been related to a change in staff among the AS authorities; the senior AS officers were not in Hiran at that time, leaving more junior officers in charge who lacked understanding of the programme and were unsure how to deal with the NGO.

**Table 1: Actual delivery of planned beneficiary transfers, August 2011–May 2012<sup>48</sup>**

Region	Implementing agency	Planned beneficiaries per cycle	Planned number of cycles	Total planned number of beneficiaries	Actual beneficiary transfers delivered	Actual beneficiary target delivered	Percentage of planned	Main authority*
Mogadishu	INGO	20,850	6	125,100	20,850	125,100	100	TFG
Mogadishu	Local partner	12,548	6	75,288	12,548	50,192	67	TFG
Mogadishu	INGO	10,000	6	60,000	11,000	47,567	79	TFG
Mogadishu	Local partner	1,500	6	9,000	1,500	6,137	68	TFG
Mogadishu	Local partner	5,980	6	35,880	6,000	28,000	78	TFG
Gedo	INGO	5,299	6	31,794	5,299	31,794	100	TFG
Gedo	Local partner	1,956	4	7,824	1,956	7,824	100	TFG
Lower Juba	Local partner	5,300	6	31,800	5,300	31,800	100	TFG
Lower Juba	Local partner	7,850	6	47,100	7,802	31,208	66	TFG
<b>Subtotal: TFG areas</b>				<b>423,786</b>	<b>72,255</b>	<b>359,622</b>	<b>85</b>	<b>TFG</b>
Hiran	INGO	11,000	6	66,000	11,000	60,784	92	AS
Hiran	Local partner	6,430	4	25,720	6,430	25,720	100	AS
Bay	INGO	10,000	6	60,000	7,878	7,878	13	AS
Bay	INGO	14,000	6	84,000	13,473	24,480	29	AS
Bakool	INGO	3,000	6	18,000	0	0	0	AS
Middle Juba	Local partner	6,750	6	40,500	6,736	6,737	17	AS
Middle Juba	Local partner	3,000	4	12,000	3,000	12,000	100	AS
Middle Juba	Local partner	1,000	3	3,000	1,000	3,000	100	AS
Lower Shabelle	Local partner	3,200	4	12,800	3,200	3,200	25	AS
Lower Shabelle	INGO	10,000	6	60,000	10,001	17,002	28	AS
Middle Shabelle	Local partner	1,700	4	6,800	1,700	1,700	25	AS
<b>Subtotal: AS areas</b>				<b>388,820</b>	<b>64,418</b>	<b>162,501</b>	<b>42</b>	<b>AS</b>
<b>TOTAL: All areas</b>				<b>812,606</b>	<b>136,673</b>	<b>522,123</b>	<b>64</b>	
<b>Subtotal: All INGOs</b>				<b>504,894</b>	<b>79,501</b>	<b>314,605</b>	<b>62</b>	
<b>Subtotal: All local partners</b>				<b>307,712</b>	<b>57,172</b>	<b>207,518</b>	<b>67</b>	
<b>Subtotal: INGOs in TFG areas</b>				<b>216,894</b>	<b>37,149</b>	<b>204,461</b>	<b>94</b>	<b>TFG</b>
<b>Subtotal: Local partners in TFG areas</b>				<b>206,892</b>	<b>35,106</b>	<b>155,161</b>	<b>75</b>	
<b>Subtotal: INGOs in AS areas</b>				<b>288,000</b>	<b>42,352</b>	<b>110,144</b>	<b>38</b>	<b>AS</b>
<b>Subtotal: Local partners in AS areas</b>				<b>100,820</b>	<b>22,066</b>	<b>52,357</b>	<b>52</b>	

\*The authority listed here is the one that was in control in August/September 2011. For project areas that were split between two authorities, the authority that covered the majority of beneficiary households has been indicated.

<sup>48</sup> As explained above, CVMG Phase I officially ran from September 2011–March 2012, but some projects started earlier and others were delayed.

# Chapter 4

## Monitoring system and methodology

### 4.1 The justification for independent monitoring

As outlined in Chapter 2, there were four main risks associated with large-scale cash-based programming in Somalia at the time of the 2011 food crisis: (i) whether NGOs would be able to gain access to the populations most in need, particularly since many of these areas were controlled by Al Shabaab; (ii) whether the cash itself would be diverted; (iii) whether the market would be able to supply the quantities of food needed to meet the increase in demand; and (iv) whether the cash/voucher distribution would lead to inflation. In view of the risks involved, a joint CVMG monitoring exercise was established to ensure that all agencies were collecting data using agreed forms and methods. This process was managed by an independent organisation, the Overseas Development Institute, and undertaken together with the international and local NGO partners.

### 4.2 Objectives of the monitoring exercise

The objectives of the monitoring exercise (Box 1) were agreed with all CVMG implementing partners. The objectives essentially involved three types of monitoring: process monitoring; market monitoring; and monitoring of the impacts on beneficiary households and communities. There was also a strong learning and dissemination element.

### 4.3 The monitoring methodology

The monitoring methodology involved the collection of both qualitative and quantitative data relating to the implementation process, and household and market impacts. The quantitative data were collected by the implementing NGOs and the qualitative data were collected by 18 Independent Field Monitors (IFMs) specifically hired for the CVMG exercise.

Three training workshops were held in different locations for the NGO staff and IFMs involved in the data collection exercise. After the first round of IFM data collection, there were then another two training workshops specifically for the IFMs. After the data for the first quarter had been analysed, two feedback workshops were held for NGO staff and IFMs. The main purpose of the feedback workshops was to share and discuss the first quarter findings and to gather additional details from the workshop participants on specific issues.

The quantitative data included various surveys implemented among beneficiary households: a baseline survey (Annex 3); monthly post-distribution monitoring (PDM) surveys (Annex

#### Box 1: Objectives of the monitoring exercise

1. To monitor the efficiency, effectiveness and accountability of the cash and voucher distribution systems:
  - To determine the cost, speed and management efficiency with which inputs and activities are converted into results (i.e. whether the project is accountable to donors).
  - To determine whether the implementing partners adhered to the agreed targeting criteria and the level of beneficiary participation in the targeting process (i.e. whether implementing partners are accountable to themselves and to beneficiaries).
  - To assess the effectiveness of the community feedback mechanism and how the implementing agencies responded to comments received (i.e. whether project is accountable to beneficiaries).
  - To substantiate as far as possible any reported claims of diversion of cash or food vouchers due to taxation, targeting inclusion, etc.
2. To monitor the impacts of the cash and voucher distribution on local markets and participating traders.
3. To monitor beneficiary spending patterns (for cash) and the impacts of the cash and voucher distribution on nutrition and displacement/return.
4. To provide regular feedback to the consortium partners and their donors on the M&E findings.
5. To document and make publicly accessible the lessons emerging from the cash and voucher distribution project, particularly lessons regarding the scaling up of such interventions.

4, designed to gather information relating to the cash transfer process and how the cash was spent; quarterly monitoring (QM) surveys (Annex 5), designed to gather information relating to impacts on food security, dietary diversity, nutrition and coping strategies, in addition to the process indicators; and weekly market price monitoring (Annex 6).

The number of beneficiary households sampled for the various monthly and quarterly post distribution monitoring surveys is shown in Table 2. As agencies were operating to different timetables, not all baselines and monitoring rounds were conducted for each agency within the same months (Figure 4). Over the course of the monitoring activities conducted during the reporting period, a total of 12,870 households were interviewed. Some households were interviewed on more than one occasion, particularly for the baseline and quarterly surveys.

**Table 2: Number of households sampled by region**

Region	Monitoring round							Total
	BL	PDM1	PDM2	QM1 (PDM3)	PDM4	PDM5	QM2 (PDM6)	
Banadir (Mogadishu)	1024	748	210	570	0	0	365	2917
Gedo	718	375	0	752	200	200	700	2945
Hiran	1097	674	200	775	0	0	0	2746
Lower Juba	489	277	0	553	0	0	201	1520
Lower Shabelle	374	0	0	188	0	0	0	562
Middle Juba	0	375	375	869	0	0	0	1619
Middle Shabelle	374	0	0	187	0	0	0	561
Total	4,076	2,449	785	3,894	200	200	1,266	12,870

The sampling procedures used for the various surveys are described in Annex 9. The sample size for the baseline survey, the first PDM, and the quarterly monitoring surveys was calculated in order to have a likelihood of giving statistically significant results at a 95% confidence level with a 5% confidence interval for each INGO per region. Within each project area, approximately half the districts were sampled based on access and logistical considerations. The data provided by the CVMG projects, when taken as a whole, is statistically representative at the level of INGOs and regions. The data can also be divided into livelihood groups, but not into livelihood zones *per se*.

The market price monitoring survey used the same approach as that developed by the FSNAU, so that the data trends could be compared.<sup>49</sup> NGO staff collected market data on the availability and price of 26 commodities as well as exchange rates on a weekly basis from approximately 75 urban and rural markets within the project areas. The implementing NGOs also recorded the complaints that were received by their offices and noted the follow-up actions taken in response. The record of complaints and follow-up was submitted to the CVMG monitoring team at the end of each month for analysis.

The qualitative data included interviews with NGO staff, interviews with *hawala* agents, interviews with traders, focus group discussions (FGDs) with community leaders and community-based committees involved in the cash and voucher projects, FGDs with non-beneficiaries and interviews with selected case study beneficiary households and non-beneficiary households, as shown in Table 3. In addition to the interviews and FGDs indicated in Table 3, the IFMs conducted informal discussions and interviews with trustworthy key informants to gather and substantiate information relating to possible cases of diversion. The data collected by the IFMs were relatively limited in terms of geographical coverage and were not intended to be representative. Instead, the qualitative data collection tools were designed to gather detailed insights into the reasons behind the trends and findings generated by

<sup>49</sup> A slightly different calculation was used by CVMG to determine the Consumer Price Index (CPI), and the CVMG uses a different baseline CPI to FSNAU. For this reason, the CPI trends cannot be directly compared.

the quantitative surveys. A particularly important role of the IFMs was to determine whether project resources had been diverted in any way.

The IFMs carried out two rounds of qualitative data collection during the six-month programme implementation period using the data collection tools presented in Annex 7 and Annex 8. Interviews with selected beneficiary households were designed to provide longitudinal case studies, with the same households interviewed by the IFMs in both rounds of data collection. Due to changes in IFM staff and the movement of households, it was only possible to complete eight longitudinal case studies. Examples of the case studies are provided in Annex 21.

#### 4.4 Monitoring challenges and limitations

From the start, there was much discussion about the CVMG monitoring approach, particularly given that the implementing partners were involved in the collection of the quantitative data. Although this was a limitation of the system and could potentially compromise the data collection process, the security situation in large parts of the programme area was such that it was the only practical way in which the data could be collected within the necessary timeframe. It is important to remember, however, that the cash and voucher commodities were provided through the *hawala* agents and shopkeepers, not by the NGOs themselves. All data analysis was done by the ODI monitoring team.

The role of the IFMs was key in providing a means of collecting data that was completely independent from the NGOs; as such, the IFMs used their own transport to and within the project areas, and as far as possible they were responsible for arranging their own access with the local authorities,<sup>50</sup> though the NGOs provided introductions to the *hawala* agents and shopkeepers and assisted them by providing information about the locations of beneficiary communities and households (particularly those where quantitative data had already been collected), so that the IFMs could

<sup>50</sup> In some cases, NGOs were reluctant to be seen to have an association with the IFMs due to fears that this might jeopardise their own access.

**Table 3: Summary of qualitative data collected**

	Qualitative data						
	Focus Group Discussions		Interviews				
	Elders/c'ttee members	Non-BNF	Hawala agent	HH case studies	Non-BNF HH interviews	NGO	Traders/shopkeepers
Number conducted Round 1 (Nov/Dec 2011)	6	Not collected	3	29	Not collected	5	20
Number conducted Round 2 (Feb 2012)	12	11	10	55	55	12	54
<b>TOTAL</b>	<b>18</b>	<b>11</b>	<b>13</b>	<b>84</b>	<b>55</b>	<b>17</b>	<b>74</b>

select which areas to visit. The IFM data complemented the quantitative data findings and contributed to the monitoring exercise through supporting the PDM findings, identifying issues for follow-up linked to diversion and targeting, and providing more contextual information to elaborate on the PDM data findings.

Aside from the compromise of having the NGOs collect their own monitoring data, the main challenges to monitoring were the delays experienced in the collection of both quantitative and qualitative data. Delays in the collection of quantitative data were linked to delays in the implementation of the projects due to access and security issues, as described above. Delays in the collection of the qualitative data by the IFMs partly relate to delays in project implementation, but were also due to communication issues between the monitoring team and the NGOs regarding access to interview their partners and beneficiaries. The length of these delays in the quantitative and qualitative data collection activities varied among the different implementing partners, so that each partner was undertaking monitoring activities according to their own timetable, leading to delays in the compilation of the overall combined reports. Decision-making and contractual delays in the formal inclusion of one CVMG partner into the CVMG process also meant that the monitoring for this NGO was based on its own timetable. In short, it was not possible for all CVMG partners to adhere to the joint timetable that had originally been planned. These delays meant that the impact data were not available at the time when agencies needed to start planning for Phase II interventions.

Another challenge was in the use of Digital Pen Technology (DPT). Although DPT was initially adopted in order to speed up the processes of data entry and data transfer, this was not the case. Technical problems in the software installation

led to delays and prevented some NGOs from using DPT. For those who were using DPT, the process of data verification was slow and difficult. In response, a decentralised system for data verification was piloted, and place names were loaded into the DPT software to allow for automatic recognition. It was subsequently decided to discontinue the use of DPT in Phase II of the CVMG monitoring exercise.

Middle upper arm circumference (MUAC) measurements were included in the Phase I monitoring data so that changes in nutrition status could be measured. However, both the collection and interpretation of MUAC data proved to be problematic. As previously noted, some agencies targeted households based on their children being targeted for feeding programmes. This automatically skewed the MUAC data towards high levels of malnutrition, which meant that MUAC data could not be used to estimate the prevalence of malnutrition. In addition, many agencies did not collect MUAC data at the time of the baseline and quarterly surveys as expected as it was difficult to find all children at home at the time of data collection. The collection of MUAC data was discontinued in Phase II.

More generally, the collection of field data was not always easy, particularly in AS areas, where enumerators risked being accused of spying. As a result, data collection had to be done out of view of the authorities, and in some areas it was not advisable to carry the questionnaire forms, so notes had to be written in small notebooks and then later copied onto the forms. As mentioned above, it was not possible to collect any monitoring data at all from two regions for one particular project, and the project itself was later suspended by AS.

An outline of the main changes made to the monitoring system for Phase II can be found in the annexes.



# Chapter 5

## Effectiveness, accountability and efficiency

### 5.1 Start-up time

Start-up times varied for different projects in different areas, but the fastest implementation was where a voucher project being implemented directly by an international NGO in AS areas was scaled from 2,300 households to 23,579 households, which took just one month. The speed of this scale up was possible due to a well-established presence in the project area; the existence of an ongoing voucher project; the reallocation of existing funds by the NGO; the timely preparation of funding proposals; good donor relations that allowed for a flexible and rapid response from two major donors; and the redeployment of existing staff within the country. One cash project implemented directly by another international NGO in AS areas was also able to make its first cash transfer on time, as planned, in September. This was due to a well-established presence in the project area; adequate staffing in place; previous experience with cash programming; an existing relationship with the *hawala* agent; the timely allocation of donor funds; and a targeting mechanism based on existing registration lists from other programmes.

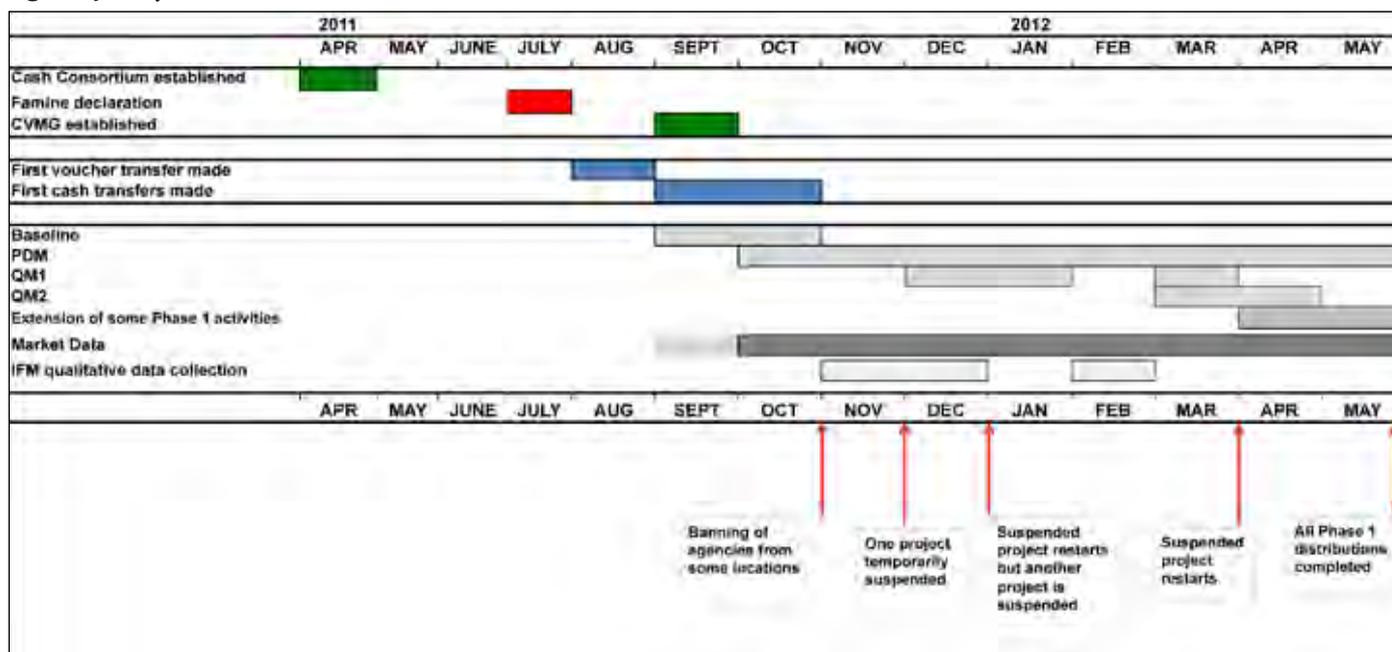
The cash projects that were delayed generally started implementation about one month later than planned, though one project was delayed for three months, as described below. Negotiations with the local authorities (both TFG and AS) were the main factor that caused delays to the start of many of the projects. These negotiations were more protracted (and not always entirely successful) in AS areas. In one location,

permission to start the project was sought from the local AS authorities in August 2011 but it did not receive the go-ahead until November. The agency was expelled shortly afterwards by AS decision-makers at the central level, even though the local AS operatives wanted the agency to stay because they could see that the programme was useful.

Negotiations with the *hawala* companies were also time-consuming for some cash projects, as described in Chapter 3. Delays in funding also led to delays in project implementation in some cases, particularly where NGOs were not fully funded at the start and had to wait for contributions from additional donors to reach their planned number of beneficiaries. The process of selecting and registering up to 10,000 beneficiaries for some NGOs was also time-consuming, except in cases where targeting was done through nutritional programmes and beneficiaries had already been selected and registered.

Other factors that caused delays were more location-specific: in one area, negotiations were necessary with the majority clans (who did not want the project to benefit the minority clans); the onset of the rains and poor roads in some areas led to cars getting stuck and increased costs and delays in payments; and in some locations agencies had no field presence prior to the project and needed to establish an office and recruit staff. Despite all these challenges some agencies began distribution as early as August 2011, while the majority conducted their first distribution in October 2011 (Figure 4).

Figure 4: Project timeline



## 5.2 Targeting

The locations most in need of assistance as identified by FSNAU<sup>51</sup> at the start of the crisis were parts of Lower Shabelle, Lower Juba, Middle Juba, Bay, Bakool and Gedo (urban and rural poor and IDPs). In addition, some IDP populations in Mogadishu were also identified as being priorities.

All agencies started with geographic targeting focusing on locations where they were already operating (before the crisis), where they had existing relationships (had worked in the location previously), and/or where the local authorities would allow agencies to work. Although the priority locations (and livelihood groups within each location) were well known by the CVMG agencies, negotiating access to some of these locations proved a challenge that in some cases could not be overcome. In one location, for example, AS would only allow 'life-saving' interventions (defined only as nutrition programmes). This meant that, although agencies were aware that potentially the households in the nutrition programmes were not the poorest<sup>52</sup> or most in need, they were the only beneficiaries that the local authorities would allow. Although the agency was aware of the advantages and disadvantages of using nutrition programmes as a targeting methodology, it was the only way of gaining access to a population in need at scale, while maintaining acceptance from Al Shabaab.

Outside of Mogadishu, only one agency was given permission to work (through a local partner) in an area that it had not previously been working in immediately prior to the crisis. Permission was given because the agency had worked in the location some years before and was known to the authorities.

Once geographic locations were decided, agencies within the Cash Consortium agreed that four population groups would be prioritised: (i) households with malnourished children (identified either through their inclusion in existing feeding programmes or through MUAC screening or observation within the operational areas); (ii) households with children 'at risk' of malnutrition (identified as elderly-headed households looking after children under five years of age, or single-headed households looking after children under five years); (iii) structurally vulnerable households (as above) but which also had no support, no income and no productive assets; and (iv) households that had no support, no income and no productive assets. Other beneficiary groups were then identified according to the locally felt needs within each community. Other projects (outside the Cash Consortium) specifically targeted the most vulnerable IDPs.

Each agency used their own targeting methodology – in most cases some form of community-based targeting (CBT), but also

<sup>51</sup> FSNAU (2011) *New populations in crisis and estimating emergency cash needs in Southern Somalia to increase food access*, 28 June 2011.

<sup>52</sup> Though only \$45 per month, the average income of beneficiary households targeted through nutrition programmes was 21% higher than the overall average for all targeting mechanisms.

targeting based on existing nutrition programmes – to identify and register their beneficiaries. Given that the specific ways in which CBT is applied can vary, further information on CBT approaches will be gathered in Phase II.

One advantage of targeting based on registration for existing nutrition programmes is that it is very easy to determine who qualifies for the cash programme, and no conflicts arise out of the targeting process. However, a disadvantage is that vulnerable, food-insecure families that have no children under five registered in nutrition programmes do not qualify for the cash programme (as reported by the community leaders interviewed). Also, it is possible that better-off families that have a child who is malnourished due to ill-health rather than lack of food may qualify for cash, though – in theory – the participation of community leaders in the selection/registration process should rule out such cases.<sup>53</sup>

Monitoring data asked beneficiaries the criteria through which they were targeted, and the results indicate that the majority of beneficiaries for each NGO project were targeted according to one main criterion (as would be expected), with the exception of one NGO for which there appears to be several targeting criteria. Overall, 45% of sample beneficiaries were targeted through CBT, 20% because they were IDPs, 15% through nutrition programmes and the other 10% because they were vulnerable female-headed households or pregnant or lactating mothers.

Community focus group discussions and interviews with beneficiary and non-beneficiary households generally reported that the targeting process was fair and transparent. The most common problem reported related to targeting was that there were insufficient resources to be able to target all vulnerable households resulting in high rates of exclusion.

In all but one location, interviewees reported that no wealthier households or households not meeting the selection criteria had been included. In the one location, however, community members reported fraud during the targeting process, with wealthier families being added to the list by paying bribes. Baseline data results suggest that this was not widespread (see below). In another project, community leaders revealed that some households tried to influence the targeting process by attempting to include their family members on the lists, and consequently there was some double registration of the

<sup>53</sup> It is important to note that registration for the cash programme was only done once. Therefore if a household was part of the nutrition programme at the time of registration it automatically became a cash programme beneficiary as well. This prevented potential problems of households not feeding their children in order to be part of the cash programme, or not abiding by the nutrition programme protocols in order to keep their children malnourished and avoid discharge. Once registered, households remained beneficiaries of the cash programme regardless of when they were discharged from the nutrition programme. These issues were identified in other parts of Somalia through fieldwork relating to at least two other large-scale humanitarian programmes that target malnourished children, and were also mentioned in a 2008 targeting study undertaken in Somalia (Maxwell & Jaspars, 2008).

**Table 4: Estimations of possible targeting inclusion errors**

Baseline households	N	Possible inclusion error (%)
NOT exhibiting any indicator of household food insecurity and NOT targeted because of nutrition programme	174	4.27
With income greater than the cost of the FOOD MEB at start of project (3,736,264 SoSh) and NOT targeted because of nutrition programme	56	1.37
Reporting expenditure greater than the cost of the FOOD MEB at start of project (3,736,264 SoSh) and NOT targeted because of nutrition programme	34	0.83

same household under two different names. This led to conflict within the community, and the matter had to be resolved by community leaders.

Baseline data indicate that over 95% of sampled households reported falling into the proxy categories used to determine targeting accuracy.<sup>54</sup> Table 4 shows the number of households that have been included in the programme in error. This is based on the available monitoring data and assumes that implementing agencies have verified their beneficiary lists as part of the targeting process.

As indicated by the table, various different proxy indicators can be used to determine targeting errors: the indicators of household food insecurity; household income at the start of the project; and household expenditure. The household food insecurity indicators are significantly correlated with a number of indicators of wealth, including higher incomes, lower household debt, and greater meal frequency for adults and children, higher expenditure on food, and higher value of livestock owned. For this reason, they are considered to be the most reliable proxy indicator. Some households were targeted as a result of being part of a nutrition programme and were therefore not included in the calculations in Table 4.

Achieving these positive results with the targeting process has not been without its challenges, particularly in Mogadishu (see Chapter 5.10). High levels of population movement meant that many households who met the selection criteria were not included in the project, simply because they were not present in the location at the time of targeting. Both TFG and AS authorities attempted to influence the targeting process in certain areas, as reported below in the section on diversion.

### 5.3 Hawala performance and cash collection

Early in the project, there were a number of teething problems related to the payment process. These included long travelling times (over 2.5 hours in some areas) (Table A4) due to

<sup>54</sup> These were households who were either registered for nutritional feeding support or who reported one or more of the following indicators for household food insecurity at the time of the baseline survey: not having food in the house, going to bed hungry or going 24 hours without food.

insufficient distribution points and lack of a sufficiently ordered payment process resulting in significant waiting times for beneficiaries at distribution points, delays in cash distribution due to shortage of the right (small) note denominations that were clean and not torn (and not the old note style that is not accepted in the market) and low staff capacity. The payment process improved markedly over time, with many agencies opening up new distribution points, establishing ordered, faster systems for payment and employing more staff to cope with the high number of beneficiaries. Despite these problems, 100% of households ranked the overall process of cash collection as being 'good' or 'fair' in both the first and second quarterly surveys, with the vast majority (94% in QM1 and 95% in QM2) claiming that the process was 'good' (Table A6).

Households were asked if they had paid someone in order to receive their cash or vouchers. Although it is clearly difficult to establish a monitoring system where respondents will all feel able to report on diversion, survey results indicated that, in total (across all post-distribution monitoring surveys), 2% of sample cash beneficiaries (5% in Mogadishu) reported having paid someone to access their cash (Table A7). This may over-report this aspect of diversion, since in some cases these payments were reportedly given as gifts to relatives, probably meaning that the respondent had misunderstood the question. Nevertheless, this analysis errs on the side of caution and classifies these payments as diversion. This issue is explored further in Chapter 5.10.

Security at the *hawala* offices was universally ranked as good or fair (Table A8), but in some areas – particularly Mogadishu – beneficiaries claimed that they did not feel safe transporting the cash back home after the distribution; overall, 25% reported that they did not feel safe at the time of the first quarterly survey, though this proportion had declined by the time of the second quarterly survey (Table A10). This is likely to be due to the improving security situation in Mogadishu over the course of the programme. The level of insecurity following the withdrawal of AS forces from Mogadishu in early August 2011 was one of the factors in the decision of some agencies to distribute food vouchers rather than cash.

The performance of the *hawala* companies was generally considered by NGO staff to be satisfactory, but this was not

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the case for one *hawala* agent, who wanted to renegotiate the commission after signing the contract and threatened to suspend payments if their demands were not met. The same agent insisted that the NGO cover the cost of security for the transport of cash, although they were contractually bound to provide this. This *hawala* company took an unreasonably long time (up to two weeks after the transfer of funds) to distribute cash, and it initially refused to open an additional three distribution sites, eventually agreeing to open an additional two sites only. Such problems, however, were exceptional. All *hawala* agents interviewed said that they were happy with the communication with the NGO.

#### **5.4 Shopkeeper performance, voucher redemption and use of food**

The majority of voucher beneficiaries interviewed (86%) felt that there was a shopkeeper located at an acceptable distance from their home (Table A11). By the time of the first quarterly monitoring survey, time spent at the shop waiting to be served was down to less than 30 minutes for almost half (47%) of surveyed beneficiaries, and less than one hour for 85% of beneficiaries (Table A12). There were clearly some teething problems for shopkeepers participating in one of the voucher projects; in the first two monthly surveys, the majority of sampled beneficiaries (73%) reported that they had waited between 1.5 and two hours (Table A12), but the NGO intervened and these problems were resolved by the time of the quarterly survey. Waiting time partly depends on the number of beneficiaries served by a single shopkeeper, which is in turn related to the number of shopkeepers participating in the projects. Each shopkeeper served between 11 and 1,505 beneficiaries, depending on their capacity and the number of participating shopkeepers within a particular area. The majority of beneficiaries (88%) felt that there were enough participating shopkeepers (Table A13).

One of the disadvantages associated with voucher projects is that the trader knew who was a beneficiary and therefore could discriminate against them if they chose to do so. As a result, part of the project monitoring exercise involved asking beneficiaries if the traders treated them with respect (i.e. treated them like any other customer). Overall, 87% of respondents reported that they were treated with respect, and this figure was 98% for one of the implementing NGOs (Table A14). Related to the way in which the shopkeeper treats the beneficiaries is whether they are cheating them out of their full rations. Survey respondents were asked whether they had received the correct quantity of food when exchanging their vouchers. The results were very similar to the findings on respect: overall, 88% of respondents reported that they had received the correct amount of food, and this figure was 98% for one of the implementing NGOs (Table A15). In one location beneficiaries complained that they were not receiving the correct amount of food from the traders, and at the next distribution NGO staff brought along their own scales and

conducted random checks on food that had been distributed by the traders.

All participating shopkeepers were obliged to provide food of a certain quality, and both the NGO and local committees made quality checks prior to the redemption of the vouchers. When asked about the quality of the food received at the time of the quarterly survey, 88% of beneficiaries felt that this was acceptable, though there had clearly been some problems of quality in the initial stages of one NGO project (Table A16).

The post-distribution monitoring survey asked about the use of the food provided in exchange for the voucher, and the amounts consumed, sold, given away and in stock. The amounts consumed and in stock depended on the timing of the survey in relation to the receipt of the food, but it is interesting to note that small quantities of all food items (less than 6% of the amount received) were sold or given away (Table A17). In general, less than 10% of sampled beneficiaries reported selling food items in each of the various rounds of data collection. Given that the food provided was insufficient to meet household food needs, it can be assumed that food was sold in order to obtain cash for other household necessities.

The premise of the voucher projects was that beneficiaries would simply exchange the voucher for the allowed commodities. However, theoretically it is possible for the beneficiary to sell the voucher to someone else, or for shopkeepers to provide other goods or exchange the voucher for cash. According to the survey results, none of these possibilities occurred on a large scale: just 3% of sample beneficiaries reported having sold their voucher to someone else, though this figure was slightly higher for one NGO (7%) and also for the other NGO in the first PDM (6%). The survey results suggest that there were very few, if any, shopkeepers who were willing to exchange vouchers for cash (Table A20).

In general, the performance of shopkeepers was considered by NGO staff to be satisfactory, though some were late in submitting the required transaction receipts, and some shopkeepers experienced delays in getting the food items to the distribution sites (due partly to poor roads) in the early stages of one project. These issues were resolved as the shopkeepers became more organised. The shopkeepers always provided the correct food types, apart from one instance where a shopkeeper did not have sufficient stock at the time of the distribution, resulting in a delay in the beneficiaries collecting their commodities.

#### **5.5 Cash transfer size, frequency and preference**

The actual amount paid to beneficiaries varied among the NGOs and between regions according to the purpose of the project and local market prices. In the first six months of the CVMG programme, the size of the cash transfer ranged

from \$75 to \$126 a month, depending on the actual cost of the minimum expenditure basket in the local area. All but one project transferred the same amount each month. One project changed the amount of the monthly transfer according to changes in local market prices. Beneficiary households were asked if they felt that the amount being provided was adequate. Only approximately half of the beneficiaries reported that the transfer was large enough (Table A22). In situations where access was not possible in a particular month, two monthly instalments were subsequently combined in a single payment. By the time of the second quarterly survey, 89% of sample beneficiaries reported that they had received the amount of cash that they had expected (Table A23), suggesting that NGOs were good in passing information to beneficiaries in advance of the payments. In the first quarterly survey this figure was 73%, indicating that the ability of NGOs to communicate effectively with the beneficiaries improved as the programme progressed. Nearly all households receiving cash transfers expressed a preference for cash over vouchers (Table A24).

## 5.6 Voucher transfer size, frequency and preference

The value of commodities provided through the voucher was \$51–\$65, i.e. somewhat less than the value of the cash transfer; so direct comparisons are not possible. The voucher was designed to meet up to 70% of an average family's nutritional requirements,<sup>55</sup> and this was reflected in the data collected among sample beneficiaries, 63% of whom felt that the commodities procured with the voucher were not sufficient to cover a household's basic food needs (Table A25). Similarly, data collected by the IFMs reveal that most of the interviewed beneficiaries felt that the voucher was 'just enough' or 'barely sufficient' or 'enough for some commodities'; no one provided a definitive 'yes' in response to the question whether it was sufficient to meet basic food needs. Despite this, however, some beneficiaries reported that they had been able to save a little money, mainly for emergency purposes and also to contribute to starting a business in the future, or to buy clothes. Some beneficiaries had been able to start slowly paying off their debts, though only a few households interviewed by IFMs had been able to access credit.

It would appear that less than half (47%) of beneficiaries felt that the monthly distribution schedule suited their needs (Table A26), but no other information is given about this and further investigation is needed by IFMs and/or project staff. Although on the whole the majority of recipients were happy with vouchers, a sizable proportion of beneficiaries (38%) reported that they would have preferred cash instead (Table A27).

<sup>55</sup> The FSNAU minimum expenditure basket (Annex 2) indicates that households require at least 95kg of rice or sorghum and 3.75kg of wheat flour. Voucher beneficiaries received 25kg of rice and 25kg of wheat flour in Phase I. Both NGOs have increased the ration size for Phase II.

## 5.7 Feedback and complaints

In order to improve project accountability, all participating CVMG partners had a feedback mechanism in place to collect and respond to complaints or feedback from the communities with which they worked. The working environment and access issues within the project locations made it difficult for NGOs in some locations to actively mobilise communities. As a result, participatory approaches that would usually allow for the collection of feedback and complaints at village level were not feasible. In the urban environment of Mogadishu rapidly evolving community structures did not allow for a focal point for communication and awareness-raising.

As a result of these issues, most NGOs used a feedback mechanism that focused mainly on the beneficiaries. Although community leaders received complaints and feedback from other stakeholders, this was not recorded or counted in the statistics provided by the NGOs below. Most of the mechanisms were in place from October 2011, with beneficiaries having been made aware of the feedback process at the time of registration.

In most project areas agencies included staff contact names and phone numbers on the back of the identification (ID) card. Beneficiaries could then text (SMS) or phone project staff or put forward their complaints to the community committee or in person or in writing to the NGO directly. Some agencies set up toll-free lines so that people could call at no cost; others called the complainant back in response to a text message or phone call so that most of the phone charges were accrued by the NGO. While it is not known exactly what proportion of beneficiaries had their own mobile phone (see Box 2), some agencies recorded phone numbers for all their beneficiaries. In areas where beneficiary ID cards were not allowed<sup>56</sup> a phone number was displayed in prominent locations within the community so that beneficiaries (and others) could call the NGO to complain or provide feedback about the project.

### Box 2: Use of mobile phones in Somalia

Little information is available about the coverage of mobile phone networks in Somalia. In recent years a number of highly competitive telephone companies have entered the market. As of 2009 the World Bank estimated that mobile cellular subscriptions are at 7% of the population, while the three largest telephone networks in Somalia report a combined 1.8 million users (19% of the population). Other, more recent, estimates report that the actual figure for mobile ownership is much higher – up to 39% of the population.

Sources: <http://data.worldbank.org>; Infoasaid (2012) *Somalia Media and Telecoms Landscape Guide*.

<sup>56</sup> In some project locations, the local authorities banned the use of identification cards.

The percentage of sampled beneficiaries who were actually aware of the feedback mechanism at the time of the first quarterly survey was just 24% (ranging from as low as 6% to as high as 100% for different NGOs), rising to 55% by the time of the second quarterly survey (Table A28). Although NGOs had clearly improved their communication to beneficiaries about the feedback mechanism, some still needed to make more effort in creating awareness about the mechanism.

Most, though not necessarily all, of the complaints received by the NGO offices were recorded on a complaints form, which was then submitted to the CVMG monitoring team at the end of each month for analysis. In the early stages of the programme, when there were a lot of complaints regarding minor issues, NGO staff dealt with many issues on the spot and did not have time to record them on the form. For the complaints that were recorded, the vast majority (95%) were successfully resolved, though, as noted above, more community awareness was needed about the complaints process.

Local leaders, the NGO, the *hawala* company and beneficiaries all worked together to make the complaints mechanism work. For example, it was reported by community leaders that, when a beneficiary came to the community leaders with old or torn money, the leader went with the beneficiary to the *hawala* office to make sure that the *hawala* agent changed the money. In another case, a female beneficiary who had recently delivered a baby could not go to collect her money, so local leaders took the matter up with the NGO, and the NGO made the necessary arrangements with the *hawala* agent to allow the

### Box 3: Complaints recorded by NGOs, October 2011–March 2012

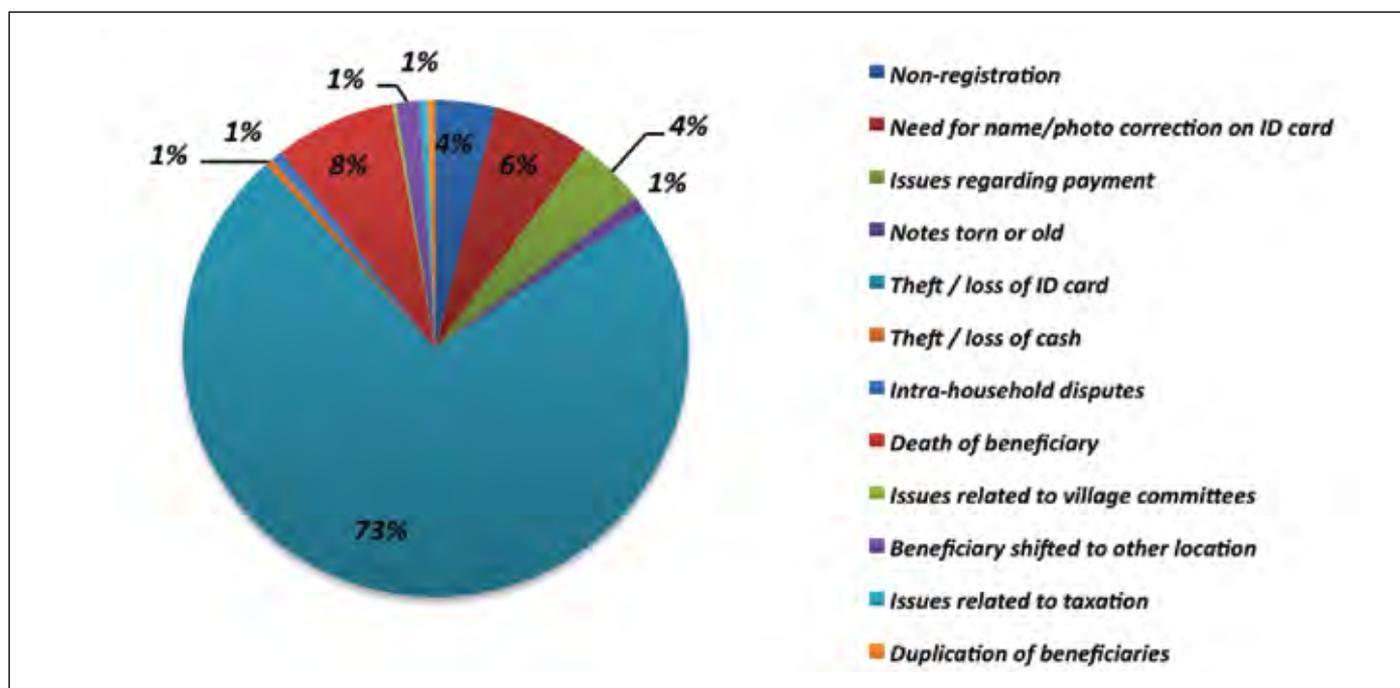
Total number of complaints recorded = 803  
 Number of complaints successfully resolved = 773 (96%)  
 Number of complaints still unresolved = 30 (4%)

woman’s husband to collect the money on her behalf. Clearly, local community leaders were able to handle some complaints, whereas others required the involvement of the NGO.

Figure 5 illustrates the different types of complaints recorded by the NGOs. Information is available only for five agencies, all of which were distributing cash. No data are available from voucher agencies. As would be expected, the types of complaint changed slightly during the reporting period, as shown in Figure 6. Most notable was the increase in lost ID cards over time. It is possible that some of these incidents may relate to cases where gatekeepers confiscated ID cards,<sup>57</sup> although there are no data to confirm this, as described in Chapter 5.10. Overall, very few complaints were recorded on the process of targeting (non-registration), or about payment issues.

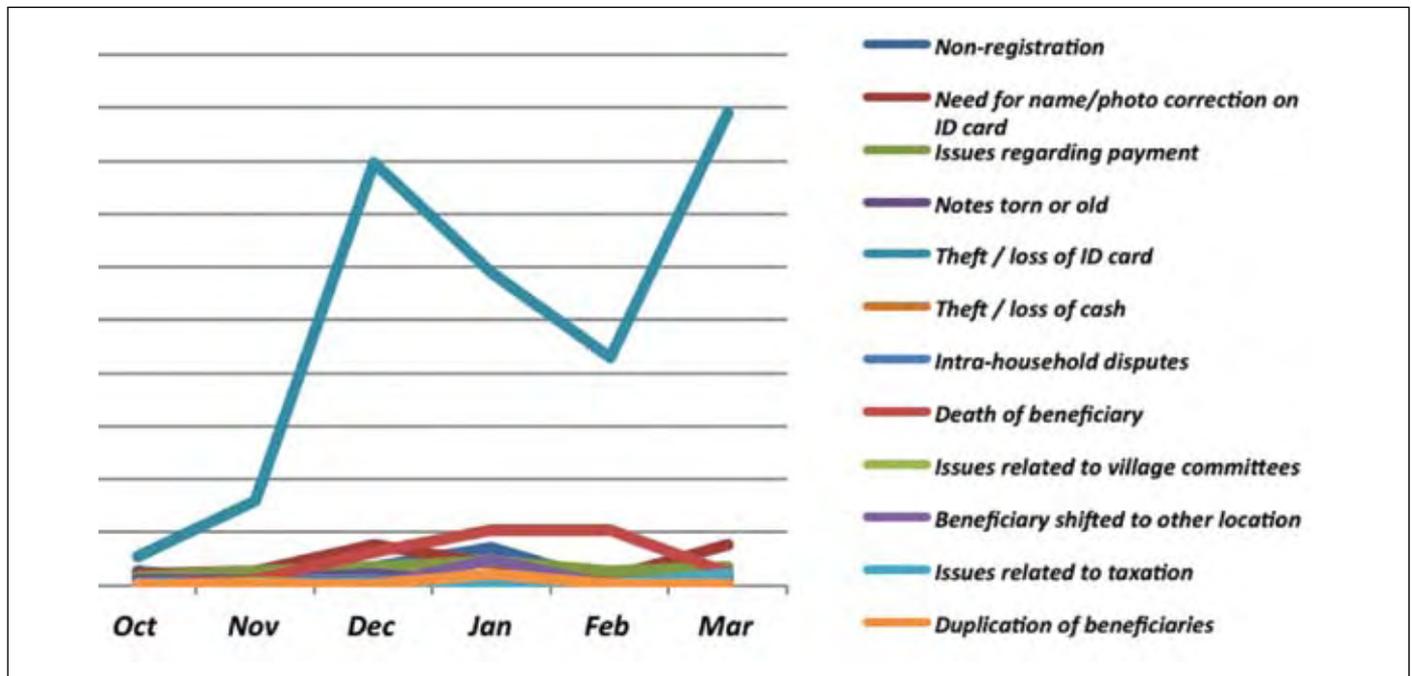
Although the feedback mechanism proved vital in capturing simple operational issues that needed to be rectified (e.g. corrections to beneficiary ID cards, replacing lost ID cards) and also in highlighting cases of taxation, the system was not designed to capture feedback from non-beneficiaries and other

Figure 5: Complaints recorded by NGOs, October 2011–March 2012



57 A gatekeeper is a self-imposed camp leader, security focal person or community leader who has some degree of power and influence in their local area, and helps IDPs to gain access to aid and other services.

**Figure 6: Changes in complaints recorded by NGOs, October 2011 to March 2012**



stakeholders, and did not capture fundamental issues such as inclusion and exclusion errors.

### 5.8 Taxation and diversion

In an insecure, fragile state such as Somalia, diversion is a very real risk. The allegations of large-scale corruption and subsequent diversion of WFP food aid in 2009 and 2010 meant that monitoring for diversion was essential, albeit difficult. As a result, the CVMG developed a working definition of diversion (including taxation) to help all the participating NGOs and the monitoring teams understand what needed to be monitored and reported, as shown in Box 4. The definition will be revised for Phase II.

Information about taxation and diversion presented here comes from the NGOs themselves, PDM surveys and interviews, focus group discussions and informal discussions conducted by the IFMs. Beneficiary households, non-beneficiaries, community leaders, traders, *hawala* agents and NGO staff were all asked about taxation and diversion or rumours of diversion. Needless to say, it is particularly difficult to gather information about diversion, and the IFMs relied on triangulated evidence from informal discussions with a range of reliable, well-known (often personal) contacts. In many cases, rumours of diversion were followed up by the IFMs, who found no evidence to substantiate them and concluded that such rumours arose out of jealousy on the part of those not benefiting from the programme. Most of the information presented below on widespread taxation or attempted large-scale diversion by local authorities comes from the NGOs, whereas smaller-scale, less widespread incidents of diversion tended to be picked up by the IFMs.

#### Box 4: Definition of 'diversion'

- Taxation of beneficiaries by local militias or local authorities, landlords, shopkeepers, community committees, NGO staff, etc., who demand payment either on a one-off or regular basis.
- Errors of inclusion in targeting, where those who do not meet the targeting criteria are included in beneficiary lists through personal connections, political association, bribery or force/threats.
- Double registration of beneficiaries (whether intentionally or unintentionally).
- Registration of 'ghost' beneficiaries (i.e. use of false names and profiles that allow money to be collected).
- Registration of fewer beneficiaries than reported by the NGO, allowing funds to be retained by the NGO.

Over the course of the first six-month phase of programme implementation the following cases of diversion (or attempted diversion) were reported:

- **Attempts by TFG and AS authorities and militia to influence the targeting/registration process.** Focus group discussions in one area reported that some militia loyal to the TFG attempted to influence the targeting process by trying to forcibly recruit their family members and sympathisers, and exclude those perceived as renegades from the cause. These attempts were reportedly futile and intervention was sought from the TFG to convince the militia group to allow the targeting process to continue smoothly. In another location, AS members insisted on registering their own households on the beneficiary list. This meant

that an entire beneficiary list for that location (2,900 households) had to be cancelled as it was impossible to only remove the AS names. Replacement beneficiaries were then identified in another location.

- **Taxation of the implementing NGO by local authorities.** One implementing partner reportedly had its operations suspended by AS because it refused to pay AS 30% of the value of the transfer. Where taxation demands made on the NGO were refused and the NGO was allowed to continue to implement the project, NGO staff felt that it would have been more likely that beneficiaries or even NGO staff themselves might be taxed instead.
- **Taxation of beneficiaries by local authorities.** In one TFG-controlled area, the local authorities openly began taxing beneficiaries \$20 per household. As soon as the implementing partner found out about this, discussions were held with the TFG authorities and it was stopped. The authorities then returned the taxes to the 50 or so beneficiaries concerned, under the supervision of the NGO.
- **Taxation of beneficiaries by gatekeepers and others.** Survey results indicated that, in total (across all cash post distribution monitoring surveys), 2% of sample cash beneficiaries (5% in Mogadishu) reported having paid someone to access their cash. In some cases these payments were given as gifts to relatives, and it is clear that the respondent misunderstood the question. Nevertheless, the analysis erred on the side of caution and classified all such payments as diversion. In Mogadishu, many of these payments are thought to have been made to gatekeepers, as described in Chapter 5.10. Assuming that each payment was approximately \$10 (as reported by IFM and NGO staff), the total amount diverted through such payments is estimated to be up to \$18,940, or 0.04% of the total cash amount transferred (Annex 10).
- **Taxation of traders and *hawala* agents by local authorities.** All traders and *hawala* agents are theoretically obliged to pay tax to the authorities as a matter of course, though not all reported paying taxes in practice. A very small number of traders reported that the authorities tried to increase the amount of tax required; some reported paying the increased tax, while others did not. Whether traders paid the increased tax or not did not affect the cost of goods to beneficiaries.
- **Double registration, both unintentional and intentional.** In the first distribution made by some projects, it was found that there was some unintentional double-registration – up to about 40 or 50 households in one case – and the list was corrected by removing the names and the *hawala* agents were informed. In another location, focus group discussions with community leaders revealed that some beneficiary households were registered twice under different family members' names. This issue led to tensions within the community and the community leaders were addressing the matter at the time of the data collection.
- **Errors of inclusion.** As mentioned above (Chapter 5.2), reports from one location suggested that wealthier families paid bribes to be included in the registration process. Evidence from the baseline data suggests that

this was insignificant. As previously mentioned, the Phase I monitoring system is unable to accurately determine targeting errors, and this will be reviewed in Phase II. Using the proxy indicators described in Chapter 5.2 inclusion error is estimated at 4.27%.

Based on the Phase I monitoring information and based on the working definition of diversion used by the CVMG, the total quantifiable error as a result of mis-targeting or diversion is estimated to be 4.3% of the total value of cash and vouchers transferred (refer to annexes).

### 5.9 Other implementation challenges (outside Mogadishu)

Apart from those already mentioned above, NGO staff reported a number of other challenges. These challenges are not specific to cash-based programming, but rather highlight the problems of working in a complex environment such as Somalia. Some of the challenges are listed below:

- Lost registration cards proved costly to replace and occupied much staff time.
- Whilst the security situation generally improved in TFG areas as the project progressed, making movement easier for project staff and enhancing the ability of traders to access the required goods, the security situation in some areas changed according to the mood of the local militia on the ground. In some areas, armed militias at payment sites posed security threats to staff, beneficiaries and *hawala* agencies. In one case, the *hawala* company decided to provide small payments to local armed guards of SoSh 100,000 (less than \$5) on the day of the cash distribution so as to avoid any potential problems.
- There was some misunderstanding among beneficiaries about the project, both in terms of objectives and the registration card; some beneficiaries thought that the registration card would allow them to benefit from all future projects.
- The number of people from households in need was far greater than the resources available, and NGOs constantly had to deal with requests from non-beneficiaries.
- Population movements led to influxes of new IDPs into project areas as well as the movement of beneficiaries out of project areas back to their homes. Both of these were a challenge; there were insufficient resources to deal with the new arrivals, and NGOs have been exploring ways in which they might continue to support existing beneficiaries after they return home. At the time of writing, beneficiary IDPs who had returned home either left a relative in the project area to collect their voucher/cash, or paid for transport to go back to the project area each month to collect their monthly payments.
- There was sometimes a lack of coordination with other agencies implementing projects in the same areas, particularly in Mogadishu. As can be seen from Error! Reference source not found. some beneficiaries received

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other forms of support, but there was very little information sharing among implementing agencies, often resulting in overlap and duplication of activities, according to interviews with NGO staff.

- High levels of uncertainty and stress are involved in working in Somalia, particularly in areas controlled by AS; many variables influence the current context (e.g. Ethiopian forces, Kenyan incursion, the whims of AS), and it is impossible to predict what is going to happen next. This uncertainty made it extremely difficult to plan for both the current intervention and future programmes.
- Challenges relating to remote support were reported by NGO staff based in Nairobi. Although there is a very good level of trust in in-country staff and local implementing partners, it is difficult to support a programme in an area that senior managers (non-Somalis and in some instances Somalis) are unable to visit, and where they have no first-hand, detailed view of what is actually happening on the ground.
- For one of the voucher projects, financial forecasting proved to be a challenge due to the scale of implementation of the project. Financial forecasting (both for staff salaries and for the value of the vouchers) was needed in order to calculate cash flows and limitations, particularly with the increases in beneficiary numbers that occurred during the project period as new funding became available.
- With a large number of donors and piecemeal funding, donor reporting was very time-consuming. For some projects, specific geographical areas for each donor not only increased the reporting workload, but also limited the flexibility to relocate the project when access was not granted.

### **5.10 Additional implementation challenges specific to Mogadishu**

Among the CVMG partners, a total of six local and international NGOs were implementing cash or voucher projects in Mogadishu in Phase I, accounting for some 38% of the total beneficiaries supported, and 49% of beneficiaries in the areas where monitoring data were collected. The three main implementation challenges in Mogadishu related to gatekeepers, targeting and coordination.

A gatekeeper is a self-imposed camp leader, security focal person or community leader who has some degree of power and influence in their local area and helps IDPs to gain access to aid and other services. They are generally regarded by aid agencies in a negative way because they prevent direct access to beneficiaries and are often perceived as exploiting IDPs. However, it should also be noted that they perform several functions that are of benefit to IDPs. These functions might include providing land on which IDPs can settle; acting as a link between IDPs, landlords and NGOs; providing security in the camps; and advocating on behalf of IDPs.

In return for these services, they are often paid or given some amount of the aid that is received by the IDPs – this ‘service

payment’ is generally made out of choice on the part of the IDP. Although some gatekeepers have a good relationship with IDPs and are reasonable in their expectations of returns, others can be exploitative and can demand excessive payments from IDPs. Some gatekeepers can be particularly aggressive and have intimidated and harassed project staff; when such gatekeepers employ armed militia, the situation can become highly dangerous. In such a case, one NGO decided to withdraw from two IDP camps, choosing to work instead in camps where the camp authorities were more supportive and honest. It is assumed that the small percentage of sample cash beneficiaries who reported having to pay someone to receive their cash had made payments to gatekeepers. Although these payments might be made out of choice in return for services provided, they are still regarded as diversion. Further details about such payments will be collected in Phase II to better determine their scale and what proportion of payments made to gatekeepers can be considered as diversion.

The second major challenge facing cash-based programming in Mogadishu related to targeting. Whilst targeting is always a challenge for any input distribution programme, the desirability of cash in comparison to other forms of aid makes targeting an especially sensitive issue. In an urban environment, with high population density and an influx of IDPs from other areas, the scale of need is extremely high. Combined with the lack of coordination among aid agencies and the frenzied atmosphere at the time of the start of the cash-based projects, targeting was very difficult. NGOs found it time-consuming to get the necessary clearance from politicians, local administrations and gatekeepers in order to operate in a particular area, and in some areas it was difficult to identify the actual power-holders as opposed to the de facto leaders. Passing information to communities about the projects was also a challenge due to the lack of effective communication channels.

Even targeting IDPs was not straightforward since Mogadishu has large populations of long-term displaced in addition to the influx of more recent IDPs due to the famine. Decisions also had to be made about targeting IDPs versus host communities. Frequent population movement posed a challenge; one of the main coping strategies of IDPs was to relocate within the city in order to access more aid or escape exploitative gatekeepers. Population movements can result in unintentional double registrations, and more time is needed to target properly, with greater emphasis on validation and vetting processes. Community-based structures established by the project need to be replaced when leaders move to new locations. Population movement was not only a challenge in relation to targeting; in February 2012, over 12,000 beneficiaries of one NGO were forcibly evicted from IDP camps on government land in the wake of the reconstruction boom. Most of these beneficiaries relocated to other IDP camps in the city and were eventually traced and reached with assistance.

Community-based targeting (CBT) relies on community-based structures to determine the specific targeting criteria to be used, and to identify those who qualify as beneficiaries. In urban areas, however, community-based structures are often lacking and are difficult to establish for some of the reasons mentioned above. Households within a camp or neighbourhood tend not to know each other as they would in rural settings, making sensitisation, mobilisation and community-based targeting very difficult.

Coordination became particularly challenging in Mogadishu following the withdrawal of AS forces in August 2011, allowing for a large influx of aid agencies. The UN cluster-based mechanism for humanitarian coordination proved dysfunctional in Mogadishu as all decision-making was being done from Nairobi. In addition to the agencies that operate within the cluster mechanism, a large number of Middle Eastern and Turkish agencies were also present, and which have not traditionally been part of the cluster coordination mechanism, as well as a significant number of very small NGOs of both Somali and international origin. Another challenge was the fact that many

of the IDPs from the Bay and Bakool areas spoke only their local dialects, necessitating translation in order to communicate with them effectively.

### 5.11 Cost, speed and management efficiency

To determine the cost-efficiency of the projects, the proportion of the total budget that was intended to reach the beneficiaries was compared across different project types, as shown in Table 5. Given that these are budgeted amounts and not actual costs, the figures in the table should be treated with caution. Overall, for the data available, 76% of project budgets was intended to reach the beneficiaries directly.<sup>58</sup> The figures were 73% for cash projects implemented by INGOs, 83% for cash projects implemented by local NGO partners and 84% for voucher projects implemented by INGOs. The slightly lower figure for the INGO cash projects is partly due to the fact that these were Cash Consortium projects and individual project budgets included funding for Consortium coordination as well as the CVMG monitoring exercise, whereas this was not included in any of the other project budgets in the table.

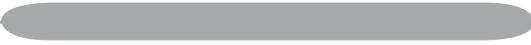
**Table 5: Cost-efficiency of transfer delivery**

Agency	Project type	Total budget (\$)	Number of beneficiaries	Average value of transfer (\$)	Duration (months)	Total value of transfers to beneficiaries	Percentage of total budget for beneficiaries
INGO	Cash	2,716,472	10,000	115	2.0	2,300,000	85
INGO	Cash	12,553,017	13,000	115	6.0	8,970,000	71
INGO	Cash	660,113	5,300	115	6	365,700	55
INGO	Cash	10,816,000	11,000	120	6.0	7,200,000	65
INGO	Cash	1,620,000	5,000	118	2	1,180,000	73
INGO	Cash	10,079,506	15,000	116	4.5	7,807,500	77
INGO	Cash	577,567	525	116	6.0	365,400	63
INGO	Cash	3,537,973	15,000	120	1.5	2,700,000	76
Average for INGO cash projects							73
Local partner	Cash	2,000,000	6000	87.5	3.0	1,575,000	79
Local partner	Cash	4,000,000	6000	95	6.0	3,420,000	86
Average for local partner cash projects							83
INGO	Voucher	759,151	4,375	65	2	568,750	75
INGO	Voucher	910,000	2410	58	6.0	838,680	92
INGO	Voucher	4,000,000	9300	58	6.0	3,236,400	81
INGO	Voucher	4,000,000	10,100	58	6.0	3,514,800	88
Average for INGO voucher projects							84
<b>Average for all projects</b>							<b>76</b>

NB. The figures in this table come from project budgets and are not actual costs. Not all project budgets were available for analysis at the time of writing.

<sup>58</sup> The proportion of money budgeted to reach beneficiaries directly was far higher than for a comparable food aid project, based on WFP's PRRO budgets in Somalia over the past three years.

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Start-up speed has been described in Chapter 5.1, but no information was available for the projects implemented by local partners at the time of writing, so a full comparison is impossible here. One INGO voucher project had the shortest start-up time, and one of the INGO cash projects was also implemented according to the planned timetable. The latter, however, was slower in terms of the time taken to prepare a proposal and secure funding, largely because it was part of the Cash Consortium rather than operating as an individual agency. Although slower due to funding issues, operating under the consortium approach had a number of advantages for the agencies involved. As a consortium, the agencies were able to secure large amounts of funding as a result of their combined

advocacy, they were able to share methodologies and discuss operational and technical issues together, and they were able to coordinate and harmonise their approaches.

Other factors that contributed to the efficient management of projects were the level of experience and overall capacity to implement cash-based programmes. As mentioned above, coordination and shared experiences among the Cash Consortium partners were also advantageous. Although the CVMG itself was not intended as a coordination mechanism in terms of implementation, information-sharing among the CVMG partners and the informal sharing of experiences also led to improved programming.



# Chapter 6

## Impacts on markets and traders

During the design phase of the programme there was considerable concern among some actors that large-scale cash transfers would cause food price inflation if supply failed to meet the increased demand. As such, a schedule for the weekly monitoring of prices of food and non-food items in 75 markets where transfers were being made was built into the programme's monitoring system. Such information, analysed and reported monthly, was intended to enable agencies to identify and, if necessary, respond to inflation trends before the purchasing power of the transfer was eroded to the point that food security impacts were negated.

The market survey tool and approach were based on those developed by the Food Security Nutrition Analysis Unit, and much of the analysis regarding purchasing power presented in this section is based on the Minimum Expenditure Basket (MEB), as defined by FSNAU.<sup>59</sup> The MEB identifies the type and quantity of food and non-food commodities and services deemed as the minimum required by the average-sized family in rural and urban areas of Southern Somalia. Seasonal<sup>60</sup> shortages of certain domestically produced key staples – notably milk and sorghum – occur in normal years, compelling households to do without (in the case of milk) or rely on imported alternatives (rice where sorghum is not available). Drought and conflict have amplified these scarcities, meaning that households have found it particularly difficult to meet their minimum food needs. In recognition of the fact that households often have to buy rice as a substitute for sorghum, FSNAU provides MEB scenarios for both commodities. Given the shortages of sorghum experienced in programme areas in October and December, calculations of the price of an MEB are based on rice for these months and on sorghum in the months December to March.

Data collected by the CVMG show that an MEB comprising sorghum was on average 20% cheaper than one based on rice in urban areas, and 28% cheaper in rural areas. Furthermore, the cost of purchasing the MEB specified for rural areas was just under one-third less expensive than that prescribed for urban households, mainly because it was considered that rural families were able to source certain elements of their food and non-food entitlements (e.g. meat, milk, cow peas and firewood) from their own production.

### 6.1 Availability of food and non-food items

Shortages of sorghum in the market were the main issue affecting cash transfer beneficiaries in the early months of

the programme, when it was found in less than 80% of the markets sampled (Figure 7). However, some form of cereal (rice or sorghum) was always available in 85% of markets over the programme period. As a result, in the vast majority of cases beneficiaries were able to purchase a cereal staple even if they had to cut expenditure on other food types in order to purchase sufficient quantities of rice.

While the availability of sorghum rose gradually over the course of the programme (resulting in an average drop in price of 60% between October 2011 and March 2012; see Chapter 7.2), supplies of milk – also in short supply in October 2011 – increased rapidly, as production from animals benefitting from pasture instigated by the relatively good *Deyr* season rains came on to the market. Supplies of cowpeas were erratic throughout the programme period and the foodstuff was never available in more than 85% of markets sampled in any single month.

At a regional level, Banadir (Mogadishu) fared best, with shortages experienced only in October 2011, while CVMG data show that Gedo and Lower Juba<sup>61</sup> were most prone to supply constraints, particularly of sorghum, milk and cowpeas, although supplies of imported rice were consistently good throughout the programme period. There is evidence from beneficiary households in these regions that, even in these markets, supplies increased when traders responded quickly to the increase in effective demand created by the cash transfers: beneficiary and non-beneficiary households interviewed in most project areas reported that the quantity and diversity of the produce in local markets increased after the cash transfer programme started and demand increased.

Traders confirmed that more food became available over the course of the programme, though this was more likely to be a reflection of the normal seasonal trend of improving supply after the *Deyr* harvest than a result of the cash intervention. Nevertheless, some traders found it difficult to meet the increase in demand, sometimes because of lack of capital or access to credit or because of access issues related to fuel and transportation costs and checkpoints.

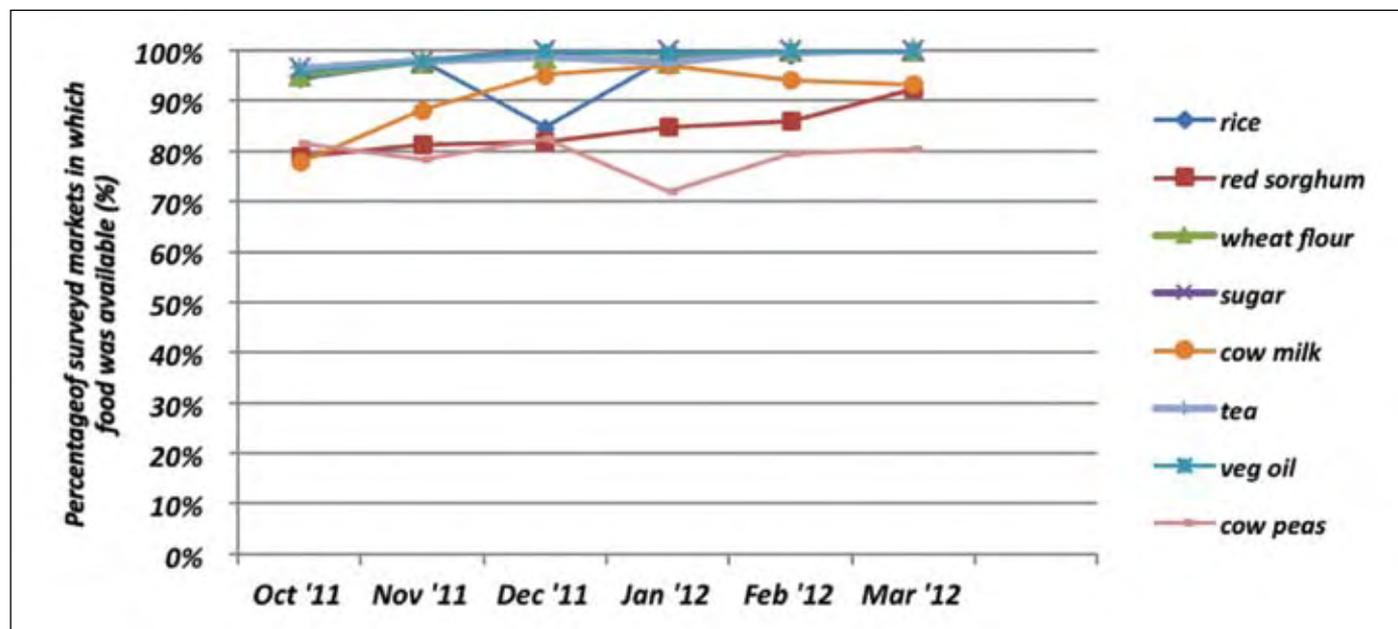
Beneficiaries reported no overall decline in the quality of the food available, although the wide range of prices (as much as 20%) for the same commodity would indicate that differing qualities of produce were available, as well as reflecting market competition. In no cases was it found that local authorities had tried to control prices.

59 At the time of writing the FSNAU is recalibrating its food and non-food MEBs for urban and rural areas.

60 In a 'normal' year, the main rainy season ('Gu') runs from April to June, while the less intense '*Deyr*' rains last from October to December.

61 FSNAU reports that parts of Gedo and Middle Shabelle and Middle Juba are less well integrated into the wider network of markets in Southern Somalia in that they sometimes have difficulties in responding to demand for imported rice.

Figure 7: Availability of selected food items



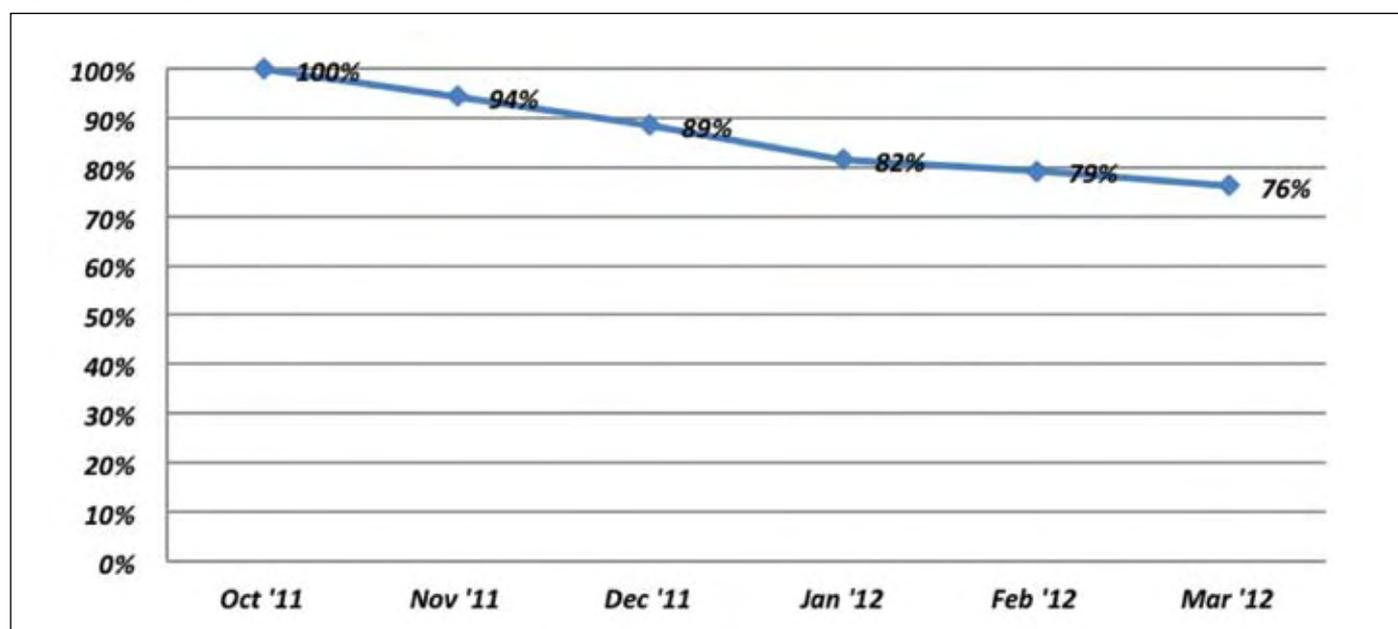
## 6.2 Price fluctuations and changes in the Consumer Price Index (CPI)

The consumer price index (CPI), which tracks the prices of MEB foods fell by 24% between October 2011 and March 2012 (Figure 8), signifying an overall drop in the price of food across the operational area as the programme progressed, and reflecting normal seasonal trends in Southern Somalia. From the beneficiary's point of view, this was clearly a good thing and, all other things being equal, this price drop would have resulted in the beneficiary being able to buy significantly

more food with their transfer in March 2012 than they were able to in October 2011.

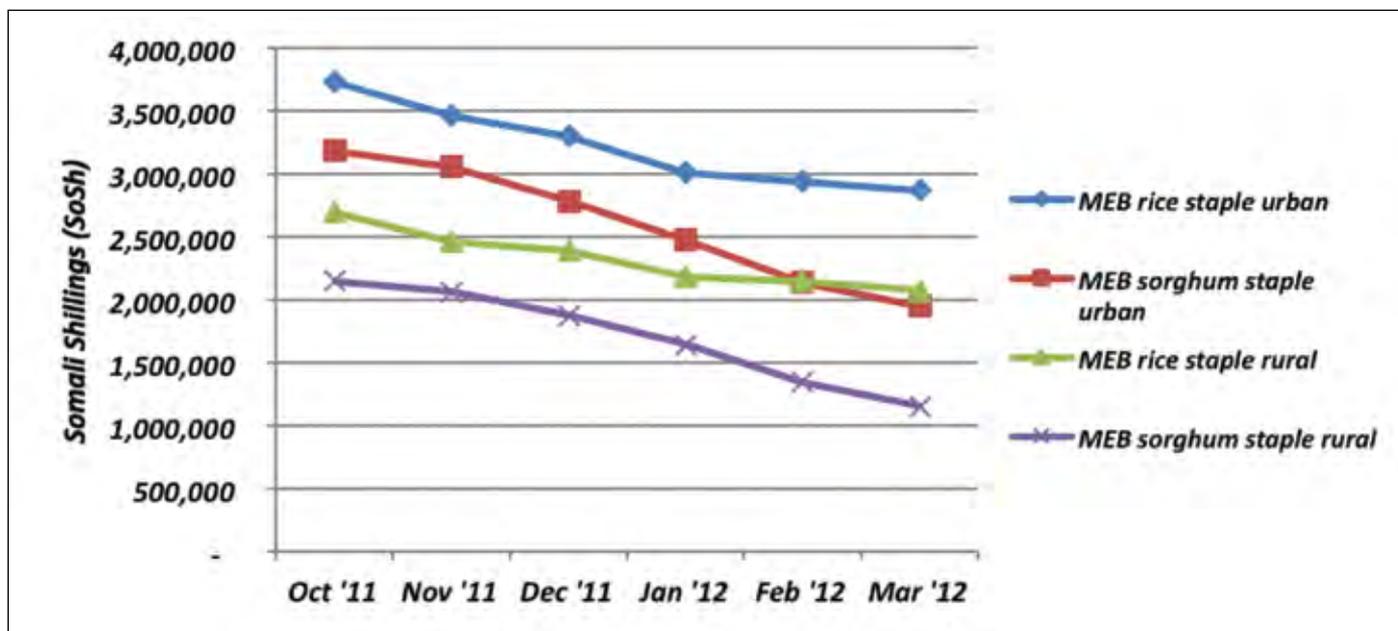
The drop in the CPI was largely driven by declining cereal prices<sup>62</sup> (27%–60% decline) (Figure 9). Only one MEB commodity – goat meat – increased in price over the period in question, possibly as a result of the large destocking intervention funded by the Turkish government over the same period as the cash transfer programme. Plummeting prices (albeit from an unusually high baseline) translated into a drop in the cost of the food MEB of between 26% and

Figure 8: Change in Consumer Price Index (CPI) October 2011–March 2012



<sup>62</sup> Cereals are afforded a higher weighting in the CPI, and so have a larger impact.

Figure 9: Change in price (SoSh) of Food MEB based on staples of rice and sorghum: October 2011–March 2012



46%, depending on whether rice or sorghum is used as the main staple of choice (Figure 9).

Post-distribution monitoring data show that, on the whole, beneficiaries felt that traders kept prices as low as possible rather than trying to take advantage of the increase in demand, which in any case would have been difficult in many areas given the competition between traders in Somalia. Interviews with traders in October 2011 reveal that the main factors affecting price were distribution of food aid (in Mogadishu), the condition of the roads (in the wet season) and the cost of fuel; by February 2012, traders were still concerned about the influx of food aid in Mogadishu and the cost of fuel, as well as taxes imposed by the local authorities.

FSNAU market price data confirm the price drops found by the CVMG.<sup>63</sup> FSNAU reported in December 2011 that prices of local grains had decreased due to new supplies from the very small *Gu* harvest, some limited cross-border trade, the off-season harvest and the entry of relief food into the market.<sup>64</sup>

### 6.3 Exchange rates

The large influx of US dollars into Somalia since October 2011 through relief operations, remittances from overseas, foreign investment and income from overseas livestock sales were the main reasons behind the Somali Shilling strengthening in value by 20% between October 2011 and March 2012 (Figure 10). As transfers were made in US dollars that the

Table 6: Factors affecting prices (as perceived by traders)

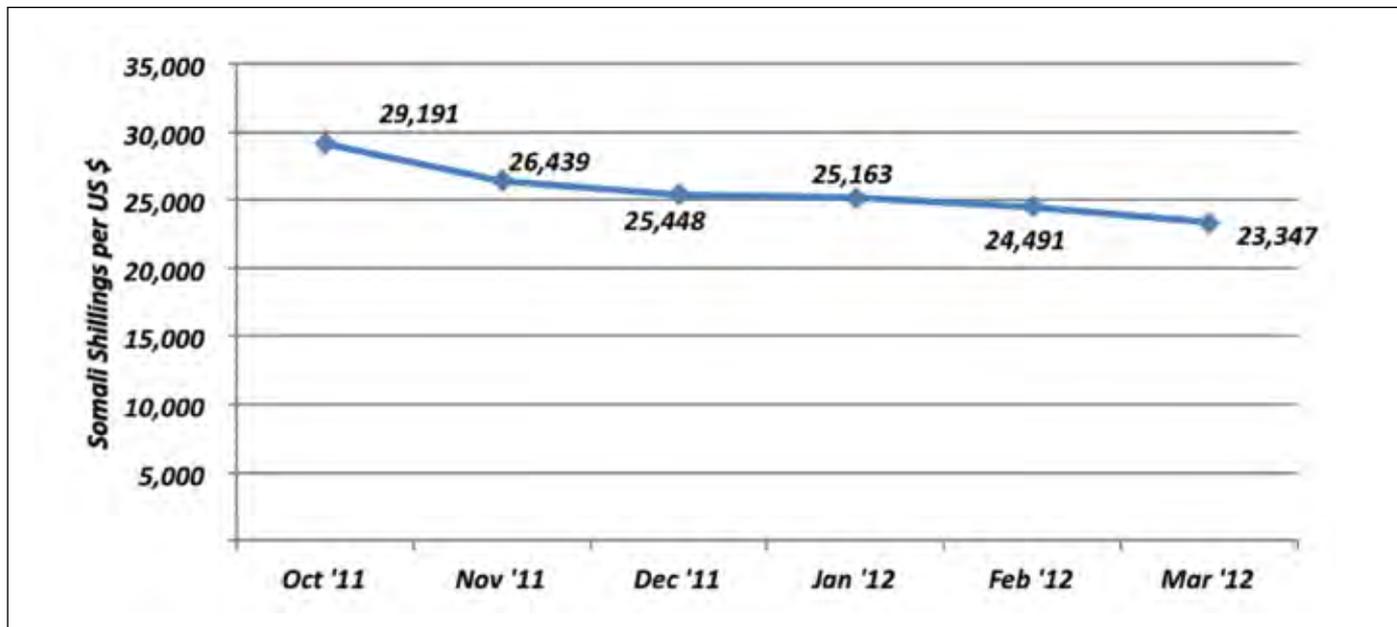
Factors affecting price	Round 1 (QM1) data collection		Round 2 (QM2) data collection	
	Total score *	Average ranking 1= most important 5 = least important	Total score *	Average ranking 1= most important 5 = least important
Distribution of food aid	30	2	33	2.4
Condition of roads (in rainy season)	30	2	43	3.9
Cost of fuel	31	2.1	34	2.4
Increase in demand due to cash/ voucher interventions	33	2.2	61	4.4
Currency fluctuations	34	2.3	46	3.3
Taxation of local authorities	34	2.3	37	3.1
Number of checkpoints	39	2.6	58	4.1

\*The total score is the sum of rankings given by each individual trader. Factors that were not included in a particular trader's ranking were allocated a score of 5 in order to calculate the average rankings.

<sup>63</sup> The evaluation team is conducting further analysis of market data.

<sup>64</sup> FSNAU (2011) *Special Report: Market functioning in southern Somalia – 15 December 2011*. FEWSNET Washington.

Figure 10: Exchange rate: Somali Shilling/US dollar, October 2011–March 2012



recipient then had to exchange for Somali Shillings, this appreciation of the Shilling could have been disadvantageous to beneficiaries. Fortunately, as explained in the previous section, the same period also saw a general fall in the price of food commodities, thereby ameliorating the decline in shilling incomes. In only one area was the size of the transfer very moderately increased in order to keep purchasing power stable in the face of the falling exchange rate.

The choice of US dollars as the transfer currency was made for sound budgetary and logistical reasons, but there were problems associated with its use in that, in some isolated cases, exchange agents offered a lower rate on cash distribution days (e.g. from 2,800,000 SoSh on a normal day for US\$100, to 2,200,000 SoSh on cash distribution days). There is a contrary

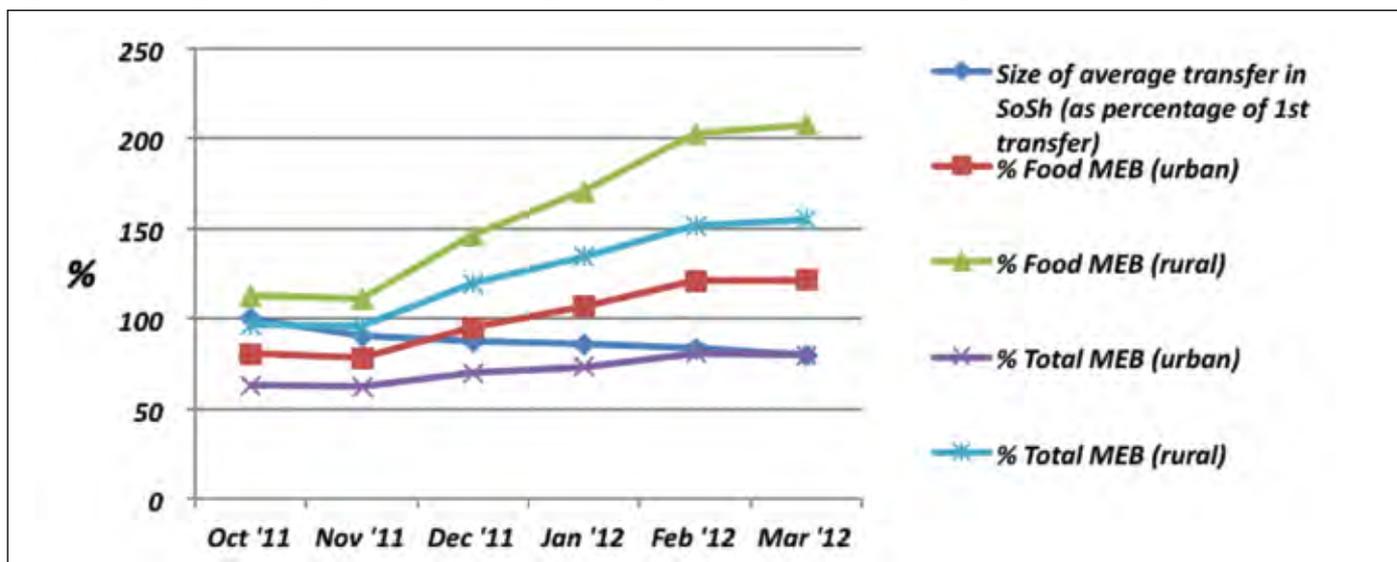
example where AS authorities ensured that exchange agents did not lower their exchange rates on cash distribution days.

#### 6.4 Purchasing power of cash transfer

The depreciation of the shilling meant that, by March 2012, beneficiaries were receiving just four-fifths of the quantity of local currency that they had received at the start of the programme. Clearly a reduction in the quantity of shillings that a beneficiary gets for their dollars has a negative impact on purchasing power, though as discussed above this strengthening of the local currency was mitigated by the fall in food prices.

The MEB can be calculated using sorghum or rice, which is more expensive. The programme was designed to cover all

Figure 11: Average monthly transfer size and percentage of food and total MEB purchased



or a percentage of food needs based on the sorghum MEB (which is on average 20% cheaper than a rice-based MEB in urban areas, and 28% cheaper than rice in rural areas). However, because of the poor availability of sorghum in operational areas at the programme's inception, the rice-based MEB was used for October and November, and the sorghum MEB was used from December 2011–March 2012.

Figure 11 shows the average percentage of the food and total MEB that beneficiaries were able to purchase over the duration of the programme with the average transfer size of \$104. The mean shilling value of the transfer is also represented as a percentage of its value at the first distribution. The main observation that can be made is that the percentage of the MEB that the transfer purchased rose significantly over the course of the programme, particularly once sorghum was available in sufficient quantities for it to be a viable alternative to rice. This improvement was due to seasonally predictable falls in the price of food grains, which as noted were large enough to counter the appreciation of the shilling against the dollar that happened at the same time.

Two important points must be made, however. The first is that the chart presents the purchasing power of the average transfer: NGOs operational in urban areas distributed transfers with a value 10%–15% higher than the average, enabling beneficiaries to buy at the worst 92% of their food MEB, and at best 142%. Second, it should be noted that, in some areas, transfers could not be made every month, and these figures are omitted from the data on which this chart is based.

In Mogadishu (urban) where no disruption to payments was experienced, a slight increase in the size of the transfer and falling sorghum prices meant that beneficiaries were able to buy at least 10% more of their total MEB than they were at the beginning of the programme (Figure A3). However, increases in rice prices meant that beneficiaries' ability to buy a rice-based MEB decreased slightly. The same picture emerges in Gedo (Figure A4), where beneficiaries' purchasing power with regard to a sorghum-based MEB increased by as much as 32% over the course of the programme. Again, increases in the price of rice negatively affected their ability to buy an adequate diet in which rice is a staple component. For Hiran and Lower Juba, purchasing power rose gradually until December and January before distributions for some projects were halted (Figure A5; Figure A6). While transfers were being made, beneficiaries' purchasing power increased from October 2011 levels by as much as 12% in Hiran and 56% in Lower Juba.

Additional market information relating to labour rates can be found in Annex 14. Market data relating to prices of shoats and fuel are presented in Figure A9 and Figure A10 respectively.

## 6.5 Impacts of the cash projects on traders

Traders in Somalia cite lack of demand as one of the top three business constraints, so by creating more effective demand the cash programme would be expected to directly benefit traders operating in the areas where cash was distributed. Competition between traders is also very strong, and this additional demand put pressure on traders to meet supply requirements. In order to help ensure that traders were able to supply the required goods, some NGOs informed traders about the project ahead of time, while others did not. However, even in areas where traders were not informed about the project, traders interviewed all reported that they were able to meet demand, albeit after dealing with difficulties such as poor road conditions and lack of capital. Almost all traders interviewed as part of the CVMG exercise reported an increase in revenues and profits and an increase in the number of customers.

Monitoring for the programme included some longitudinal<sup>65</sup> studies of selected traders in programme areas. Details of the traders are provided in Annex 17. Data gathered from both retailers and wholesalers showed an increase in weekly turnover of an average of 89% and 48% respectively (in dollar terms) in the first four months of the programme, though since this period included a harvest, it is impossible to quantify the separate impact of the cash programming.

One trader estimated that his profits had increased by approximately 20%–30% over the period. Additionally, many traders interviewed sourced their stocks from an increased number of suppliers, and some employed additional staff, suggesting that their businesses had increased. A large part of this increase in turnover can probably be attributed to the increase in demand, but a general improvement in the security situation,<sup>66</sup> particularly in Mogadishu, enabling the freer movement of goods and people also contributed: people tend to make more frequent but smaller purchases when security is better. In most cases profits were invested back into business (e.g. to increase stocks; open new shops).

Credit plays an important role in facilitating commerce in Somalia, and often customers take food on credit from retailers, who in turn have lines of credit with wholesale suppliers. Some of the traders interviewed said that it had become easier to get credit. Similarly, findings from the quantitative post-distribution surveys show that most of the cash beneficiaries interviewed believed that receipt of the transfer had increased their creditworthiness.

The shifting dollar/shilling exchange rate is an issue that traders have to monitor closely. Normally they buy their

<sup>65</sup> Interviews were conducted in October 2011 and February 2012.

<sup>66</sup> In areas where security deteriorated in early 2012, traders saw a negative impact on their business.

**Table 7: Increase in weekly turnover (USD) of interviewed traders**

Trader	Type	Round 1 (Oct/Nov) 2011		Round 2 (February 2012)		Increase in turnover (\$) October–February	Percentage increase in \$ turnover
		Weekly turnover (SoSh)	Weekly turnover (US\$)	Weekly turnover (SoSh)	Weekly turnover (USD)		
1	Retailer	10,000,000	312.50	12,000,000	500.00	187.50	60%
2	Retailer	4,000,000	125.00	7,000,000	291.67	166.67	133%
3	Retailer	5,000,000	156.25	8,000,000	333.33	177.08	113%
4	Retailer	350,000,000	10,937.50	400,000,000	16,666	5728.50	52%
5	Wholesaler	150,000,000	4687.50	200,000,000	8333.33	3645.83	78%
6	Wholesaler	120,000,000	3750.00	150,000,000	6250.00	2500.00	67%
7	Wholesaler	30,000,000	937.50	30,000,000	937.50	—	—

Exchange rate for \$1 at time of data collection for QM1 was SoSh32,000. For QM2 the rate was SoSh24,000.

produce in dollars and sell in shillings, so a strengthening shilling should work in their favour. To be competitive it is critical that a trader has access to a reliable and cheap supply of dollars to enable him to replenish his stock. Exchange issues were cited as an increasingly important factor in determining business success over the course of the programme.

### 6.6 Impacts of the cash projects on *hawala* agents

As part of impact monitoring, attempts were made to better understand the extent to which the programme benefited the *hawala* agents involved in making the transfers, and the way the programme impacted on their workload and daily operations. Getting useful information was unsurprisingly quite difficult because agents are generally secretive and private regarding the size of their operations. However, the one agency that did provide information calculated that the cash transfer programme more than doubled its turnover, from approximately \$200,000 to just over \$427,750 per month. The volume of transfers varies seasonally as would be expected when 60% of regular turnover comes from diaspora remittances.

### 6.7 Impacts of the voucher projects on participating shopkeepers

By their very design, voucher projects have impacts on the shopkeepers selected for a voucher scheme. Shopkeepers serve an increased number of customers because beneficiaries are restricted to specific shops where they can exchange their voucher. This results in an increase in revenue and profits for participating shopkeepers. Interviews with shopkeepers involved as agents in one voucher project found that they were well-prepared for the programme, having signed a contract with the NGO and been given plenty of time to purchase extra stock. All were reimbursed on time. Even though the work effort required was higher than expected because of issues around procuring and packing the quantity of commodities required (some of which were quite large), the rewards were worth the effort, and shopkeepers said that they would participate in a similar programme if the opportunity arose in the future. Shopkeepers involved in the voucher scheme also saw the sales of non-food items increase as voucher beneficiaries had more disposable income to spend once their food needs were covered.

# Chapter 7

## Household and community impacts

The functioning of the market system and the extensive network of *hawala* agents enabled NGOs to provide cash and voucher transfers to more than 100,000 households despite the challenges of working in a complex environment like South Somalia. Monitoring data indicate that there were significant positive impacts for beneficiary households. During the quarterly monitoring rounds, data were collected on a number of impact variables, many of which could be compared to the baseline (prior to households receiving cash or vouchers) to monitor changes over time. Impact data include household-related changes and impacts on the community as a whole or on specific community members, such as the participating traders and *hawala* agents as described above. Non-beneficiary households were also interviewed to check if they had been indirectly affected by the project. However, it was not possible to survey a ‘control’ population (which would have involved a deliberate decision to withhold aid from people meeting the targeting criteria) and so the monitoring data compare the situation before and after the cash distributions, but cannot distinguish the direct impact of the cash from other changes occurring in the period – most significantly, the *Deyr* harvest.

Household-level impacts include household spending of the cash transfer, changes in food consumption patterns and expenditure on food, changes in coping strategies, intra-household conflict and changes in household income and debt levels, and access to credit. If the cash and voucher

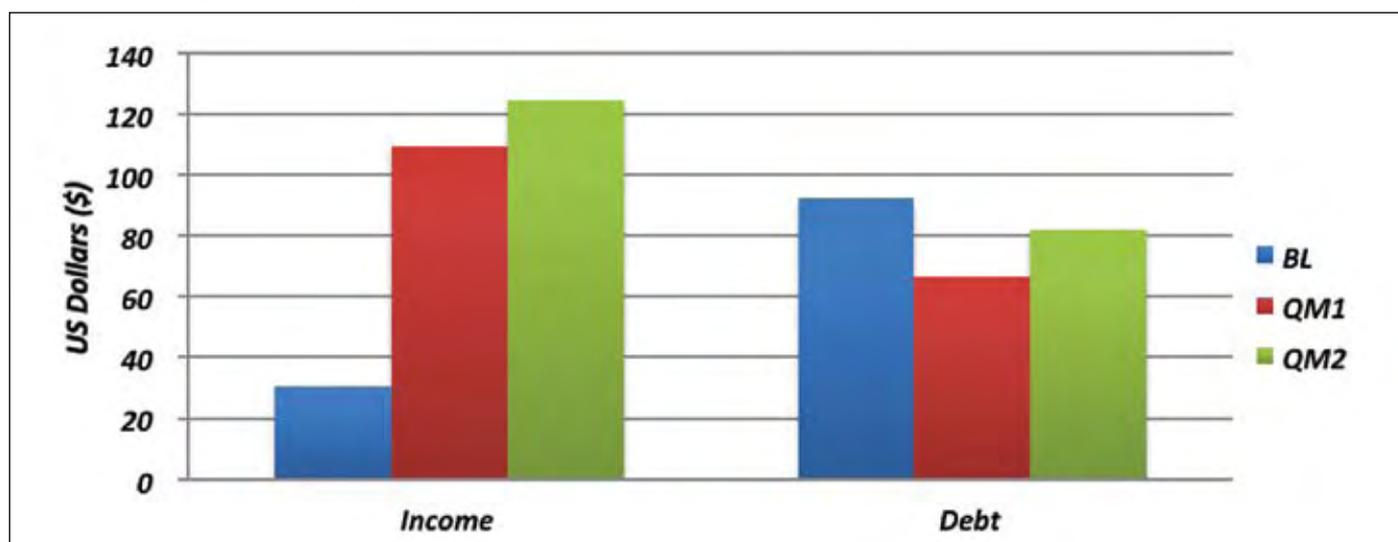
projects were meeting their objective of providing food for the households, large proportions of the cash should be spent on food and debt repayment.<sup>67</sup> This should also result in changes to the food consumption and proxy nutrition indicators, such as an increase in the number of meals consumed each day, improvement in dietary diversity and a reduction in acute malnutrition rates.

### 7.1 Household income and debt

At baseline many beneficiary households reported having little or no household income (average of \$30 per month) and high household debt (on average, more than three times the household monthly income – \$92). It is important to note that many beneficiary households appear to rely almost solely on the cash and voucher transfer, with little additional income. As a result, over time household income has increased depending on the transfer value, and debt has decreased (Figure 12).

The increased income of the beneficiary households allowed them to access more credit from local traders. Accessing items on credit is a common coping strategy in Somalia, and by having both a higher and regular income and by paying off at least part of their debts, 78% of sampled households were able to access more credit (Figure A37). This improves household resilience to future crises. Both cash and voucher beneficiaries were able to pay off some of their debts, but cash households had the flexibility (and higher value of transfer) to pay off more debt and

**Figure 12: Change in monthly income and debt levels – all households**



Note: Change in income from BL to QM1 is statistically significant at  $p = 0.05$ . Change in debt is not significant at  $p = 0.05$ .

<sup>67</sup> In Somalia a common coping strategy is for households to purchase food on credit. This debt is repaid when households are able to do so (usually after harvests or when livestock are sold).

thus access more credit. The increase in household debt in the second quarter of the project may be due to normal seasonal patterns, as both agricultural and pastoral households take on debt at this time of the year in order to buy agricultural inputs or livestock before the *Gu* rainy season.

Non-beneficiaries reported that the main difference between beneficiaries and non-beneficiaries as a result of the programme was that beneficiaries were able to pay off their debts, while non-beneficiaries were not.

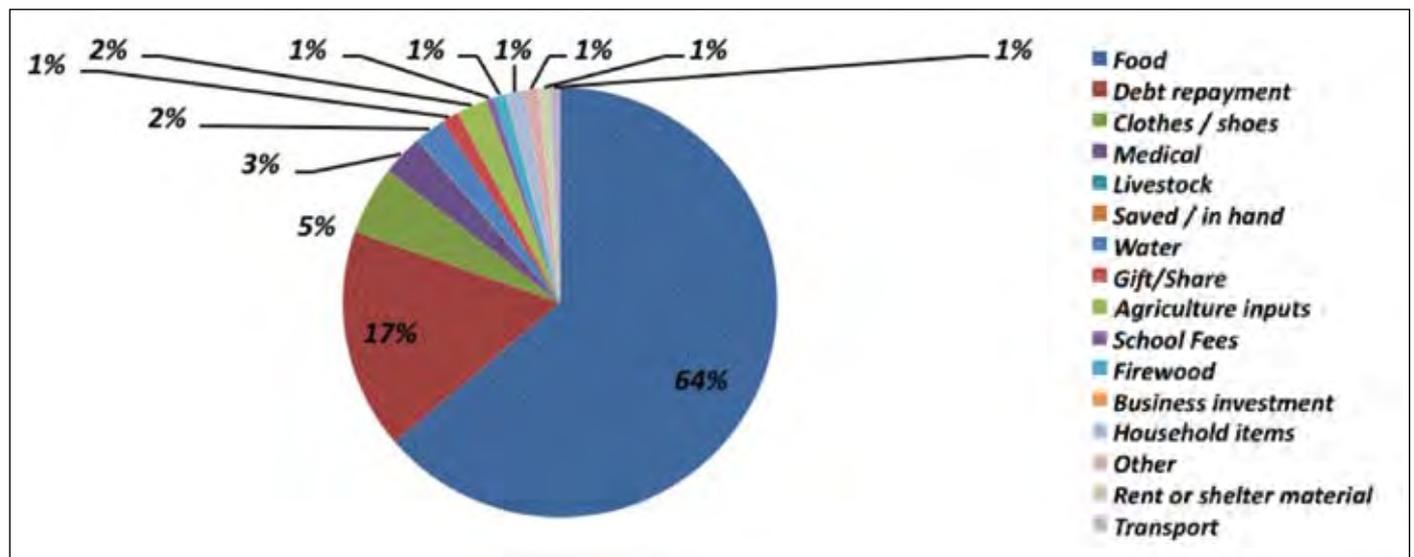
### 7.2 Household expenditure

Cash beneficiary households were asked to provide information about the items that they spent the cash transfer

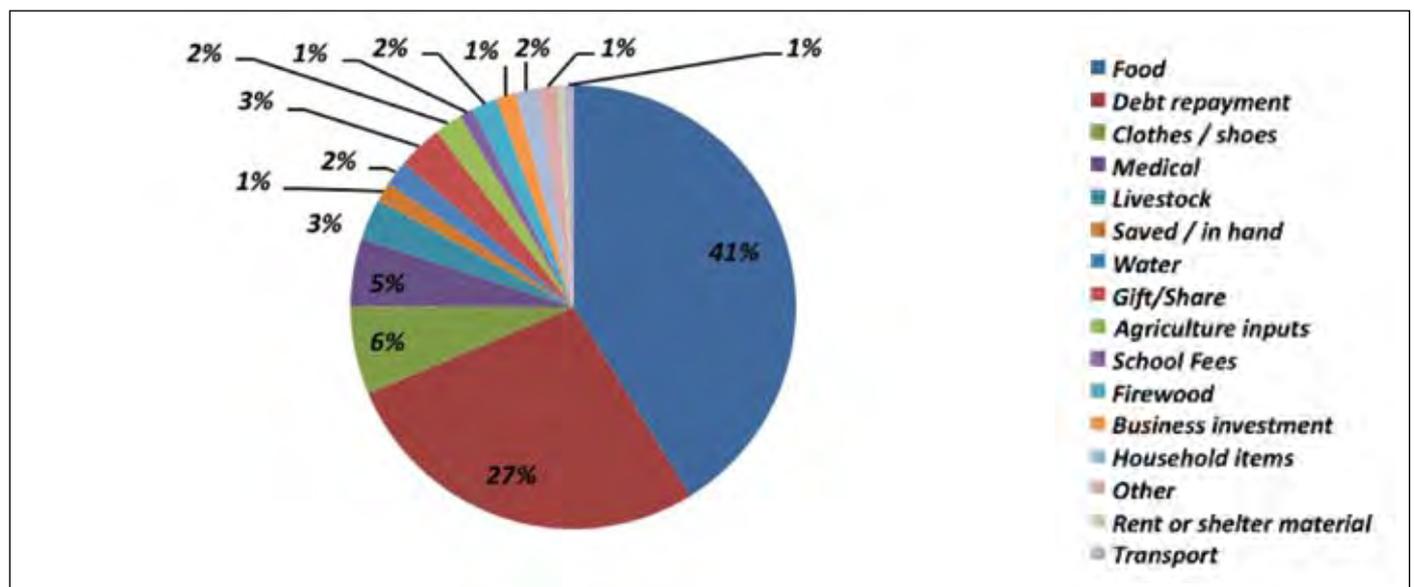
on. Although the objective of the project was to allow households to meet their food needs, many NGOs provided sufficient cash to meet household's basic food and non-food needs as defined by FSNAU's MEB. The cash transfers were unconditional,<sup>68</sup> so households were free to spend the money as they wished.

Non-beneficiaries reported that they had not seen any cases of beneficiaries misusing their cash, though a small number of beneficiary households reported that they had seen some men from other households spending money on *khat*.<sup>69</sup> No other data were collected to support this statement, and instances were thought to be relatively rare. Non-beneficiaries believed that, because the beneficiaries had no other means of income, they used the cash wisely.

**Figure 13: Spending patterns – all cash beneficiary households: baseline**



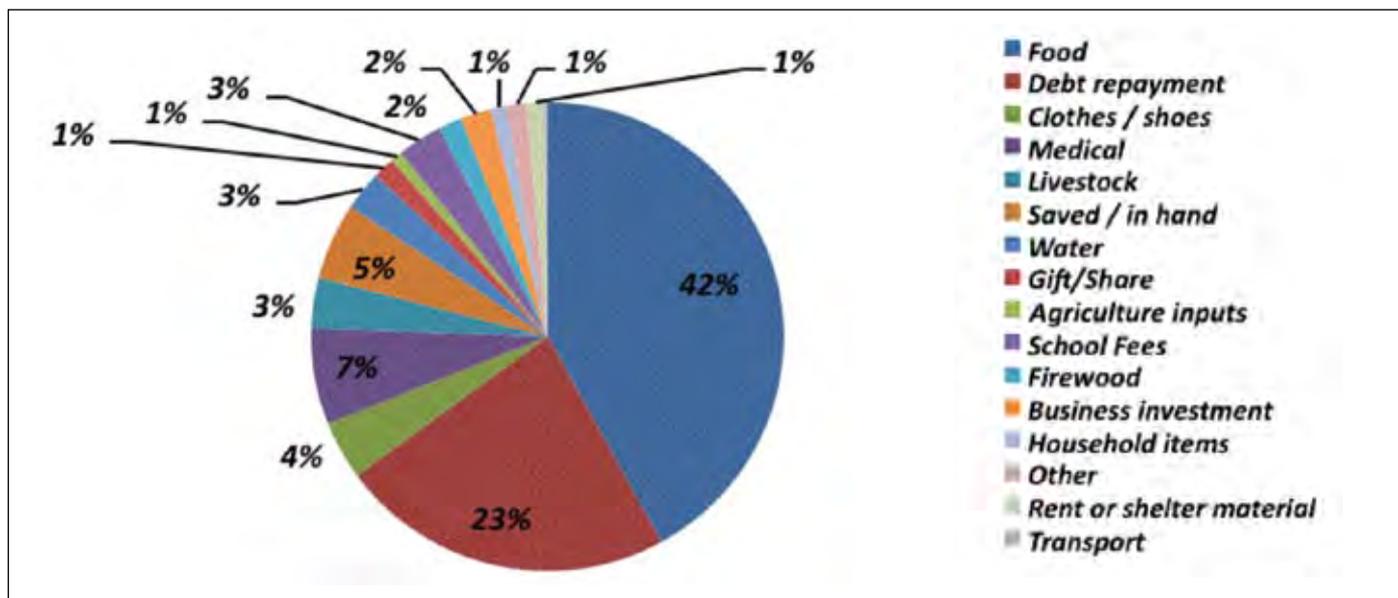
**Figure 14: How the cash transfer was spent – all cash beneficiary households: QM1**



<sup>68</sup> Some ECHO-funded projects incorporated 'light' conditions on the beneficiaries, such as attending training.

<sup>69</sup> *Khat* is a shrub that grows in the highlands of the greater Horn of Africa. When chewed, it acts as a mild stimulant.

**Figure 15: How the cash transfer was spent – all cash beneficiary households: QM2**



Over time, expenditure patterns changed as indicated by the figures above. At baseline, prior to households receiving cash or vouchers the majority of household income was spent on food (Figure 13). Households reported spending more than 60% of their cash on food and almost 20% on debt repayment (usually debt accrued through buying food on credit from local traders). This left approximately 20% of household income (~\$6) to spend on other items. These included clothes and shoes (5%), medicine (3%), water and agricultural inputs (each 2%) and transport, household items, gifts, shelter and other purchases (1% each).

By the first project quarter (Figure 14), households reported spending less on food items (40%) and more on debt repayment (27%), and these percentages were similar after the second quarter (Figure 15). With the reduced proportion of the cash transfer being spent on food, more money (more than 30% of the transfer) was available for non-food items. Increases in expenditure were particularly noted on savings and medical items (each 4% increase since baseline), business investment and school fees (each 2% increase since baseline). The increasing proportion of expenditure on non-food related items indicated that recovery was taking place.

### 7.3 Food consumption and nutrition

Insecurity and lack of access to food are some of the key contributing factors to the current food and livelihood insecurity in Somalia. Insecurity impacts upon food consumption by causing displacement, reducing access to markets and reducing livelihood options and income. High food prices coupled with low household income means that people are unable to access food, even when it is available in local markets.

FSNAU data from its October 2011 nutrition surveys (the time of the CVMG baseline) indicate that, in most regions, rates of

acute malnutrition remained near or above 30%, and depicted a *Very Critical* nutrition phase. Global acute malnutrition rates ranged from 20%–34.5%, and for severe acute malnutrition the rates ranged from 6%–11%. However, partly as a result of the good *Deyr* rains at the end of 2011 and partly as a result of sustained humanitarian efforts, by the end of the second quarter there was a marked improvement in household food consumption patterns.<sup>70</sup> By the time of the Post-*Deyr* 2011/12 Analysis (February 2012), FSNAU had declared that famine outcomes no longer existed in southern Somalia.<sup>71</sup> FSNAU credited the massive scale up of emergency response since September/October as having a significant impact on food access, acute malnutrition and mortality levels. Among Mogadishu IDPs the level of acute malnutrition dropped from 44% in August 2011 to 16% in April 2012.<sup>72</sup>

The improvement in the food security situation is confirmed by the CVMG data. However, since the *Deyr* harvest was also collected during this period, it is impossible to ascribe all changes in consumption to the cash projects, and the following findings should be read with that in mind.

At the time of the baseline survey, households were consuming only one or two meals per day, with each meal consisting mainly of two food groups, cereals and oil. Adults had reduced their food consumption and were preferentially feeding children. Despite these food-stretching efforts, children were still eating an average of fewer than two meals a day (Figure 16; Table A39).

As Figure 16 indicates, both cash and vouchers proved effective means of improving the food consumption of beneficiary households. After three months of distributions (QM1) adults

<sup>70</sup> FSNAU (2012) Press Release, 3rd February. *Famine ends, yet 31% of the population remains in crisis*. FAO, Nairobi

<sup>71</sup> FSNAU (2012) Special Brief – Post *Deyr* 2011/12 Analysis.

<sup>72</sup> FSNAU (2012) Nutrition Update – March 1st to May 11th, 2012.

Figure 16: Number of meals consumed per day

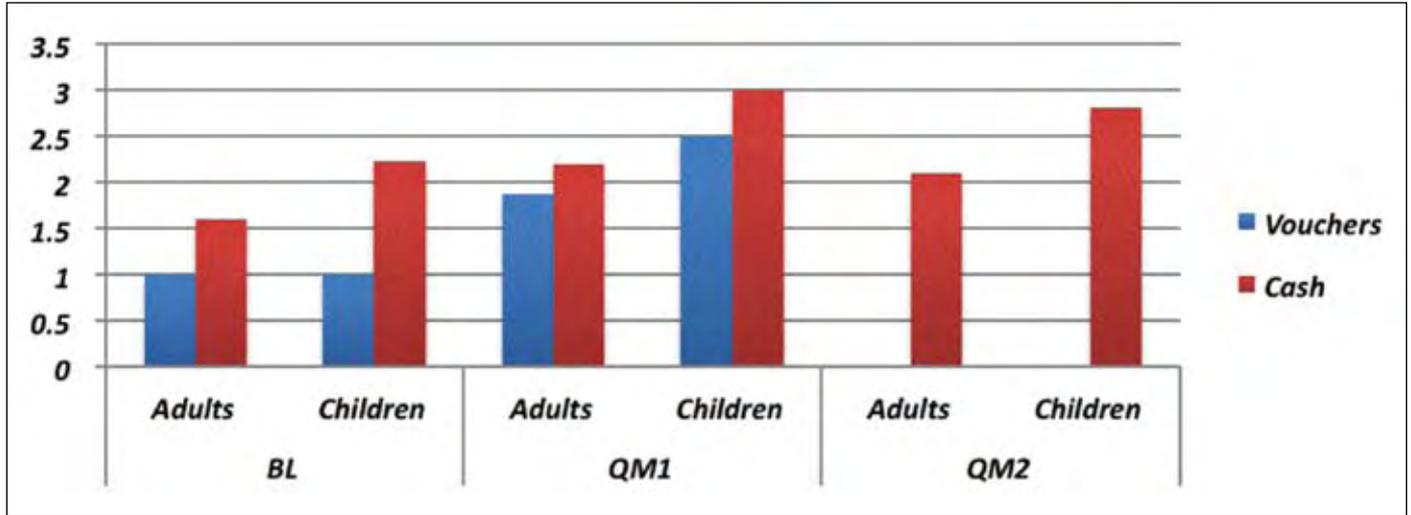
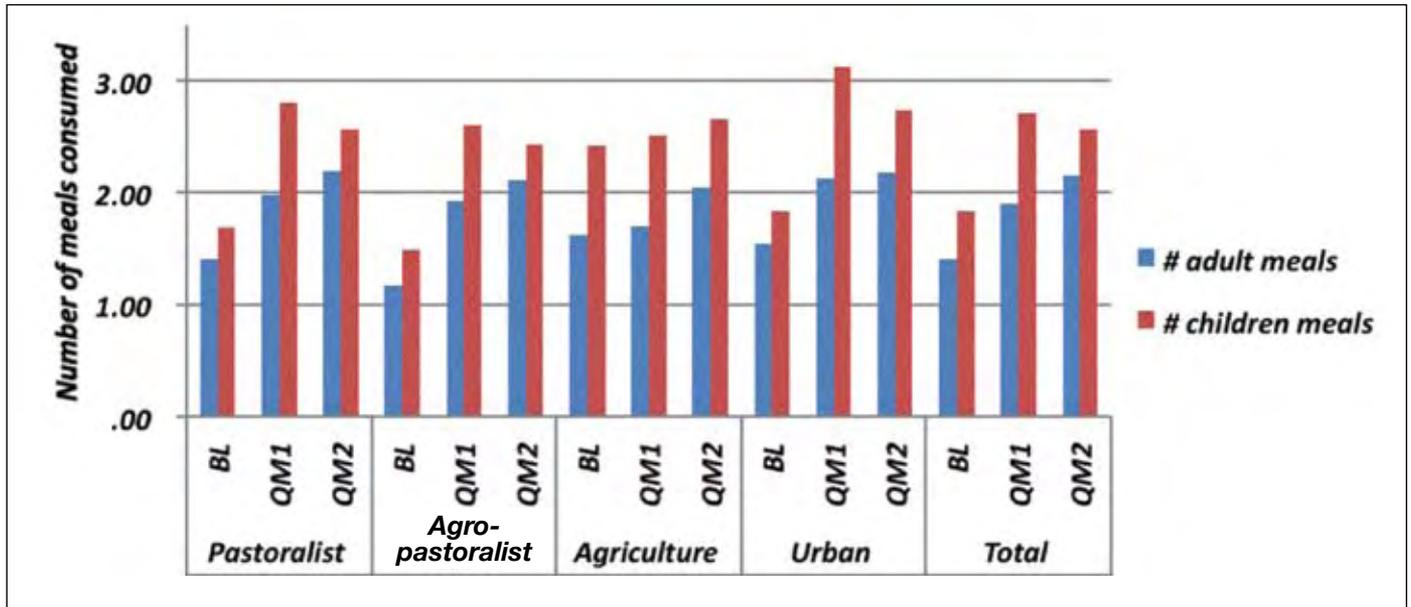


Figure 17: Average number of meals consumed per day, by livelihood group



had increased the number of daily meals to approximately two, while for children the figure was higher at 2.5 for vouchers and three for cash beneficiaries. Although no second quarter data is available at the time of writing for the voucher projects, the cash beneficiary households have been able to maintain the initial improvement.

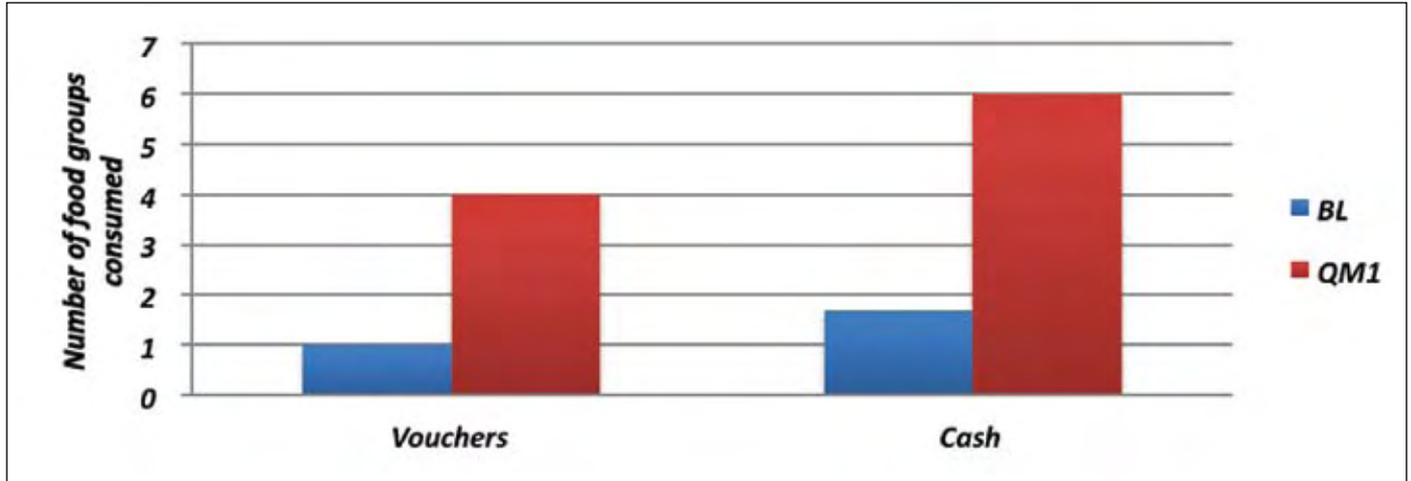
When disaggregated by livelihood group (Figure 17) it is clear that all livelihood groups improved their food consumption over the course of the project.

In addition to the number of meals consumed by household members, information was collected on the diversity of the household diet. Household Dietary Diversity Score (HDDS) is used as a proxy indicator for household nutritional status because it provides information on all the food groups consumed by a household over a 24-hour period.

For this project, the maximum HDDS is 15, indicating that all 15 food groups<sup>73</sup> have been consumed by people within the household. A score of zero indicates that all household members went without food. Before the projects began, households reported eating slightly more than one meal per day, largely consisting of cereals and oil (an average Household Dietary Diversity Score of 1.7). After the first three months of distributions, households were consuming two meals a day for adults, and three for children. In addition, their dietary diversity had increased to at least four food groups, with cash-receiving households consuming a more varied diet (HDDS = 6) than those depending on commodity vouchers (HDDS = 4). It is however necessary to interpret averages with caution, because dietary diversity, as expected, showed great variability across different places, with different livelihood types and different livelihood calendars.

<sup>73</sup> Based on the FSNAU Somalia food groups.

**Figure 18: Average Household Dietary Diversity Score – cash and voucher beneficiary households**



In urban areas, household diets improved over the course of the programme more than in rural areas, from 1.4 at baseline to 6.4 at the second round of quarterly monitoring (Figure 31; Table 49). This may be due to the greater concentration of humanitarian activities in Mogadishu, resulting in greater combined impacts due to the complementary effects of different types of inputs on beneficiary households.<sup>74</sup> Urban centres also generally have higher levels of food availability. Households in urban areas reported consuming more vegetables and meat products than rural households (Figure A13, Figure A14).

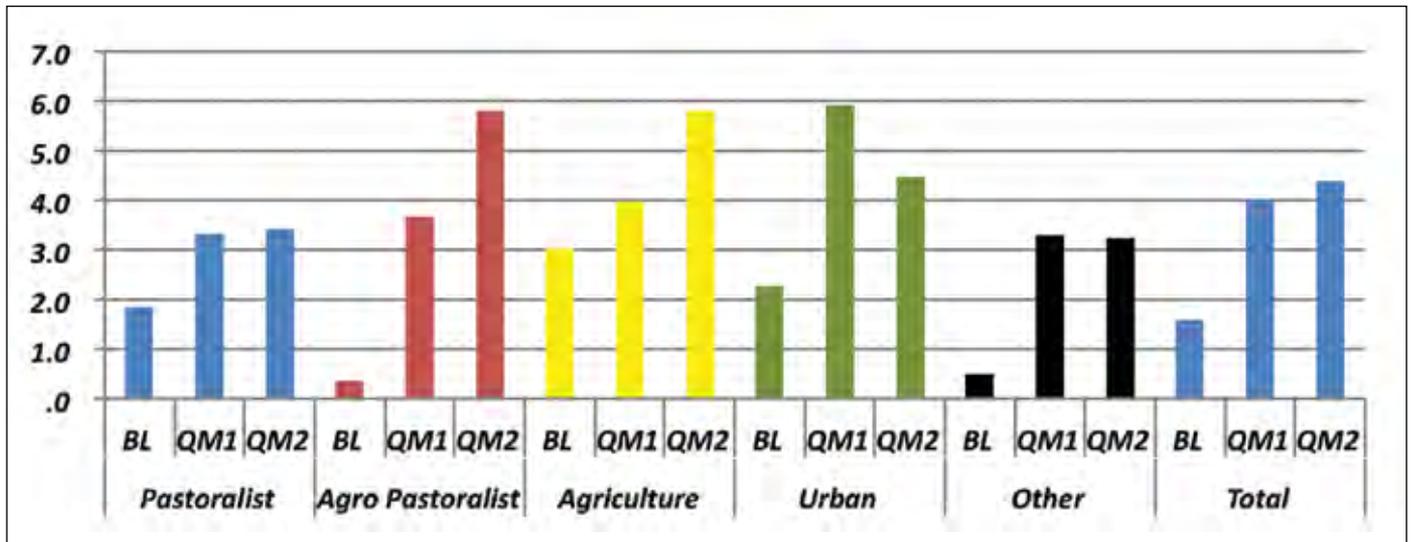
When disaggregated by livelihood group (Figure 19), it is evident that agricultural and agro-pastoral households had the highest HDDS by the end of the second quarter. This may be due to their own production, particularly after the good *Deyr* rains, as suggested by the findings on household food expenditure (Table A42); producing at least some food

at home allowed households to spend more of the cash transfer on other food groups. Pastoralists (3.4) and ‘other’ livelihoods (3.3) recorded the lowest HDDS after six months of distributions (Figure A12). Households belonging to the ‘other’ group included those dependent on remittances or humanitarian assistance.

**7.4 Indication of severe food insecurity**

Coinciding with the improvement in food consumption there was a rapid decrease in household food insecurity indicators. At baseline more than 75% of households reported one of the following: going to bed hungry, going a full 24 hours without food or having no food in the house (Table 8). After six months of distributions, no household in the rural areas reported these problems, while less than 10% of urban households did so.

**Figure 19: Average Household Dietary Diversity Score (HDDS) by livelihood group**



<sup>74</sup> Any such complementarity is more by chance than by design since there was a distinct lack of coordination among agencies operating in Mogadishu.

**Table 8: Percentage of households exhibiting specific indicators of food insecurity**

	Urban households			Rural households		
	BL	QM1	QM2	BL	QM1	QM2
There was no food to eat of any kind in your household because of lack of resources to get food?	97%	95%	6.8%	76%	2.4%	0
Did you or anyone in your household sleep hungry at night because there was not enough food?	91.4%	36%	7.7%	93%	2.7%	0
Did you or anyone in your household go a whole day and night without eating anything because there was not enough food?	80%	5%	7.4%	88%	0.4%	0

## 7.5 MUAC measurements

Measurement of middle upper arm circumference (MUAC) in children aged between 12 and 59 months is a rapid nutrition assessment tool and provides an estimate of the prevalence of malnutrition in an area. All participating NGOs were asked to take the MUAC measurements of all children between 12 months and 59 months in the surveyed households during baseline and quarterly monitoring.

However, the collection and interpretation of MUAC data have been fraught with problems, not the least of which is that some agencies targeted households on the basis of child malnutrition status as mentioned earlier. This naturally skews MUAC results towards high levels of malnutrition, and therefore the data cannot be used to estimate the prevalence of malnutrition in the area. It could however be used to see if the situation is improving over time. Households targeted through nutrition interventions were registered only at the start of the project (not on a rolling basis), and so over time we would expect to see malnutrition rates among beneficiaries significantly reduce.

Unfortunately however, due to difficulties in data collection agencies did not collect MUAC data at baseline and then again at each quarterly monitoring as expected. Comparisons over time can therefore not be made and impacts on diet and nutrition must rely on the proxy indicators of dietary diversity, household expenditure on food and the number of meals consumed each day. MUAC data will not be collected in the next phase. The CVMG will instead utilise existing FSNAU nutrition analysis.

## 7.6 Other impacts at household level

Community leaders interviewed by the IFMs reported that the cash intervention had improved the status and dignity of beneficiary families, allowing them to meet their priority needs. This feeling was reiterated by some of the case study households (Annex 21), who felt that their status in the community had been improved now that they had a little money to help others rather than needing community support.

The cash transfer also enabled beneficiaries to participate in community meetings and contribute funds to communal work, as well as weddings, festivals and funerals. One household mentioned the contribution that they were able to make towards economic recovery by spending money in local markets and enhancing trade. Some households also mentioned the dignity that is associated with cash, allowing them to make their own choices regarding their needs rather than being treated as passive recipients of relief items.

Decision-making on the use of the cash or vouchers is a possible cause of conflict in the household. Joint decision-making between wife and husband was not common in the project locations, with around a quarter of households reporting joint decision-making. Most interviewees (54%) reported that they were the ones who made the decisions about how to spend the transfers (Table A43).

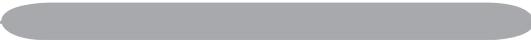
Intra-household conflicts as a result of the cash or voucher interventions were reported by up to a third of beneficiaries (Table A44). Many of the case study households interviewed by the IFMs reported cases of intra-household conflict, either between parents and (adult) children or between husbands and wives (particularly in polygamous households), though mostly these were very minor. About half of the case study beneficiaries said that they were aware of conflict within other beneficiary households. Non-beneficiaries also reported that they had seen petty conflicts, but confirmed that most were minor and easily resolved.

Rather than promoting conflict, community leaders in some areas felt that the cash promoted family harmony and cohesion. One of the disadvantages mentioned was the risk that the transfer may lead to dependence and hinder other income-generating activities.

## 7.7 Impacts at community level

Some non-beneficiaries reported that they had indirectly benefited from the project by sharing meals with the project beneficiaries. This was confirmed by the household interviews, with 62% of cash beneficiaries and 67% of

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voucher beneficiaries reporting that they shared food with guests (Table A45). One of the negative unintended impacts of the cash and voucher interventions was jealousy from other community members (Table A46). Given the high numbers of people in need and the limited project resources, this is not a surprising outcome. More than a quarter (27%) of the cash beneficiaries felt that other people were jealous of them, while for voucher beneficiaries the figure was

much higher, at 64%. According to beneficiaries, levels of jealousy declined over the programme period. Interviews with non-beneficiaries confirmed such feelings of jealousy: it was noted that feeling bad or being jealous was unavoidable when you see your neighbour collecting cash or food and you have nothing. However, none of the interviewed parties reported that jealousy within the community resulted in conflict.



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# Chapter 8

## Conclusions, lessons learned and recommendations

### 8.1 Effectiveness, efficiency and accountability

As anticipated, the biggest problem faced by the implementing agencies was that of access, particularly in AS areas. Overall, delivery was possible for 64% of the target beneficiary transfers, and this figure was 42% in AS areas. Although this may seem low, given the access and security issues at the time it is remarkable that any beneficiaries at all were reached in AS areas, particularly given that no WFP food aid could be distributed in AS areas due to lack of access.

Delays to implementation were not only caused by access issues, but also by protracted negotiations with *hawala* companies. However, with one exception, once contracts were in place the *hawala* system generally worked relatively well in delivering cash to large numbers of beneficiaries, particularly after initial teething problems were overcome. For the voucher projects, shopkeepers also took a while to establish the systems that allowed for effective food supplies, but ultimately the delivery of the correct food types, of good quality, more or less on time, and of the correct quantities was achieved. Due to the changing market prices of the items provided, the contract with shopkeepers was updated and renewed on a monthly basis, and in order to ensure value for money of the commodity voucher.

Factors that contributed to fast start-up are not thought to be related to cash or voucher mechanisms *per se*, but rather a well-established presence in the project area; previous experience with cash-based programming; the timely allocation of donor funds; the redeployment of existing NGO staff within the country; and targeting mechanisms based on existing registration lists. Similar factors also relate to cost-efficiency, along with the good relationships with *hawala* agents and shopkeepers that allowed for the negotiation of competitive rates for contracts.

Targeting was generally done well, with all geographical areas of greatest need covered by CVMG partners, and a 99.8% targeting accuracy rate. The targeting process was however challenging and time-consuming. In hindsight, one NGO staff member suggested that blanket targeting would have been faster and more effective, if resources had allowed. Given the famine situation, blanket targeting would have been justified based on levels and extent of need.

The complaints system was effective in capturing simple operational issues relating to individual beneficiaries (e.g. corrections needed on ID cards, the need for replacement ID

cards), but there was a low level of awareness of the feedback mechanism among the surveyed beneficiaries (55%). NGOs were made aware of cases of taxation via the feedback mechanism, but such cases were not reported on the feedback forms, suggesting that not all complaints were recorded. Fundamental issues such as inclusion and exclusion errors were not captured by the current mechanism, which was not designed to capture feedback from non-beneficiaries and other stakeholders. This will be reviewed in Phase II.

In terms of diversion, a number of instances of taxation by the local authorities or militia were picked up by the implementing NGOs, and these were successfully resolved in all but one case where the NGO was forced to suspend the project. Other cases of diversion that were uncovered by the IFMs included taxation of beneficiaries by gatekeepers, double registration and errors of inclusion. The current data suggest that the total quantifiable amount of cash diverted to gatekeepers and others may have been up to approximately \$18,940 (0.04% of total cash distributed), and that diverted through errors of inclusion may have been up to 4.27% of the total value of cash and vouchers transferred. In Phase II, information will be collected from additional sources, to better understand potential sources of diversion. The changes to the monitoring system for Phase II can be found in the annexes.

### 8.2 Market impacts

The market price monitoring conducted in all project locations throughout the programme implementation period did not find any demand-driven inflation. Although the programme started in a context of very high food prices as a result of several failed harvests and increasing global food prices, overall prices followed their normal seasonal patterns.

Poor availability of locally-produced sorghum at the start of the programme meant that beneficiaries had to turn to imported cereals to meet their minimum calorific requirements, and a cash transfer which was originally designed to cover a household's total MEB (food and non-food) in October and November covered less than 80% of an average household's minimum food and non-food needs in urban areas. With the benefit of hindsight, the recommendation to import low-cost sorghum for sale on the local market, put forward by WFP in October 2011,<sup>75</sup> would have likely allowed the cash transfer to cover a higher proportion of household needs in urban areas.

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<sup>75</sup> Sanogo, Issa, 2011. 'Markets and Supply Conditions in Southern Somalia'. Presentation made at the Roundtable Discussion, Nairobi, 27 October 2011.

As the availability of sorghum and other staples improved over the course of the programme, prices declined by 24%<sup>76</sup> between October 2011 and March 2012, largely as a result of a relatively good *Deyr* harvest. This, combined with a slight increase in the size of the transfer in some locations, served to counter the effect of a strengthening shilling on the purchasing power of dollar-receiving beneficiaries.

In terms of staple food availability, at a regional level Banadir (Mogadishu) fared best, with all staple foods being available in over 80% of markets sampled throughout the programme period. Gedo and Lower Juba<sup>77</sup> were the regions most prone to supply constraints, particularly of sorghum, milk and cow peas. Supplies of imported rice were consistently good throughout the programme period. In fact there is some evidence to indicate that, even in these regions, supplies increased as traders responded to the increase in demand created by the cash transfers.

The nature of the voucher programmes meant that quantities of food received by beneficiaries remained static regardless of availability issues, even if the NGOs themselves were hit by high commodity prices in the early stages of the programme. In the areas where full voucher data are available, it is known that a small percentage of voucher recipients sold some of the oil and sugar they received in order to meet other essential non-food needs. The proportion of people doing this was minimal (less than 10%), as were the quantities sold.

In addition to monitoring impacts on the local markets, local traders and voucher shopkeepers were regularly interviewed in order to monitor any secondary impacts that the project had for them. Generally traders reported that lack of demand was one of the top three business constraints. By creating more demand, the cash programme therefore directly benefited traders operating in the areas where cash was distributed. There is evidence from Banadir that the influx of cash from the cash programme (and other foreign investments and aid) encouraged new businessmen to set up shop, which in turn resulted in more competition, downward pressure on prices and a greater variety of goods on the market.

Longitudinal monitoring of specific traders enabled some quantification of the intervention's secondary impact. Data gathered from both retailers and wholesalers showed an increase in weekly turnover by an average of 89% and 48% respectively (in dollar terms) in the first four months of the programme. One trader estimated that his profits had increased by approximately 20%–30%. The conditions associated with acting as an agent for the voucher programme were quite demanding, and in some cases procuring the commodities in sufficient quantities was more difficult than had been anticipated. However, all traders

<sup>76</sup> Measured through the Consumer Price Index.

<sup>77</sup> FSNAU reported in July 2011 that parts of Gedo, Middle Shabelle and Middle Juba were less well integrated into the wider network of markets in Southern Somalia and therefore may experience difficulties in responding to demand for imported rice.

involved in the voucher programme reported a significant increase in revenues and would consider being involved in the scheme in a similar way in the future.

Many traders interviewed sourced their stocks from an increased number of suppliers, and some employed additional staff, suggesting that their businesses had increased. A large part of this increase in turnover can be attributed to the increase in demand, but also to a general improvement in the security situation,<sup>78</sup> particularly in Mogadishu, enabling the freer movement of goods and people.

### 8.3 Household and community impacts

The functioning of the market system and the extensive network of *hawala* agents enabled NGOs to provide cash and voucher transfers to more than 100,000 households despite the challenges of working in a complex environment like South Somalia. Furthermore, the monitoring data indicate significant positive changes at household level over the period, which is probably in part an impact of the projects.

At baseline, households reported household debt levels more than three times their monthly income. As a result of the increased household income of cash beneficiaries due to the programme, debt repayment was significant. By paying off at least part of their debts, 78% of sampled households were able to access more credit if needed. This would likely have improved household resilience to future crises. Both cash and voucher beneficiaries were able to pay off some of their debts, but cash households had the flexibility (and higher value of transfer) that allowed them to pay off more debt and thus access more credit. Although voucher beneficiaries reported being able to pay off some of their debt, their lack of regular income did not necessarily mean that they had access to more credit.

Household spending patterns became more diverse over the course of the project, with the proportion of money spent on food and debt repayment decreasing over time, from 81% to baseline (prior to receiving cash or vouchers) to 65% after six months. Food expenditure was gradually replaced with spending on non-food items including agricultural inputs, livestock, water, education, medicine, business investment and savings, indicating some level of early recovery.

Food consumption patterns showed improvements across the board in the number of meals consumed each day, as well as increasing household dietary diversity, particularly for cash beneficiaries. This is confirmed by increased amounts of overall household income (from the cash programme and other sources) spent on food over the course of the programme.

At baseline, as previously mentioned, most households reported consuming only cereals and oil or sugar, giving an

<sup>78</sup> In areas where security deteriorated in early 2012, traders saw a negative impact on their business.

average HDDS<sup>79</sup> of 1.7. Some households received additional nutrition-related items (if they were also nutrition project beneficiaries), while others relied on the cash or voucher transfer to purchase food items in the market. After the first three months of distributions, households were consuming two meals a day for adults, and three for children. In addition, their dietary diversity had increased to at least four food groups, with cash-receiving households consuming a more varied diet (HDDS = 6) than those depending on commodity vouchers (HDDS = 4). It is however necessary to interpret averages with caution, because dietary diversity, as expected, showed great variability across different locations, with different livelihood types and different livelihood calendars.

Although the MUAC data collected during the programme was fraught with problems and therefore not included in this analysis, it is clear that, by February 2012, famine outcomes were no longer present in southern Somalia.<sup>80</sup> FSNAU credits the massive scale-up of emergency response since September/October as having a significant impact on food access, acute malnutrition and mortality levels.

In addition to the food consumption indicators described above a number of secondary impacts have been noted relating to household and community harmony. Community leaders interviewed by the IFMs reported that the cash intervention improved the status and dignity of beneficiary families, allowing them to meet their priority needs. This feeling was reiterated by some of the case study households, who felt that their status in the community had been improved once they had a little money or food to help others, rather than needing community support.

Up to a third of both voucher and cash beneficiaries reported intra-household conflict, although most cases were minor and easily resolved. This may be partly due to decision-making practices on the use of the cash or vouchers. Joint decision-making between wife and husband was not common in the project locations, with only around a quarter of households reporting joint decision-making.

Inter-household jealousy was also common, which is unsurprising given the extent of the need and the limited resources available. Although there was jealousy, it does not appear to have resulted in conflict and in fact non-beneficiaries reported sharing meals with beneficiary households. This was confirmed by the household interviews, with 62% of cash beneficiaries and 67% of voucher beneficiaries reporting that they shared food with guests. Given the very different rates of jealousy reported for different NGOs, it is thought that it is possible to reduce the scale of inter-household jealousy through improved targeting approaches and other ways to

ensure that programmes are implemented according to the local social and economic dynamics.

#### 8.4 Issues about scaling up cash-based programming in Somalia

A recent CaLP publication<sup>81</sup> identifies four fundamental areas in assessing the preparedness of humanitarian actors to design and implement cash transfer programmes at scale: (i) 'appropriate procedures, systems and guidelines to facilitate speedy and large scale cash and voucher transfer programming; (ii) technical capacity to assess needs, design appropriate programmes, implement and monitor them; (iii) contingency planning including relevant analysis and prepositioning activities; and (iv) coordination with other actors, particularly the private sector' (*ibid*: vii).

As mentioned in Chapter 1, the CVMG partners had considerable experience of cash-based programming in Somalia and had developed the procedures and systems necessary to facilitate programmes at scale, though in some cases the need to recruit and train additional staff led to delays in implementation. Cash-based programming guidelines specific to the Somali context exist and were actively used by CVMG partners in implementation. As evidenced by the challenges involved in negotiating the *hawala* contracts, the only thing that was lacking were the guidelines for establishing contracts with *hawala*. Such guidelines have since been drafted. The experience of the CVMG has contributed to enhancing the technical capacity for monitoring large-scale cash-based programmes, and a number of lessons have emerged (see Annex 19).

Considerable risk analysis was undertaken by the implementing agencies prior to the start of the projects, and contingencies were planned. The contingency planning undertaken and agreed by the Consortium was considered by some Consortium NGOs to be somewhat *ad hoc*, with each NGO essentially doing contingency planning appropriate to their own operational areas and fluidity of changes in each operational area. Coordination with other actors involved in the programme (i.e. *hawala* agents, shopkeepers, community groups, local leaders) was generally very good, but coordination with other agencies implementing other humanitarian programmes proved to be a challenge.

Beyond the preparedness of the implementing partners, a number of contextual factors specific to Somalia facilitated the implementation of cash-based programming at scale. As described in Chapter 2, both the functionality of Somali markets (despite insecurity and political instability) and the *hawala* system provide vital enabling factors necessary for large-scale cash-based programming. These two factors render Somalia unusual among war-torn countries, so that the applicability of lessons to other contexts where functional markets and effective private sector money transfer systems

79 The maximum Household Dietary Diversity Score in this case is 15, if all 15 food-groups have been consumed. A score of 0 indicates that all members of the household went without food that day.

80 FSNAU (2012) Special Brief – Post Deyr 2011/12 Analysis.

81 Austin, L & Frize, J (2012) *Ready Or Not? Emergency Cash Transfers At Scale. A Report for the Cash Learning Partnership (CaLP)*. Valid International.

do not exist is perhaps limited. Another contextual factor that has supported the programme is the clan structure that allows for beneficiaries to be easily identified by the *hawala* agents, even where it is not possible to have ID cards. On the other hand, clan-based power structures can have a negative impact on access to minority clans, as described in Chapter 5.

## 8.5 Comparative insights on cash and vouchers

Cash and vouchers can be compared in terms of beneficiary preferences, programming and process aspects and the potential for scaling up, as well as the costs and benefits involved (to traders and shopkeepers as well as beneficiary households). In drawing such comparisons, however, it is necessary to be aware of the differences in the value of the transfers – in Phase I of the CVMG programme, cash transfers ranged from \$75 to \$125, whereas the value of the vouchers was considerably less, \$51–\$65.

Survey data reveal that a very small percentage of cash beneficiaries (0%–4%) would prefer vouchers to cash (Table 32). Among voucher beneficiaries, 38% said that they would prefer cash (Table 35). As mentioned above, it is necessary to treat these results with caution since the value of the cash transfer was higher than the value of the voucher, and respondents might be basing their preferences on the overall value rather than the programming approach *per se*.

In terms of programming modalities, the contractual arrangements with private sector partners differed considerably for the two types of interventions. In Phase I of the CVMG programme, the five cash transfer projects reached 94,699 beneficiary households and involved 11 contracts with six *hawala* companies. The two voucher projects reached 41,974 beneficiaries and involved 168 contracts/MoUs with 45 shopkeepers. The ratio of projects to contracts was 1:2 for cash projects and 1:84 for voucher projects. The ratio of *hawala* to beneficiaries was 1:15,783 for cash projects, and the ratio of shopkeepers to beneficiaries was 1:932 for voucher projects. Although the *hawala* contracts were time-consuming to negotiate, there were fewer contracts involved and significantly more beneficiaries could be reached per *hawala*/shopkeeper. These results suggest that cash projects have greater potential for scaling up than voucher projects. This is particularly so in rural areas, where the implementing NGO encountered challenges in identifying enough shopkeepers with the capacity necessary to supply the quantities of goods required to participate in the project. Although the lack of *hawala* agents was an issue for some rural areas, the *hawala* contracts included the establishment of additional payment sites where necessary. The number of traders in rural areas was sufficient for cash beneficiaries to be able to purchase the goods they required,<sup>82</sup> and these traders

did not require any form of contract to be able to supply goods to the cash beneficiaries.

The role of the shopkeepers in the voucher projects is clearly crucial; not only do they redeem the vouchers but they also supply the goods to beneficiaries and claim the costs involved from the implementing NGO. This places a heavy workload on the shopkeepers, so it is perhaps not surprising that it was a challenge to find enough with sufficient capacity to fulfil these roles. In the cash projects there is no redemption role, and the traders and *hawala* agents undertake the roles of supplying goods and claiming costs from the NGO respectively. The overall workload involved in cash projects is not only less, but it is thus split between the players (i.e. traders and *hawala* agents). In terms of the workloads involved, these results suggest that cash projects have greater potential for scaling up than voucher projects.

Given the workload of the shopkeepers, one might expect the commission rates for shopkeepers to be higher than for *hawala* companies. In fact, the voucher projects did not pay commission rates to the shopkeepers; all costs were included in the price paid by the NGO for the commodities provided. For one project, the commodity prices agreed appeared to be lower than the retail prices in the local markets at that time. The main benefit to shopkeepers is the additional turnover to their businesses.<sup>83</sup> In the case of the cash projects, the benefits are split so that the *hawala* companies benefit from the commission and the traders benefit from increased turnover.

The way in which the voucher projects had been designed also involved a heavy workload on NGO staff, who had to write each voucher by hand every month. NGO staff themselves were also present at the voucher distribution site. Whilst this level of direct contact with the beneficiaries provided an important means of ensuring that each beneficiary received their voucher, the time and manpower resources required were considerable.

Comparing the impacts of cash and voucher projects on beneficiary households, it is difficult to determine how much of the difference was due to the modality of the project (cash vs. voucher), how much was due to the value of the transfer (cash value being higher than vouchers) and, since the choice to run cash or voucher programming was not random, how much was due to the different local contexts. Both modalities were effective means of increasing food consumption in the household with no significant difference in the number of meals consumed each day. However, the household dietary diversity score for voucher beneficiaries was 4 compared to 6 for the cash beneficiaries after the first three months of distributions. Voucher households with minimal income may rely solely on the voucher for their food needs, and this

<sup>83</sup> Unfortunately it was not possible to collect data on the increase in turnover of shopkeepers involved in the voucher projects.

<sup>81</sup> Austin, L & Frize, J (2012) *Ready Or Not? Emergency Cash Transfers At Scale. A Report for the Cash Learning Partnership (CaLP)*. Valid International.

<sup>82</sup> Insert data collected by IFMs on the number of traders in specific areas.

would restrict them to the food groups supplied through the voucher. This is not the case for cash beneficiaries, who are free to purchase whatever food items they choose.

In addition to possible food consumption differences between cash and voucher beneficiaries, there was a difference noted in the levels of debt repayment and access to credit. While both sets of beneficiaries were able to pay off at least some of their debts, cash beneficiaries reported being able to access additional credit, presumably because they had a regular income. This was not necessarily the case for the voucher beneficiaries.

## 8.6 Perceived risks versus realised risks

As previously noted, there were four main perceived risks at the time of programme planning that required ongoing monitoring: (i) potential lack of access to the populations most in need; (ii) the diversion of cash or vouchers by local authorities; (iii) the possibility that the market would not cope with the increased demand; and (iv) that the cash/voucher distribution would lead to inflation.

Project implementation showed that in some locations the risk of lack of access was realised, especially in Bay/Bakool and parts of Lower Shabelle, where project implementation became impossible after only a few months. Unfortunately parts of these areas were identified by FSNAU in July 2011<sup>84</sup> as most in need, but local authorities banned agencies from operating there. A project in Lower Juba was also forced to move because of taxation requirements by AS. Beneficiaries from other locations in Lower Juba did however benefit from the programme. The Afgoi Corridor area (Banadir and Lower Shabelle Regions) just outside Mogadishu (controlled by Al Shabaab at the start of the project) also proved difficult to access by two international NGOs. Overall, the programme managed to reach 64% of its planned beneficiaries, with lesser proportions in AS areas (42%) and more in TFG-controlled areas (85%).

Concerning diversion, there was no confirmed evidence that any money was diverted to armed groups, despite various attempts on the part of local authorities (both TFG and AS) to influence the targeting and registration process, and to tax implementing NGOs and/or beneficiary households.

Overall, the market system coped well with the increased demand brought about by the cash and voucher interventions. In most project locations the markets were highly competitive and traders managed to procure the increased quantities of food items without raising prices. For some of the voucher traders, however, procuring sufficient quantities was more difficult (larger quantities), but nevertheless it was done for the agreed price. In some locations, particularly those previously less well integrated, the cash distribution prompted increased availability of goods as demand increased. No demand-

<sup>84</sup> FSNAU (2011) New populations in crisis and estimating emergency cash needs in Southern Somalia to increase food access – 28 July 2011.

driven inflation was noted in any of the monitored markets. In general, prices followed their normal seasonal patterns.

With the exception of access issues, the main perceived risks to the project were not realised. However, there were a number of situations that were unforeseen that have had impacts on project implementation. These include the lengthy and on-going nature of the negotiations required with local authorities, the lengthy and sometimes complex negotiations with *hawala* agents despite all agencies having previous relationships with them and the lack of coordination among agencies operating at field level, particularly in Mogadishu. Currency fluctuations brought about by the large influx of US dollars into Somalia through relief operations, remittances from overseas, foreign investment and income from overseas livestock sales also had a significant impact on the purchasing power of beneficiaries. Although it was logistically impractical to distribute Somali Shillings, the appreciation of the shilling should be considered in contingency planning for future programmes.

## 8.7 Lessons and recommendations

Overall, the experience of the CVMG partners in implementing large-scale cash-based programming projects in Somalia has shown that cash and vouchers can be delivered at scale, even given remote management and access limitations, provided that appropriate checks and balances are put in place to ensure transparency and accountability in targeting and cash distribution. Although in Al Shabaab controlled areas just under half the beneficiaries could be reached, in the context of what would have been possible through any other form of programming, this can be considered a considerable achievement.

Functioning, efficient markets and the *hawala* system were key factors that allowed for the successful cash scale-up. However, there is a need for detailed guidance on setting up and negotiating *hawala* contracts.<sup>85</sup>

One of the voucher projects was able to scale up very effectively and very quickly, providing an innovative approach to food delivery in remote rural areas where essential food items were not previously available.

In relation to the CVMG monitoring exercise, the use of a common monitoring approach (objectives, tools, indicators) improved programming and the understanding of the overall impacts of cash-based interventions. A feedback/complaints system was crucial in picking up cases of diversion and taxation, but the mechanism described here needs improvement, in particular to ensure greater awareness of the feedback mechanism among beneficiaries and other stakeholders; to gather feedback from other stakeholders (including non-beneficiaries); and to better capture fundamental issues such as diversion and inclusion and exclusion errors.

<sup>85</sup> Such guidelines have been drafted since the start of the CVMG programme.



# Annex 1

## Programme coverage: number of beneficiaries by region, district and local authority

Region	Districts	Local authority (as at September 2011)	Total number of beneficiaries		
			Cash	Vouchers	Total
Banadir (Mogadishu)	All Districts	TFG	20850		20850
			12548		12548
				12500	12500
				6000	6000
	<b>SUB TOTAL</b>		<b>33398</b>	<b>18500</b>	<b>51898</b>
Gedo	Luuq	TFG	1222		1222
	Belet Hawa		1822		1822
	El Waq		1085		1085
	Dolo		1170		1170
	Baardheere	AS	1956		1956
	<b>SUB TOTAL</b>		<b>7255</b>	<b>0</b>	<b>7255</b>
Hiran	Beletweyne	AS	6189		6189
	Bulo Burti		4732		4732
	Jalalaqsi		3384		3384
	Mahas	AS & ASWJ	2092		2092
	Mataban	ASWJ	1033		1033
		<b>SUB TOTAL</b>		<b>17430</b>	<b>0</b>
Bay	Baidoa	AS		13473	13473
	Qansadhere				
	Berdale				
	<b>SUB TOTAL</b>		<b>0</b>	<b>13473</b>	<b>13473</b>
Bakool	Wajid	AS	7878		7878
		<b>SUB TOTAL</b>	<b>7878</b>	<b>0</b>	<b>7878</b>
Lower Juba	Afmadow	TFG	8399		8399
	Badhaadhe		4703		4703
		<b>SUB TOTAL</b>	<b>13102</b>	<b>0</b>	<b>13102</b>
Middle Juba	Buaale	AS	6736		6736
	Jilib		3000		3000
	Saakow		1000		1000
	<b>SUB TOTAL</b>		<b>10736</b>	<b>0</b>	<b>10736</b>
Lower Shabelle	Qorioley	AS	500		500
	Wanlaweyn		675		675
	Afgoye		2025		2025
	Qorioley			10001	10001
	Awdeghle				
	Kurtunwarey				
	<b>SUB TOTAL</b>		<b>3200</b>	<b>10001</b>	<b>13201</b>
Middle Shabelle	Adan Yabal	AS	800		800
	Cadale		900		900
		<b>SUB TOTAL</b>	<b>1700</b>	<b>0</b>	<b>1700</b>
<b>TOTAL</b>			<b>94699</b>	<b>41974</b>	<b>136673</b>

# Annex 2

## FSNAU Minimum Expenditure Basket (MEB)

Commodity	South		Central/North	
	Minimum Food (per household per month)			
	Urban Town	Rural Town	Urban Town	Rural Town
SORGHUM or RICE	95kg 71.25	95kg 71.25	95kg 71.25	95kg 71.25
W. FLOUR	3.75kg	3.75kg	3.75kg	3.75kg
SUGAR	5kg	5kg	5kg	5kg
V. OIL	4Lt	3Lt	4Lt	3Lt
MILK	15Lt	x	20Lt	x
MEAT	4kg	2kg	10kg	5kg
TEA LEAVES	0.5kg	0.5kg	0.5kg	0.5kg
SALT	1.5kg	1.5kg	1.5kg	1.5kg
COWPEAS	6kg	x	4.0kg	x
Minimum Non-Food				
Kerosene	1.5Lt	1.5Lt	1.5Lt	1.5Lt
Soap (Laundry Bar)	4pcs	4pcs	4pcs	4pcs
Firewood (bundle)	30	x	10	x
Water (Jerrican 20Lt)	5	5	5	5
Human Drugs (SoSh)	20,000	10,000	20,000	10,000
Grinding Cost	30kg	30kg	9kg	13kg
Clothes (SoSh)	30,000	30,000	30,000	30,000
School Fees (SoSh)	90,000	52,000	90,000	52,000
Social Tax (SoSh)	12,500	12,500	12,500	12,500
Other (SoSh)	30,000	30,000	30,000	30,000

# Annex 3

## Baseline survey

### CASH / VOUCHER DISTRIBUTION: BASELINE QUESTIONNAIRE v10 230911

A: HOUSEHOLD CHARACTERISTICS									
A1	Questionnaire #		A2	Beneficiary ID #					
A3	Beneficiary Registration #		A4	NGO					
A5	Name of Enumerator		A6	Date of Interview					
A7	District		A8	Village					
A9	Gender of interviewee (1= male, 2 = female)		A10	Gender of head of hh (1 = male, 2 = female)					
A11	Total number of people in household		A12	Number of children in hh under 5 years old					
A13	Targeting criteria for beneficiary		<b>Codes for A13: 1 = Nutrition Centre Card, 2 = Pregnant /Lactating Mother, 3 = Women headed HH, 4 = IDP, 5 = Community Based Targeting</b>						
B: INCOME AND LIVELIHOOD									
B1	Which best describes your household's status? 1 = normally resident in this area, 2 = moved here due to drought, 3 = moved here due to conflict, 4 = moved here for other reasons								
B2	What is your household's usual livelihood strategy		1 = pastoralist, 2 = agro-pastoralist, 3 = agriculture, 4 = urban, 5 = other						
B3	What were your household's three main sources of income last month?						1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
<b>Codes for B3: 0 = no income source, 1 = crop sales, 2 = livestock sales, 3 = salary, 4 = remittance, 5 = casual labour, 6 = Cash for work programme, 7 = petty trade; 8 = Skilled trade/artisan; 9 = Begging; 10 = Rental income; 11 = Firewood / charcoal sales; 12 = Milk / Dairy product sales; 13 = Other Livestock products (eg skins, honey); 14 = Natural resources (eg: salt, gum, incense) 15 = Fishing; 16 = Brick making; 17 = Other</b>									
B4	How many people contributed to household income last month?								
B5	What was your total household income last month? (Somali Shillings)								
B6	How much debt does your household owe? (Somali Shillings)								
B7	Which of the following have you or members of your household received from NGOs or projects in the past one month? (1 = yes, 0 = no)								
	a. Plumpy Nut		b. CSB+oil+beans		c. Rice+oil+beans		d. Food voucher		
	e. Cash or CFW		f. Medicine		g. Water or water voucher		h. NFI / other		
B8	What is your source of water for human consumption?				1 = capped well, 2 = dam, 3 = river, 4 = lake, 5 = vendor, 6 = tap, 7 = uncapped well				
B9	In the month prior to receiving the first transfer, how much did your household spend on the following (SoSh)								
	a. Food		e. Debt repay		i. Clothes / shoes		m. Saved		
	b. Water		f. Gift / share		j. Livestock		n. Business investment		
	c. Transport		g. Rent / shelter		k. School fees		o. Household items		
	d. Firewood		h. medical		l. Ag inputs		p. Other		
C: ASSET OWNERSHIP									
C1	What type of house is your household currently living in?			1 = Dhagax, 2 = Baraako, 3 = Mudul ama Aqal Soomali, 4 = Cariish, 5 = Coosh ama Buul					
C2	Is this house owned by a member of the household, rented, or rent-free?			1 = self-owned, 2 = rented, 3 = rent-free					
C3	Does your household own any land? (1 = yes, 0 = no)			C4	If yes, how many hectares?				
C5	How many hectares did your household cultivate in the last Gu season?								

(continued)

### Annex 3 (continued)

<b>C6</b>	How many of the following livestock assets do you or household members own (enter number owned)										
a. cattle		b. camels		c. donkeys		d. sheep		e. goats		f. chickens	
<b>D: FOOD CONSUMPTION AND COPING STRATEGIES</b>											
<b>D1</b>	How many meals did adults in your household eat <u>yesterday</u> during the day and night?										
<b>D2</b>	How many meals did children in your household eat <u>yesterday</u> during the day and night?										
<b>D3</b>	Which of the following food stuffs did you or a hh member eat as part of a meal or snack <u>yesterday</u> ? (tick box)										
a) Cereals		e) other vegetables		i) eggs		m) oil					
b) Vitamin A rich fruits and vegetables		f) Other fruit		j) Fish		n) sweets					
c) White tubers or roots		g) Flesh meat		k) Legumes		o) spices					
d) Dark green leafy greens		h) Organ meat		l) milk							
<b>D4</b>	Please think of the foods your household has eaten over the <u>past week</u> . How many days out of the past 7 days have you or someone in your household eaten the following foods? (Write 1-7)										
a) Cereals		e) other vegetables		i) eggs		m) oil					
b) Vitamin A rich fruits and vegetables		f) Other fruit		j) Fish		n) sweets					
c) White tubers or roots		g) Flesh meat		k) Legumes		o) spices					
d) Dark green leafy greens		h) Organ meat		l) milk							
<b>Examples of foods in categories:</b>											
<b>Cereals:</b> maize, rice, sorghum, wheat flour, pasta, anjera, <b>White tubers or roots:</b> white potato, cassava											
<b>Vitamin A rich fruits and vegetables:</b> yellow/orange potatoes, carrots, pumpkin, papaya, ripe orange mango											
<b>Other vegetables:</b> tomatoes, onions, cabbage, light green lettuce <b>Other fruits:</b> unripe green mangos, banana, orange, apple, dates, wild fruits <b>Sweets:</b> sugar, honey <b>Flesh meat:</b> Cow, goat, sheep, camel, chicken meat											
<b>Organ meat:</b> Liver, kidney, heart <b>Legumes:</b> cowpeas, groundnuts, beans, peanuts, plumpy nut, pumpkin seed, wild nuts											
<b>Milk:</b> full milk portion, does not include small amount for tea											
<b>D5</b>	How much money did your household spend on food last week? (SSh)										
<b>D6</b>	In the <u>last one month</u> , was there ever no food to eat of any kind in your household because of lack of resources to get food? (Yes=1, No=0)										If No, skip next question
<b>D7</b>	If yes, how often did this happen? <b>Rarely = 1</b> (once or twice in past month); <b>Sometimes = 2</b> (three to ten times in past month); <b>Often = 3</b> (more than ten times in past month)										
<b>D8</b>	In the <u>last one month</u> , did you or anyone in your household go to sleep hungry at night because there was not enough food? (Yes=1, No=0)										If No, skip next question
<b>D9</b>	If yes, how often did this happen? <b>Rarely = 1</b> (once or twice in past month); <b>Sometimes = 2</b> (three to ten times in past month); <b>Often = 3</b> (more than ten times in past month)										
<b>D10</b>	In the <u>last one month</u> , did you or anyone in your household go a whole day and night without eating anything because there was not enough food? (Yes = 1, No = 0)										If No, skip next question
<b>D11</b>	If yes, how often did this happen? <b>Rarely = 1</b> (once or twice in past month); <b>Sometimes = 2</b> (three to ten times in past month); <b>Often = 3</b> (more than ten times in past month)										
<b>E: MUAC - Measurements for all children in hh between 12 months and 5 years old</b>											
	<b>Age</b>		<b>MUAC</b>		<b>Age</b>		<b>MUAC</b>				
<b>E1</b>				<b>E2</b>							
<b>E3</b>				<b>E4</b>							
<b>E5</b>				<b>E6</b>							

End of Questionnaire

# Annex 4

## Monthly post-distribution monitoring surveys for cash and voucher beneficiaries

### MONTHLY CASH POST DISTRIBUTION MONITORING FORM

Questionnaire Number :    – M  –

VER 6 120911

#### A: PERSONAL INFORMATION

A1	ID Number	<input type="text"/>		
A2	District	<input type="text"/>		
A3	Village	<input type="text"/>		
A4	NGO	<input type="text"/>		
A5	Date of interview: <input type="text"/> / <input type="text"/> / <input type="text"/>		A6	Gender of respondent (1=m, 2=f) <input type="text"/>
A7	Gender of the head of the hh (1=m, 2=f) <input type="text"/>		A8	Size of hh <input type="text"/>
A9	Number of children in the hh <5 years old <input type="text"/>		A10	Targeting criteria for beneficiary <input type="text"/>

#### Codes for A10 :

1 = Nutrition Centre Card, 2 = Pregnant / Lactating Mother, 3 = Women headed HH, 4 = IDP, 5 = Community Based Targeting, 6 = Other

A11	Hawala agent used	<input type="text"/>
A12	Name of Enumerator	<input type="text"/>
A13	Which best describes your household status?	<input type="text"/>

#### Codes for A13 :

1 = normally resident in this area, 2 = moved here due to drought, 3 = moved here due to conflict, 4 = moved here for other reasons

A14	What is your household's usual livelihood strategy (code)	<input type="text"/>
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#### Codes for A14:

1 = pastoralist, 2 = agro-pastoralist, 3 = agriculture, 4 = urban, 5 = other

#### B: COLLECTION OF CASH

B1	How many hours did you take to travel to the cash distribution site? (code)	<input type="text"/>
B2	How long did you have to wait at the distribution site to get cash? (code)	<input type="text"/>
B3	The length of time I spent travelling to collect cash was acceptable (code)	<input type="text"/>
B4	The frequency with which the cash is distributed suits my household's needs (code)	<input type="text"/>
B5	The transfer is sufficient to cover my household's basic food needs (code)	<input type="text"/>
B6	I would prefer food or food vouchers rather than cash (code)	<input type="text"/>
B7	I am aware of a complaints mechanism to report problems with the programme (code)	<input type="text"/>
B8	Traders have increased their prices as a result of the cash transfers (code)	<input type="text"/>
B9	Control over the cash has caused conflict within my household (code)	<input type="text"/>
B10	Other members of the community are jealous of me because of the cash transfer (code)	<input type="text"/>

Codes for B3 – B10: 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A

B11	How much cash did you receive? <input type="text"/> <input type="text"/> <input type="text"/> USD	B12	Was this the amount you expected? (1 = yes, 2 = no) <input type="text"/>
B13	How long ago did you receive your last cash transfer? (code)	<input type="text"/>	

Codes: 1 = <1 week, 2 = 1 – 2 weeks, 3 = 2 – 3 weeks, 4 = 3 – 4 weeks, 5 = >4 weeks

B14	How much did you spend on transport to and from the distribution site?	<input type="text"/>	SoSh
B15	Did you have to pay anyone in order to receive your cash? (1 = yes, 2 = no)	<input type="text"/>	
B16	Rank the ease with which you collected your cash (code)	<input type="text"/>	
B17	Rank the level of security at the cash distribution site (code)	<input type="text"/>	

Codes for B16 & B17: 1 = good, 2 = fair, 3 = poor

(continued)



## Annex 4 (continued)

Questionnaire Number \_\_\_\_\_

### VOUCHER MONTHLY POST DISTRIBUTION MONITORING FORM VER6 160911

A: PERSONAL INFORMATION										
A1	ID Number		A2	District		A3	Village			
A4	GPS Location (for IDP camps)	N			E					
A5	NGO			A6	Date of interview					
A7	Gender of respondent (1 = m, 2 = f)			A8	Gender of the head of hh (1 = m, 2 = f)					
A9	Size of hh			A10	Number of children in hh <5 years old					
A11	Targeting criteria for beneficiary	<b>Codes for A11: 1 = Nutrition Centre Card, 2 = Pregnant /Lactating Mother, 3 = Women headed HH, 4 = IDP, 5 = Community Based Targeting, 6 = other</b>								
A12	Name of Enumerator									
A13	Which best describes your household's status? <b>Codes: 1 = normally resident in this area, 2 = moved here due to drought, 3 = moved here due to conflict, 4 = moved here for other reasons</b>									
A14	What is your household's usual livelihood strategy (code)				<b>1 = pastoralist, 2 = agro-pastoralist, 3 = agriculture, 4 = urban, 5 = other</b>					
A15	Did you get any of the following in the last 4 weeks (tick)									
	a. Plumpy Nut		b. CSB+oil+beans		c. Rice+oil+beans		d. Food voucher			
	e. Cash or CFW		f. Medicine		g. Water or water voucher		h. NFI / other			
B: COLLECTION AND CONTROL OF VOUCHERS										
B1	How many hours did you take to travel to the voucher distribution site? (code)									
B2	How long did you have to wait at the distribution site to get vouchers? (code)									
<b>Codes for B1 &amp; B2: 1 = &lt;0.5 hours, 2 = 0.5 – 1 hour, 3 = 1 – 1.5 hours, 4 = 1.5 – 2 hours, 5 = 2 – 2.5 hours, 6 = &gt;2.5 hours</b>										
Record the respondents' views on the following statements B3 – B8 using the codes										
B3	The length of time I spent travelling to collect the voucher was acceptable (code)									
B4	The frequency with which the vouchers are distributed suits my household's needs (code)									
B5	I would prefer food rather than vouchers (code)									
B6	I would prefer food rather than vouchers (code)									
B7	I am aware of a complaints mechanism to report problems with the programme (code)									
B8	Control over the vouchers has caused conflict within my household (code)									
B9	Other members of the community are jealous of me because I receive vouchers (code)									
<b>Codes for B3 – B9: 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A</b>										
B10	Did you get the amount of vouchers you expected? <b>(1 = yes, 2 = no)</b>									
B11	How long ago did you receive your last vouchers transfer? (code) <b>Codes: 1 = &lt;1 week, 2 = 1 – 2 weeks, 3 = 2 – 3 weeks, 4 = 3 – 4 weeks 5 = &gt; 4 weeks</b>									
B12	How much did you spend on transport to and from the distribution site						SoSh			
B13	Did you have to pay anyone in order to receive your vouchers? (1 = yes, 2 = no)									
B14	Rank the ease with which you collected your vouchers (code)					<b>Codes for B13 &amp; B14: 1 = good, 2 = fair, 3 = poor</b>				
B15	Rank the level of security at the vouchers distribution site (code)									
B16	Did you experience any problems with identification by distribution staff? (1 = yes, 2 = no)									
B17	Did you experience any problems with sending another family member to collect the vouchers? (1 = yes, 2 = no, NA)									

(continued)

## Annex 4 (continued)

<b>B17</b>	Did you experience any other problems with collecting the vouchers? (1 = yes, 2 = no) if yes, <b>explain below</b>						
<b>C: REDEMPTION OF VOUCHERS AND MARKET BEHAVIOUR</b>							
<b>C1</b>	Did you get the quantity of commodities you expected when you exchanged your vouchers (1 = yes, 2 = no)						
		Oil	CSB	sugar	rice	flour	pulses
<b>C2</b>	How much of the commodities did you receive in exchange for your voucher	l	kg	kg	kg	kg	kg
<b>C3</b>	How much did you consume in the household?	l	kg	kg	kg	kg	kg
<b>C4</b>	How much did you sell?	l	kg	kg	kg	kg	kg
<b>C5</b>	If sold, how much did you sell for (Som Shillings)						
<b>C6</b>	How much did you give away / share?	l	kg	kg	kg	kg	kg
<b>C7</b>	How much do you still have in stock?	l	kg	kg	kg	kg	kg
<b>C8</b>	Traders have changed their prices as a result of the voucher scheme (code) <b>Codes : 1 = increased, 2 = no change, 3 = decrease</b>						
<b>C9</b>	How long did you have to wait at the shop to redeem vouchers (code) Codes: <b>1 = &lt; ½ hour, 2 = ½ - 1 hour, 3 = 1 – 2 hours, 4 = &gt;2 hours</b>						
<b>C10</b>	Did you sell your vouchers? Code: (1 = yes, 2 = no)						
<b>C11</b>	If yes to C10, how much did you sell for				SoSh		
<b>Record the respondents' views on the following statements C12 – C18 using the codes</b>							
<b>C12</b>	The food I get in return for the vouchers is sufficient to cover my household's basic food needs (code)						
<b>C13</b>	There are sufficient traders to satisfy the needs of all people redeeming vouchers (code)						
<b>C14</b>	The trader always exchanges the voucher for the correct quantities of food (code)						
<b>C15</b>	The trader always treats me with respect when I go to exchange my voucher (code)						
<b>C16</b>	The trader's premises is located an acceptable distance from my house (code)						
<b>C17</b>	The food that I get in return for the voucher is of an acceptable quality (code)						
<b>C18</b>	The trader allows me or other beneficiaries to exchange the vouchers for cash (code)						
<b>C19</b>	If C17 = yes, how much cash did you get?				SoSh		
<b>Codes for C12 – C19: 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A</b>							

END OF QUESTIONNAIRE

# Annex 5

## Quarterly post-distribution monitoring surveys for cash and voucher beneficiaries

### QUARTERLY CASH POST DISTRIBUTION MONITORING FORM

Questionnaire Number :    – M  –

VER 9 120911

#### A: PERSONAL INFORMATION

A1	ID Number	<input type="text"/>		
A2	District	<input type="text"/>		
A3	Village	<input type="text"/>		
A4	NGO	<input type="text"/>		
A5	Date of interview: <input type="text"/> / <input type="text"/> / <input type="text"/>		A6	Gender of respondent (1=m, 2=f) <input type="text"/>
A7	Gender of the head of the hh (1=m, 2=f) <input type="text"/>		A8	Size of hh <input type="text"/>
A9	Number of children in the hh <5 years old <input type="text"/>		A10	Targeting criteria for beneficiary <input type="text"/>

#### Codes for A10 :

1 = Nutrition Centre Card, 2 = Pregnant / Lactating Mother, 3 = Women headed HH, 4 = IDP, 5 = Community Based Targeting, 6 = Other

A11	Hawala agent used	<input type="text"/>
A12	Name of Enumerator	<input type="text"/>
A13	Which best describes your household status? <input type="text"/>	

#### Codes for A13 :

1 = normally resident in this area, 2 = moved here due to drought, 3 = moved here due to conflict, 4 = moved here for other reasons

A14	What is your household's usual livelihood strategy (code) <input type="text"/>
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#### Codes for A14:

1 = pastoralist, 2 = agro-pastoralist, 3 = agriculture, 4 = urban, 5 = other

#### B: COLLECTION OF CASH

B1	How many hours did you take to travel to the cash distribution site? (code)	<input type="text"/>
B2	How long did you have to wait at the distribution site to get cash? (code)	<input type="text"/>
B3	The length of time I spent travelling to collect cash was acceptable (code)	<input type="text"/>
B4	The frequency with which the cash is distributed suits my household's needs (code)	<input type="text"/>
B5	The transfer is sufficient to cover my household's basic food needs (code)	<input type="text"/>
B6	I would prefer food or food vouchers rather than cash (code)	<input type="text"/>
B7	I am aware of a complaints mechanism to report problems with the programme (code)	<input type="text"/>
B8	Traders have increased their prices as a result of the cash transfers (code)	<input type="text"/>
B9	Control over the cash has caused conflict within my household (code)	<input type="text"/>
B10	Other members of the community are jealous of me because of the cash transfer (code)	<input type="text"/>

Codes for B3 – B10: 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A

B11	How much cash did you receive? <input type="text"/> <input type="text"/> <input type="text"/> USD	B12	Was this the amount you expected? (1 = yes, 2 = no) <input type="text"/>
B13	How long ago did you receive your last cash transfer? (code)	<input type="text"/>	

Codes: 1 = <1 week, 2 = 1 – 2 weeks, 3 = 2 – 3 weeks, 4 = 3 – 4 weeks 5 = >4 weeks

B14	How much did you spend on transport to and from the distribution site?	<input type="text"/> SoSh
B15	Did you have to pay anyone in order to receive your cash? (1 = yes, 2 = no)	<input type="text"/>
B16	Rank the ease with which you collected your cash (code)	<input type="text"/>
B17	Rank the level of security at the cash distribution site (code)	<input type="text"/>

Codes for B16 & B17: 1 = good, 2 = fair, 3 = poor

(continued)



## Annex 5 (continued)

- |           |                              |                          |                  |                          |                              |                          |
|-----------|------------------------------|--------------------------|------------------|--------------------------|------------------------------|--------------------------|
| <b>D3</b> | a. Cereals f. Fruit          | <input type="checkbox"/> | f. Fruit         | <input type="checkbox"/> | k. Legumes, seeds ,nuts      | <input type="checkbox"/> |
|           | b. Vitamin A rich vegetables | <input type="checkbox"/> | g . Flesh meat   | <input type="checkbox"/> | l. Milk ,milk Products       | <input type="checkbox"/> |
|           | c. White tubers or roots     | <input type="checkbox"/> | h. Organ meat    | <input type="checkbox"/> | m. Oils                      | <input type="checkbox"/> |
|           | d. Dark green leafy greens   | <input type="checkbox"/> | i. Eggs          | <input type="checkbox"/> | n. Sugar, sweets, honey      | <input type="checkbox"/> |
|           | e. Other vegetables          | <input type="checkbox"/> | j. Fish, Seafood | <input type="checkbox"/> | o. Spices, salt, tea, coffee | <input type="checkbox"/> |

### E: COPING STRATEGY INDEX

- E1 How much money did your household spend on food last week ? (SSh)
- E2 In the *last one month* , was there ever no food to eat of any kind in your household because of the lack of resources to get food ?   
(Yes= 1, No= 2 ) If No, skip to the next question.
- E3 If Yes , how often did this happen ?   
Rarely =1 (once or twice in the past month); Sometimes =2 (three to ten times in the past month);  
Often =3 (more then ten times in the past month)
- E4 In the last one month, did you or anyone in your household go to sleep hungry at night because there was not enough food?   
(Yes=1, No=0) If No, skip next question
- E5 If yes, how often did this happen?   
Rarely =1 (once or twice in the past month); Sometimes =2 (three to ten times in the past month);  
Often =3 (more then ten times in the past month)
- E6 In the last one month, did you or anyone in your household go a whole day and night without eating anything because there was not enough food? (Yes = 1, No = 0) If No, skip next question
- E7 If yes, how often did this happen?   
Rarely =1 (once or twice in the past month); Sometimes =2 (three to ten times in the past month);  
Often =3 (more then ten times in the past month)

### F: MUAC

Take MUAC measurements of all children in household between 12 months and 59 months (less than 5 years)					
	Age (months)	MUAC	Green	Yellow	Red
F1	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F2	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F3	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F4	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F5	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F6	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F7	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>
F8	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>		<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>	<input style="width: 20px; height: 20px;" type="checkbox"/>

END OF QUESTIONNAIRE

(continued)

## Annex 5 (continued)

### VOUCHER QUARTERLY POST DISTRIBUTION MONITORING FORM VER6 160911

A: PERSONAL INFORMATION							
<b>A1</b>	ID Number		<b>A2</b>	District		<b>A3</b>	Village
<b>A4</b>	GPS Location (for IDP camps)	N		E			
<b>A5</b>	NGO		<b>A6</b>	Date of interview			
<b>A7</b>	Gender of respondent (1 = m, 2 = f)			<b>A8</b>	Gender of the head of hh (1 = m, 2 = f)		
<b>A9</b>	Size of hh		<b>A10</b>	Number of children in hh <5 years old			
<b>A11</b>	Targeting criteria for beneficiary	<b>Codes for A11:</b> 1 = Nutrition Centre Card, 2 = Pregnant /Lactating Mother, 3 = Women headed HH, 4 = IDP, 5 = Community Based Targeting, 6 = other					
<b>A12</b>	Name of Enumerator						
<b>A13</b>	Which best describes your household's status? <b>Codes:</b> 1 = normally resident in this area, 2 = moved here due to drought, 3 = moved here due to conflict, 4 = moved here for other reasons						
<b>A14</b>	What is your household's usual livelihood strategy (code)			1 = pastoralist, 2 = agro-pastoralist, 3 = agriculture, 4 = urban, 5 = other			
<b>A15</b>	How many people contributed to household income last month?						
<b>A16</b>	What was your total household income last month? (Somali Shillings)						
<b>A17</b>	How much debt does your household owe? (Somali Shillings)						
<b>A18</b>	Which of the following have you or members of your household received from NGOs or projects in the past month? (1 = yes, 0 = no)						
	a. Plumpy Nut		b. CSB+oil+beans		c. Rice+oil+beans		d. FFW
	e. Cash or CFW		f. Medicine		g. Water or water voucher		h. NFI / other
B: COLLECTION AND CONTROL OF VOUCHERS							
<b>B1</b>	How many hours did you take to travel to the voucher distribution site? (code)						
<b>B2</b>	How long did you have to wait at the distribution site to get vouchers? (code)						
<b>Codes for B1 &amp; B2:</b> 1 = <0.5 hours, 2 = 0.5 – 1 hour, 3 = 1 – 1.5 hours, 4 = 1.5 – 2 hours, 5 = 2 – 2.5 hours, 6 = >2.5 hours							
Record the respondents' views on the following statements B3 – B10 using the codes							
<b>B3</b>	The length of time I spent travelling to collect the voucher was acceptable (code)						
<b>B4</b>	The frequency with which the vouchers are distributed suits my household's needs (code)						
<b>B5</b>	would prefer food rather than vouchers (code)						
<b>B6</b>	I would prefer cash rather than vouchers (code)						
<b>B7</b>	I am aware of a complaints mechanism to report problems with the programme (code)						
<b>B8</b>	Control over the vouchers has caused conflict within my household (code)						
<b>B9</b>	The transfer allowed me to invite non-household members to come and eat with my household (code)						
<b>B10</b>	Other members of the community are jealous of me because I receive vouchers (code)						
<b>Codes for B3 – B10:</b> 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A							
<b>B11</b>	Did you get the amount of vouchers you expected? (1 = yes, 2 = no)						
<b>B12</b>	How long ago did you receive your last vouchers transfer? (code) <b>Codes:</b> 1 = <1 week, 2 = 1 – 2 weeks, 3 = 2 – 3 weeks, 4 = 3 – 4 weeks 5 = > 4 weeks						
<b>B13</b>	How much did you spend on transport to and from the distribution site					SoSh	
<b>B14</b>	Did you have to pay anyone in order to receive your vouchers? (1 = yes, 2 = no)						

## Annex 5 (continued)

<b>B15</b>	Rank the ease with which you collected your vouchers (code)		Codes for <b>B15 &amp; B16</b> : 1 = good, 2 = fair, 3 = poor				
<b>B16</b>	Rank the level of security at the vouchers distribution site (code)						
<b>B17</b>	Did you experience any problems with identification by distribution staff? (1 = yes, 2 = no)						
<b>B18</b>	Did you experience any problems with sending another family member to collect the vouchers? (1 = yes, 2 = no, NA)						
<b>B19</b>	Did you experience any other problems with collecting the vouchers? (1 = yes, 2 = no) if yes, <b>explain below</b>						
<b>C: REDEMPTION OF VOUCHERS AND MARKET BEHAVIOUR</b>							
<b>C1</b>	Did you get the quantity of commodities you expected when you exchanged your vouchers (1 = yes, 2 = no)						
		Oil	CSB	sugar	rice	flour	pulses
<b>C2</b>	How much of the commodities did you receive in exchange for your voucher	l	kg	kg	kg	kg	kg
<b>C3</b>	How much did you consume in the household?	l	kg	kg	kg	kg	kg
<b>C4</b>	How much did you sell?	l	kg	kg	kg	kg	kg
<b>C5</b>	If sold, how much did you sell for (Som Shillings)						
<b>C6</b>	How much did you give away / share?	l	kg	kg	kg	kg	kg
<b>C7</b>	How much do you still have in stock?	l	kg	kg	kg	kg	kg
<b>C8</b>	Traders have changed their prices as a result of the voucher scheme (code) <b>Codes : 1 = increased, 2 = no change, 3 = decrease</b>						
<b>C9</b>	How long did you have to wait at the shop to redeem vouchers (code) Codes: <b>1 = &lt; ½ hour, 2 = ½ - 1 hour, 3 = 1 – 2 hours, 4 = &gt;2 hours</b>						
<b>C10</b>	Did you sell your vouchers? Code: (1 = yes, 2 = no)						
<b>C11</b>	If yes to C10, how much did you sell for						SoSh
<b>C12</b>	The food I get in return for the vouchers is sufficient to cover my household's basic food needs (code)						
<b>C13</b>	There are sufficient traders to satisfy the needs of all people redeeming vouchers (code)						
<b>C14</b>	The trader always exchanges the voucher for the correct quantities of food (code)						
<b>C15</b>	The trader always treats me with respect when I go to exchange my voucher (code)						
<b>C16</b>	The trader's premises is located an acceptable distance from my house (code)						
<b>C17</b>	The food that I get in return for the voucher is of an acceptable quality (code)						
<b>C18</b>	The trader allows me or other beneficiaries to exchange the vouchers for cash (code)						
<b>C19</b>	If C18 = yes, how much cash did you get?						
<b>Codes for C12 – C18: 1 = agree, 2 = no opinion, 3 = disagree, 4 = N/A</b>							

(continued)

## Annex 5 (continued)

D: FOOD SECURITY AND DIETARY DIVERSITY						
<b>D1</b>	How many meals did adults in the household eat yesterday?					
<b>D2</b>	How many meals did children in the household eat yesterday?					
<b>D3</b>	Which of the following food stuffs did you or another household member eat yesterday (tick)					
	a. Cereals		f. Fruit		k. Legumes, seeds, nuts	
	b. Vitamin A rich vegetables		g. Flesh meat		l. Milk, milk products	
	c. White tubers or roots		h. Organ meat		m. Oils	
	d. Dark green leafy greens		i. Eggs		n. Sugar, sweets, honey	
	e. Other vegetables		j. Fish, seafood		o. Spices, salt, tea, coffee	
E: COPING STRATEGY INDEX						
<b>E1</b>	How much money did your household spend on food last week? (SSh)					
<b>E2</b>	In the <u>last one month</u> , was there ever no food to eat of any kind in your household because of lack of resources to get food? (Yes=1, No=0) If No, skip next question					
<b>E3</b>	If yes, how often did this happen? <b>Rarely</b> = 1 (once or twice in past month); <b>Sometimes</b> = 2 (three to ten times in past month); <b>Often</b> = 3 (more than ten times in past month)					
<b>E4</b>	In the last one month, did you or anyone in your household go to sleep hungry at night because there was not enough food? ( <b>Yes=1, No=0</b> ) If No, skip next question					
<b>E5</b>	If yes, how often did this happen? <b>Rarely</b> = 1 (once or twice in past month); <b>Sometimes</b> = 2 (three to ten times in past month); <b>Often</b> = 3 (more than ten times in past month)					
<b>E6</b>	In the <u>last one month</u> , did you or anyone in your household go a whole day and night without eating anything because there was not enough food? (Yes = 1, No = 0) If No, skip next question					
<b>E7</b>	If yes, how often did this happen? <b>Rarely</b> = 1 (once or twice in past month); <b>Sometimes</b> = 2 (three to ten times in past month); <b>Often</b> = 3 (more than ten times in past month)					
F: MUAC						
Take MUAC measurements of all children in household between 12 months and 59 months (less than 5 years)						
	<b>Age</b>	<b>MUAC</b>		<b>Age</b>	<b>MUAC</b>	
<b>F1</b>			<b>F5</b>			
<b>F2</b>			<b>F6</b>			
<b>F3</b>			<b>F7</b>			
<b>F4</b>			<b>F8</b>			

END OF QUESTIONNAIRE

# Annex 6

## Weekly market price monitoring survey

### CASH/VOUCHER INTERVENTIONS: MARKET PRICE MONITORING FORM

Questionnaire Number :

V1.1

#### A: PERSONAL INFORMATION

A1 : Name of Data Collector

A2 : District

Date  /  /  NGO

Region

Name of market

Date of start of most recent cash distribution  /  /  Date of end of most recent cash distribution  /  /

Item	Quantity	Available 1 = yes, 0 = no	Price (SoSh)
1 White maize	50kg	<input type="checkbox"/>	<input type="text"/>
	1kg	<input type="checkbox"/>	<input type="text"/>
2 Yellow maize	50kg	<input type="checkbox"/>	<input type="text"/>
	1kg	<input type="checkbox"/>	<input type="text"/>
3 Imported red rice	1kg	<input type="checkbox"/>	<input type="text"/>
4 Red Sorghum	50kg	<input type="checkbox"/>	<input type="text"/>
	1kg	<input type="checkbox"/>	<input type="text"/>
5 Wheat flour	1kg	<input type="checkbox"/>	<input type="text"/>
6 Sugar	1kg	<input type="checkbox"/>	<input type="text"/>
7 Veg. oil	1 Litre	<input type="checkbox"/>	<input type="text"/>
8 Cow milk	1 Litre	<input type="checkbox"/>	<input type="text"/>
9 Camel milk	1 Litre	<input type="checkbox"/>	<input type="text"/>
10 Water	20 litre	<input type="checkbox"/>	<input type="text"/>
11 Tea leaves	1 kg	<input type="checkbox"/>	<input type="text"/>
12 Cowpeas	1 kg	<input type="checkbox"/>	<input type="text"/>
13 Salt	1 kg	<input type="checkbox"/>	<input type="text"/>
14 Meat (goat)	1 kg	<input type="checkbox"/>	<input type="text"/>
15 Soap (Laundry Bar)	1 piece	<input type="checkbox"/>	<input type="text"/>
16 Grinding Cost (of cereals)	Per kg	<input type="checkbox"/>	<input type="text"/>
17 Kerosene	1 Litre	<input type="checkbox"/>	<input type="text"/>
18 Firewood	1 bundle	<input type="checkbox"/>	<input type="text"/>
19 Charcoal	1 sack (50kg)	<input type="checkbox"/>	<input type="text"/>
20 Petrol	1 Litre	<input type="checkbox"/>	<input type="text"/>
21 Diesel	1 Litre	<input type="checkbox"/>	<input type="text"/>
22 Daily labour rate (unskilled)	1 day	<input type="checkbox"/>	<input type="text"/>
23 Camel	Local	<input type="checkbox"/>	<input type="text"/>
	Export quality	<input type="checkbox"/>	<input type="text"/>
24 Cattle	Local	<input type="checkbox"/>	<input type="text"/>
	Export quality	<input type="checkbox"/>	<input type="text"/>
25 Goat	Local	<input type="checkbox"/>	<input type="text"/>
	Export quality	<input type="checkbox"/>	<input type="text"/>
26 Sheep	Local	<input type="checkbox"/>	<input type="text"/>
	Export quality	<input type="checkbox"/>	<input type="text"/>
27 Exchange rate SoSh/USD		<input type="checkbox"/>	<input type="text"/>
28 Exchange rate (border areas only) SoSh/Kenya Shilling		<input type="checkbox"/>	<input type="text"/>

# Annex 7

## Qualitative data collection tools – Round 1

### Cash and Voucher Monitoring Group

#### NGO STAFF INTERVIEW FORMAT

##### First interview

V7 291111

This interview should be done with the NGO officer who is overall responsible for the cash / voucher programme for this NGO office.

Interview Round (1, 2 or 3):				
1.1 Name of IFM		1.2 Names of NGO staffers interviewed		
1.3 Positions of NGO staffers interviewed				
1.4 Phone contact for NGO staff				
1.5 NGO		1.6 Date	1.7 Time at start of interview	
1.8 District				
1.9 Office Location	Town			
1.10 Targeting method used				
1.11 Which Local authorities / militias are in control in your implementation area?				

## 2. Targeting

2.0 Describe the process used for targeting of beneficiaries, highlighting any problems experienced, and how these were overcome. (Continue overleaf if necessary.)

## Annex 7 (continued)

Use the following questions as the basis for more detailed discussion. If appropriate, the questions in italics can be used to probe further into related issues. Responses to questions in italics should be noted below/overleaf.

	Question	Yes	Yes, to some extent	No	N/A
2.1	Was your NGO able to conduct targeting effectively? <i>Did you have sufficient time, sufficient staff, and sufficient logistic resources?</i>				
2.2	For Community Based Targeting only: Did the community committees demonstrate a good understanding of the targeting criteria? <i>If yes, how can you be sure that they had a good understanding?</i> <i>If no, how were the targeting criteria (mis) understood by the committees?</i>				
2.3	Compared to your previous targeting experience, was the targeting for this programme relatively easy and straightforward? <i>If yes, what made it easy?</i> <i>If not, what made it difficult?</i>				
2.4	Was it possible to register all vulnerable households in the operational area? <i>If not, why not?</i>				
2.5	Did the targeting process cause any conflicts within the communities? <i>If yes, describe the types of conflicts and how these were addressed.</i>				
2.6	Did local militias and / or groups of elders or others try to influence the targeting process? <i>If yes, which militias / groups?</i> <i>How did they try to influence the targeting?</i> <i>How did you handle this?</i> <i>Were they successful in influencing the targeting?</i>				

Provide additional information relating to the above responses.

## Annex 7 (continued)

### 3. Verification and Registration

3.0 Describe the process used for verification and registration of beneficiaries, highlighting any problems experienced, and how these were overcome. (Continue overleaf if necessary.)

	Question	Yes	Yes, to some extent	No	N/A
3.1	Was your NGO able to verify beneficiary lists thoroughly? <i>Did you have sufficient time, sufficient staff, and sufficient logistic resources?</i>				
3.2	When you conducted the verification of beneficiary lists, did you find that the targeting had been done accurately? <i>If yes, what were the reasons that contributed to accurate targeting?</i> <i>If no, why had targeting not been done accurately?</i>				
3.3	Was your NGO able to conduct registration effectively? <i>Did you have sufficient time, sufficient staff, and sufficient logistic resources?</i>				
3.4	Was it easy to obtain the information necessary to complete the registration form from beneficiaries? <i>If no, why not?</i>				
3.5	Was it quick and easy to enter beneficiary information into the registration database? <i>If no, why not?</i>				
3.6	Were beneficiary ID cards issued before the 1 <sup>st</sup> transfer took place? <i>If no, why not?</i>				

Provide additional information relating to the above responses.

## Annex 7 (continued)

### 4. Distribution and Hawala / Shopkeeper Performance

4.0. Describe the payment distribution process: How are beneficiaries informed about payment times and payment sites? What have been the problems experienced? How were these overcome?

	Question	Yes	Yes, to some extent	No	N/A
4.1	Were the negotiations with the Hawala agency / shopkeepers concerning the contract to distribute the cash for this programme straightforward? <i>How were the negotiations carried out? Describe any difficulties.</i>				
4.2	Was the 1 <sup>st</sup> cash / voucher distribution was carried out according to the original timeframe? <i>If not, what caused the delay?</i>				
4.3	Did all beneficiaries receive the cash / food they were supposed to? <i>If not, what were some of the problems with the first transfer?</i>				
4.4	Did the Hawala agency/ shopkeepers always have the correct notes / food types? <i>If not, why not?</i>				
4.5	Did all the Hawala agents / shopkeepers submit the required transaction reports? <i>If not, why not?</i>				
4.6	Did all Hawala branches / shopkeepers perform distributions to an acceptable standard? <i>If not, what were some of the problems? How were the problems addressed?</i>				
4.7	Do you think that the Hawala agency / shopkeepers provide good value for money for the service they provide? <i>Why?</i>				

Provide additional information relating to the above responses.

## Annex 7 (continued)

### 5. Local Authorities and Access

	Question	Yes	Yes, to some extent	No	N/A
5.1	Were the negotiations with the local authority / militias in seeking permission to implement the programme straightforward? <i>Why? How were negotiations carried out?</i>				
5.2	Did the negotiations with the local authority / militias in seeking permission to implement the programme cause any delays to the start of the programme? <i>Why?</i>				
5.3	Did you have to compromise any aspects of the programme in order to comply with local authorities' / militias conditions to operate? <i>If yes, describe.</i>				
5.4	Did local authorities / militias implement any policies, which supported the objectives of the programme (e.g. exchange rate controls)? <i>If yes, describe.</i>				
5.5	Does your NGO make any contribution to local authorities / militias in order to operate in the area? <i>If yes, describe.</i>				
5.6	Did local authorities / militias prevent or make it difficult to access to some areas / communities? <i>If yes, describe.</i>				
5.7	Are local authorities / militias generally supportive of cash / voucher programming? <i>Why?</i>				

Provide additional information relating to the above responses.

### 6. Complaints

This interview should be done with the NGO officer responsible for handling complaints – this may or may not be the same person interviewed for the previous sections above.

1	Name of NGO		2	Date			
3	Name of Interviewee		4	Name of Interviewer			
5	When did the complaints procedure start? (Approximate day and month)						
6	How were beneficiaries made aware of the	Printed information on ID card	NGO meeting	Community meeting	Hawala agent	At time of registration	Other

## Annex 7 (continued)

	complaints procedure? Tick all that apply							
7	How do beneficiaries make complaints? (Tick all that apply)	SMS	Phonecall from NGO	Phonecall from beneficiary	Through Group or Cttee	In person to NGO	In writing	Other
8	What proportion of received complaints is recorded on the complaints form? (Code) (Codes: 1 = all, 2 = most, 3 = some, 4 = none)							

Additional information relating to the following questions should be noted overleaf.					
	Question	Yes	Yes, to some extent	No	N/A
9	Do a significant proportion of complaints relate to the same beneficiary community or Hawala / shopkeeper distribution site? <i>If yes, describe why they arose and what is being / has been done to address the situation.</i>				
10	Is the complaints system working as it was intended? <i>What are the strengths? What are the weaknesses? Describe any changes that you've made or intend to make.</i>				
11	Do you have sufficient staff to deal with all complaints in an acceptable period of time? <i>If no, how are you managing?</i>				
12	Are the Hawala agency / shopkeepers responsive to changes required as a result of the complaints? <i>Describe some examples.</i>				
13	Have you received any complaints that you have been unable to respond to? <i>If yes, provide examples.</i>				

Provide additional information relating to the above responses overleaf.

### 7. Diversion

7.0 Are you aware of any cases or rumours of diversion to date? Please describe in sufficient detail so that such cases/rumours can be investigated further if necessary. Has the NGO taken any steps to investigate these cases/rumours of diversion? Please describe if so.	
Time at end of interview	

(continued)

## Annex 7 (continued)

### Cash and Voucher Monitoring Group CASH RELIEF COMMITTEE / COMMUNITY LEADER (CL) FGD PROMPT SHEET

#### 1. Cash Relief Committee / Community Leader Details

<b>1.1 Name of Independent Field Monitor</b>		<b>1.2</b>	
<b>1.3 Date</b>		<b>1.4 Time at start of interview</b>	
		<b>1.5 NGO</b>	
<b>1.6 District</b>		<b>1.7 Village</b>	
<b>1.8 Composition of the FGD participants (eg. Cash relief committee, elders, etc.) enter numbers below</b>			
	Community elder / leader	Member of CBO	Imam
			Local businessman
			Teacher
<b>Male</b>			
<b>Female</b>			
<b>1.9 If it is a cash relief committee, how were members selected and appointed?</b>			
<b>1.10 Are any FGD group members cash transfer / voucher beneficiaries?</b>			
Code 1 = all, 2 = some, 3 = none			
<b>1.11 If yes, why were they targeted to receive cash / vouchers?</b>			
<b>1.12 Was the FGD group involved in targeting / selection of the beneficiaries?</b>			
			yes / no
<b>1.13 What did this role involve?</b>			
<b>1.14 What were the targeting criteria used?</b>			
<b>1.15 Does the role of the FGD group involve settling disputes arising from the cash / voucher programme? Yes / no</b>			
<b>1.16 If yes, describe the role below.</b>			

## Annex 7 (continued)

### 2. Communication with NGOs and Hawala, Complaints and Follow Up

Tick the appropriate box in response to each question. Information relating to additional follow-up questions (in italics) should be noted in the space below and overleaf if necessary.

	Question	Yes	Yes to some extent	No	N/A
2.1	Was the Targeting process fair and transparent? Why? Why not?				
2.2	Were some wealthier families were registered for the cash / voucher transfer programme? Why?				
2.3	Did some households use influence to get registered? If so, how?				
2.4	Did the NGO give you sufficient notice of the timing of the most recent cash transfer? <i>Describe how much notice was given.</i>				
2.5	Was the information from the NGO regarding the timing of the most recent distribution correct? <i>If not, what was not correct?</i>				
2.6	Are you aware of the complaints mechanism? <i>If yes, describe how it works below</i>				
2.7	Does the complaints mechanism work effectively? <i>Provide examples.</i>				
2.8	Did the NGO resolve complaints successfully and in a timely manner? <i>Provide examples</i>				
2.9	Does the complaints mechanism need to be improved? <i>If 'yes', please describe how below</i>				
2.9	Have committee/elders been able to resolve grievances regarding the programme without the NGO <i>If 'yes', describe below</i>				

### 3. Security, Taxation, Local Authorities and Access

Tick the appropriate box in response to each question. Information relating to additional follow-up questions (in italics) should be noted in the space below and overleaf if necessary.

	Question	Yes	Yes to some extent	No	N/A
3.1	Did Local authorities / militias implement policies which supported the objectives of the programme (e.g. exchange rate controls)? <i>Describe.</i>				

(continued)

## Annex 7 (continued)

3.2	Did Local authorities / militias provide practical support to the programme (e.g. security and travel permission). <i>Provide examples.</i>				
3.3	Did Beneficiaries and / or the community have to make a contribution to local authorities / militias If 'yes', how much and how frequently – describe below				
3.5	Did Local authorities / militias prevent or make it difficult for beneficiaries to access the cash / voucher distribution site? <i>Describe.</i>				
3.6	Did Local authorities / militias prevent or make it difficult for beneficiaries to access the retail outlets / markets? <i>Describe.</i>				
3.7	Did Beneficiaries have to pay to pass check points when returning from the Hawala / market? <i>Describe, including how much was paid.</i>				
3.8	Are Local authorities / militias supportive of cash transfer programming? <i>Describe how they support the programme.</i>				

### 4. Intra community relations and impacts on community

	Question	Yes	Yes to some extent	No	N/A
4.1	Did the NGO inform you clearly about how much beneficiaries would receive under the cash programme? <i>Describe.</i>				
4.2	Did the NGO clearly inform you about how long the programme would last for (i.e. for how many months cash would be provided)? <i>Describe.</i>				
4.3	Did the NGO tell you that beneficiaries can still receive their cash even if they move to another location / return to their original homes (for IDPs)? <i>Describe.</i>				
4.4	Did the NGO give you sufficient notice of the timing of the 1st cash transfer? <i>Describe how much notice was given.</i>				
4.5	Was the information from the NGO regarding the timing of the 1st distribution correct? If not, what was not correct?				
4.6	Are you aware of the complaints mechanism? If yes, describe how it works below				
4.7	Does the complaints mechanism work effectively? <i>Provide examples.</i>				
4.8	Did the NGO resolve complaints successfully and in a timely manner? <i>Provide examples</i>				
4.9	Does the complaints mechanism need to be				

**Annex 7 (continued)**

	improved? If 'yes', please describe how below				
4.10	Have committee/elders been able to resolve grievances regarding the programme without the NGO If 'yes', describe below				

Provide additional information relating to the above response

Phone contact for Community Leader / Cttee chairman	
Time at end of interview	

## Annex 7 (continued)

### Cash and Voucher Monitoring Group

#### HAWALA AGENT INTERVIEW FORM v4 251111

1.1 Name of M&E field officer		1.2 Name of Hawala company	
1.3 Position of Hawala staffer interviewed			
1.4 Phone contact for Hawala staff			
1.5 NGO area		1.6 Date	1.7 Time at start
1.8 Town		1.9 District	

### 2 Staff resources and cash availability

Tick the appropriate box in response to each question. Additional information relating to the follow up questions (in italics) should be noted in the space below and overleaf if necessary.

	Question	Yes	Yes to some extent	No	N/A
2.1	Were you able to fulfill the terms of the cash distribution contract/agreement for the NGO without any problem? <i>Describe.</i>				
2.2	Do you have enough staff to handle the work involved in distributing the cash to the beneficiaries and reporting to the NGO? <i>Describe</i>				
2.3	Have you had to hire additional staff to handle the workload involved in the cash distribution? <i>Describe</i>				
2.4	Have you opened new offices / branches to distribute cash for this programme? <i>Describe</i>				
2.5	Have you experienced difficulties in getting enough cash to your offices / distribution sites on time? <i>Describe</i>				
2.6	Have you experienced difficulties in getting the right bank notes for distribution? <i>Describe</i>				
2.7	Have you experienced difficulties in getting clean bank notes that are not torn or damaged? <i>Describe</i>				
2.8	Have you had to delay some of the transfers for your other clients due to the workload / amount of cash required by the programme? <i>Describe</i>				
2.9	Were you sometimes not able to transfer money to some of your other regular clients because of the workload / amount of cash required by the programme? <i>Describe</i>				

Provide additional information relating to the above points

## Annex 7 (continued)

### 3 Distribution, security and taxation

Tick the appropriate box in response to each question. Additional information relating to the follow up questions (in italics) should be noted in the space below and overleaf if necessary.

	Question	Yes	Yes to some extent	No	N/A
3.1	Was the cash distribution done in an orderly and efficient manner? <i>Describe</i>				
3.2	Did some beneficiaries come to collect their money on the wrong day? <i>Describe with examples</i>				
3.3	Is it sometimes difficult to confirm the identity of the beneficiary? <i>Describe with examples</i>				
3.4	Do some people come to collect cash through the programme who are not on the beneficiary list provided by the NGO? <i>Describe with examples</i>				
3.5	Do some people who are on the beneficiary list not come to collect their cash when they are supposed to? <i>Describe with examples</i>				
3.6	Are there too many beneficiaries to be able to distribute the cash in the time required? <i>Describe.</i>				
3.7	Are your existing security measures sufficient to handle the cash for the programme? <i>Describe</i>				
3.8	Have you had to hire additional security personnel to handle the cash for the programme? <i>Describe</i>				
3.9	Has the local authority increased the rate of tax that you normally pay because of the cash distribution programme? <i>Describe with examples</i>				
3.10	Are there other additional taxes / protection costs that you are obliged to pay due to your role in the cash distribution programme. <i>If so, please provide details below</i>				

Provide additional information relating to the above points

### 4 Contract and communication with NGO

Tick the appropriate box in response to each question. Additional information relating to the follow up questions (in italics) should be noted in the space below and overleaf if necessary.

	Question	Yes	Yes to some extent	No	N/A
4.1	Did your head office negotiate the contract / agreement for the contract / agreement for this programme and then inform this branch / office? <i>Describe how this was done.</i>				
4.2	Was this branch / office consulted or involved in the negotiations regarding the contract / agreement for this programme? <i>Describe.</i>				

*(continued)*

## Annex 7 (continued)

4.3	Does this branch/office communicate directly with the NGO regarding the programme? <i>Describe the nature of communications, with examples.</i>				
4.4	Does this branch / office communicate with the NGO though another branch / office? <i>Describe how communication is done.</i>				
4.5	Does the NGO provide the information needed for you to make the payments in a timely manner? <i>Describe with examples</i>				
4.6	Is the information / beneficiary ID cards provided by the NGO sufficient to be able to identify the beneficiaries easily? <i>Describe with examples</i>				
4.7	Is the level of reporting / receipts required by the NGO more than we normally provide? <i>Describe the reporting required.</i>				
4.8	Was there initially some confusion about the reporting / receipts required by the NGO? <i>Describe.</i>				
4.9	Are you able to meet the reporting / receipt requirements of the NGO in a timely manner? <i>Describe</i>				
4.10	Are the NGO's expectations regarding reporting / receipts are unreasonable? <i>Describe</i>				

Provide additional information relating to the above points

### 5 Overall volume of transfers through this branch

Tick the appropriate box in response to each question. Additional information relating to the follow up questions (in italics) should be noted in the space below and overleaf if necessary.

5.1 What is the approximate monthly turnover of this branch / office? (Not including the current cash transfer programme)	\$
5.2 Does the monthly turnover vary according to the season? (yes/no) If yes, describe the seasonal changes and what causes them.	
5.3 How has the drought affected the overall turnover?	
5.3 Approximately how much or what proportion of the total turnover is accounted for by money being sent IN to this area?	
5.4 Approximately how much or what proportion of the total turnover is accounted for by money being sent OUT of this area?	

**Annex 7 (continued)**

5.5 Before the current cash distribution started, approximately how much cash did this branch / office bring in from outside through each of the various different types of transfers? (If it's impossible to determine amounts, then try to determine the percentage and then calculate the amounts based on the percentages.)				
Regular monthly remittances from Diaspora	One-off investments from Diaspora (e.g. construction/business investments)	Money coming in through / for local business community	Salaries and running costs of schools, hospitals, NGOs, etc.	Other (specify)
5.6 Approximately how much does this branch / office handle per month for the cash distribution programme?			\$	
5.7 What are the other main Hawala companies operating in this area? (i.e. those with the largest turnover)	1. 2. 3. 4.			
5.8 Time at end of interview				

## Annex 7 (continued)

### Cash and Voucher Monitoring Group

#### TRADER INTERVIEW FORMAT

v7 261111

### 1. Background Information

1.1 Time at start of interview		1.2 Name of Independent Field Monitor	
1.3 Name of trader interviewed		1.4 Contact phone number	
Location of Shop	1.5 Village / Town	1.6 District	1.7 Region
1.8 Shop type (code)		Codes for 1.8: 1 = kiosk, 2 = retailer, 3 = wholesaler	
1.9 NGO		1.10 Date	
1.11 Number of staff employed in shop		1.12 Approximate size of shop M <sup>2</sup>	
1.13 Additional storage space M <sup>2</sup>		1.14 Weekly Turnover (SoSh)	
1.15 Number of regular suppliers used		1.16 Why were you selected to take part in the voucher scheme (voucher scheme traders only)	

### 2. Supply, Demand, Competition and Prices of Goods

Record the trader's answers to the questions below by ticking the appropriate box. Responses to the additional follow up questions (in italics) should be recorded overleaf. ALL QUESTIONS RELATE TO THE PERIOD OF 30 DAYS PRIOR TO THE INTERVIEW, unless otherwise stated.					
	Question	Yes	Yes to some extent	No	N/A
2.1	Is it difficult to supply the current demand for food items? <i>What affects the supply of food items? Are any particular food items more difficult than others?</i>				
2.2	Is it difficult to supply the current demand for non-food items? <i>What affects supply of non-food items? Are any particular non-food items more difficult than others?</i>				
2.3	Is it difficult to source food items of an acceptable quality? <i>What affects quality of food items? Is quality an issue for any particular food items?</i>				
2.4	Has demand for food items increased since the commencement of cash / voucher transfers in this area? <i>Describe why, and how it has affected your business.</i>				
2.5	Has demand for non-food items increased since the commencement of cash / voucher transfers in this area?				

## Annex 7 (continued)

	<i>Describe why, and how it has affected your business.</i>				
2.6	Does the level of competition between traders in this area keep prices low? <i>Approximately how many traders are in competition in this area? Describe the competition between them.</i>				
2.7	Does the local administration attempt to control food prices? <i>If so, describe how this is done and what the effects have been.</i>				
2.8	Do you maintain the same prices on every day of the week? <i>If 'no', please give details below. Explain why prices vary.</i>				
2.9	Have changes in exchange rates made it more difficult to run your business profitably. <i>Describe how exchange rates affect your business.</i>				

### 3. Factors affecting food prices

Rank the factors that have affected food prices in this area in the past 30 days. Start by asking which factor has the most impact on food prices – this will be ranked as ‘1’. The second most important factor will be ranked ‘2’, etc. Please add additional factors, as necessary. Rank the top five factors that impact on price. Any additional information can be noted in the space below.

Factors affecting price	Ranking (1 - 5)
Cost of fuel	
Number of checkpoints	
Condition of roads	
Taxation by local authorities	
Currency fluctuations	
Increase in demand due to cash/voucher intervention	
Distribution of food aid	
Other (specify) _____	
Other (specify) _____	
Other (specify) _____	

Additional information:

*(continued)*

## Annex 7 (continued)

### 4. Revenue and Credit

<b>Record the trader's answers to the questions below by ticking the appropriate box. Responses to the additional follow up questions (in italics) should be recorded in the space below/overleaf. ALL QUESTIONS RELATE TO THE PERIOD OF 30 DAYS PRIOR TO THE INTERVIEW, unless otherwise stated.</b>					
	Question	Yes	Yes to some extent	No	N/A
4.1	Has your business revenue increased? <i>Describe the level of increase and the factors that have contributed to the increase.</i>				
4.2	Has your business revenue decreased? <i>Describe the level of decrease and the factors that have contributed to the decrease.</i>				
4.3	Do you often give credit to customers? <i>How much credit do you provide to customers?</i>				
4.4	Do present famine conditions mean that giving credit is more risky than before? <i>Why? Have you changed your credit provision as a result?</i>				
4.5	Are customers more likely to ask for credit now than before the cash / voucher scheme started? <i>Why? Do you provide more credit now than before?</i>				
4.6	Do you currently have a line of credit with your supplier(s)? <i>If yes – how much do you owe to how many suppliers?</i>				
4.7	Has it become more difficult to get credit from your supplier(s)? <i>Why?</i>				
4.8	Has it become easier to get credit from your supplier? <i>Why? How much has your line of credit increased?</i>				
4.9	Has the cash / voucher transfer programme had a beneficial effect on your business? <i>If yes, what are the reasons? Describe the effects.</i>				
4.10	Have you seen profits increase since the cash / voucher scheme started? <i>How much have profits increased? How have you invested the additional profits?</i>				

### 5. Communication with NGOs, Business Licenses and Obstacles

<b>Record the trader's answers to the questions below by ticking the appropriate box. Responses to the additional follow up questions (in italics) should be recorded in the space overleaf. ALL QUESTIONS RELATE TO THE PERIOD OF 30 DAYS PRIOR TO THE INTERVIEW, unless otherwise stated.</b>					
	Question	Yes	Yes to some extent	No	N/A
5.1	Are you in contact with the NGO implementing the cash / voucher programme? <i>If 'yes', please give details of frequency and content of discussions below</i>				

## Annex 7 (continued)

5.2	Did the NGO inform you about the cash / voucher programme in advance of the first distribution, allowing you to purchase additional stocks? <i>Did the information come in time to be useful? What additional information would have helped you plan better?</i>							
5.3	Has the security situation improved since September 2011? <i>Describe how security changes have affected your business.</i>							
5.4	Has the security situation remained the same since September 2011? <i>Describe how security changes have affected your business.</i>							
5.5	Has the security situation worsened since September 2011? <i>Describe how security changes have affected your business.</i>							
5.6	Has the security situation had a negative impact on your business? <i>Describe.</i>							
5.7	Do you have to pay contributions / taxes to the local administration? <i>Describe the contributions / taxes – how much, how frequently and who demands them.</i>							
5.8	Has the rate of contributions / taxes increased since the start of the cash / voucher programme? <i>How much have they increased? Why?</i>							
5.9	Have you increased your prices to cover the cost of contributions / taxes you pay? <i>Describe, with examples.</i>							
5.10	<b>Rank the constraints to making profits in order of importance</b>							
Drought	Lack of demand	Taxes / Licenses	High competition	Lack of access to credit	Customers defaulting on debt	Poor supply of stock	Poor roads	Insecurity
Lack of electricity	Other							

(continued)

## Annex 7 (continued)

### 6 Voucher scheme traders only

Record the trader's answers to the questions below by ticking the appropriate box. Responses to the additional follow up questions (in italics) should be recorded in the space below. <b>ALL QUESTIONS RELATE TO THE PERIOD OF 30 DAYS PRIOR TO THE INTERVIEW, unless otherwise stated.</b>					
	Question	Yes	Yes to some extent	No	N/A
6.1	Are the rewards for participation in the voucher scheme worth the effort involved? <i>What are the advantages / disadvantages of participating in the voucher scheme?</i>				
6.2	Are payments were made to you on time? <i>Describe the payment process and how long it takes. How are payments made?</i>				
6.3	Is the frequency of payments appropriate? <i>How frequently are you paid?</i>				
6.4	Do you receive the correct amount of payment every time? <i>Describe any problems that you may have had regarding payments or in agreeing the price of the required items.</i>				
6.5	Would you participate in the voucher scheme again? <i>How can the voucher scheme be improved to encourage continued participation of traders?</i>				
6.6					

Time at end of interview	
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# Annex 8

## Qualitative data collection tools – Round 2

### Cash and Voucher Monitoring Group

#### • NGO STAFF INTERVIEW FORMAT

##### 2nd Interview Round

This interview should be done with the NGO officer who is overall responsible for the cash / voucher programme for this NGO office. Except where stated otherwise, questions refer to the period since the time of the first round of data collection.

1.1 Name of IFM		1.2 Names of NGO staffers interviewed and contact phone numbers	
1.3 Positions of NGO staffers interviewed			
1.4 NGO		1.5 Date	1.6 Time at start of interview
1.7 Office Location	Town		
1.8 Name of Hawala company (ies) used for cash transfers			
1.9 Which Local authorities / militias are currently in control in your implementation area?			

## 2. Hawala / Shopkeeper and Traders' Performance

	Question	Yes	Yes, to some extent	No	N/A
2.1	Are you satisfied with the hawala agent's / shopkeepers' performance				
	<i>Describe:</i>				
2.2	What are the strengths of the hawala agent / shopkeepers with regard to this programme				
2.3	What are the weaknesses of the hawala agent / shopkeepers with regard to this programme				
2.4	Do you feel traders / shopkeepers have increased prices as a result of the programme?				

(continued)

## Annex 8 (continued)

2.5	Do you think that traders / exchange agents collude to manipulate the price of food or the dollar shilling exchange rate?				

### **3. Local Authorities and Access**

	Question	Yes	Yes, to some extent	No	N/A
3.1	Have local authorities been supportive of the programme? How?				
3.2	Have local authorities obstructed the programme in any way? How?				
3.3	Do you think that local authorities understand the need for collection of detailed M&E information?				
3.4	Have local authorities tried to influence the dollar / shilling exchange rate?				

### **4. Security conditions**

	Question	Yes	Yes, to some extent	No	N/A
4.1	Has the security situation in the project's operational area improved since the last round of IFM data collection? Describe:				
4.2	Is it possible for women to collect their cash transfers without an escort? (Describe how female beneficiaries normally collect their cash and any problem that you are aware of)				
4.3	Have you made any changes to your operation procedures as a result of security issues? Describe if so				

## Annex 8 (continued)

### 5. Population movements

	Question	Yes	Yes, to some extent	No	N/A
5.1	Are people still migrating into this area because of the famine?				
	Describe				
5.2	Are people beginning to return to their place of origin?				
	Describe				
5.3	Are local authorities or militias preventing people from moving?				
	If yes, why?				
5.4	Are people being encouraged to return to their homes by local authorities or militia?				
	If yes, why?				
5.5	Do you consider that the cash transfer programme is deterring / preventing people from returning to their place of origin?				
	Describe				

### 6. Possible diversion

	Question	Yes	Yes, to some extent	No	N/A
6.1	Have you heard of any rumours of diversion of cash?				
	<i>Describe any rumours and any investigations taken and whether or not evidence found to support or dispel rumours</i>				
6.2	Have there been any actual cases of diversion of cash?				
	<i>Please describe the incident (s) and if and how it was dealt with.</i>				

(continued)

## Annex 8 (continued)

### 7. M&E Process (PDMs, complaints monitoring, market price monitoring)

	Question	Yes	Yes, to some extent	No	N/A
7.1	Do you feel the M&E requirements for this programme are manageable with the staff which you have				
	<i>Describe</i>				
7.2	What are the challenges in implementing the M&E system?				
7.3	What are the strengths of the current M&E system				
7.4	What are the weaknesses of the current M&E system				
7.5	What would you change about the M&E system – with regard to a continuation of the programme				
7.6	Do local authorities / militia obstruct M&E efforts?				
	Explain how and how it is dealt with				

### 8. Complaints

This interview should be done with the NGO officer responsible for handling complaints – this may or may not be the same person interviewed for the previous sections above. Questions refer to the period since the first round of IFM data collection.

8.1	Name of NGO		8.2	Date				
8.3	Name of Interviewee		8.4	Name of Interviewer				
8.5	How do beneficiaries make complaints? (Tick all that apply)	SMS	Phonecall from NGO	Phonecall from beneficiary	Through Group or Cttee	In person to NGO	In writing	Other
8.6	What proportion of received complaints is recorded on the complaints form? (code) (Codes: 1 = all, 2 = most, 3 = some, 4 = none)							
8.7	Describe the types of complaints that are <b>not</b> recorded on the complaints form							

## Annex 8 (continued)

	Question	Yes	Yes, to some extent	No	N/A
8.8	Do a significant proportion of complaints relate to the same beneficiary community or Hawala/shopkeeper?				
	<i>If yes, describe why they arose and what is being/has been done to address the situation.</i>				
8.9	Is the complaints system working as it was intended?				
	<i>What are the strengths? What are the weaknesses? Describe any changes that you've made or intend to make.</i>				
8.10	Do you have sufficient staff to deal with all complaints in an acceptable period of time?				
	<i>If no, how are you managing?</i>				
8.11	Are the Hawala agency/shopkeepers responsive to changes required as a result of the complaints?				
	<i>Describe some examples</i>				
8.12	Have you received any complaints that you have been unable to respond to?				
	<i>If yes, provide examples</i>				

*(continued)*

## Annex 8 (continued)

### Cash and Voucher Monitoring Group

#### CASH RELIEF COMMITTEE/COMMUNITY LEADER FGD QUESTIONS

#### 2nd Interview Round

##### 1. Cash Relief Committee/Community Leader Details

1.1 Name of independent Field Monitor							
1.2 Date		1.3 Time at start of interview		1.4 NGO			
1.5 District				1.6 Village			
1.7 Composition of the FGD participants (e.g. Cash relief committee, elders, etc.) Enter numbers below							
	Community elder/leader	Member of	Imam	Local businessman	Teacher		
Male							
Female							

##### 2. Impacts at community level

	Question	Tick as appropriate		
		Yes	Yes to some extent	No
2.1	Has the cash/voucher intervention had any negative impacts within the community? <i>Describe, with examples</i>			
2.2	Has the cash/voucher intervention had any positive impacts within the community? <i>Describe, with examples</i>			
2.3	What other types of external support have this community received?			

## Annex 8 (continued)

2.4	What are the advantages of cash/voucher over these other forms of support?
2.5	What are the disadvantages of cash/voucher over these other forms of support?
2.6	How can the cash/voucher programme be improved?

### 3. Security, Taxation, Local Authorities and Access

	Question	Yes	Yes to some extent	No	N/A
3.1	Are Local authorities/militias supportive of the programme? <i>Describe with examples.</i>				
3.2	Did Beneficiaries and/or the community have to make a contribution to local authorities/militias? <i>If 'yes', how much and how frequently.</i>				
3.3	Did Local authorities/militias prevent or make it difficult for beneficiaries to access the cash/voucher distribution site? <i>Describe.</i>				
3.4	Did Beneficiaries have to pay to pass check points when returning from the Hawala/market? <i>Describe, including how much was paid.</i>				

(continued)

## Annex 8 (continued)

### Cash and Voucher Monitoring Group

#### • HOUSEHOLD CASE STUDY INTERVIEW FORMAT

#### 2nd Interview Round

##### 1. Household, Income and Livelihood Details

If possible, access the quarterly monitoring forms relating to the households to be interviewed: much of the household profile data required below is contained in these.

1.1 Name of M&E field officer		1.2 HH name or number (as used in Round 1)	
1.3 Date		1.4 Time at start of interview	
1.5 NGO			
1.6 District			1.7 Village
1.8 HH type	MHH/FHH		1.9 Livelihood type
1.10 Number in HH			1.11 Number <5 in HH
1.12 Number of cash transfers/voucher received under current project to date			
1.13 Other assistance received by HH members since last IFM visit (Delete as applicable)			
Plumpy Nut/therapeutic feedings; CSB + oil + beans; Rice + oil + beans; food vouchers (other than current project); cash (other than current project); cash for work; medicine; water; or water vouchers; Non Food items			
1.14 Hawala agency used (cash recipients only)		1.15 Amount received last transfer (US\$) (cash recipients only)	
1.16 What were the household's three main source of income last month? Indicate which members of the HH contributed to each source (relationship to HH head), and approximately how much was earned in the past month.			
	Income source	HH member(s) (Relationship to HH head)	Approx. income (SoSh)
1			
2			
3			

## Annex 8 (continued)

1.17 What was your total household income last month? (Somali Shillings)	
--	--

### 2. Collection/receipt of cash/voucher

	Question	Tick as appropriate			
		Yes	Yes to some extent	No	N/A
2.1	Does the Hawala office/voucher collection place provide sufficient privacy for you to collect your cash/voucher without attracting unwanted attention?				
2.2	How can the place where you go to collect your cash/voucher be improved?				
2.3	Have you had to pay anyone regarding the receipt of cash/voucher, either before or after collection? <i>If yes, who and how much?</i>				
2.4	Has anyone pressured you for payment regarding the receipt of your cash/voucher, either before or after payment? <i>If yes, describe who and how pressure was resisted.</i>				
2.5	Are you aware of other beneficiaries who have had to pay someone regarding the receipt of their cash/voucher? <i>If yes, describe who demanded payment and how much.</i>				
2.6	Have you faced any problems after collecting your cash? (e.g. from local authorities, militia, pressure from non-beneficiaries, theft, etc.) <i>Describe if so.</i>				

*(continued)*

## Annex 8 (continued)

### 3. Size of transfer and use of cash

	Question	Tick as appropriate			
		Yes	Yes to some extent	No	N/A
3.1	Is the cash transfer/quantity of food available from the voucher sufficient to cover your household's basic food needs?				
	<i>If no, what is the shortfall in money/food terms?</i>				
3.2	Is the cash transfer/quantity of food available from the voucher sufficient to cover your household's basic non-food needs?				
	<i>If no, what is the shortfall</i>				
3.3	Has the cash/voucher transfer allowed you to save or invest a little money?				
	<i>If yes, how much and describe</i>				
3.4	Describe how the transfer is spent – is it spent all in one go, is it used once a week or does spending take place on a daily basis?				
3.5	Has the cash/voucher transfer allowed you to repay debts or access credit? <i>Describe How much debt has been paid off and how much credit accessed by whom etc.</i>				
3.6	How are decisions on the use of cash taken in your household?				

### 4. Impact on Markets, Exchange Rates and Services

	Question	Tick as appropriate			
		Yes	Yes to some extent)	No	N/A
4.1	Have the cash/voucher transfers resulted in greater quantity, quality and diversity of food becoming available in the markets? <i>Describe, with examples</i>				

## Annex 8 (continued)

4.2	How have prices of food and non-food goods changed over the period of the cash transfer programme? And what are the factors responsible for these changes?			
4.3	Is there a big difference between prices in urban and rural markets? <i>Describe, with examples</i>			
4.4	Does the exchange rate vary around the time that transfers are made?			
	<i>Describe the changes and/or any exchange rate controls that are in place.</i>			

### 5. Impact on intra household and community harmony

	Question	Tick as appropriate			
		Yes	Yes to some extent	No	N/A
5.1	Has control of the cash/voucher transfer caused conflict within your household?				
	<i>Describe, with examples, the form that conflict takes, how it is expressed and how it is resolved.</i>				
5.2	Do extended family or friends expect assistance from you more than before? <i>Describe</i>				
5.3	Have you heard of instances of intr household conflict caused by control of cash/voucher transfers in other households? <i>Describe</i>				
5.4	What role do community leaders, and NGO staff play in resolving conflicts that emerge?				
5.5	Has being on the cash/voucher transfer programme enhanced your status in the household or community? <i>Describe, with examples</i>				
5.6	Has being on the cash/voucher programme led to jealousy from other people in the community? <i>Describe</i>				

(continued)

## Annex 8 (continued)

### Cash and Voucher Monitoring Group

#### • NON-BENEFICIARY FOCUS GROUP DISCUSSION QUESTIONS

#### 2nd Interview Round

##### 1. FGD Details

1.1 Name of Independent Field Monitor					
1.2 Date		1.3 Time at start of interview		1.4 NGO	
1.5 District				1.6 Village	
1.7 Number of the FGD participants	Male:				
	Female:				

##### 2. Targeting and Benefits

Tick the appropriate box in response to each question, once the FGD participants have reached consensus. If there is no consensus then tick all the answers that apply.

	Question	Yes	Yes to some extent	No
2.1	Was the targeting process fair and transparent? <i>Describe reasons for answer</i>			
2.2	Do you think that some wealthier households were registered to receive the transfer? <i>Describe reasons for answer</i>			
2.3	How could targeting have been improved?			
2.4	Are you receiving benefits from any other aid programme? If yes, describe			

## Annex 8 (continued)

2.5	Do you benefit from the programme indirectly – do beneficiaries share cash or food with you for example. Please explain			

### 3. Impact on Markets, Exchange Rates and Services

	Question	Tick as appropriate		
		Yes	Yes to some extent	No
3.1	Have the cash/voucher transfers resulted in greater quantity, diversity and quality of food in the markets? <i>Describe, with examples</i>			
3.2	Have traders increased their prices as a result of the cash/voucher transfers? <i>Describe, with example</i>			
3.3	Has food availability in markets run low in the days after cash/voucher transfer takes place? <i>Describe, with examples</i>			
3.4	From your own perspective as a non-beneficiary, what would you say are the main strengths of the cash/voucher programme			
3.5	From your own perspective as a non-beneficiary, what would you say are the main weaknesses of the cash/voucher programme			

### 4. Impact on intra household and community harmony

	Question	Tick as appropriate		
		Yes	Yes to some extent	No
4.1	Have you heard of any instances of conflict in beneficiary households caused by control over the cash? Please describe			

(continued)

## Annex 8 (continued)

4.2	Do you consider that there is jealousy or conflict between beneficiary and non-beneficiary households in this community? Please describe		
4.3	Do NGO staff and community leaders play any role in resolving conflicts within beneficiary households or between beneficiaries and non-beneficiaries? Please describe		
4.4	Have you heard of or seen any example of where a beneficiary has misused the cash transfer of the food received through vouchers?		
4.5	What would you say are the main differences between beneficiary and non-beneficiary households now as a result of the programme?		

Time at end of discussion	
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Annex 8 (continued)

**Cash and Voucher Monitoring Group**

**• NON-BENEFICIARY HOUSEHOLD INTERVIEW FORMAT**

**2nd Interview Round**

**1. Household, Income and Livelihood Details**

1.1 Name of M&E field officer		1.2 HH case study ref number	
1.3 date		1.4 Time at start of interview	
1.6 District		1.5 NGO	
1.7 Village		1.8 HH type	MHH/FHH
1.9 Livelihood type		1.10 Number in HH	
1.11 Number <5 in HH		1.12 Why do you think you were not selected as a beneficiary of the cash/voucher project?	
1.13 What were the household's three main sources of income last month? Indicate which members of the HH contributed to each source (relationship to HH head), and approximately how much was earned in the past month			
	Income source	HH member[s] [Relationship to HH head]	Approx. income [SoSh]
1			
2			
3			
1.14 What was your total household income last month? [Somali shillings]			

Time at end of interview

(continued)

## Annex 8 (continued)

### Cash and Voucher Monitoring Group

#### • HAWALA AGENT INTERVIEW FORM

#### 2nd Interview Round

1.1 Name of IFM		1.2 Name of Hawala company	
1.3 Position of Hawala staffer interviewed			
1.4 Phone contact for Hawala staff			
1.5 NGO		1.6 Date	1.7 Time at start
1.8 Town		1.9 District	

#### 2 Staff resources and cash availability

	Question	Yes	Yes to some extent	No	N/A
2.1	Have you experienced difficulties in getting enough cash to your offices/distribution sites on time?				
	<i>Describe</i>				
2.2	What have been the main difficulties that you face with this programme and how have you dealt with them?				
2.3	Has the transfer process has become more efficient since the beginning of the programme? <i>Describe</i>				
2.4	Does your office has sufficient staff to deal with its normal workload? <i>Describe</i>				

#### 3. Distribution, security and taxation

	Question	Yes	Yes to some extent	No	N/A
3.1	Is the cash distribution usually done in an orderly and efficient manner? <i>Describe</i>				
3.2	Does your office/distribution site provide sufficient privacy for the beneficiaries in collecting their cash without attracting attention from others? <i>Describe</i>				

## Annex 8 (continued)

3.3	Are there too many beneficiaries to be able to distribute the cash in the time required? <i>Describe.</i>				
3.4	Are your existing security measures sufficient to handle the cash for the programme? <i>Describe!</i>				
3.5	Have you had to hire additional security personnel to handle the cash for the programme? <i>Describe</i>				
3.6	Has the local authority increased the rate of tax that you normally pay because of the cash distribution programme? <i>Describe with examples</i>				

### 4. Communication with NGO

	Question	Yes	Yes to some extent	No	N/A
4.1	Does the NGO provide the information needed for you to make the payments in a timely manner? <i>Describe with examples</i>				
4.2	How could communication between the <i>Hawala</i> and the NGO be improved? Please give suggestions				

Time at end of interview !	
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## Annex 8 (continued)

### Cash and Voucher Monitoring Group

#### • TRADER INTERVIEW FORMAT

#### 2nd Interview Round

##### 1 Background Information

1.1 Time at start of interview		1.2 Name of Independent Field Monitor	
1.3 Name of trader interviewed		1.4 Contact phone number	
Location of Shop	1.5 Village/Town	1.6 District	1.7 Region
1.8 Shop type (code)		Codes for 1.8: 1 = kiosk, 2 = retailer, 3 = wholesaler	
1.9 NGO		1.10 Date	
1.11 Number of staff employed in shop		1.12 Approximate size of shop M <sup>2</sup>	
1.13 Additional storage space M <sup>2</sup>		1.14 Weekly Turnover (SoSh)	
1.15 Number of regular suppliers used		1.16 Why were you selected to take part in the voucher scheme (voucher scheme traders only)	

##### 2. Factors affecting food prices

Rank the factors that have affected food prices in this area in the past 30 days. Start by asking which factor has the most impact on food prices – this will be ranked as ‘1’. The second most important factor will be ranked ‘2’, etc. Please add additional factors, as necessary. Rank the top five factors that impact on price.

Factors affecting price	Ranking (1–5)
Cost of fuel	
Number of checkpoints	
Condition of roads	
Taxation by local authorities	
Currency fluctuations	
Increase in demand due to cash/voucher intervention	
Distribution of food aid	
Other (specify) _____	
Other (specify) _____	
Other (specify) _____	

Additional information:

## Annex 8 (continued)

### 3. Security and taxation

ALL QUESTIONS RELATE TO THE PERIOD OF 30 DAYS PRIOR TO THE INTERVIEW, unless otherwise stated.					
	Question	Yes some extent	Yes to	No	N/A
3.1	Has the security situation changed since December 2011? <i>Has security improved or worsened?</i>				
3.2	Is it easy to change SoSh into USD and USD into SoSh?				
3.3	Has the security situation had an impact on your business? <i>Describe how security changes have affected your business.</i>				
3.4	Do you have to pay contributions/taxes to the local administration? <i>Describe the contributions/taxes – how much, how frequently and who demands them.</i>				
3.5	Has the rate of contributions/taxes increased since the start of the cash/voucher programme? How much have they increased? Why?				
3.6	Have you increased your prices to cover the cost of contributions/taxes you pay? <i>Describe, with examples.</i>				
3.7	How many foreign currency bureaus/Hawala providing currency exchange service are there in town?				
3.8	How many stores similar to yours (food or non-food) exist in town?				

(continued)

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**Annex 8 (continued)**

**4. Voucher scheme traders only**

4.1	What are the advantages of participating in the voucher programme?
4.2	What are the disadvantages?
4.3	How can the programme be improved?

Time at end of interview	
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**Annex 8 (continued)**

**Cash and Voucher Monitoring Group**

**• FINDINGS ON POSSIBLE DIVERSION**

**2nd Interview Round**

- (Use additional sheets, as required – one case per sheet)**

1	Original source of information (beneficiary, non-beneficiary, committee member, elder, local authority, trader, NGO, etc. No names to be recorded.)	
2	Additional sources of the same information (as above – no names) – please also include the total number of people who provided information	
3	Locations where information collected Town or village, district	
4	Has this case been discussed with the NGO	Yes/No
5	Should this case be treated as confidential?	Yes/No
6	describe case of possible diversion	

# Annex 9

## Household sampling methodology for baseline, PDM and QPDM surveys

### Cash and Voucher Monitoring Group

#### INSTRUCTIONS FOR SAMPLING FOR THE BASELINE SURVEY

Each implementing partner will need to sample 375 beneficiary households per region where they are implementing cash or voucher interventions.

#### **We are only sampling beneficiary households, not non-beneficiary households.**

This number will allow us to draw conclusions based on a representative sample of beneficiaries. Where possible, within the 375HH you should select households from different locations (districts) and from areas with different livelihood groups are present (pastoralist; agro-pastoralist; farmer; urban livelihood).

#### **1. WITHIN EACH REGION**

*Choose your districts to be sampled*

If you are only working in one or two districts then select beneficiaries from each district.

If you are working in 3 or more districts then choose half the districts (and round up as per table below) to choose your sample from. The actual districts to be selected should be based on security and access considerations and also on the range of different livelihood types represented.

Number of districts working in per region	1	2	3	4	5	6	7	8	9	10 or more
→ Number of districts to be sampled	1	2	2	2	3	3	4	4	5	5

If possible, estimate the proportion of project beneficiary households coming from each district.

e.g. If you have selected 3 districts for sampling and you feel that each one has a similar number of beneficiary households then you will need to select 125 HH from each district (375 total households/3 districts).

#### **2. WITHIN EACH DISTRICT**

Divide the total households for each district (e.g. 125HH) according to estimated proportions of livelihood group.

- e.g. if 50% of beneficiary households are pastoralists and 50% are from urban areas then you need 50% x 125 HH to come from pastoralist villages/settlements and 50% x 125HH to come from urban areas.
- e.g. if 100% of beneficiary households are farmers then you need 100% x 125 HH to come from agricultural areas.

Choose the villages or settlements to be sampled

- Select villages based on logistic and security concerns (if any) ensuring that you include villages from each livelihood group. Get beneficiary households from different villages as much as possible to include the different livelihood groups.

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### 3. WITHIN EACH VILLAGE/SETTLEMENT/CAMP

Choose the households to be interviewed

- If you are conducting the baseline prior to the first payment → Select every **SECOND** household on the registration list from that village/settlement/camp until you get the number you need.
- If a consolidated registration list is not available → Go to every **SECOND** house along each 'street' or footpath in the village and sample those that are registered as cash beneficiaries.
- If you are conducting the baseline at the time of the first payment → select every **SECOND** household that comes to collect their money until you get the number you need from that payment site.

#### INSTRUCTIONS FOR SAMPLING FOR THE 1st MONTHLY PDM AND QUARTERLY PDMs

(Months 1, 3 & 6)

These instructions are for sampling for the first monthly Post Distribution Monitoring (PDM) survey and both of the quarterly PDMs. The detailed sampling procedure is the same as the sampling for the Baseline Survey.

As far as possible, the **SAME** districts and villages/settlements that were previously sampled for the baseline should be sampled for the first monthly PDM and also for both quarterly PDMs. If it's possible to sample the same beneficiary households, that would be good, but not essential – there is no need to waste time trying to re-locate the same households that were previously sampled.

As with the Baseline Survey, each implementing partner will need to sample **375 beneficiary households per region** where they are implementing cash or voucher interventions.

#### INSTRUCTIONS FOR SAMPLING FOR THE 2nd, 4th and 5th MONTHLY PDMs

These instructions are for sampling for the second, fourth and fifth monthly Post Distribution Monitoring (PDM) surveys. The detailed sampling procedure is the same as the sampling for the Baseline Survey.

Each implementing partner will need to sample **200 beneficiary households per region** where they are implementing cash or voucher interventions.

We are only sampling beneficiary households, not non-beneficiary households. As far as possible, try to select **DIFFERENT** districts and villages each time you sample for the 2nd, 4th and 5th monthly PDMs. These should be different to those sampled for the Baseline Survey, and different for each of the 2nd, 4th and 5th monthly PDMs.

# Annex 10

## Calculations on inclusion error and diversion

For the purpose of this report diversion has been calculated based on two quantifiable components: inclusion errors and monies given to authorities (gatekeepers or others) in order to access their entitlements.

### a) Diversion through inclusion

The table below shows the numbers of households that MAY have been included in the programme in error. It includes households not using any negative coping strategies, households whose reported income at the time of the baseline survey was more than the average cost of the Food MEB and households reporting expenditure greater than the cost of the Food MEB at baseline. For the purpose of calculating inclusion error, any household meeting these criteria that were targeted as a result of being part of a nutrition programme have NOT been included.

Low food insecurity score (i.e. households scoring none or minimal indicators of household food insecurity) is significantly correlated with a number of indicators or wealth including higher incomes, lower HH debt, and greater meal frequency for adults and children, higher expenditure on food, and higher value of livestock owned.

Number of Baseline Households	n	Possible inclusion error (%)
NOT exhibiting ANY indicator of household food insecurity and NOT targeted because of nutrition programme	174	4.27
With income > cost of the FOOD MEB at start of project (3,736,264 SoSh) and NOT targeted because of nutrition programme	56	1.37
Reporting expenditure > cost of the FOOD MEB at start of project (3,736,264 SoSh) and NOT targeted because of nutrition programme	34	0.83

From the table above – the HIGHEST possible inclusion error using these criteria is 4.27%.

	Cash beneficiaries (Total = 94,699 HH)	Voucher beneficiaries (Total = 41,974 HH)
Possible Inclusion error in beneficiary numbers (4.27%)	$4.27\% \times 94,699 \text{ HH} = 4,044 \text{ HH}$	$4.27\% \times 41,974 \text{ HH} = 1,792 \text{ HH}$
Average amount actually transferred per beneficiary	Total value of cash transferred = \$43,903,320. $\$43,903,320 / 94,699 \text{ HH} = \$464$	Total value of vouchers transferred = \$6,674,486 $\$6,674,486 / 41,974 \text{ HH} = \$159$
Possible value of cash and vouchers diverted through inclusion (4.27%)	$4,044 \times \$464 = \$1,876,416$	$1,792 \times \$159 = \$284,928$
Total possible diversion through inclusion error (4.27%)	$\$1,876,416 + \$284,928 = \$2,161,344$ As percentage of \$50,577,806 = 4.3%	

### b) Diversion through gatekeepers (cash beneficiaries only)

All PDM data (both monthly and quarterly) indicate that, over the programme as a whole, 2% of sampled beneficiary households reported paying someone in order to receive their cash transfer.

	Cash beneficiaries (Total = 94,699 HH)
Possible diversion through payments to gatekeepers (2%)	$2\% \times 94,699 \text{ HH} = 1,894 \text{ HH}$
Maximum reported amount paid = \$10 per HH	$1,894 \text{ HH} \times \$10 = \$18,940$
Total possible diversion through gatekeepers (2%)	$= \$18,940$ As percentage of \$43,903,320 = 0.04%

# Annex 11

## Additional data tables for Section 5 (Effectiveness, Accountability & Efficiency)

**Table A1: Targeting criteria as reported by interviewed households**

Monitoring Round			Targeting Criteria						Total
			Nutrition Centre Card	Pregnant/Lactating Mother	FHH	IDP	CBT	Other	
QM1	N		0	0	60	0	304	7	371
	%		0%	0%	16%	0%	82%	2%	100%
	N		52	47	9	235	23	9	375
	%		14%	13%	2%	63%	6%	2%	100%
	N		33	101	234	322	1121	5	1816
	%		2%	6%	13%	18%	62%	0%	100%
	N		375	0	0	0	0	0	375
	%		100%	0%	0%	0%	0%	0%	100%
	N		64	99	79	113	62	29	446
	%		14%	22%	18%	25%	14%	7%	100%
Total	N		524	247	382	670	1510	50	3383
	%		15%	7%	11%	20%	45%	1%	100%

**Table A2: Average household income at baseline by targeting criteria**

Targeting Criteria	HH type	BL
Nutrition Centre Card	FHH	1,330,676
	MHH	1,306,135
	Total	1,310,319
Pregnant / lactating Mother	FHH	1,121,873
	MHH	1,143,403
	Total	1,137,134
Woman Headed HH	FHH	682,104
	MHH	690,588
	Total	683,703
IDP	FHH	969,255
	MHH	1,089,309
	Total	1,040,757
CBT	FHH	1,019,290
	MHH	1,173,275
	Total	1,131,085
Other	FHH	
	MHH	1,193,333
	Total	1,193,333
<b>Total</b>	<b>FHH</b>	<b>931,681</b>
	<b>MHH</b>	<b>1,164,310</b>
	<b>Total</b>	<b>1,080,248</b>
Total excluding those targeted by nutrition programmes	FHH	789,365
	MHH	867,977
	Total	831,694

**Table A3: Number of households hosting children under five years old at baseline**

	N	%
No children under five years old	540	13.6%
One or more children under five years old	3436	86.4%
All households	3976	100%

**Table A4: Time spent travelling to distribution site**

Monitoring round		Hours travel to distribution site							Total
		<0.5 hour	0.5–1 hour	1–1.5 hours	1.5–2 hours	2–2.5 hours	>2.5 hours		
QM1	N	312	56	0	3	0	0	371	
		%	84%	15%	0%	1%	0%	0%	100%
	N	181	79	46	9	4	56	375	
		%	48%	21%	12%	2%	1%	15%	100%
	N	859	370	289	115	149	2	1784	
		%	48%	21%	16%	6%	8%	0%	100%
	N	91	122	31	19	8	104	375	
		%	24%	33%	8%	5%	2%	28%	100%
	Total	N	1443	627	366	146	161	162	2905
		%	50%	22%	13%	5%	6%	6%	100%
	QM2	N	586	65	43	3		2	699
			%	84%	9%	6%	0%		0%
N		135	60	166	1		3	365	
		%	37%	16%	45%	0%		1%	100%
Total		N	721	125	209	4		5	1064
		%	68%	12%	20%	0%		0%	100%

**Table A5: Waiting times at cash distribution points**

Monitoring round		Waiting Time					
		<0.5 hour	0.5–1 hour	1–1.5 hours	1.5–2 hours	2–2.5 hours	>2.5 hours
PDM1	N	246	91	17	11	7	3
	%	66%	24%	5%	3%	2%	1%
PDM4	N	156	39	5	0	0	0
	%	78%	20%	3%	0%	0%	0%
PDM5	N	143	49	8	0	0	0
	%	72%	25%	4%	0%	0%	0%
QM1	N	92	97	5			1
	%	47%	50%	3%			1%
PDM1	N	6	8	5	9	7	340
	%	2%	2%	1%	2%	2%	91%
PDM2	N	4	33	19	30	29	85
	%	2%	16%	9%	14%	14%	40%
PDM1	N	106	627	172	180	95	141
	%	8%	47%	13%	14%	7%	11%
PDM2	N	14	361	0	0	0	0
	%	4%	96%	0%	0%	0%	0%
QM2	N	7	65	28	24	56	18
	%	3%	32%	14%	12%	28%	9%
PDM1	N	64	82	32	41	36	120
	%	17%	22%	9%	11%	10%	32%
PDM2	N	18	42	79	41	17	3
	%	9%	21%	40%	21%	9%	2%

**Table A6: Ranking of ease with which cash was collected**

Monitoring round		Ranking of ease of cash/voucher collection		
		Good	Fair	Poor
QM1/371	N	352	19	
	%	95%	5%	
QM2/700	N	650	50	
	%	93%	7%	
Total /1071	N	1002	69	
	%	94%	6%	
QM1/375	N	339	32	4
	%	90%	9%	1%
QM2/365	N	361	3	1
	%	99%	1%	0%
Total /740	N	700	35	5
	%	95%	5%	1%
QM1/1811	N	1726	99	1
	%	95%	5%	0%
QM1/375	N	353	22	
	%	94%	6%	
Total QM1/2947	N	2770	172	5
	%	94%	6%	0%
Total QM2 / 1065	N	1011	53	1
	%	95%	5%	0%

**Table A7: Percentage of households reporting that they paid someone in order to receive their cash**

Monitoring Round	Urban/Rural	Paid someone	
		N	%
QM1	Rural/2572	N	51
		%	2%
	Urban/630	N	45
		%	7%
	Total/3202	N	98
		%	3%
QM2	Rural/700	N	4
		%	1%
	Urban/365	N	20
		%	5%
	Total/1065	N	24
		%	2%

**Table A8: Ranking of security at distribution site**

Monitoring round		Level of security		
		Good	Fair	Poor
QM1	N	344	27	0
	%	93%	7%	0%
QM2	N	531	162	7
	%	76%	23%	1%
QM1	N	323	51	1
	%	86%	14%	0%
QM2	N	351	14	0
	%	96%	4%	0%
QM1	N	1472	349	
	%	81%	19%	
QM1	N	299	76	
	%	80%	20%	
Total QM1/2956	N	2438	503	1
	%	82%	17%	0%
Total QM2/1065	N	882	176	7
	%	83%	17%	1%

**Table A9: Percentage of households reporting feeling safe travelling home with cash**

Monitoring round		% Reporting they feel safe
QM1 / 371	N	334
	%	90%
QM2 / 700	N	699
	%	100%
Total / 1071	N	1033
	%	96%
QM1 / 375	N	236
	%	63%
QM2 / 365	N	301
	%	82%
Total / 740	N	537
	%	73%
QM1 / 1811	N	1609
	%	89%
QM1 / 375	N	375
	%	100%
Total QM1 / 3393	N	2554
	%	75%
Total QM2 / 1065	N	1000
	%	94%

**Table A10: Percentage of households reporting feeling safe travelling home with cash (urban & rural locations)**

Location	Monitoring Round		% Reporting they feel safe
Rural	QM1 / 3307	N	2783
		%	84%
	QM2 / 900	N	899
		%	100%
Urban	QM1 / 375	N	236
		%	63%
	QM2 / 365	N	301
		%	82%

**Table A11: Is there a trader located an acceptable distance from your home?**

Monitoring round	NGO / total N		N / % agreeing trader is located at an acceptable distance
QM1	186	N	163
		%	88%
	446	N	381
		%	85%
	Total / 632	N	544
		%	86%

**Table A12: Waiting time to redeem vouchers**

Monitoring round	NGO/total N		Waiting time at shop to redeem vouchers					
			<0.5 hour	0.5–1 hour	1–1.5 hours	1.5–2 hours	2–2.5 hours	>2.5 hours
PDM1	357	N	6	21	68	261		1
		%	2%	6%	19%	73%		0%
PDM2	357	N	8	18	66	262	3	
		%	2%	5%	18%	73%	1%	
QM1	190	N	82	32	55	21		
		%	43%	17%	29%	11%		
	446	N	219	209	17	1		
		%	49%	47%	4%	0%		
	Total/636	N	301	241	72	22		
		%	47%	38%	11%	3%		

**Table A13: Do you think there are enough participating traders?**

Monitoring round	NGO/total N		N/% agreeing there are enough traders
PDM1	357	N	284
		%	80%
PDM2	357	N	271
		%	76%
QM1	186	N	137
		%	74%
	446	N	416
		%	93%
	Total/632	N	553
		%	88%

**Table A14: Trader treats me with respect**

Monitoring round	NGO/total N		N/% of beneficiaries who reported that trader treated them with respect
PDM1	357	N	270
		%	76%
PDM2	357	N	254
		%	71%
QM1	187	N	184
		%	98%
	446	N	369
		%	83%
	Total / 633	N	553
		%	87%

**Table A15: Did you receive the correct quantity of food in exchange for your voucher?**

Monitoring round	NGO/total N		N/% beneficiaries reporting that traders issued the correct quantity of food.
PDM1	357	N	295
		%	83%
PDM2	357	N	283
		%	79%
QM1	187	N	184
		%	98%
	446	N	375
		%	84%
	Total/633	N	559
		%	88%

**Table A16: Food distributed is of acceptable quality**

Monitoring round	NGO/total N		N/% beneficiaries reporting that traders issued the food was of acceptable quality.
PDM1	357	N	191
		%	54%
PDM2	357	N	239
		%	67%
QM1	187	N	171
		%	91%
	446	N	388
		%	87%
	Total/633	N	559
		%	88%

**Table A17: Percentage of voucher beneficiaries reporting that they sold commodities received**

Voucher Commodity	% HH reporting selling commodities			
	PDM1	PDM2	QM1	Total
% Selling oil	–	–	11	11
	5	9	0	4
% Selling sugar	–	–	4	4
	4	16	0	6
% Selling rice	–	–	10	10
	6	0	0	2
% Selling flour	–	–	12	12
	6	0	0	2

**Table A18: Use of food rations**

Oil								
NGO	Monitoring round		oil received	oil consumed	oil sold	oil gift	oil stock	
	QM1	Mean	12	7	1	1	3	
		%	100%	55%	8%	8%	26%	
	PDM1	Mean	3	3				
		%	100%	85%	3%	3%	1%	
	PDM2	Mean	3	3				
		%	100%	91%	9%	0%	0%	
	QM1	Mean	3	3				
		%	100%	99%	0%	1%	0%	
Total	PDM1	Mean	3	3				
		%	100%	85%	3%	3%	1%	
	PDM2	Mean	3	3				
		%	100%	91%	9%	0%	0%	
	QM1	Mean	6	4			1	
		%	100%	71%	5%	5%	16%	
	Total	Mean	4	3				
		%	100%	78%	5%	4%	11%	
	Sugar							
	NGO	Monitoring round		sugar received	sugar consumed	sugar sold	sugar gift	sugar stock
	QM1	Mean	20	13		1	5	
		%	100%	67%	2%	6%	23%	
	PDM1	Mean	10	8		1		
		%	100%	84%	2%	5%	2%	
	PDM2	Mean	10	8	2			
		%	100%	84%	15%	1%	0%	
	QM1	Mean	10	10				
		%	100%	99%	0%	1%	0%	
Total	PDM1	Mean	10	8		1		
		%	100%	84%	2%	5%	2%	
	PDM2	Mean	10	8	2			
		%	100%	84%	15%	1%	0%	
	QM1	Mean	13	11			1	
		%	100%	84%	1%	3%	11%	
	Total	Mean	11	10	1		1	
		%	100%	84%	4%	3%	6%	

*(continued)*

**Table A18: (continued)**

Rice							
NGO	Monitoring round		rice received	rice consumed	rice sold	rice gift	rice stock
	QM1	Mean	50	26	2	4	14
		%	100%	52%	5%	9%	28%
	PDM1	Mean	25	18	1	2	3
		%	100%	71%	2%	10%	10%
	PDM2	Mean	25	22		2	1
		%	100%	89%	0%	7%	3%
	QM1	Mean	25	24			
		%	100%	97%	0%	1%	2%
Total	PDM1	Mean	25	18	1	2	3
		%	100%	71%	2%	10%	10%
	PDM2	Mean	25	22		2	1
		%	100%	89%	0%	7%	3%
	QM1	Mean	33	25	1	1	5
		%	100%	76%	2%	5%	14%
	Total	Mean	29	22	1	2	3
		%	100%	78%	2%	6%	11%
Flour							
NGO	Monitoring round		flour received	flour consumed	flour sold	flour gift	flour stock
	QM1	Mean	50	26	4	4	14
		%	100%	52%	7%	9%	27%
	PDM1	Mean	25	18		2	3
		%	100%	72%	2%	9%	11%
	PDM2	Mean	25	23		1	1
		%	100%	91%	0%	5%	4%
QM1	Mean	25	24				
	%	100%	97%	0%	1%	2%	
Total	PDM1	Mean	25	18		2	3
		%	100%	72%	2%	9%	11%
	PDM2	Mean	25	23		1	1
		%	100%	91%	0%	5%	4%
	QM1	Mean	33	25	1	1	4
		%	100%	76%	4%	4%	14%
	Total	Mean	29	22	1	2	3
		%	100%	79%	2%	6%	11%

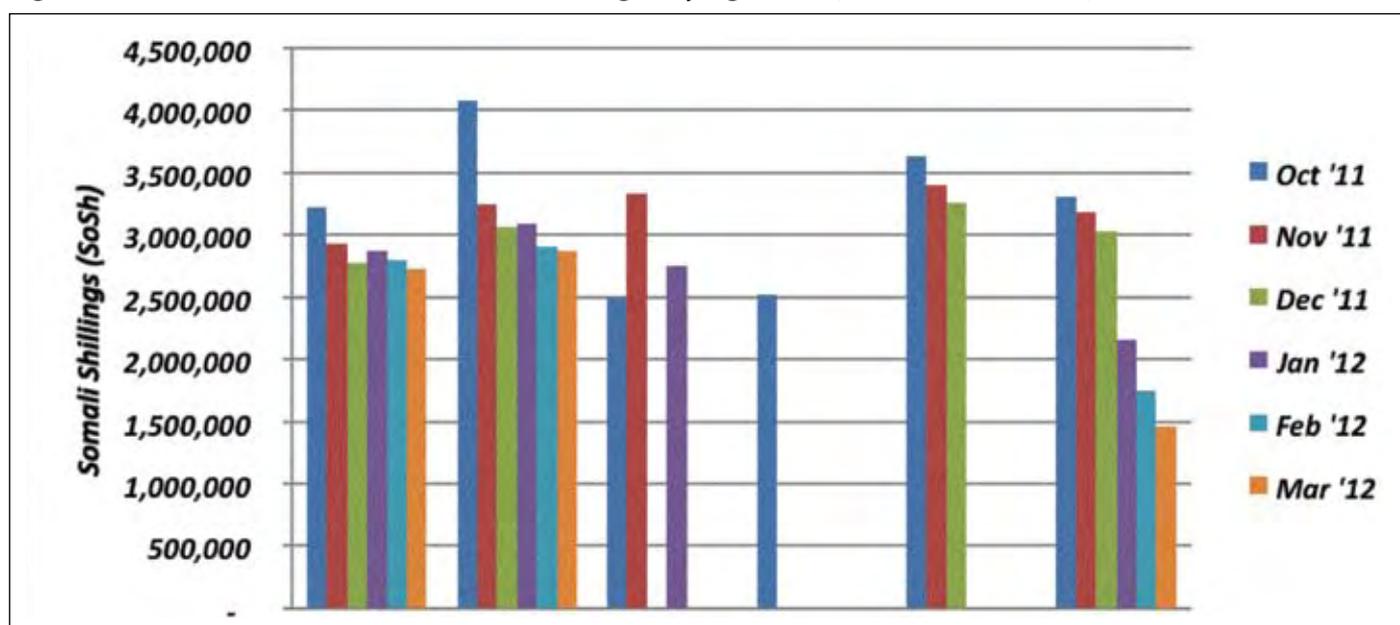
**Table A19: I have sold my voucher/s**

Monitoring round	NGO/total N	N/% of beneficiaries reporting that they sold vouchers	
PDM1	357	N	20
		%	6%
PDM2	357	N	
		%	
QM1	190	N	14
		%	7%
	446	N	5
		%	1%
	Total/636	N	19
		%	3%

**Table A20: Trader allows me to exchange vouchers for cash**

Monitoring round	NGO/total N		N/% beneficiaries reporting traders allows exchange of vouchers for cash
PDM1	357	N	59
		%	17%
PDM2	357	N	
		%	
QM1	183	N	3
		%	2%
	446	N	1
		%	0%
	Total / 629	N	4
		%	1%

**Figure A1: Value of the cash transfer in SoSh during the programme (October–March 2011)**



**Table A21: Value of the cash transfer in SoSh during the programme (October–March 2011)**

Monitoring round						Total
Oct '11	3,217,172	4,072,596	2,500,429	2,515,938	3,634,000	3,299,911
Nov '11	2,932,500	3,250,391	3,335,156		3,398,250	3,180,681
Dec '11	2,772,477	3,058,973			3,253,200	3,022,052
Jan '12	2,866,636	3,085,772	2,752,813		–	2,156,089
Feb '12	2,798,845	2,907,070	–		–	1,743,350
Mar '12	2,730,239	2,869,188	–		–	1,455,035

**Table A22: Percentage of households reporting that the transfer was large enough to cover basic household food needs**

Livelihood Status		Monitoring Round		Total
		QM1	QM2	
Pastoralist	N	165	259	424
	%	25%	64%	40%
Agro pastoralist	N	284	108	392
	%	53%	39%	48%
Agriculture	N	555	18	573
	%	87%	30%	82%
Urban	N	340	113	453
	%	67%	47%	60%
Other	N	21	54	75
	%	75%	62%	65%
Total	N	588	527	1115
	%	2366	1065	3431

**Table A23: Percentage of households getting the amount of cash they expected at the last distribution**

Monitoring Round	N/% of households getting the amount of cash expected	
QM1/371	N	371
	%	100%
QM2/700	N	684
	%	98%
Total /1071	N	1055
	%	99%
QM1/375	N	156
	%	42%
QM2/365	N	260
	%	71%
Total/740	N	416
	%	56%
QM1/1811	N	1580
	%	87%
QM1	N	375
	%	100%
Total QM1/3393	N	2482
	%	73%
Total QM2/1065	N	944
	%	89%

**Table A24: Percentage of cash beneficiary households reporting that they would prefer vouchers to cash**

Monitoring round	Total of cash beneficiaries stating they would prefer vouchers to cash	
QM1/371	N	0
	%	0%
QM2/700	N	15
	%	2%
Total/1071	N	15
	%	1%
QM1/375	N	0
	%	0%
QM2/365	N	31
	%	8%
Total/740	N	31
	%	3%
QM1/1811	N	0
	%	0%
QM1	N	0
	%	0%
Total QM1/3393	N	0
	%	0%
Total QM2/1065	N	46
	%	4%

**Table A25: Responses to the statement ‘the food I get in return for the vouchers is sufficient to cover my household’s basic food needs’**

Monitoring round	NGO/total N		N/% beneficiaries agreeing that the food ration is sufficient to cover their household food needs
PDM1	357	N	334
		%	94%
PDM2	357	N	208
		%	58%
QM1	184	N	58
		%	32%
	446	N	338
		%	76%
	Total/630	N	396
		%	63%

**Table A26: Response to the statement ‘the frequency with which the vouchers were distributed suited my household’s needs’**

Monitoring round	NGO/total N		N/% of beneficiaries who agree that frequency of voucher distribution suits their requirements
PDM1	357	N	294
		%	82%
PDM2	357	N	210
		%	59%
QM1	195	N	71
		%	36%
	446	N	233
		%	52%
	641	N	304
		%	47%

**Table A27: Response to the statement ‘I would prefer cash to vouchers’**

Monitoring round		N/% reporting they would prefer cash to vouchers
PDM1	N	181
	%	51%
PDM2	N	240
	%	67%
QM1	N	35
	%	18%
	N	210
	%	47%
	N	245
	%	38%

**Table A28: Percentage of households aware of complaints mechanism**

Monitoring round	% of beneficiaries aware of complaints mechanism	
QM1 / 371	N	263
	%	71%
QM2 / 700	N	346
	%	49%
Total / 1071	N	609
	%	57%
QM1 / 375	N	138
	%	37%
QM2 / 365	N	244
	%	67%
Total / 740	N	382
	%	52%
QM1 / 1811	N	31
	%	6%
QM1	N	375
	%	100%
Total QM1 / 3393	N	807
	%	24%
Total QM2 / 1065	N	590
	%	55%

**Table A29: Other aid received by beneficiaries**

Monitoring Round	HH type/N	Plumpy nut	CSB Oil and Beans	Rice Oil and Beans	Food Voucher	Cash or CFW	Medicine	Water/Water voucher	NFI/other
BL	FHH/651	1%	7%	72%	1%	1%	4%	4%	0%
	MHH/444	4%	8%	76%	0%	0%	5%	5%	1%
	Total/1095	2%	7%	74%	0%	0%	4%	4%	1%
QM1	FHH/285	1%	45%	9%	9%	76%	24%	1%	
	MHH/461	1%	13%	6%	3%	34%	8%	0%	
	Total/746	1%	25%	7%	5%	50%	14%	0%	
QM2	FHH/361	1%	16%	29%	5%	100%	44%		0%
	MHH/339	1%	7%	32%	3%	99%	36%		0%
	Total/700	1%	12%	31%	4%	99%	40%		0%
BL	FHH/89			0%		0%	9%	94%	1%
	MHH/287			1%		3%	26%	83%	2%
	Total/376			1%		2%	22%	86%	2%
BL	FHH/165	19%	0%	11%	47%	2%	52%	76%	20%
	MHH/211	16%	0%	6%	39%	3%	49%	80%	16%
	Total/376	17%	0%	8%	43%	3%	50%	78%	18%
QM1	FHH/170	10%	2%	11%	12%	6%	29%	71%	10%
	MHH/205	21%	10%	20%	11%	7%	35%	68%	11%
	Total/375	16%	6%	16%	11%	7%	33%	69%	10%
QM2	FHH/148	2%	0%	0%	3%		5%	34%	6%
	MHH/217	3%	1%	2%	9%		6%	29%	1%
	Total/365	2%	1%	1%	7%		6%	32%	3%
BL	FHH/740	16%	3%	15%	7%	11%	3%	6%	4%
	MHH/1142	20%	2%	35%	5%	5%	6%	4%	3%
	Total/1882	19%	2%	27%	6%	7%	5%	5%	3%
QM1	FHH/857	12%	9%	20%	7%	21%	4%	2%	16%
	MHH/971	10%	9%	52%	43%	80%	1%	1%	48%
	Total/1828	11%	9%	35%	24%	48%	3%	2%	31%
BL	FHH/41	100%	2%	12%	0%	7%	15%	0%	2%
	MHH/305	100%	2%	7%	3%	4%	20%	4%	2%
	Total/346	100%	2%	7%	3%	4%	19%	3%	2%
QM1	FHH/36	97%	19%	11%		81%	0%		0%
	MHH/339	98%	27%	17%		70%	5%		2%
	Total/375	98%	26%	17%		71%	4%		2%
QM1	FHH/196	36%	1%	1%	1%	1%	97%	96%	13%
	MHH/250	26%	0%	0%	1%	0%	98%	95%	21%
	Total/446	30%	0%	0%	1%	0%	98%	96%	17%

# Annex 12

## Weightings used for the calculation of CPI

Sum of mean prices in MEB x each item's weighting/1,000

Weightings used	
Rice	200
Sorghum	210
Wheat flour	170
Sugar	150
Veg oil	100
Milk	55
Meat	55
Tea	25
Salt	20
Cow Peas	15
TOTAL	1,000

Prices for October are used as base (100), so changes are expressed as percentage change on this figure.

# Annex 13

## Additional data tables for Section 7 (Market impacts)

**Table A30: Changes in price of MEB food commodities: October 2011–March 2012**

		Rice	Red Sorghum	Wheat flour	Sugar	Veg Oil	Cow milk	Tea	Cow pea	Salt	Goat meat
Oct '11	N	142	138	141	142	142	141	142	140	142	138
	Mean	29,540	16,018	23,025	39,334	55,081	22,388	54,857	55,266	11,061	112,923
Nov '11	N	136	136	136	136	136	136	136	136	136	136
	Mean	26,061	15,271	20,826	35,993	51,875	19,733	50,191	55,658	9,994	116,332
Dec '11	N	144	144	144	144	144	144	144	144	144	144
	Mean	25,549	13,681	19,313	30,986	49,004	19,671	47,655	43,507	9,539	115,947
Jan '12	N	172	172	172	172	172	172	172	172	172	172
	Mean	23,004	11,536	17,589	26,372	45,297	18,105	46,086	35,212	11,095	118,255
Feb '12	N	137	137	137	137	137	137	137	137	137	137
	Mean	22,409	8,353	17,577	25,708	44,876	17,283	45,810	30,038	11,128	123,501
Mar '12	N	134	134	134	134	134	134	134	134	134	134
	Mean	21,493	6,465	16,590	24,799	42,537	18,041	44,843	27,945	9,634	125,828
% Change October 2011–March 2012		-27	-60	-28	-37	-23	-19	-18	-49	-13	11

**Table A31: Change in price (SoSh) of food MEB based on staples of rice and sorghum: October 2011–March 2012**

	Urban areas			Rural areas			Average % difference between urban and rural
	MEB rice staple urban	MEB sorghum staple urban	% by which buying sorghum as a staple is cheaper than rice	MEB rice staple rural	MEB sorghum staple rural	% by which buying sorghum as a staple is cheaper than rice	
Oct '11	3,736,264	3,187,749	15%	2,699,253	2,150,738	20%	30%
Nov '11	3,457,783	3,051,635	12%	2,465,205	2,059,056	16%	30%
Dec '11	3,301,739	2,781,093	16%	2,392,311	1,871,665	22%	30%
Jan '12	3,013,580	2,470,460	18%	2,182,971	1,639,851	25%	30%
Feb '12	2,943,664	2,140,579	27%	2,146,391	1,343,306	37%	31%
Mar '12	2,866,170	1,949,018	32%	2,071,478	1,154,326	44%	33%
% Change Oct 2011–Mar 2012	-23%	-39%		-23%	-46%		

Figure A2: Average monthly transfer size in US\$ by region

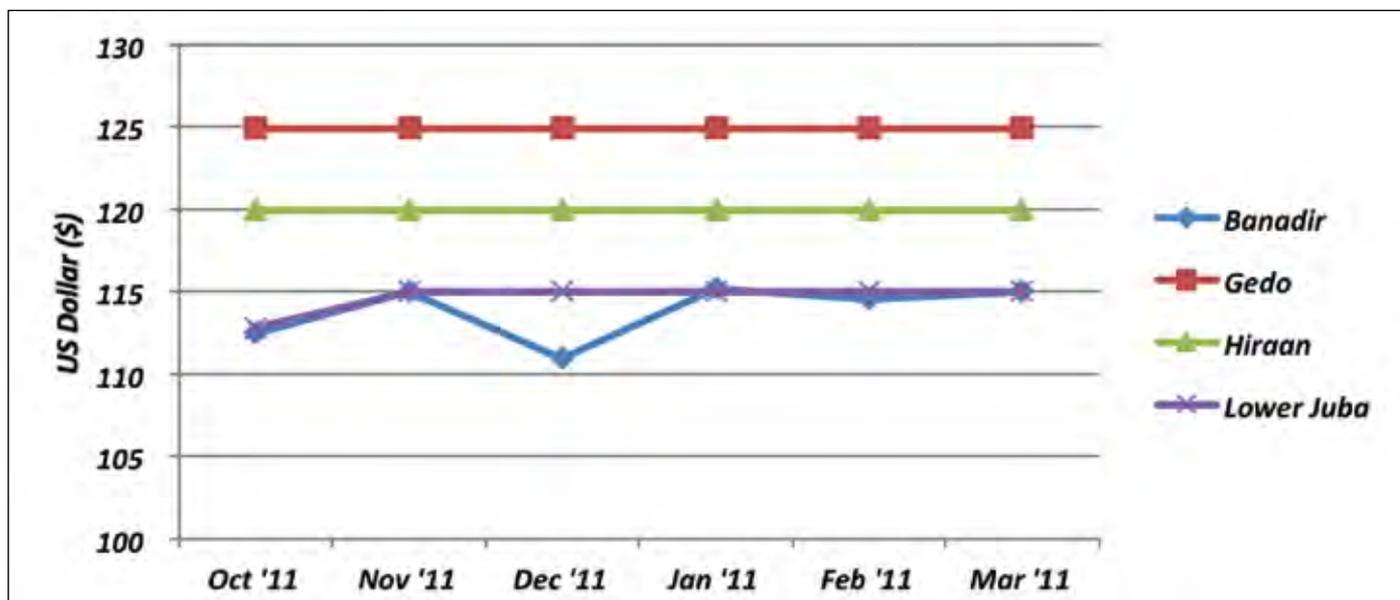
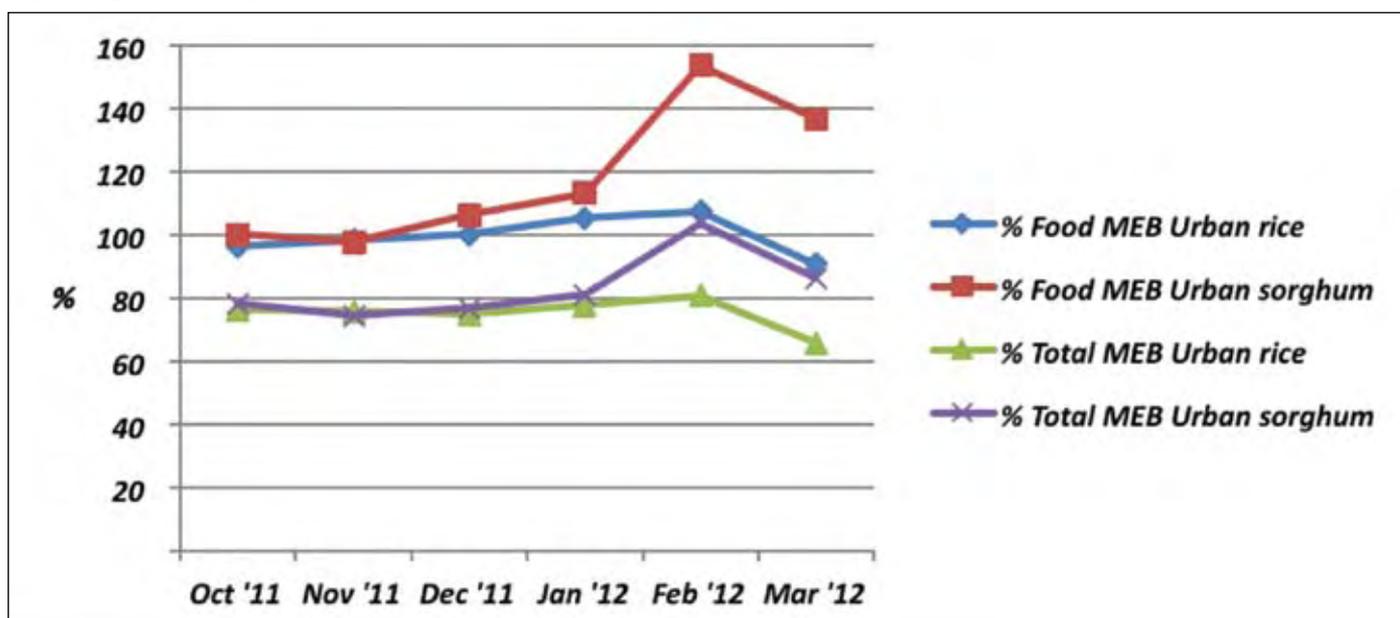


Table A32: Average percentage of Food and Total MEB purchased with transfer at programme level

Month	% Food MEB (urban)	% Food MEB (rural)	% Total MEB (urban)	% Total MEB (rural)
Oct '11	93	131	73	112
Nov '11	92	131	73	113
Dec '11	114	177	85	145
Jan '12	125	198	89	155
Feb '12	153	258	107	188
Mar '12	155	262	103	191

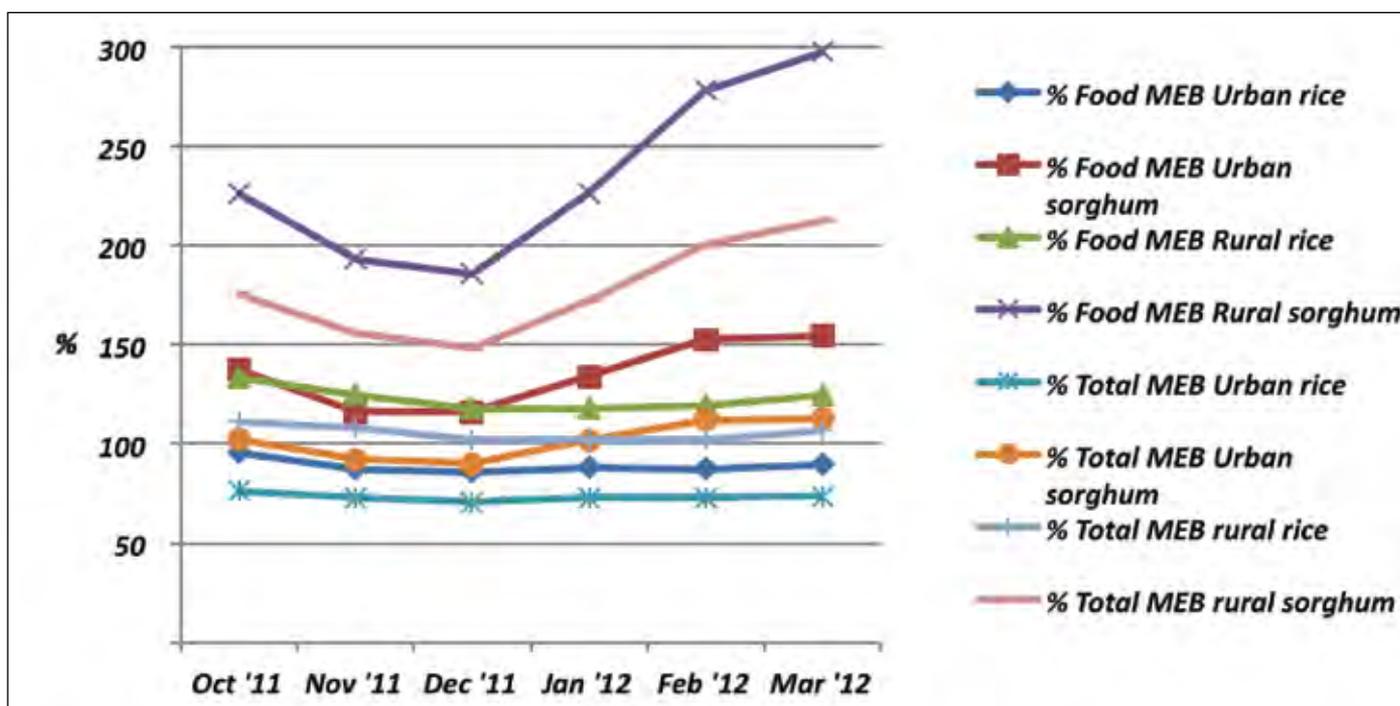
Figure A3: Percentage of Food and Total MEB purchased with transfer in Banadir Region



**Table A33: Percentage of Food and Total MEB purchased with cash transfer in Banadir Region**

Month	% Food MEB Urban rice	% Food MEB Urban sorghum	% Food MEB Rural rice	% Food MEB Rural sorghum	% Total MEB Urban rice	% Total MEB Urban sorghum	% Total MEB rural rice	% Total MEB rural sorghum
Oct '11	96	100	135	144	76	78	116	122
Nov '11	99	98	140	140	76	75	119	119
Dec '11	100	106	141	155	75	77	119	126
Jan '12	106	113	151	172	78	81	125	137
Feb '12	108	154	145	243	81	104	119	178
Mar '12	91	137	121	217	66	86	101	160
% Change October 2011 – March 2012	-6%	36%	-11%	51%	-14%	10%	-13%	31%

**Figure A4: Percentage of Food and Total MEB purchased with transfer in Gedo Region**



**Table A34: Percentage of Food and Total MEB purchased with cash transfer in Gedo Region**

Month	% Food MEB Urban rice	% Food MEB Urban sorghum	% Food MEB Rural rice	% Food MEB Rural sorghum	% Total MEB Urban rice	% Total MEB Urban sorghum	% Total MEB rural rice	% Total MEB rural sorghum
Oct '11	96	138	134	226	76	102	112	175
Nov '11	88	116	125	193	73	92	109	156
Dec '11	86	116	118	186	71	90	102	148
Jan '12	88	134	119	227	73	102	102	172
Feb '12	88	153	120	278	73	112	103	200
Mar '12	90	155	125	298	74	113	107	213
% Change October–March	-7%	13%	-7%	32%	-3%	10%	-4%	21%

Figure A5: Percentage of Food and Total MEB purchased with transfer in Hiran Region

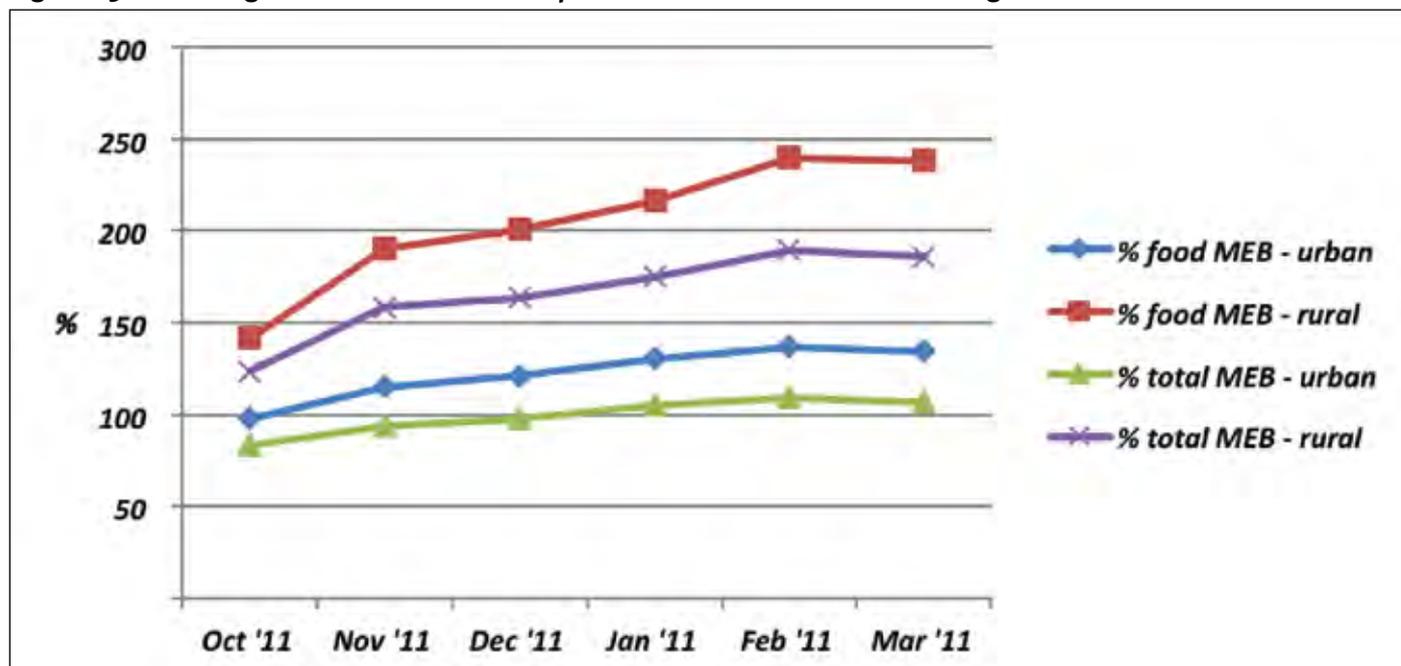
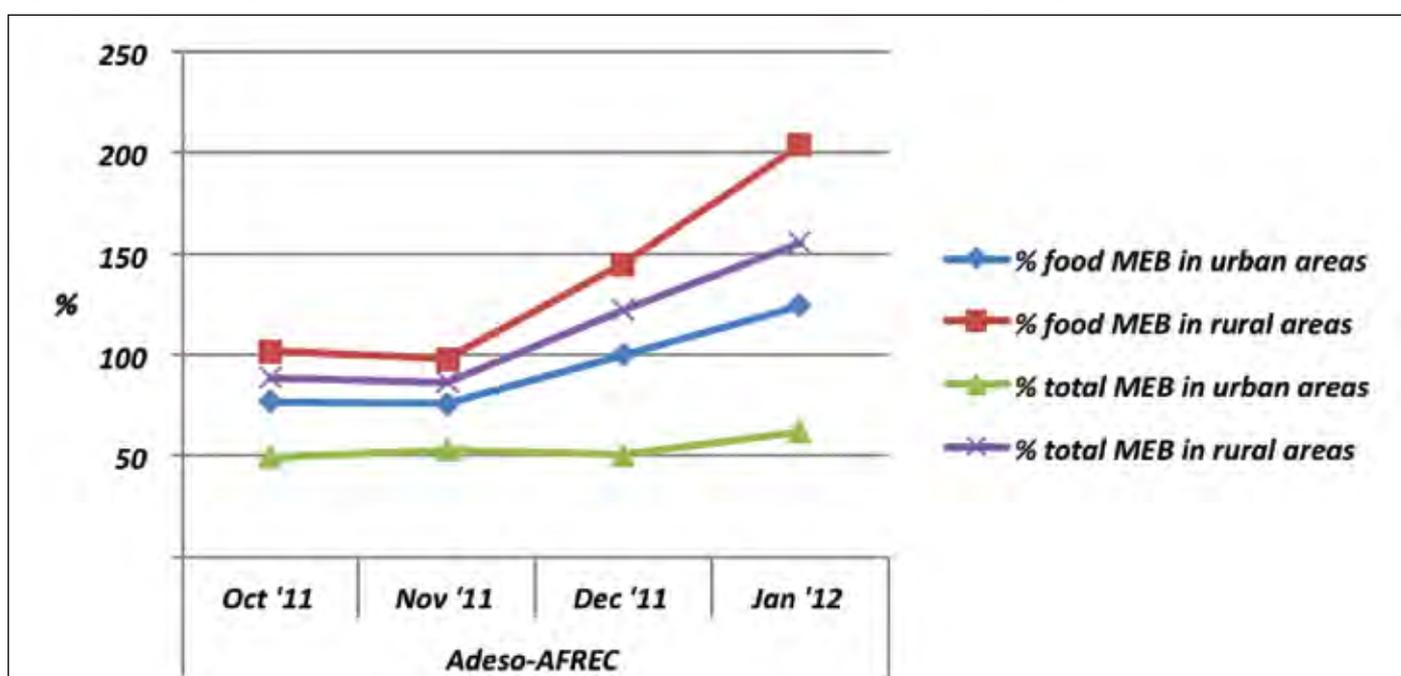


Table A35: Percentage of Food and Total MEB purchased with cash transfer in Hiran Region

Month	% Food MEB-urban	% Food MEB-rural	% Total MEB-urban	% Total MEB-rural
Oct '11	98	142	83	123
Nov '11	115	190	94	158
Dec '11	121	201	98	164
Jan '11	130	216	105	175
Feb '11	138	240	110	190
Mar '11	135	238	107	186
% Change	37%	68%	28%	50%

Figure A6: Percentage of Food and Total MEB purchased with transfer in Lower Juba Region



**Table A36: Percentage of Food and Total MEB purchased with cash transfer in Lower Juba Region**

	<b>% Food MEB in urban areas</b>	<b>% Food MEB in rural areas</b>	<b>% Total MEB in urban areas</b>	<b>% Total MEB in rural areas</b>
Oct '11	77	102	49	89
Nov '11	76	98	53	87
Dec '11	100	145	50	122
Jan '12	125	204	62	156
% Change	62%	100%	26%	76%

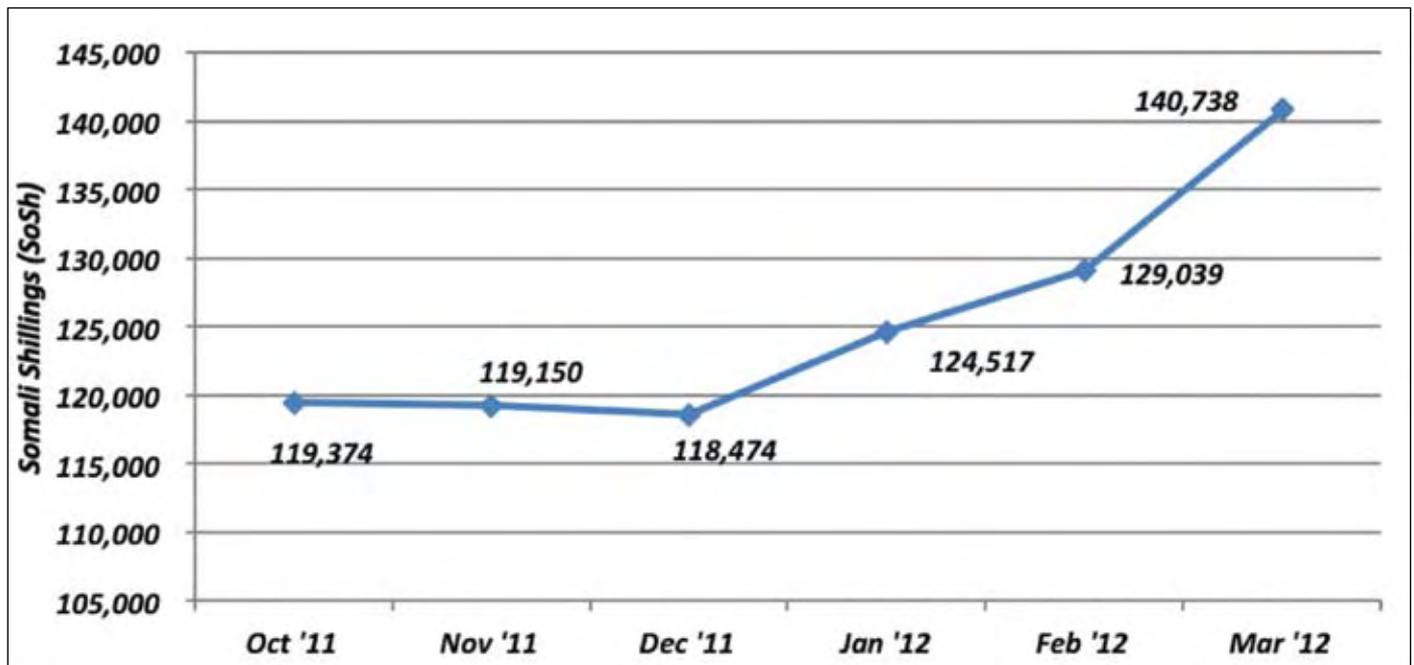
# Annex 14

## Daily labour rates and purchasing power

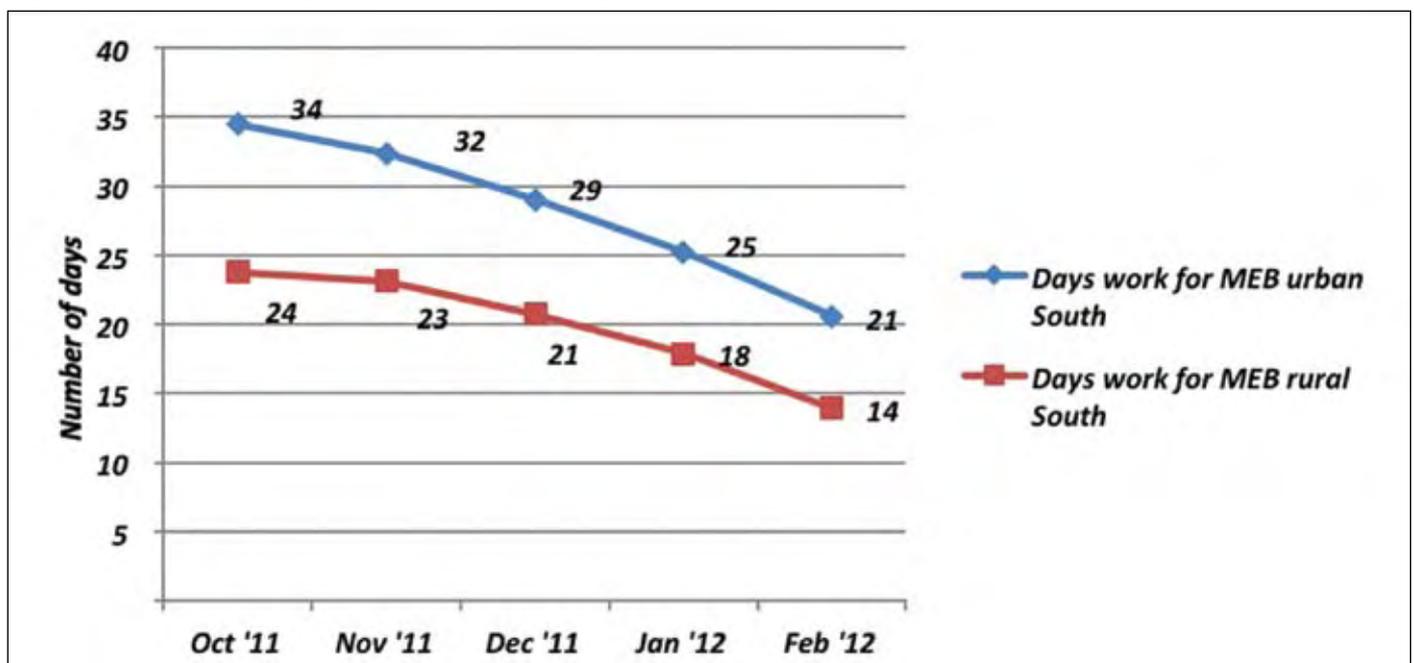
Wages paid for daily casual labour increased by 19% from SoSh 119,374 to SoSh 140,738 (Figure 7) (from approximately \$4.7 a day to \$5.6 a day) over the six months between October 2011 and March 2012. The data show that wages consistently appear to be lowest in Banadir and Lower Shabelle, and highest in Gedo and Hiran.

The combination of increasing remuneration rates and decreasing food prices resulted in breadwinners having to work between 10 and 13 days less in March 2012 than they would have had to in October 2011 in order to buy their food MEB (Figure 8).

**Figure A7: Daily labour wage rate**



**Figure A8: Number of days' labour required to buy food MEB**

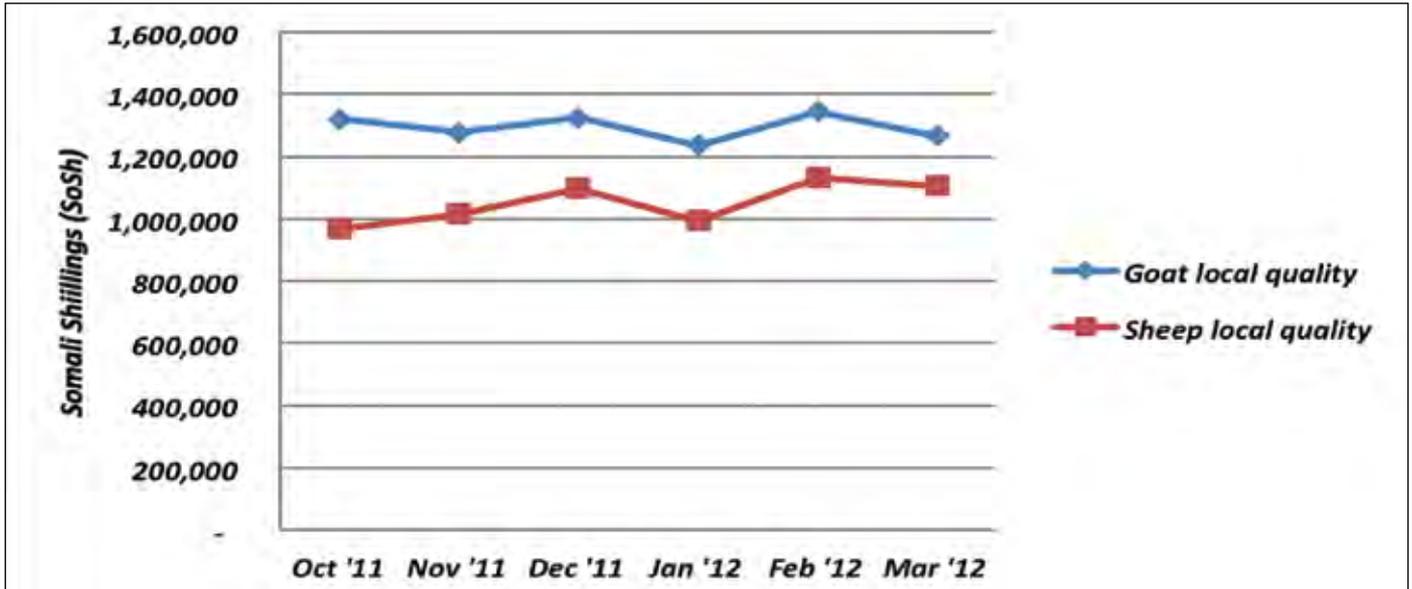


# Annex 15

## Prices of local quality goats and sheep

The price of small livestock was reasonably stable. Between October 2011 and March 2012 the price of goats dropped by 4% and that of sheep increased by 14% (Figure 9).

Figure A9: Prices of local quality sheep and goats: October 2011–March 2012

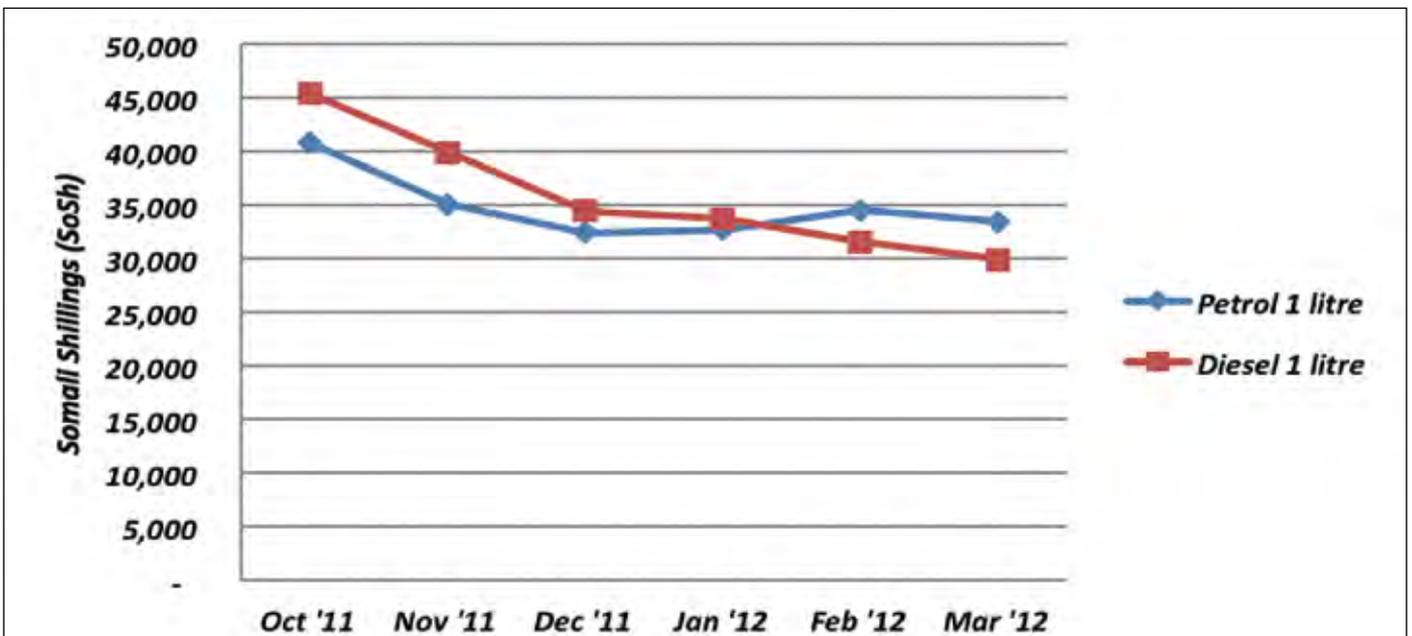


# Annex 16

## Fuel prices

Fuel prices tend to track the US dollar: as the dollar depreciated by 20% over the course of the programme it is not surprising to see that the price of petrol fell by 18% and that of diesel by 34% over the period under analysis (Figure 10). These decreases in the price of fuel will have made transport cheaper, which in turn will have contributed in a small way to the decline in food prices.

Figure A10: Fuel Prices: October 2011–March 2012



# Annex 17

## Details of traders interviewed

### Details of the traders interviewed–Round 1

	Location/District	Type	Number of staff	Approximate size of shop	Additional storage space	Weekly turnover (SoSh)	Number of regular suppliers
1	Madina Market/ Madina	Retailer	3	8 m <sup>2</sup>	NIL	10,000,000	10
2	Bakara/Hawl Wadaag	Retailer	1	3 m <sup>2</sup>	NIL	4,000,000	5
3	Bakara/Hawl Wadaag	Kiosk	1	4 m <sup>2</sup>	NIL	5,000,000	5
4	Hiran/Beletweyne	Kiosk (retailer)	1	5m <sup>2</sup>	none	5,000,000	2
5	Hiran/Beletweyne	Retailer	1	5m <sup>2</sup>	none	6,060,000	3
6	Hodan/Hodan	Wholesaler	6	13 m <sup>2</sup>	20 m <sup>2</sup>	150,000,000	10
7	H.Weyne/H.Weyne	Wholesaler	5	13 m <sup>2</sup>	10 m <sup>2</sup>	120,000,000	12
8	Hiran/Beletweyne	Wholesaler	1	8.5m <sup>2</sup>	none	200,000,000	1
9	Hiran/Beletweyne	Wholesaler	3	11m <sup>2</sup>	None	180,000,000	2
10	Hiran/Beletweyne	Wholesaler	3	10m <sup>2</sup>	17m <sup>2</sup>	833,000,000	1
11	Gedo/Bula Hawa	Wholesaler	3	8m <sup>2</sup>	4m <sup>2</sup>	30,000,000	3

Exchange rate for \$1 at time of data collection was SoSh 32,000

### Details of the traders interviewed – Round 2

	Location/District	Type	Number of staff	Approximate size of shop	Additional storage space	Weekly turnover (SoSh)	Number of regular suppliers
1	Madina Market/ Mogadishu	Retailer	4	8 m2	NIL	12,000,000	12
2	Bakara/Mogadishu	Retailer	2	8.5 m <sup>2</sup>	NIL	7,000,000	8
3	Bakara/Mogadishu	Retailer	2	4 m <sup>2</sup>	NIL	8,000,000	7
4	Hiran/Beletweyne	Kiosk (retailer)	1	5m <sup>2</sup>	none	7,000,000	2
5	Hiran/Beletweyne	Retailer	1	5m <sup>2</sup>	none	8,700,000	2
6	Hodan/Mogadishu	Wholesaler	6	13 m <sup>2</sup>	20 m <sup>2</sup>	200,000,000	18
7	H.Weyne/Mogadishu	Wholesaler	5	13 m <sup>2</sup>	10 m <sup>2</sup>	150,000,000	12
8	Hiran/Beletweyne	Wholesaler	1	8.5m <sup>2</sup>	none	206,000,000	1
9	Hiran/Beletweyne	Wholesaler	3	11m <sup>2</sup>	None	184,000,000	2
10	Hiran/Beletweyne	Wholesaler	3	10m <sup>2</sup>	17m <sup>2</sup>	775,000,000	1
11	Gedo/Bula Hawa	Wholesaler	3	8m <sup>2</sup>	6m <sup>2</sup>	25,000,000	2

Exchange rate for \$1 at time of data collection was SoSh 24,000

### Increase in weekly turnover (SoSh)

	Location/District	Type	R1 Weekly turnover (SoSh)	R2 Weekly turnover (SoSh)	SoSh Increase in turnover	Percentage increase in SoSh turnover
1	Madina Market/ Mogadishu	Retailer	10,000,000	12,000,000	2,000,000	20%
2	Bakara/Mogadishu	Retailer	4,000,000	7,000,000	3,000,000	75%
3	Bakara/Mogadishu	Retailer	5,000,000	8,000,000	3,000,000	60%
4	Hiran/Beletweyne	Kiosk (Retailer)	5,000,000	7,000,000	2,000,000	40%
5	Hiran/Beletweyne	Retailer	6,060,000	8,700,000	2,640,000	44%
Subtotal – Retailers					48%	
6	Hodan/Mogadishu	Wholesaler	150,000,000	200,000,000	50,000,000	33%
7	H.Weyne/Mogadishu	Wholesaler	120,000,000	150,000,000	30,000,000	25%
8	Hiran/Beletweyne	Wholesaler	200,000,000	206,000,000	6,000,000	3%
9	Hiran/Beletweyne	Wholesaler	180,000,000	184,000,000	4,000,000	2%
10	Hiran/Beletweyne	Wholesaler	833,000,000	775,000,000	-58,000,000	-7%
11	Gedo/Bula Hawa	Wholesaler	30,000,000	25,000,000	-5,000	17%
Subtotal – Wholesalers						7%

# Annex 18

## Additional data tables for Section 6 (Household and community impacts)

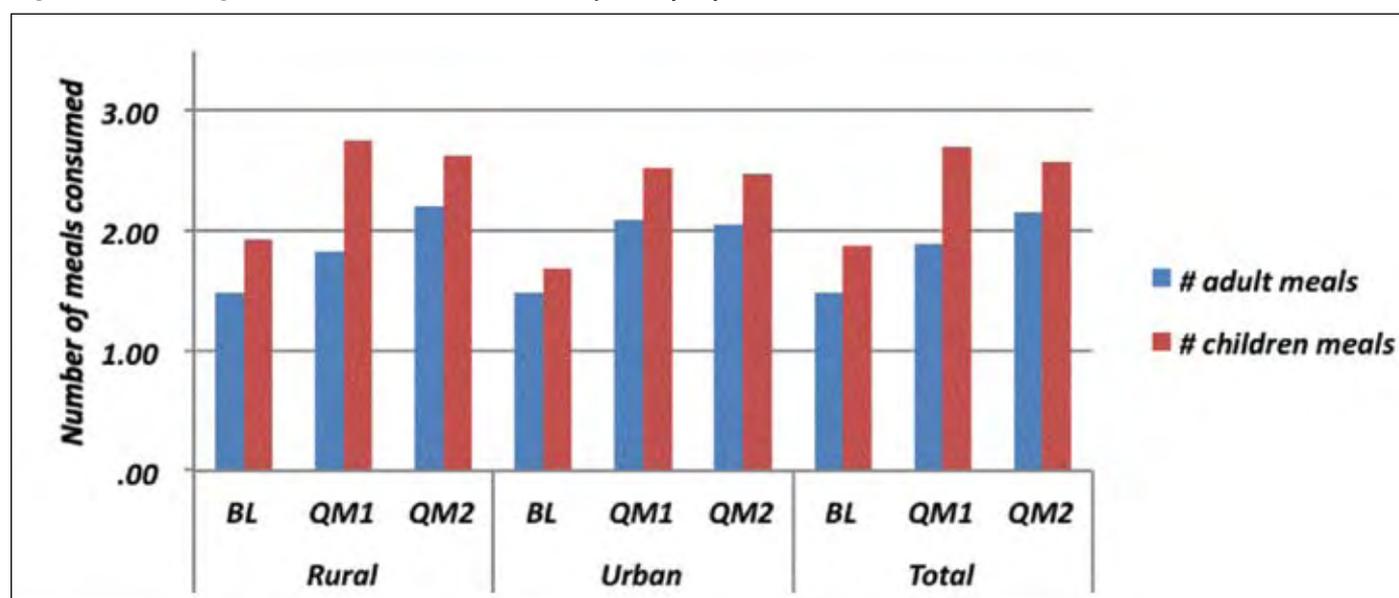
**Table A37: Response to the statement 'I have been able to access more credit as a result of the receiving the cash'**

Urban/Rural		Monitoring Round		Total
		QM1	QM2	
Rural	N	2491	623	3114
	%	75%	89%	77%
Urban	N	310	271	581
	%	83%	74%	79%
Total	N	2801	894	3695
	%	76%	84%	78%

**Table A38: Percentage of households reporting they were able to get more credit as a result of the transfers disaggregated by residence status**

Residential status		Monitoring Round		Total
		QM1	QM2	
Normally resident in area	N	1473	511	1984
	%	73%	89%	77%
Moved due to drought	N	1092	281	1373
	%	79%	75%	78%
Moved due to conflict	N	200	96	296
	%	80%	85%	82%
Moved for other reasons	N	8	6	14
	%	67%	86%	74%
Total	N	2775	894	3669
	%	76%	84%	78%

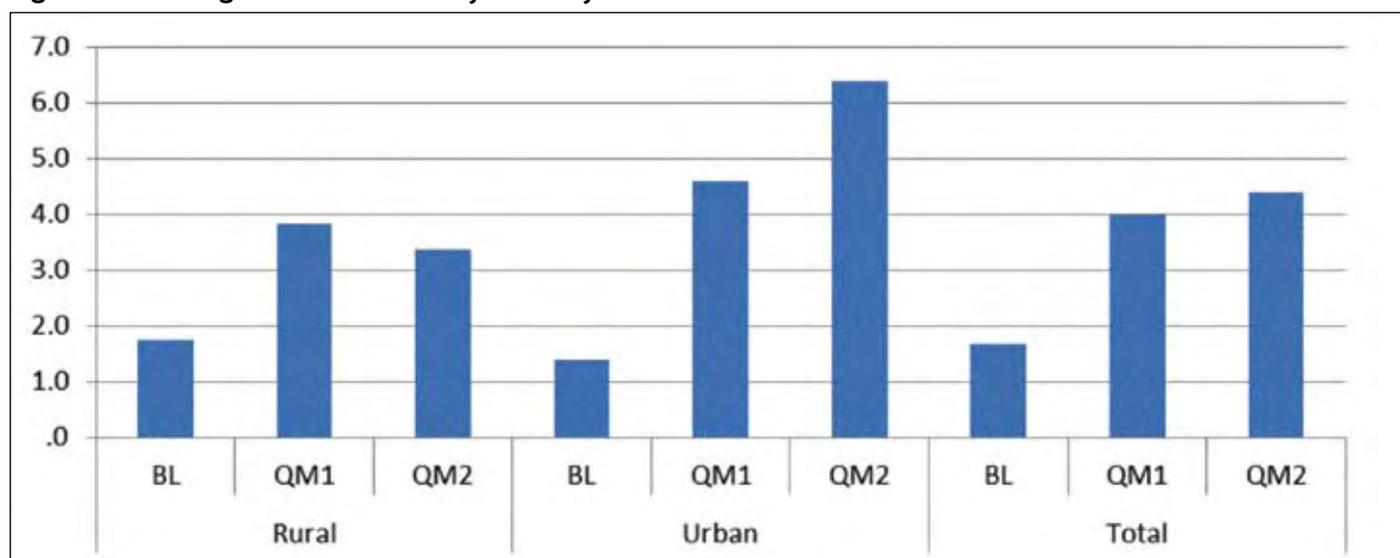
**Figure A11: Average number of meals consumed per day, by location**



**Table A39: Average number of meals consumed**

Livelihood status	Monitoring round		Number of adult meals	Number of children meals
Pastoralist	BL	N	618	611
		Mean	1.41	1.69
	QM1	N	1057	1054
		Mean	1.98	2.81
	QM2	% Change from BL	41	66
		N	402	402
		Mean	2.20	2.57
		Total % change from BL	56	52
Agro Pastoralist	BL	N	813	810
		Mean	1.18	1.49
	QM1	N	1042	1039
		Mean	1.93	2.62
		% Change from BL	64	76
	QM2	N	277	277
		Mean	2.12	2.44
		Total % change from BL	80	64
Agriculture	BL	N	715	715
		Mean	1.63	2.43
	QM1	N	1284	1285
		Mean	1.71	2.51
		% Change from BL	5	4
	QM2	N	60	60
		Mean	2.05	2.67
		Total % change from BL	26	10
Urban	BL	N	414	403
		Mean	1.54	1.84
	QM1	N	663	662
		Mean	2.14	3.13
		% Change from BL	38	70
	QM2	N	239	239
		Mean	2.18	2.75
		Total % change from BL	42	49
Total	BL	N	2716	2695
		Mean	1.42	1.84
	QM1	N	4119	4113
		Mean	1.90	2.72
		% Change from BL	34	48
	QM2	N	1065	1065
		Mean	2.16	2.57
		Total % change from BL	52	40

**Figure A12: Average Household Dietary Diversity Score of rural and urban households**



**Table A40: Household Dietary Diversity Scores by livelihood**

Livelihood Dietary Diversity for reference			
		Mean	N
Pastoralist	BL	1.9	618
	QM1	3.3	1062
	QM2	3.4	402
Agro Pastoralist	BL	0.4	1063
	QM1	3.7	1054
	QM2	5.8	277
Agriculture	BL	3.0	722
	QM1	4.0	1285
	QM2	5.8	60
Urban	BL	2.3	415
	QM1	5.9	663
	QM2	4.5	239
Other	BL	0.5	156
	QM1	3.3	74
	QM2	3.3	87
Total	BL	1.6	2974
	QM1	4.0	4138
	QM2	4.4	1065

**Table A41: Household Dietary Diversity Scores by urban/rural**

Urban Rural Dietary Diversity – for reference			
		N	Mean
Rural	BL	3052	1.8
	QM1	3324	3.8
	QM2	700	3.4
Urban	BL	1023	1.4
	QM1	1016	4.6
	QM2	365	6.4
Total	BL	4075	1.7
	QM1	4340	4.0
	QM2	1065	4.4

Figure A13: Percentage of households reporting consumption of different food groups – Rural Households

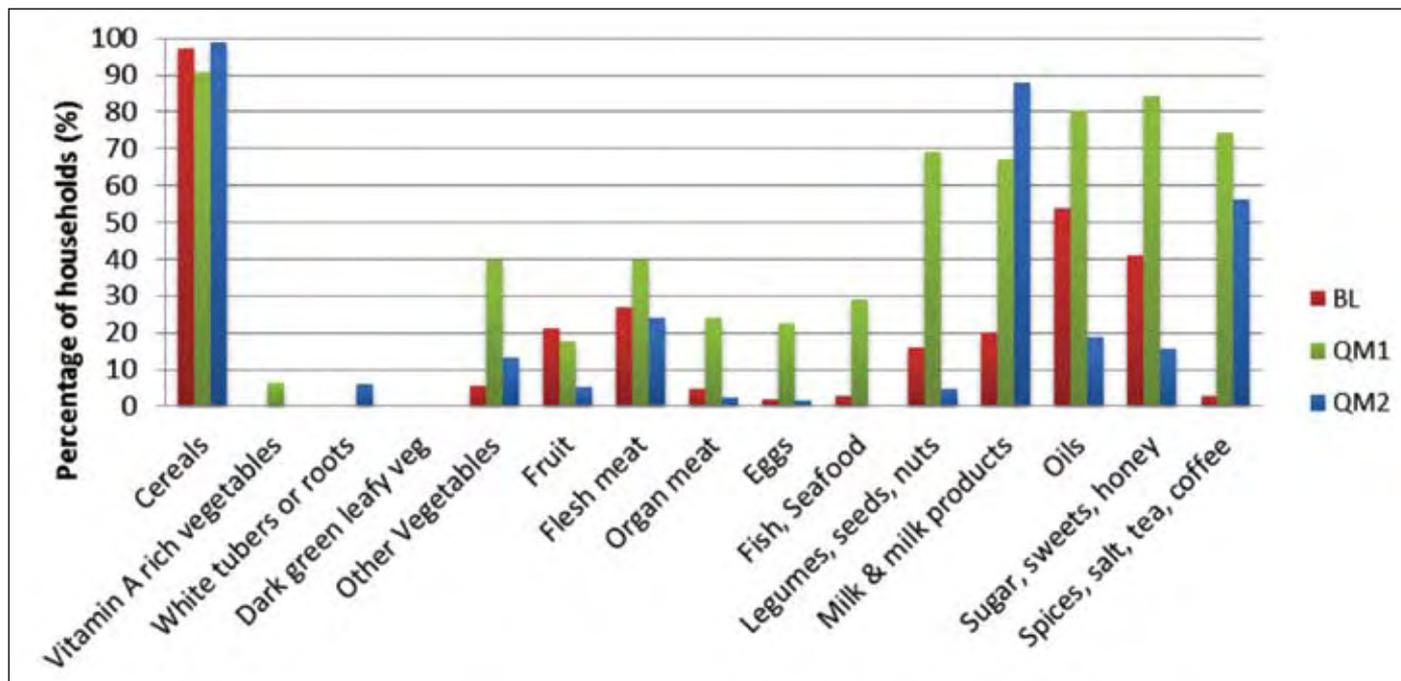
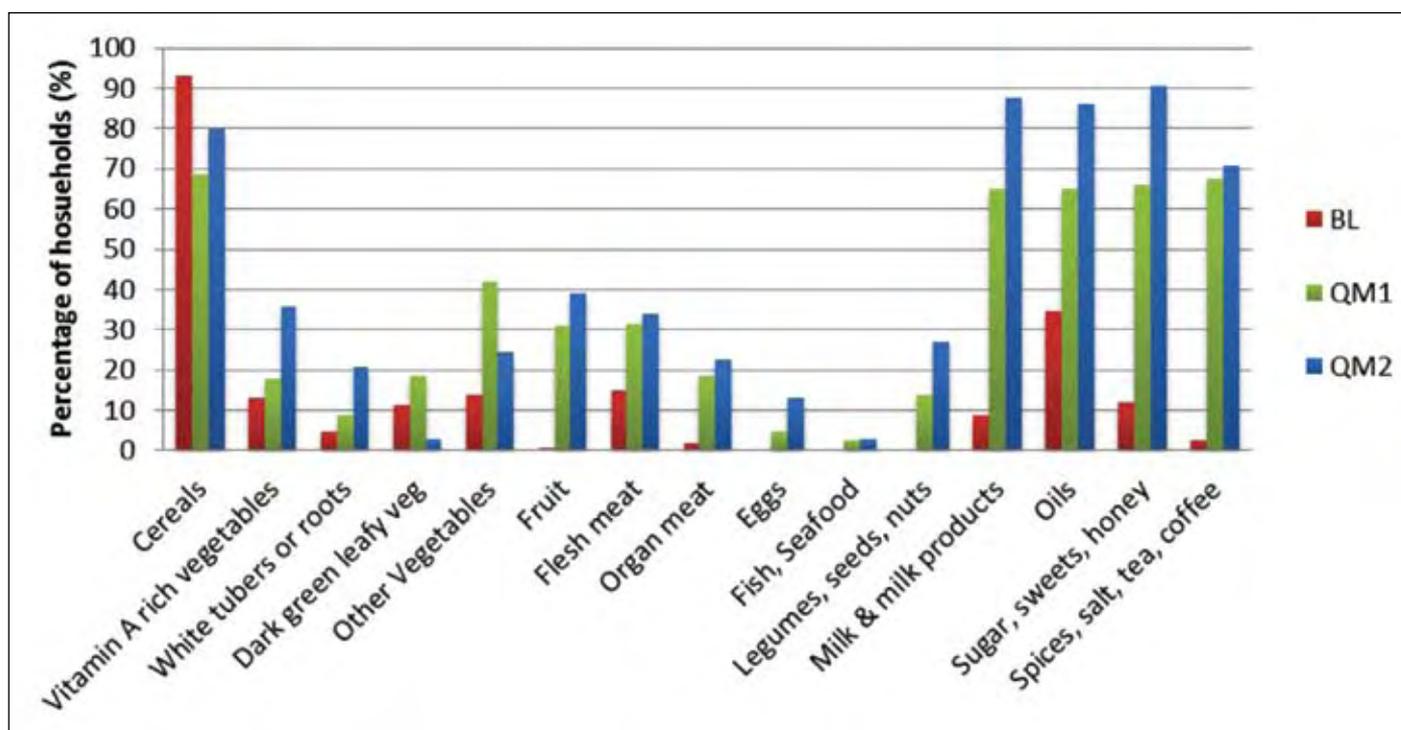


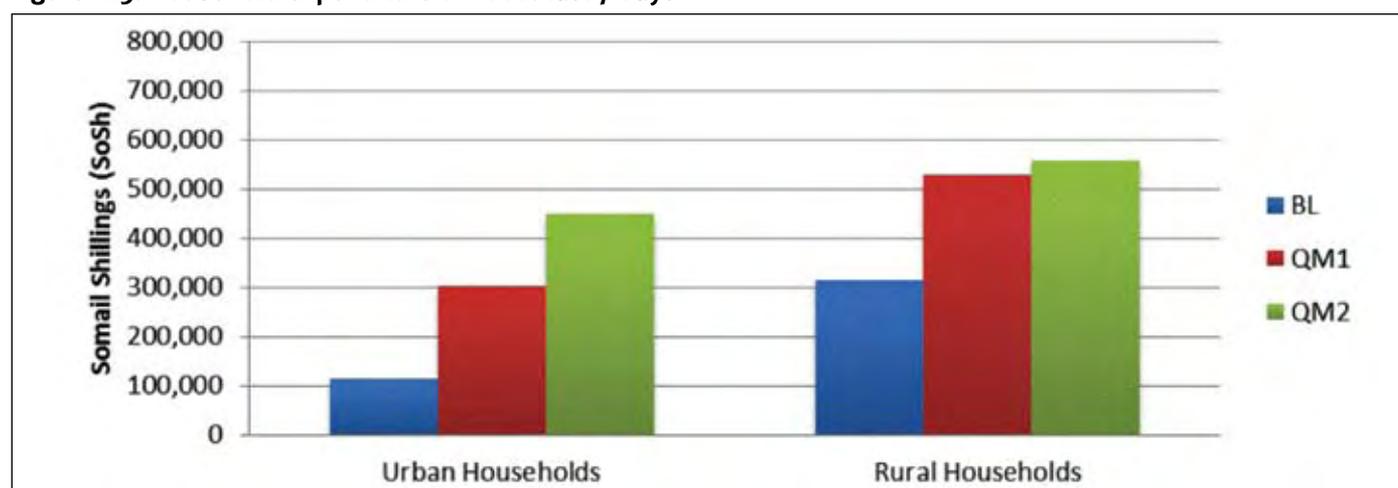
Figure A14: Percentage of households reporting consumption of different food groups: urban households



**Table A42: Average household expenditure on food**

	Average amount spent on food (SoSh)			
	BL	QM1	QM2	% Change since BL
Urban Households	115,015	302,107	450,301	292
Rural Households	316,136	530,208	557,307	76
Pastoralists	513,759	526,789	546,553	6
Agro-pastoralists	171,621	484,186	388,301	126
Agriculturalists	341,675	528,862	372,295	9
Urban livelihoods	423,315	476,483	712,521	68
Other	590,321	164,441	305,262	-48
TOTAL	342,387	489,380	519,166	52

**Figure A15: Household expenditure on food: last 7 days**



**Table A43: Decision-making on the use of the cash transfer**

HH type		HH type	Monitoring Round		Total
			QM1	QM2	
FHH	Me	N	837	410	1247
		%	50%	81%	57%
	Spouse	N	323	56	379
		%	19%	11%	17%
	Jointly	N	516	41	557
		%	31%	8%	25%
MHH	Me	N	927	405	1332
		%	46%	73%	52%
	Spouse	N	523	41	564
		%	26%	7%	22%
	Jointly	N	563	110	673
		%	28%	20%	26%
Total	Me	N	1764	815	2579
		%	48%	77%	54%
	Spouse	N	846	97	943
		%	23%	9%	20%
	Jointly	N	1079	151	1230
		%	29%	14%	26%

**Table A44: Response to the statement ‘control of cash has caused conflict within my household’**

Transfer Type	Monitoring Round	HH type			Total
			FHH	MHH	
Cash	QM1	N	618	512	1130
		%	37%	25%	31%
	QM2	N	103	155	258
		%	20%	28%	24%
Voucher	QM1	N	57	68	125
		%	17%	22%	20%
Total		N	778	735	1513
		%	31%	26%	28%

**Table A45: Percentage of households who reported that the transfer allowed them to invite guests to share their food**

Transfer Type	Monitoring Round		Total
Cash	QM1	N	2302
		%	62%
	QM2	N	529
		%	50%
Voucher	QM1	N	427
		%	67%

**Table A46: Response to the statement ‘other members of the community are jealous of me because of the cash/ voucher transfer’**

Transfer Type	Monitoring Round		Total
Cash	QM1	N	982
		%	27%
	QM2	N	87
		%	8%
Voucher	QM1	N	398
		%	64%

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# Annex 19

## Achievements, challenges, limitations of independent monitoring with multiple implementing partners

### Achievements

- By using a common M&E approach, the quality and scope of the monitoring was improved.
  - All agencies were talking about the same indicators and working towards the same monitoring objectives.
  - The analysis of the monitoring results improved programming by ensuring that changes were made to the process as necessary. Some changes to the value of the transfer were also made as a result of analysis of the monitoring data.
- From a donor perspective, the analysis of the monitoring data has resulted in greater overall understanding of the programme and greater potential use of cash and vouchers at scale.
- The large amount of data collected by this programme has been successfully compiled as evidence of the viability and impacts of cash and voucher programming. The results can now be used for advocacy purposes.
- Capacity building of staff involved in the monitoring activities.
  - Shared design and training on the monitoring tools.
  - Feedback from ODI staff about data collection and improvements required.
  - Discussion of issues regarding monitoring (and others) has improved relationships, programmes and capacity of staff.
- From the perspective of the ODI team, dealing with the Cash Consortium partners was much easier than other (non-Consortium) partners, e.g. contractual issues, communications; the Cash Consortium had its own coordinator and M&E team.
- The funding made available to the CVMG allowed for the monitoring activities to be undertaken as planned.

### Challenges

- Confidentiality issues, protocols for sharing of data and agreements regarding visibility took time to agree and a few unintended mistakes regarding visibility (and how it is understood) were made.
- Issues of IFMs gathering data in NGO project areas – their status *vis-à-vis* the NGO and reporting lines took time to clarify, particularly with regard to how confidential issues should be handled.
- Partner agencies were initially overwhelmed by the scope of the monitoring required.
- What are the implications of the data and reporting on security for field staff?
- Who has access to the database and how can/will the data be used in future?

### Limitations

- At the start of the CVMG programme there were some misplaced expectations among NGOs that the CVMG M&E team would do all the monitoring necessary for their day-to-day programming needs, but this was not the case. Ultimately, NGOs wanted greater ownership and control of the data.
- Truly ‘independent’ monitoring was not possible due to access and security concerns.
- Availability of donor funding was good, but the problem of donors wearing two hats (as donor and coordinator/convenor of CVMG) was not ideal.

→ Large-scale M&E exercises can be undertaken in a complex, conflict-affected environment.

# Annex 20

## Modifications to the monitoring system in Phase II

		Phase I: Aug–Mar 2012	Phase II: Apr–Nov 2012
<b>Process monitoring</b>	Targeting and registration	Recognition of a range of ways in which Community Based Targeting and Nutrition Centre based targeting were undertaken Geographic targeting examined district level only Proxy indicators used to determine targeting accuracy at household level	Describe individual NGO Community Based and Nutrition Targeting Methodologies. Review geographic targeting/coverage (by livelihood zone within districts) Review agency checks and balances for ensuring transparency and accountability in targeting
	Distribution/ Diversion	Information collected from NGO, hawala, beneficiaries and traders and shopkeepers on the distribution systems; cash transfer size, frequency. Taxation and diversion data were also collected from NGOs and beneficiaries.	Revision of tools but continued collection of existing indicators Collection of information from a wider stakeholder base Review agency checks and balances for ensuring transparency and accountability in cash distribution
	Complaint System	Complaints systems established and analysis of recorded complaints was undertaken on monthly basis. By April 2012, at least 55% of beneficiary households overall aware of NGO complaints systems (100% in some areas)	Describe individual NGO complaints systems Consolidate Phase I IFM household information on the complaints process and complement with FGDs Individual agencies to work on awareness raising and inclusion of wider stakeholder feedback
	M&E	<ul style="list-style-type: none"> <li>a) Post-distribution monitoring by NGOs</li> <li>b) Market price monitoring by NGOs</li> <li>c) Independent Field Monitors interviews with households and focus groups, also hawala agents, traders/shopkeepers and other trusted contacts</li> <li>d) IFMs and NGOs reporting on possible diversions</li> </ul>	<ul style="list-style-type: none"> <li>a) Additional analysis of Phase I PDM data and IFM data</li> <li>b) Continue PDM monitoring in a similar format to enable analysis of trends over time</li> <li>c) Compare market data in main markets with subsidiary markets</li> <li>d) Strengthen diversion monitoring</li> </ul>
<b>Impact monitoring</b>		Impact on households: household expenditure, number of meals & dietary diversity, nutrition, coping with severe food insecurity, debt/credit; longitudinal household case studies  Impact on traders, hawalas and communities including non-beneficiaries	Trend analysis of PDM data; link to seasonal calendars of income, debt, etc. Discontinue collection of MUAC data Introduce Coping Strategy Index Continue to utilise FSNAU & NGO nutrition data/feeding programmes statistics

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# Annex 21

## Two case study household reports

### Case Study 1 [ref.Co121]

This is a male-headed agro-pastoral household of eight members displaced in June 2011 from Kurtunwarey (Lower Shabelle Region) due to drought and lack of work. The family consists of father, mother (Mrs O) and six children – three boys, three girls – ranging in age from two to 13 years (two under five years old). The family is living as IDPs in Maalin 1 Camp, Hawlwadag District, Mogadishu. No income sources are reported other than the cash from the programme (but the IFM noted that this is likely out of fear of being excluded from the cash programme). At the time of the first interview, the HH had received two cash payments (the first of \$100 plus SoSh.200,000, the second of \$100 plus SoSh.300,000). By the time of the second interview, they had received four cash payments, the most recent being \$100 plus SoSh.400,000. In addition to the cash, they have also received medicine, therapeutic foods, beans, rice, water and non-food items from other programmes.

The household felt that the targeting process was fair and transparent, though less than 50% of poor HHs were registered, despite all having waited in line at the time of registration. Decisions regarding targeting were conveyed at a public meeting, and Mrs O is aware of the complaints mechanism and how to lodge a complaint. However, problems are not reported since she is worried that she might get into trouble if she were to make a complaint.

The first two distributions were on time and adequate notice was provided. Mrs O travelled by foot to the distribution point, some 2–3 km from the camp. There is a general concern about safety in Mogadishu, but the explosions, checkpoints and confrontations have become accepted as normal. Security issues have not prevented her from accessing the *hawala* office to collect her cash. After four cash distributions, Mrs O has not faced any problems in collecting cash; she has been able to collect her cash securely and leave without any hindrance. Security is good and she is not afraid. The *hawala* office provides shade and water to drink; there are toilets and a tea shop is nearby. She has faced no problems with local militia after collecting her cash.

Mrs O is obliged to pay SoSh100,000 each month to the gatekeeper of the camp on returning from the cash collection site. According to the gatekeeper, all beneficiaries must pay this amount to help support the non-beneficiaries in the camp, but Mrs O does not believe that the money is used for non-beneficiaries. If they do not pay then they are not allowed to enter the camp, so they simply pay the money to avoid any trouble.

The money received has sometimes been sufficient to cover the household's basic food needs (such as maize, sorghum and rice), but usually the food runs out before the end of the month. There is not enough money to buy non-food items. Being on the cash programme has allowed Mrs O to take a total of about \$20 credit from various shops. Most shopkeepers will allow people to take credit when they present their beneficiary ID cards. Mrs O pays off her debts when she receives the cash, and then she is allowed to take more credit. The household has not been able to save any money. Money is spent on a daily basis or in several instalments throughout the month, as needs arise.

Mrs O felt that the cash had led to more diverse and better-quality food being available in the market, though she herself buys what she can afford according to price and quantity, without giving much attention to quality. Availability of items such as oil, pasta, rice, sugar and maize has increased. Mrs O does not think that traders have raised their prices as a result of the cash distribution, and there has been no shortage of food on distribution days. She has observed, however, that the exchange rate has gone down since the start of the project, and that the rate changes at the time of the distribution, according to demand and supply.

Within her household the cash has not led to any conflict, and there is no jealousy within the extended family. Her extended family expects some assistance from her, and she supports her relatives within her means, and they also support her when they can. What they receive through NGO projects is not enough, so they help each other as best they can, though this is hard. Mrs O has heard about conflicts in other beneficiary households, usually caused by the husband who wants to spend money on khat rather than on food for the family. There is some jealousy within the community as a result of the cash programme, but they try to help each other and live in harmony. The community leaders in the camps are respected elders and they help to resolve conflicts within or between households in the camp.

Being on the cash programme has enhanced Mrs O's status within her household since she can cater better for her family, and has also improved the morale of the family in general. It has also enhanced the status of the household within the community, since they can now contribute to community events such as funerals and other social activities.

### Case study beneficiary household (ref. 3375)

Household X comes from Hiran village in Beletweyne District. Its livelihood is agro-pastoral and it has not been displaced.

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The household's main sources of income in the month prior to the first interview was farm produce (bringing in approximately SoSh 1,000,000 or \$33 per month)<sup>87</sup> and firewood collection using a donkey cart (approximately SoSh 2,000,000 or \$67 per month). There are nine household members, consisting of father, mother and seven children, four of whom are under five years of age. The IFM noted that, in the quantitative survey, a family size of 11 had been recorded, suggesting that the beneficiary had inflated the figure in the hope that additional food would be provided. At the time of the first interview (November 2011), household X had received two cash distributions (\$120 or SoSh 3,600,000 was the amount received in November), more than doubling the overall household income to approximately SoSh 6,600,000 or \$220. The household also received additional support in the form of medicine and therapeutic feeding.

Mr X felt that the targeting process for the cash programme had been done fairly and transparently and he had not heard of any better-off households that had used influence to get registered. There were, however, some poorer households that had been left out of the programme – although this was mainly due to the limited level of resources available, the targeting system itself (based on nutrition of under-fives) also left some poor people out (i.e. those without children under five). Local authorities or militias did not influence the process in any way. Decisions on targeting were disseminated through a public meeting, and Mr X was aware of the complaints system and knew how to use it.

Adequate notice was provided about the timing and location of the cash distribution, and the two distributions preceding the first interview were carried out on time. By the time of the second interview (March 2012), Mr X had received a total of three cash distributions, but due to the security situation and the lack of authorities in Beletweyne Town no cash distributions had taken place between January and March 2012. Although Mr X lives some 10km from the *hawala* office where they go to collect their cash, he felt that the money spent on travelling to the office was acceptable. The office provides sufficient privacy for cash collection, in a separate, calm place, where ten people at a time enter to collect their money. The cash collection process has been easy and secure, and the local authorities have been largely supportive in that they fixed the exchange rate so that exchange agents could not cheat beneficiaries by altering the rate. No one had

<sup>87</sup> By the time of the second interview (March 2012), income from farm produce had increased to 1,500,000 SoSh.

pressured Mr X for payment in order to receive his cash, and he was not aware of anyone else who had had to pay anyone. Mr X's only suggestion for improvement was for more toilets to be constructed near the *hawala* office.

Decisions regarding how the cash is spent are made jointly by Mr and Mrs X. The amount of cash received allows Mr X to cover his household's basic food needs for the month and also make some small investments to enhance his other income-generating activities; he purchased a second tyre for his donkey cart at \$20 and bought three chickens at \$3 each. He was able to pay off \$40 debt after the second distribution, but his ability to repay debts ended at the beginning of the year when the cash transfers were stopped due to insecurity. He has not accessed additional credit. There is no money left over at the end of month, and no money is saved. Although he initially reported that money from the cash transfer was spent in one instalment so as to minimise transport costs (purchases are made in Beletweyne Town, where the money is collected and then transported the 10km back to the village), he later said that money is spent on a daily basis, according to daily needs. Mr X reported that the cash distribution had resulted in greater diversity, quantity and quality of food on the market. Traders and transporters have not increased their prices, and there is no shortage of food on the day of the cash distribution.

Control over the cash has not led to any conflict within household X. Mr X had heard of other households where there had been conflict, particularly those with two wives, where the beneficiary wife is reluctant to share with the non-beneficiary wife. However, by the time of the second interview, he was not aware of any other intra-household conflict (perhaps because there had been no recent cash distributions). As a cash programme beneficiary, Mr X reported that there were increased expectations among the extended family and sub-clan for contributions to weddings, funerals and memorials and other fund-raising activities, and for those who are poor and severely ill, as well as communal work organised through the sub-clan. Mr X did not report any jealousy from others in the community.

The main advantages of being a cash beneficiary were that it gave greater choice and flexibility in terms of spending priorities, allowing for the purchase of food and non-food items, as well as investment for increased livelihood security. There is greater dignity in being a cash beneficiary than being a passive recipient of relief items.









The logo for the Humanitarian Policy Group, featuring the letters 'HPG' in a bold, white, sans-serif font on a dark red square background. The background of the entire page is white with large, overlapping circular shapes in shades of red and pink, and a thin red line curving across the left side.

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