SYNTHESIS OF LESSONS FROM THE EL NINO RESPONSE

Cash Transfers Lessons Learnt in Southern Africa

Abstract

This paper seeks to outline a synthesis of lessons learnt by different agencies during the El Nino response through formal and informal reflections, post distribution monitoring, and evaluations. It is envisaged that the lessons will contribute to the region’s preparedness and capacity development, enhancing response to any future shocks.
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INTRODUCTION

The El Nino induced drought in the 2015/2016 cropping season caused serious agricultural production failure which resulted in food insecurity, and poor access to other basic services including water and sanitation, education and health. The national governments and the humanitarian community mounted a response guided by the RIASCO (Regional Inter-Agency Standing Committee) Action Plan using various transfer modalities including in-kind and cash transfers.

Cash transfers were informed by market analysis of a varied quality with the market structure (e.g. Mozambique) and liquidity crisis (e.g. Zimbabwe) presenting peculiar challenges for the response.

This paper seeks to outline a synthesis of lessons learnt by different agencies during the El Nino response through formal and informal reflections, post distribution monitoring, and evaluations. It is envisaged that the lessons will contribute to the region’s preparedness and capacity development, enhancing response to any future shocks.

KEY LESSONS LEARNT

1. Functional Cash Working Groups (CWG) improve coordination in the response analysis and response planning

Cash Working Groups (CWG) provide a platform for joint analysis of needs and market data for effective response planning. They also enhance harmonisation in cash transfer values.

In Malawi, the CWG enhanced the attainment of common analysis in the Food Security Cluster (FSC) by bringing together technical experts. (Notably, the involvement of service providers could be further improved).

In Zimbabwe, the CWG entered a joint agreement with the Reserve Bank of Zimbabwe, allowing from cash needs of humanitarian response to be prioritised in the face of liquidity challenges. This agreement enabled the humanitarian respondents to continue disbursements of cash in transit (CIT).

Inadequate coordination on market assessment and response analysis at the beginning of the response resulted in different agencies reaching different conclusions on the most appropriate modality in some districts in Mozambique.

2. Shock responsive social protection (SRSP) is effective in addressing the needs of the chronically poor during shocks

Social protection interventions serve as an important bridge between humanitarian action and development as it addresses the impact of loss of income on the poor and vulnerable people.

It is desirable that governments strengthen social protection systems, including safety nets like social cash transfers to be shock-responsive. This should include mechanisms and contingency funds for

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programme scale up during emergencies. Such plans could reduce dependence on foreign donors, international partners and supply-driven responses, where markets permit.

The use of unified social registries of recipients on long term social grants in Lesotho and Malawi as well as aligning long term social transfers in line with humanitarian transfers or vice versa in terms of transfer values and frequency ensured that people on social grants had enough money to meet their food and other requirements.

While the inclusion of Social Transfer beneficiaries in the Malawi response was positive given their vulnerability, it should be noted that it also caused tension within communities where these households were seen as “double dippers” i.e. benefiting twice. This subsequently resulted in them being routinely excluded from other forms of assistance. This calls for a sound communication strategy to target communities, on the rationale.

In countries with existing national social cash transfers programmes, the systems were generally not able to effectively expand to reach all affected families in need, inevitably resulting in implementation of parallel cash transfer interventions. Case in point is Lesotho which experienced challenges with different partners implementing different cash transfers schemes.

In principle using existing national platforms and systems for humanitarian response should be encouraged as it contributes to enhancing capacity of national governments to respond to chronic and emergency needs.

3. Beneficiary verification enhances the accuracy of cash transfer beneficiary targeting

A complex of multiple interconnected shocks (e.g. floods, drought, socio-economic, HIV/AIDS) often renders most people vulnerable in the affected communities. Determination of the “most vulnerable” to provide assistance to can be a difficult task in such contexts. Furthermore, people that would generally not jostle for kind assistance given their relative economic wellbeing may seek registration for cash transfers.

Despite being costly in time and funds, the door-to-door beneficiary verification process of registered households in some districts of Mozambique reduced inclusion and exclusion. In most programs in the region, the physical verification of 10% random sample of registered beneficiaries was adequate to determine accuracy of targeting.

The Lebanon Cash Consortium asserts that it is critical to always to incorporate the input of the community in program design and not be limit beneficiary selection to desk-based application of formula or vulnerability index.

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3 UNICEF (2017), Rapid Internal Stock-taking of UNICEF Response to the 2015 - 2016 Southern Africa El Nino Induced Drought
5 https://reliefweb.int/sites/reliefweb.int/files/resources/community-based-targeting-report.pdf
4. Targeted support to the market chain is an effective way of removing key barriers to the feasibility of cash transfers

In some markets, removal of certain supply chain barriers can open up opportunities to use transfer modalities that ensure timeliness and cost efficiency. In Zimbabwe for example, foreign currency support to the private sector to enhance their ability to import maize from Zambia, in turn enabled the millers to supply maize meal consistently in the target districts where cash transfers were being implemented (CARE/WVI/DFID). The support to the market actors allowed the continuation of cash programming without disrupting the assistance to beneficiaries. This was more efficient than trying to switch to direct procurement by the agencies as the private sector had better systems in place.

Still in Zimbabwe, staggering the disbursement of cash transfers reduced liquidity challenges on mobile money agents. Given cash flow challenges, a consequence of the liquidity problems, the mobile network operator (MNO) required more time to ensure cash availability at the agent level. Meanwhile, through increasing beneficiary education and communication, recipients learnt that they could use their electronic value to procure commodities. The more people use mobile money for e-commerce, the less the need for cash outs. Additionally, it was important to not only plan with, but also communicate disbursement schedules to agents (well as beneficiaries) in good time.

In Zimbabwe activation of a mobile line and mobile money account requires the production, by the applicant, of proof of residence such as municipal statement for services like water/electricity bill as part of the Know Your Customer (KYC) for the mobile service providers. This requirement is easy to fulfil in the urban centres but not possible in rural areas where households rarely receive any official correspondence. The negotiation with the Mobile Service providers for the acceptance of letters from local village heads and local councillors to confirm beneficiary residence was effective in meeting the KYC requirements without which mobile money would not have been an option. In addition, the joint beneficiary registration process with ECOCASH (mobile money platform) agents enabled timely verification of ownership of mobile telephone numbers. Notably, this had a major hiccups in some programs where beneficiaries phone numbers provided were not registered in the name of the project beneficiaries.

5. Good market analysis and beneficiary education ensures that transfer modality switch does not compromise project objectives

The success of a change of a transfer modality is not only anchored on a good market analysis to determine the triggers and the right option but also on beneficiary education to minimise confusion.

Modality transfer is easier if the new modality does not require prolonged lead times. In Malawi, a transfer modality switch (from cash to vouchers for maize) was tested for the first time and proved to be possible without disruption to programme implementation.

6. Integration of resilience building initiatives such as productive asset creation, messaging on climate smart agriculture, pest control and weather forecasts is critical to prepare beneficiaries for future shocks

In light of the cyclic nature of climatic shocks in Southern Africa, each round of response has to have a component that contributes towards building the resilience of the affected population. The inclusion

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7 CARE International (2017), Managing cash-based programmes in a volatile markets context
of extension messaging broadcast via the short message service on climate-smart agriculture was well-received by beneficiaries. The inclusion of productive asset creation was a critical initiative in several emergency response projects, most notably in Malawi, Swaziland, Mozambique, and Lesotho. In some cases, emergency activities were designed to simultaneously bring relief and resilience for future disasters such as restoring and "building back better" water systems, rather than relying on water trucking for long periods of time.

7. Effective gender sensitisation contributes to better outcomes in cash transfers programming

A pro-active gender sensitisation initiative for beneficiaries as part of community mobilisation by WVI and CARE in Zimbabwe was effective in ensuring equitable decision making on the use of the cash at the household level. Consequently, women were trusted to lead the decision making of what the household would purchase regardless of who actually went to the store. No incident of gender-based violence was reported in the complaints and feedback mechanisms, as well as post distribution monitoring surveys.

In Mozambique, the COSACA consortium adapted their targeting process to consider wives in polygamous households to be treated as heads of distinct households to address the inequity that might arise as a result of the man being the only recipient of cash transfers in his capacity of the head of household.

8. Establishment of multiple channels for communities to give feedback will ensure that most beneficiaries and non-beneficiaries provide feedback

All feedback mechanisms should be based on good community engagement so that an array of feedback mechanisms can be established. In Swaziland and Malawi, the use of a toll free number for feedback, was more effective than any of the other feedback mechanisms, with recipients preferring it due to convenience and privacy concerns.

RECOMMENDATIONS

The recommendations are a distillation of the critical way forward informed by the lessons learnt with some responding to more than one lesson learnt.

1. Response planning, from assessment to implementation (through the different working groups and platforms), should take into account national capacities and prioritize and harmonize activities accordingly
2. Support national Governments in the region to develop shock-responsive social protection systems, including unified beneficiary social registries, in order to facilitate the effective and rapid horizontal and vertical expansion of nationally led interventions in time of shocks. Coordination should be based around existing national coordination platforms.

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10 COSACA consortium (2017) - lessons learned from use of the paper and electronic voucher systems for the 2016/17 El Niño emergency drought response in Mozambique
3. Provide support to market actors to address any constraints to market functionality and avoid the loss of private sector participation in response planning and implementation.

4. Develop a harmonised market assessment and monitoring guidelines/tool to inform meaningful and timely changes in project design and implementation.

5. Facilitate inter-sectoral coordination to go beyond information sharing platforms to ensure complementarity and synergies, especially through joint programming of integrated packages for resilience development.

6. Strengthen gender analysis and action planning to ensure that responses address gender based inequities for the protection of affected populations.

7. Institutionalisation and harmonization of all Complaints and Feedback Mechanism (CFM) in both emergency response as well as long term development programmes.