



EVALUATION OF THE 2017 SOMALIA HUMANITARIAN CASH-BASED RESPONSE

Commissioned by the Somalia
Inter-Agency Cash Working Group

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Cash Working Group



A donkey pulled cart delivering water, Kismayo, Lower Jubba



School girls waiting at the bus stop, Kismayo, Lower Jubba



Landscape, Berbera, Woqooyi Galbeed

COVER IMAGE: A child sitting at her mother's kiosk, a family business established thanks to a livelihood intervention using CBA in the Aden Suleiman Settlement, Burco, Togdheer

All photographs in this document taken by Georgina Anderson

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Steering Committee

The evaluation was managed by an inter-agency Steering Committee, nominated by the Cash Working Group (CWG). The Steering Committee was composed of eight members from ADESO, CARE (representing SOMREP partners), the Cash Learning Partnership, DFID (also representing donors ECHO and USAID), FAO, Norwegian Refugee Council (representing the BRCiS and the Somali Cash Consortium partners), OCHA and WFP. The Steering Committee was in charge of developing the evaluation Terms of Reference, identifying the consultants, facilitating field work together with other partners, compiling feedback and reviewing this report.

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We hope this report is helpful in the discussions and decisions on the next steps for cash-based assistance in Somalia.

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A camel in search of food in drought-stricken Sool



A water shop in the town of Kismayo, Lower Jubba



A displaced grandmother and her grandson walking in Kismayo





ACRONYMS AND ABBREVIATIONS

3W	Who, What, Where
CaLP	Cash Learning Partnership
CBA	Cash Based Assistance
CFW	Cash for Work
CSI	Coping Strategy Index
CTP	Cash Transfer Programming
CWG	Cash Working Group
DAC	Development Assistance Committee
DDS	Dietary Diversity Score
DFID	Department for International Development
ECHO	European Civil Protection and Humanitarian Aid Operations
FCS	Food Consumption Score
FGD	Focus Group Discussion
FS	Food Security
FSNAU	Food Security and Nutrition Analysis Unit
GBV	Gender-Based Violence
HCT	Humanitarian Country Team
HHS	Household Hunger Score
HRP	Humanitarian Response Plan
ICCG	Inter-Cluster Coordination Group
IDP	Internally Displaced Persons
IGA	Income-Generating Activity
INGO	International Non-Governmental Organisation
ICC	Inter-Cluster Coordination
IPC	Integrated Food Security Phase Classification
KII	Key Informant Interviews
LNGO	Local Non-Governmental Organisation
M&E	Monitoring and Evaluation
MEB	Minimum Expenditure Basket
MERS	Minimum Economic Recovery Standards
MPG	Multi-Purpose Grant
NGO	Non-Governmental Organisation
NFI	Non-Food Items
OECD	Organisation for Economic Co-operation and Development
PDM	Post-Monitoring Distribution
PIN	Personal Identification Number
SIM	Subscriber Identification Module
ToR	Terms of Reference
TPM	Third Party Monitoring
UCT	Unconditional Cash Transfer
UN	United Nations
UNOCHA	United Nations Office for Coordination of Humanitarian Affairs
USD	United States Dollar
VSLA	Village Savings and Loans Association
WASH	Water, Sanitation and Hygiene
WFP	World Food Programme

DEFINITIONS¹

Ayuuto Scheme: where a group of women pool their savings to serve as a source of loans

Cash-Based Assistance: all programmes where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, household or community recipients, and not to governments or other state actors. CBA covers all modalities of cash-based assistance, including vouchers. This excludes remittances and microfinance in humanitarian interventions.

Cash for Work: payments provided on the condition of undertaking designated work. This is generally paid according to time worked (e.g. number of days, daily rate), but may also be quantified in terms of outputs (e.g. number of items produced, cubic metres dug). CFW interventions are usually in public or community work programmes but can also include home-based and other forms of work.

Cash Plus: complementary programming where cash transfer programming (CTP) is combined with other modalities or activities. Complementary interventions may be implemented by the same agency/agencies providing CTP, or potentially by other agencies working in collaboration. Examples might include the provision of training and/or livelihood inputs, or behavioural change communication programmes.

Conditionality: prerequisite or qualifying conditions that a beneficiary must fulfil to receive a cash transfer or voucher i.e. activities or obligations that must be fulfilled before receiving assistance. It is distinct from restriction which pertains only to how transfers are used. Conditionality can in principle be used with any kind of cash, voucher or other types of assistance, depending on its objectives and design.

Coping Strategy Index: a tool that measures what people do when they cannot access enough food. It is a series of questions about how households manage to cope with a shortfall in food, and results in a simple numeric score.

Dietary Diversity Index: an approach to measuring household dietary diversity as a proxy measure of household food access. To better reflect a quality diet, the number of different food groups consumed is calculated, rather than the number of different foods consumed

E-card: a digital transfer of money or vouchers from the implementing agency to a Programme participant. E-transfers provide access to cash, goods and/or services through mobile devices, electronic vouchers, or cards (e.g. prepaid, ATM, credit or debit cards). E-transfer is an umbrella term for e-cash and e-vouchers.

E-Wallet: software that resides on a smart card or mobile phone SIM card, and holds or can receive electronic cash or digital signature.

Food Consumption Score: a composite score based on dietary diversity, food frequency, and the relative nutritional importance of different food groups. The FCS is calculated using the frequency of consumption of different food groups by a household during the seven days before the survey. Scores are clustered into three groups; the results of the analysis categorise each household as having either poor, borderline, or acceptable food consumption.

Hawala: a traditional system of transferring money, where the money is paid to an agent who then instructs an associate in the relevant country or area to pay the final recipient.

Household Hunger Scale: a household food deprivation scale based on the idea that the experience of household food deprivation causes predictable reactions that can be captured by a survey and summarised in a scale. It is intended to be used as a small module within a larger, more comprehensive food security and nutrition questionnaire administered to a representative population-based sample of household.

Integrated Phase Classification: the Integrated Food Security Phase Classification (IPC) is a set of standardised tools that aims to provide a “common currency” for classifying the severity and magnitude of food insecurity.

Modality: different types of cash or voucher transfers - e.g. conditional (cash for work, etc.), unconditional, restricted, unrestricted, multipurpose, etc. A single transfer can generally be categorised in terms of several of these variables e.g. a conditional, unrestricted transfer.

Mechanism: means of delivering a cash or voucher transfer (e.g. smart card, mobile money transfers, cash in envelopes, etc.).

¹The evaluation refers to the CaLP glossary definition as a basis for standard CBA terminology - Oct_2017 CaLP Updated Glossary

Mobile Money: mobile money uses a mobile phone to access financial services such as payments, transfers, insurance, savings, and credit. It is a paperless version of a national currency that can be used to provide humanitarian e-cash payments.

Restriction: limits on the use of a transfer after it has been received by a beneficiary.

Village Savings and Loans Association: an informal microfinance model based solely on member savings and small, community-managed groups. Members pool savings and provide loans with interest to each other. The interest is then disbursed to group members, based on their level of savings, at the end of a time-limited cycle.

Voucher: a paper, token or e-voucher that can be exchanged for a set quantity or value of goods, denominated either as a cash value (e.g. \$15) or predetermined commodities or services (e.g. 5kg maize; milling of 5kg of maize), or a combination of value and commodities. They are redeemable with preselected vendors or in “fairs” created by the agency. Vouchers are used to provide access to a range of goods or services, at recognised retail outlets or service centres. Vouchers are by default a restricted form of transfer, although there are wide variations in the degree of restriction/flexibility different voucher-based programmes may provide. The terms vouchers, stamps, or coupons are often used interchangeably.



A mosque in the Aden Suleiman IDP Settlement, Burco, Togdheer



A family-run kiosk established with CBA in the Aden Suleiman Settlement, Burco, Togdheer



A road in Sanaag and one of the many dry and barren landscapes in the region

EVALUATION OF THE 2017 SOMALIA HUMANITARIAN CASH-BASED RESPONSE

Commissioned by the Somalia Inter-Agency Cash Working Group

Background

Cash Based Assistance (CBA) has been used by humanitarian organisations in Somalia to assist people in need since 2003. After several years of poor rainfall, the humanitarian community responded to a famine alert issued in January 2017 with a significant scale-up of funding and programmes. Having originally published a 2017 Humanitarian Response Plan (HRP) in November 2016, by May 2017, the Somalia Humanitarian Country Team (HCT) revised the HRP upwards to target 5.5 million people needing assistance. The United Nations (UN), Red Cross, Red Crescent Movement and numerous international and national NGOs delivered a wide variety of life-saving and livelihood support CBA to vulnerable people across the country.

Evaluation Objective and Methodology

In late 2017, a multi-stakeholder process led by the Somalia Cash Working Group (CWG) managed the planning, funding and implementation of an evaluation in early 2018. The evaluation objective was to review the joint performance and impact of the humanitarian CBA in the 2017 drought response in Somalia. It also examined different ways of continuing the use of CBA on a large scale and related sustainability questions in order to inform the on-going 2018 response.

The evaluation process involved the desk review of selected documents, key informant interviews (KIs) and focus group discussions (FGDs). Respondents included communities and stakeholders in Nairobi, Kenya and in locations across Somalia to allow for a broad sample of regions and organisations, and CBA purpose, approach and delivery methods. It did not attempt to evaluate any specific location, project or organisation, and only looked at anecdotal comparisons to in-kind and other approaches as reported to evaluators. The recommendations are

therefore broad. They should not be taken to apply to every situation and are not intended to be prescriptive but rather to provide options to consider.

Findings and Recommendations

CBA was clearly a relevant and appropriate response to the drought in Somalia and for longer-term resilience activities. The strong market system, widespread acceptance of CBA, organisational expertise, and presence of service providers all meant that CBA was feasible and, where acknowledged, security and fraud risks and costs could be well managed.

CBA is seen as a routine response option in Somalia, and donors and organisations were quick to react to the drought crisis. CBA provided life-saving assistance to over three million people per month within four months of the famine alert being raised and contributed to meeting the Humanitarian Response Plan objectives. The 2017 response was generally considered more effective than during the prior humanitarian crisis in Somalia in 2011. Coverage in rural and remote areas was still a challenge, though coverage was better than in 2011 due to positive changes in security, better presence, and improved coordination. The targeting and selection of beneficiaries was also successful. No significant issues were reported with household or community tension from CBA or its predominant provision to women.

Where CBA was used, all basic needs benefited. Spending was mostly related to food security and water needs, and to a lesser extent, shelter and education. Many informants would like to see an increase in integrated cross-sectoral or multi-purpose CBA programming. Livelihoods, agriculture and other forms of recovery or resilience support were a much smaller part of CBA, but nevertheless beneficial. CBA was also beneficial to the



was not seen as a significant problem. The business incentive offered by CBA and, in particular, vouchers encouraged vendors to expand into underserved areas.

Recommendation 1: **Increase the use of CBA, especially integrated, multi-sector CBA**



- Continue to increase the use of CBA and consider its use in sectors where it is not currently used often. Cash is recommended, though raising awareness, market support or vouchers may also be required to promote appropriate use or supply. Apply conditions only as appropriate to promote behavioural change or ensure standards.
- Integrate CBA across multiple purposes and complement it with service provision where appropriate. Jointly develop cross-sectoral objectives for integrated CBA, especially for multi-purpose cash grants.

CBA responses used both cash and voucher modalities, and a variety of mechanisms (mobile money, electronic cards, *Hawala* or paper vouchers). Beneficiaries mostly prefer cash due to the flexibility and dignity of choice, and donors are increasingly encouraging its use. The use of cash in place of vouchers increased in 2017, sometimes in recognition of its advantages. Unrestricted cash for food or other basic needs is used by beneficiaries for the intended purposes. Many informants and beneficiaries said restrictions on use may be unnecessary, though vouchers were helpful where quality, supply or behaviour were a problem.

Recommendation 2: **Reconsider if restrictions are needed on beneficiary use of CBA**



- Reconsider the distribution of vouchers in locations where markets can provide appropriate items to give beneficiaries more flexibility and take advantage of the large and diverse cash economy. Investigate alternatives to restrictions, including raising awareness, and supporting market chains.
- Continue to use vouchers to address very specific concerns of malnutrition or poor markets in remote areas, but also consider complementary approaches, combining vouchers with access to cash.

Operating in Somalia presents a variety of serious risks to both safety and accountability. Access to beneficiaries was a major constraint, though not significantly different for CBA than in-kind. All organisations conduct risk analysis and mitigation, however, there are limits to what mitigation can be done within a reasonable time, effort or expense or without negatively

impacting programme objectives. There is always some degree of remaining or “residual risk” they must face. All informants recognise the challenges of programmatic and financial accountability of remote management of CBA, though many think the humanitarian community could have tried harder to find ways to reach more areas or was too risk-averse.

Beneficiaries reportedly re-located to access aid, leading to overcrowding in some areas. Mobile money was often recommended as a solution where network coverage existed or could be established, while other agencies were reluctant to use it due to transparency or financial risks. Third-Party Monitoring (TPM) was a good complement for accountability for all mechanisms. Some agencies also tried ‘fly-in/fly-out’ trips to reach beneficiaries who were otherwise inaccessible by road.

Recommendation 3: **Reconsider risks to reach more areas, possibly with mobile money**



- Expanding programmes to more areas while ensuring reasonable safety and accountability will likely require better risk mitigation. This will also require the acceptance of more ‘residual risk’ and increased costs on the part of organisations and donors.
- Organisations may need to adapt their policies and procedures to balance reach and accountability. The use of mobile money can assist in providing reach where network coverage exists, while e-cards provide stronger biometric identification.

The humanitarian community struggled to agree on and keep to consistent transfer amounts during the year, though the evaluation found no major differences in how beneficiaries used CBA use or their satisfaction, possibly due to the common sharing of assistance in Somalia. There was debate regarding the frequency and duration of instalments. In 2017, humanitarian funding was considered substantial, but still not enough. There are concerns that in 2018 funding is being reduced, causing a need to reduce coverage, amounts or duration, and find ways to improve cost-efficiencies elsewhere, all while trying to reach more and more high risk areas.

CBA WAS CLEARLY A RELEVANT AND APPROPRIATE RESPONSE TO THE DROUGHT IN SOMALIA AND FOR LONGER-TERM RESILIENCE ACTIVITIES.

Recommendation 4: **Reconsider transfer amounts, frequency and duration**



- Revisit the issue of need, preference and funding to bring amounts for similar objectives in each location back into harmony and consider adapting the frequency of instalments and their duration.

Recommendation 5: **Minimise cost of delivering CBA programmes**



- Find ways to improve cost efficiency in delivering CBA and its related accountability measures. Take advantage of delivery mechanism features to reduce the cost, for example, of ongoing verification.

The vast majority of CBA was used to help meet basic needs, but there was some positive support to recovery. This included income-generating activities, savings and loans schemes, Cash for Work (CFW), protection of productive assets, and customised livelihood input packages complemented with cash to leverage the impacts of both. Existing resilience programmes also used continued CBA to help reduce displacement and promote recovery.

Recommendation 6: **Expand CBA for recovery and resilience**



- Expand the use of CBA for urban and rural livelihoods and productivity and combine with cash for basic household needs. Support the management and rebuilding of natural resources such as soil and water sources, to help strengthen environmental resilience to future shocks.
- Support the development of government social protection programmes, then use these for the delivery of CBA.

All informants considered the Cash Working Group (CWG) to be very effective and dynamic in Nairobi. It was a much-appreciated platform for discussing CBA operations and decisions across sectors, though the CWG needs to finalise its efforts to develop guidelines, standards and tools for CBA. There was some confusion at the regional level between the role of the local CWG and local clusters, which led to some duplication of coordination efforts, mostly with food security, because of the overwhelming use of CBA for that purpose. There were also requests for more government involvement in the CBA in Somalia. A more complete cash 3W (Who, What,

Where) would have helped in evaluation and could also enable organisations and the CWG to better coordinate and tailor CBA programming. Many informants called for a centralised system, which would be useful to both the humanitarian and development community, as well as to government, but they foresee challenges in implementing such a system.

Recommendation 7: **Clarify roles and improve Information Management**



- Clarify the roles of the regional CWGs versus the clusters. Work with the inter-cluster coordination group on strategic issues identified in this report. Joint CBA analysis and coordination mechanisms, communication plans, and agreed transfer amounts and standards should be put in place based on lessons learned from 2017. Ensure the complete and consistent data of the cash 3W.

Recommendation 8: **Work towards an interoperable or common registration system**



- Harmonise current data collection and sharing protocols, then move towards an interoperable or common registration system using both biometric identification and national ID where available.

Conclusion

CBA in Somalia has helped reduce the risk of famine and saved lives and livelihoods because vulnerable people were able to meet some of their basic needs. The rapid response, significant scale up, and approach to learning and change is impressive. There are many successes and opportunities, but also challenges in the coming year – not least the shift from survival CBA to recovery and resilience. The on-going crisis for many vulnerable and displaced households demands yet more reach and coverage which will require more innovation and considered risk-taking by all.

A challenging funding environment means that organisations individually and collectively need to find more cost-effective and cost-efficient means of delivering and accounting for CBA at scale, both in the near term and in future crises. There are opportunities to seize. Urgent needs or gaps remain. Collective leadership will be required, but the humanitarian community is well placed to succeed.

INTRODUCTION

A famine alert was issued for Somalia in January 2017. The cumulative effect of prolonged poor rainfall was that crop harvests and livestock productivity declined sharply. As of November 2016, the HRP estimated that 5 million people needed assistance and 3.9 million were in acute food insecurity, a figure later increased to 5.5 million people in May 2017. The humanitarian community mobilised as soon as the alert was raised to prevent famine and save lives and livelihoods.

CBA has been used in humanitarian response in Somalia since 2003 and was used significantly in 2017. The 2017 response reflected on lessons learnt and recommendations from the 2011 drought response in which over a quarter of a million people are estimated to have died in Somalia.

This evaluation was commissioned by the inter-agency CWG. The Somalia CWG began work in early 2017 and is intended to provide a forum for agencies involved in CBA in Somalia to engage with each other, share their learnings and coordinate their activities. Members include donors, UN agencies, the Red Cross/Red Crescent Movement, and international and national non-governmental organisations (NGOs), consortiums and associations.

Objectives

The overarching objective of this evaluation was to review the joint performance and impact of the humanitarian CBA in the response to the 2017 drought in Somalia. It also examines the opportunities inherent in using CBA on a large scale, its sustainability, and informs the on-going 2018 response. The evaluation Terms of Reference (ToR) showing the primary and secondary questions for the evaluation are included in Annex 1.

The three primary questions guiding the evaluation were:

- P1. How did the CBA **perform against** the stated objectives, the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee's (DAC) Criteria and Grand Bargain Commitments on cash?
- P2. How did the CBA **impact** Somali households and markets, as well as meet the recipients' needs? Analysis can include (but is not necessarily limited to) emergency response outcome indicators and coping strategies, impacts on markets, trade, population movements, and protection outcome indicators.
- P3. To what extent has the CBA **built systems and capacity** for improved resilience in the future, and which are the **concrete actions** that can improve cash programming in Somalia? Particularly with a view to longer-term programming and strengthening links between humanitarian, recovery, resilience and social protection interventions.

The evaluation covers the humanitarian CBA made by CWG partner agencies as part of the 2017 Somalia drought response (i.e. all transfers taking place during 2017). In this context, CBA refers to all programmes where cash (or vouchers for goods or services) is directly provided to beneficiaries, whether individuals, household or community recipients. Given the emergency response nature of the programmes, the evaluation of *DAC Criteria 4: Impact* considered mostly short-term impacts while looking for any indications of longer-term impacts.

The evaluation is joint in nature, taking a collective view of the CBA delivered, and does not specifically evaluate any individual organisation's response or performance. However, it does draw on examples and lessons learned from organisations engaged in the evaluation, while being mindful that CBA is used alongside other modalities to achieve overall humanitarian objectives.

Evaluation Team

The evaluation team comprised three consultants with complementary experience in humanitarian and development programmes for a wide variety of organisations, a range of countries and contexts, and in a variety of sectors. Members are international team leader and cash-based assistance specialist, C. Mike Daniels, international consultant and evaluation specialist, Georgina Anderson, and Somalia specialist Badra Yusuf Ali who managed much of the field data collection and coding. Local enumerators were recruited and trained in each fieldwork location to carry out FGDs. Different CWG member organisations hosted the team members in each location and facilitated access to the community and other stakeholders.

METHODOLOGY

Approach

The evaluation methodology adopted a participatory approach using mostly qualitative research through desk review, KIs and FGDs in Somalia and Nairobi. Analysis of the collected data was triangulated with secondary interpreted quantitative data, including results published in post-distribution monitoring reports and 3W interpreted data. The evaluation ensured high ethical standards were adhered to in all fieldwork components, including informed consent, and confidentiality.

March 2018, the evaluation team conducted meta-analysis of existing information sources (from CWG partners and broader reference documents) to understand the context, inform the findings on the lines of enquiry, and further refine the tools and questions for primary data collection. To obtain a picture

of CBA implementation and its challenges, a systematic review of 33 project post-distribution monitoring reports written by 11 different organisations and one consortium was carried out.

Between 14 April and 12 May 2017, evaluators and enumerators carried out 58 FGDs with beneficiaries of CBA and 15 with non-beneficiaries, as well as several vendors. Interviews were carried out with 152 frontline project and senior staff, national, regional and local authorities, development actors, and private sector actors split across 11 locations (see Annex 4 for the locations visited).

In each location the assigned evaluator trained and supervised two or more two-member research teams (comprising male or female members as appropriate). The teams facilitated FGDs, while the evaluator did most of the KIIs and coordinated any primary data collection. (Annex 4 provides a breakdown of KIIs and FGDs conducted, by location and by activity.)

Qualitative tools included semi structured KII guides as they are flexible and open to any nuances that may be missed within a rigid structure. FGD guides were structured to enhance the consistency of results across different enumerator teams and adapted for each target group to set the tone and direction of the discussions. FGD tools were translated into Somali language from the approved masters jointly developed in English. (See Annexes 5 to 9 for KII and FGD interview guides.)

Analysis

Transcribed FGD interviews were coded and transferred into a Microsoft Excel spreadsheet and used for data analysis. More specifically, as the data was gathered, codes were identified from the data to begin building themes in relation to questions within each broader area of investigation (CBA participation, delivery, use, and impact).

KII results were also coded, but in a less systematic manner, to retain the details and nuances in the data and the broad range of perspective it captures. KII results were explored within each line of enquiry of the evaluation, i.e. CBA analysis and planning, implementation, impact, coordination and harmonisation, and recommendations on the future of CBA in Somalia.

Themes identified through KII and FGD were then analysed together within their respective line of enquiry and became the basis for forming theories with several themes either feeding into one theory or forming an independent theory. These theories were triangulated with findings compiled through the desk review (assessments, studies, monitoring reports and literature on CBA in Somalia and globally) and with the quantitative data provided by the CWG.

Constraints

The scope of the evaluation is extremely broad given its inter-agency, collaborative nature, with a large range of issues to be investigated and a considerable number of organisations interested in different aspects. While the evaluation team has tried to understand and meet all expectations as comprehensively as possible, some aspects of providing CBA in the 2017 drought response may have obtained a deeper insight than others.

The large number of documents was helpful in providing a broad view of the way in which CBA was implemented as a response to prevent the risk of famine in Somalia. However, there were no proposals included in the documentation, and only a limited number of monitoring reports compared to the number of projects implemented. This limited the ability to ascertain whether projects were implemented as planned and whether outcomes were significant.

Access and security issues hindered the data collection further: in some cases, only the Somali evaluator was able to reach certain locations, or, in the case of international evaluators, movement in each location is severely restricted, reducing the potential for seeking out respondents.

Time and financial constraints limited the length of the fieldwork, the number of locations visited, and the possibility of collecting more qualitative or any primary quantitative data. More data would have allowed further disaggregation and the ability to delve deeper into findings. It was not possible to disaggregate by age as it was not a selection criterion for focus groups. Furthermore, with only 58 beneficiary and 15 non-beneficiary groups, spread across nine areas, disaggregation FGD results by region would result in samples too small to reliably make inferences about specific regions.

It is important to note that FGDs obtain qualitative information pertaining to knowledge, practices and attitudes of groups, not individuals. This limits the potential to obtain information on sensitive topics which individuals are not comfortable discussing in groups. The topics of income, taxation and conflict, for instance, are considered sensitive subjects, opinions on which may not be adequately captured through FGDs. Confidential one-on-one data collection (qualitative or quantitative) would have been helpful for deeper insights into sensitive issues. Unfortunately, the evaluation was not able to carry out this level of household level data collection due to time and financial constraints.

Starting as early as March 2017, there was a strong investment by the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) and the CWG into compiling a CBA-focused 3W database², in addition to existing cluster 3W. The CBA 3W database provided a useful mapping of CBA interventions in Somalia. Despite over 100 organisations reporting into the 3W, data input shows inconsistencies in variable labelling by reporting organisations. Furthermore, the frequency and consistency of reporting varies across months and organisations means the data is not comprehensive and implies that figures are likely to be under-estimates.

THE TOPICS OF INCOME, TAXATION AND CONFLICT, FOR INSTANCE, ARE CONSIDERED SENSITIVE SUBJECTS, OPINIONS ON WHICH MAY NOT BE ADEQUATELY CAPTURED THROUGH FGDS.

FINDINGS

These findings are structured according to the five DAC criteria for evaluating humanitarian assistance, with the final section covering the Grand Bargain.



Primary and secondary questions of the terms of reference for the evaluation are nested into the relevant criteria. In some cases, a finding may relate to more than one of the criteria, in which case, it is described in more detail in its most relevant section.

²The main purpose of a basic 3W is to outline operational presence by sector and location within an emergency. At this basic level, the 3W Operational Presence (3W:OP) can enable organisations to help identify potential partners, quickly give a very rough understanding of an on-going response, and superficially identify potential overlaps or gaps in response.

³For example: May_2017_WFP_Assessment_South_assessment_report_FINAL DRAFT

⁴Humanitarian Outcomes, Final Evaluation of the Unconditional Cash and Voucher Response to the 2011-12 Crisis in Southern and Central Somalia, 2013



1. Relevance (DAC Criteria 1)

Relevance of CBA response to the identified needs



FINDINGS

- CBA is relevant as Somalia has a strong market economy and private sector, and a population accustomed to the use of cash and other forms of trade for basic needs and livelihoods inputs.
- CBA was widely used in the food and water sectors; there was also some use seen in shelter/non-food items (NFIs) and education.

During the 2017 drought in Somalia, the humanitarian community identified food, water, shelter and NFIs as the basic needs of the affected populations, along with education, healthcare, and targeted nutrition. Other needs identified were for urban, agricultural and pastoral livelihoods.

The use of CBA for most basic needs was widely considered a relevant and appropriate response. Somalia is widely recognised to have a well-developed market-based economy, and market assessments carried out by the World Food Programme (WFP) and others confirmed this again in 2017³. The population is also accustomed to the use of cash, mobile transfers and informal credit. This was a significant change from the previous large-scale Somalia drought response in 2011-12 when some humanitarian organisations and donors were less ready or willing to consider CBA an appropriate response⁴. It also reflects the learning from successful CBA done at that time and in the years since by many organisations in Somalia.

Beneficiaries reported that they could, in most cases, find their basic needs of food, water and NFIs in local or nearby markets, especially where vendors were encouraged by the presence of CBA. Beneficiary preference is widely recognised as being for CBA over in-kind according to beneficiaries and informants, and this evaluation found the same. It is therefore clear that the humanitarian community could continue to use CBA for food, water, shelter and NFIs as needed and where feasible.

Education services often required payment of fees and/or school supplies, and depending on the location, private healthcare services and medical supplies were also available in the marketplace. Some beneficiaries used their CBA for these purposes, so CBA may also be relevant in these sectors where

appropriate. Multi-purpose cash programmes often includes basic education and health expenses, and some programmes specifically targeted education. CBA may be less relevant for supporting access to nutritional supplements as they are likely not widely available in the market. In education, healthcare and nutrition programmes, conditional CBA may be appropriate as an incentive to encourage the use of services if not appropriate for service delivery itself.

CBA was also relevant for supporting livelihoods, as beneficiaries were able to access relevant inputs from the market, as seen by organisations with ongoing livelihood programmes using CBA. Some CBA was also done to cover basic needs across multiple sectors. Given the variety of needs, and the capacity of markets in Somalia to meet them, multi-purpose CBA would be a relevant response where appropriate to programme objectives.



2. Effectiveness (DAC Criteria 2)

Primary Question 1: How did the CBA perform against the Humanitarian Response Plan objectives 1 and 4, OECD DAC Criteria, and Grand Bargain Commitments on cash?

Performance against Humanitarian Response Plan Objective 1

The first objective of the HRP is “Provide life-saving and life-sustaining integrated multi-sectoral assistance to reduce acute humanitarian needs among the most vulnerable people”. One of the indicators used to measure this objective is “number of people in acute food insecurity crisis and emergency phases of the Integrated Food Security Phase Classification (IPC 3 and 4).”

Informants and beneficiaries alike state that CBA was effective in reaching the most vulnerable, though many recognised the on-going challenges of access and still-insufficient funding to provide adequate coverage to all those in need. This was despite the reportedly uncommonly well-funded appeals⁵.



FINDINGS

- There was broad acceptance that CBA reduced the risk of famine and thus saved lives – much better than 2011, though changed context helped. Funding is still not enough to cover the scale of needs.
- The original Nov 2016 HRP target was almost met by CBA alone, but not the higher May 2017 target.

- Geographic targeting could have been better and more coordinated with government.
- Access was a major constraint, but some organisational informants thought the humanitarian community did not try hard enough or were too risk-averse.
- Predominantly targeting women as beneficiaries was mostly appropriate, though could have been better communicated. Likely ‘gatekeeper’ influence on selection is difficult to avoid.
- Most informants suggest a centralised database, though there are also concerns about data privacy/ownership.
- The proportion of cash rather than vouchers increased as the year progressed, and conditionality varied.
- Most thought themselves fast to react to the alert, though some feel warnings could have been raised or acted upon sooner. Opinions varied on the speed of the collective scale up as it took three to four months.

Geographic Targeting

Regional and district-level targeting was primarily based on latest Food Security and Nutrition Analysis Unit (FSNAU)⁶ projection of food security with emphasis on those areas in acute food insecurity ‘crisis’ and ‘emergency’ phases (IPC 3 and 4), in line with the HRP and the performance indicator for its first objective. The Food Security (FS) Cluster developed guidance on the response required for IPC 2, 3 and 4 respectively⁷. Most organisations also considered existing presence and capacity as well as donor interest or funding earmarked in selecting locations. They balanced geographic reach vs. number that could be helped with limited budget.

Community-level targeting was based on rapid multi-sectoral assessments done by each agency in the areas in which they worked, along with discussions with local authorities and monitoring visits. There were reportedly limited integrated or joint assessments. Some said the urgency (and ease) of responding to nearby needs may have limited the reach to more remote areas. There were also some concerns of duplication and gaps, either from a simple lack of coordination, or from organisations claiming to ‘cover’ an area but only providing limited scale or breadth of assistance compared to the needs.

In some locations (e.g. Puntland and Somaliland), authorities provided organisations with lists of locations severely impacted by drought. Some organisations requested these lists or other input from local authorities, others did not. Government



informants varied in satisfaction with engagement in the assessment and selection process. A range of informants felt that government requires improved capacity to either monitor or oversee the selection process and some field-based informants also expressed concerns over favouritism on the part of government representatives.

Organisations already working on resilience efforts reported success at quickly reprogramming their activities to focus initially on existing 'resilience villages' and surrounding catchment areas with their contingency or 'crisis-modifier' funds. They then expanded to other areas as assessments and funding became available. This seems a logical approach where the crisis impacts broad areas and needs are likely comparable. The risk is that especially vulnerable locations might face delays or be missed.

While the proportion of CBA in rural or remote areas was not assessed, all informants thought that rural and remote coverage needed to be better. All considered access a major constraint to both in-kind and CBA programming, either due to logistical difficulties or security concerns. Both modalities face similar challenges, though CBA can likely be more desirable and easier to divert or 'tax' than in-kind. However, delivery and use can be more discreet, reducing exposure.

Beneficiary registration and monitoring can be challenging for both, simply because of remoteness or poor road access, but ongoing verification is often seen as more of a concern for CBA because of its higher perceived risk. While these are all recognised practical obstacles, some organisational informants thought that the humanitarian community could have tried harder but were too risk-averse – mostly in terms of risks related to accountability for funds.

Several organisations have tried to access 'hard to reach' areas, in some cases using day trips by air to set up centralised registration and distribution points in towns controlled by government forces. Others use or suggest using local organisations or businesses able to operate in insecure environments as possible solutions. All recognise the challenges of programmatic and financial control in these types of remote management approaches.

Current policies and risk management procedures are also seen to sometimes prevent or limit such approaches, so organisations should consider how to adapt them and find

innovative ways to reach more people and more remote areas while still achieving a reasonable degree of accountability. Different CBA mechanisms can each also either increase reach or increase accountability, but often not at the same time as each tend to have both advantages and disadvantages. A better combination of approaches and reasonable balance of pros and cons could have been decided on in some cases.

Beneficiary Targeting

Recent drought- or conflict-affected households were targeted as beneficiaries, and in some cases, so were returnees and refugees. Internally displaced persons (IDPs) affected by protracted displacement were included, and some organisations also included members of the host community. All organisations use, and all informants can recite, a variety of appropriate vulnerability criteria for the selection of beneficiaries. All beneficiaries report being selected because they are vulnerable, with many also able to describe the criteria.

Almost all organisations chose to select females as the main beneficiaries of the CBA. This is partly because of the perception that they would use the CBA for its intended use, whereas it is feared men would misuse it, partly because they are less familiar with household needs. In focus groups, beneficiaries and non-beneficiaries alike also mostly said women were the appropriate ones to receive CBA as they know most about family needs, and typically were responsible for most of the day-to-day household spending decisions.

Organisations use a variety of methods, but most involve community committees in some form, as well as local leadership and sometimes the local authorities. All organisations do some form of verification by staff, sometimes also involving the public sharing of names to confirm eligibility. Most beneficiaries in FGD said a community committee selected them, and both beneficiaries and non-beneficiaries report verifications of eligibility being done in almost every case. Verification was usually done on a sample of the proposed beneficiary list (between 40% and 70% of households). Verifications are reported to have found a margin of error between 1% and 5%, suggesting some duplication occurred at the selection stage.

In the selection of Post-Monitoring Distribution (PDM) reports reviewed, 52% to 100% of beneficiaries report knowing why they were selected. With regards to understanding the selection

⁵See <https://fts.unocha.org/appeals/overview/2017>: Somalia 2017 appeal was fifth largest after Syria/region, Yemen and South Sudan, and compares favourably in terms of percent funded. It also received more than any Somalia appeal in the last 10 years, though not as well-funded as the smaller 2011 appeal.

⁶The Food Security and Nutrition Analysis Unit- Somalia (FSNAU) provides evidence-based analysis of Somali food, nutrition and livelihood security to enable both short-term emergency responses and long-term strategic planning.

and registration process, one PDM quotes 81% of beneficiaries stating they do not understand the selection or registration process. Both these findings suggest inconsistent community consultation and the need to better inform beneficiaries on selection.

Most beneficiary FGD participants felt the selection process was fair whereas less than half of non-beneficiary groups reported the selection process was fair. It is hard to say whether this relates to their selection or non-selection respectively or to a lack of information about selection criteria. Three FGD beneficiary groups reported paying a contribution before registration (and the same three paid contributions during the CBA); of these, one reported paying the contribution to the land owner whereas the other two groups did not clarify whom the contribution was paid to but did go on to say that there was conflict in their community because of the selection process.

Only a few beneficiary and non-beneficiary FGDs thought the wrong people were receiving CBA, however two thirds of beneficiary groups and almost all non-beneficiary groups felt that there are still vulnerable people who are not receiving CBA (although they said that they had no channel to voice this despite the various feedback mechanisms in place). Around a third of both beneficiaries and non-beneficiaries in FGD thought that some people registered were not receiving their CBA although no further explanation was provided. Some agencies do register more people than are targeted for assistance, so this may be a reason, but which also means clear communication would be important.

Informants at all levels tend to express concern about the probability of community leaders and other 'gatekeepers' either being or having family members on the list. The concern is that they are influencing beneficiary selection or asking for contribution or 'tax' from those receiving assistance based on their influence. The fact that this was not raised as often in FGDs or PDM most likely relates to beneficiaries reluctance to complain, for fear of jeopardising their assistance or relationships.

Most informants indicated it is difficult to measure the effectiveness of the targeting of beneficiaries due to the absence of coordinated registration systems. Many organisational informants call for a centralised registration database to aid targeting and data management, though also express concerns about data protection and privacy for beneficiaries and have questions about data management.

Data protection concerns are both technical in terms of implementing effective systems, and ethical in terms of ensuring standards of appropriate data collection and use could be ensured. Data management concerns are more political in terms of which organisation would 'own' the systems and data therein, and therefore be able to control access.

CBA Delivery

Based on UNOCHA's analysis of the 3W data which includes entries from over 140 organisations, both cash and vouchers were used throughout the 2017 response (see Figure 1⁹), with proportionately more beneficiaries receiving vouchers at the start of the response and cash increasing as the year progressed. There are reports of organisations shifting from vouchers to cash because of beneficiaries voicing a preference for cash through feedback mechanisms, which may explain the decrease in voucher use. Water, shelter or education-specific CBA was exclusively provided through vouchers, though these needs were also sometimes supported as part of multi-purpose cash grants.

Overall, a tenth of the CBA delivered in 2017 was conditional although, according to the data available, this varies by month with only 4% of CBA being conditional in July.

⁷ In February 2017, the Somalia Food Security Cluster recommended that cash transfers targeting Emergency (IPC Phase 4) and Crisis (IPC Phase 3) are unconditional, and areas in Stressed (IPC Phase 2) and Crisis (IPC Phase 3) could be considered for CFW interventions (unless the physical condition of beneficiaries is weak or if conditional cash transfer projects cannot be implemented due to logistical constraints), http://fscluster.org/sites/default/files/documents/cmtf_guidance_note_final_22_february_2017-3_mb_cm_so.pdf

⁸ Common vulnerability criteria listed include: female-headed households, households with lactating mothers, large households, households with disabled, chronically ill and elderly members, among others.

% Beneficiaries Receiving Cash/Vouchers by Month

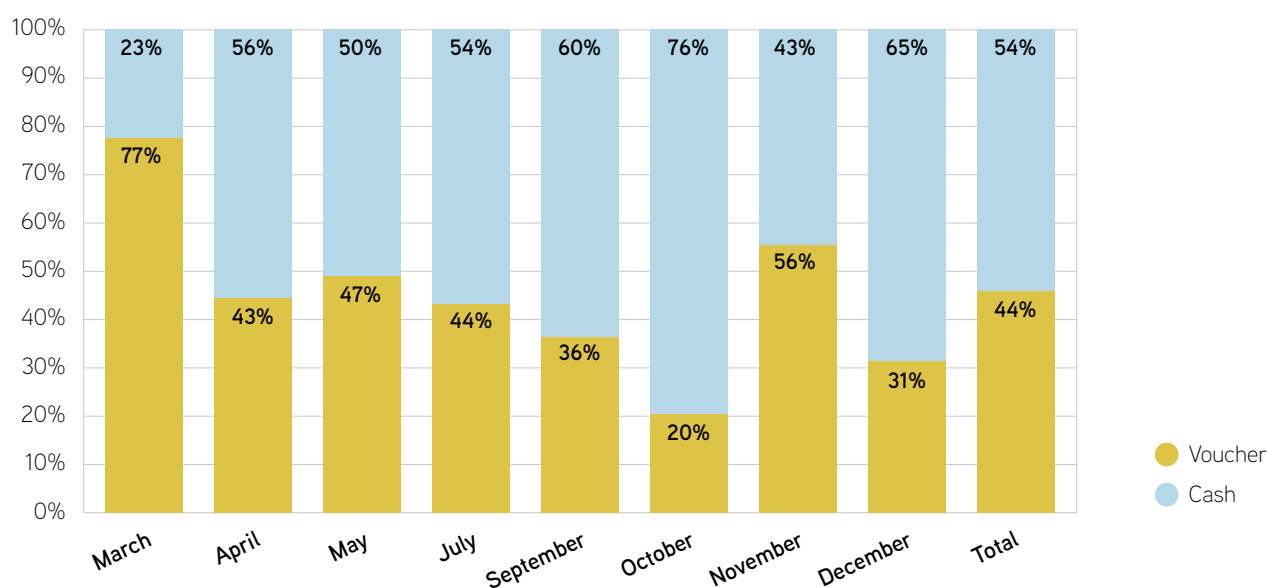


Figure 1: Proportion of beneficiaries reached by modality by month

There is also variation in the proportion of conditional CBA in different regions. The region of *Bay* shows a higher concentration of conditional CBA than any other region, with up to 23% of CBA being conditional in Bay in June; it is unclear why such variations in conditionality occurred, but it may be a reflection either of different programmes being run during different time periods or of irregular reporting.

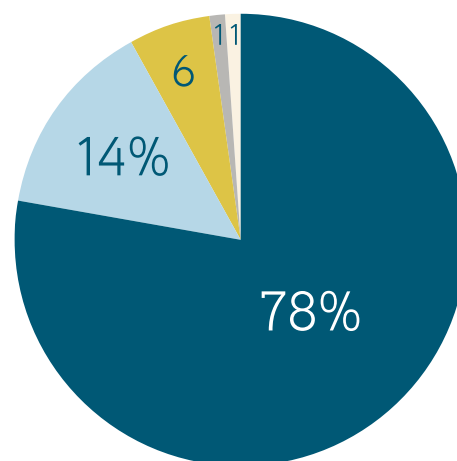
The main cash transfer mechanisms were mobile money for unrestricted cash, and rechargeable electronic stored-value cards for e-vouchers and sometimes cash. Smaller volumes were distributed using printed paper vouchers or 'cash over counter' from banks, mobile phone companies or traditional money transfer agents (*Hawala*).

All vouchers could only be used to purchase specified goods and services from participating vendors. Very little CBA was done using 'cash in envelopes' directly distributed by the organisations or implementing partners.

Cash over counter sometimes used electronic cards. Otherwise organisations sent distribution lists and funds to transfer agents for disbursement upon request. Mobile money was similarly distributed to beneficiaries SIM cards via lists and funds sent to phone companies. Mobile money could be used for purchases directly from vendors, or in some cases could be taken as cash over counter from phone company offices.

MOST EMERGENCY CBA WAS INTENDED TO MEET FOOD SECURITY NEEDS (78%), WITH SOME WATER (14%), A SMALLER AMOUNT FOR SHELTER (6%) OR MULTI-PURPOSE USE (1%), AND STILL LESS FOR NUTRITION, EDUCATION AND PROTECTION.

According to the figures presented monthly to the CWG by UNOCHA, a significantly higher proportion of CBA was provided for water in Somaliland than other areas of Somalia whereas all the CBA delivered in Middle Juba was for food security. Figure 2 shows the proportion of beneficiaries receiving CBA by cluster and by region between March and December 2017¹⁰.



⁹Source: UNOCHA monthly presentation of 3W data to the CWG (no data for June and August)

¹⁰Source: 3W database

% Beneficiaries Reached by Cluster by Region

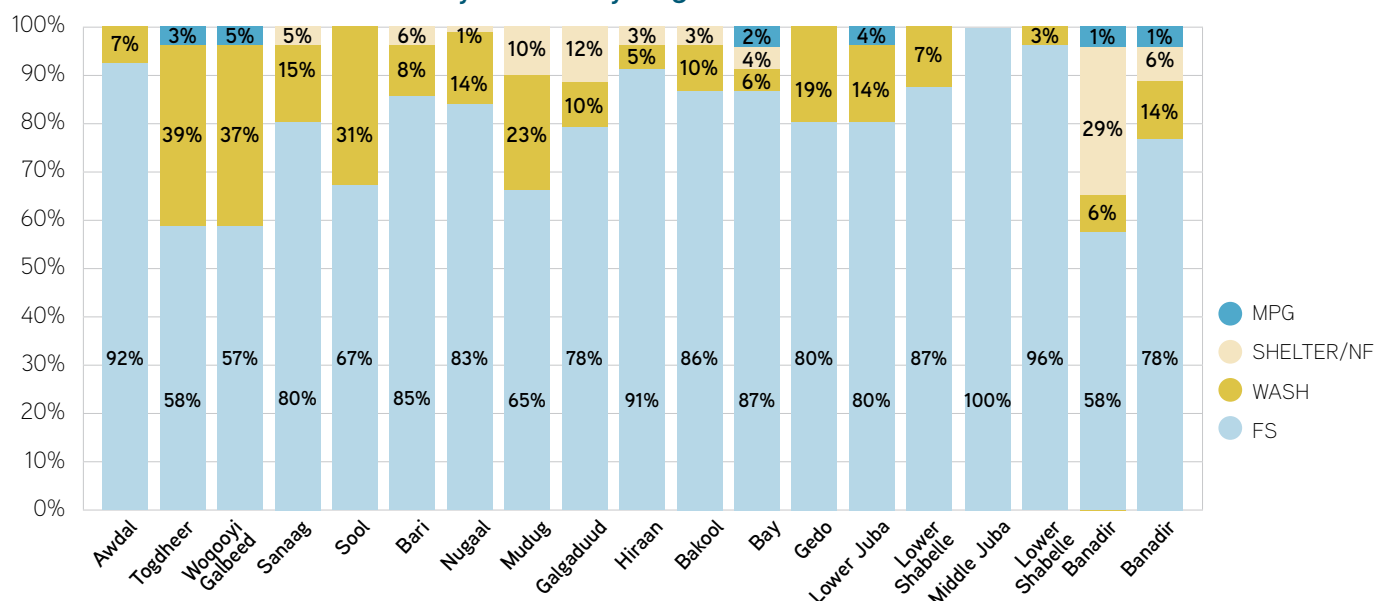


Figure 2: Proportion of beneficiaries reached by cluster by region and overall

CBA Timeliness

FSNAU warned of the deteriorating food security situation towards the end of 2016 and officially raised a famine alert in January 2017. Some informants felt there could have been more attention paid to early warnings before the official alarm was sounded. Earlier awareness could have helped in better preparedness for both in-kind and CBA. A Department for International Development (DFID) real-time review conducted in 2017 similarly found a need for earlier action and more preparedness¹¹.

The majority of informants in both Nairobi and Mogadishu felt that the 2017 response was rapid once the alert was raised. Most felt that all donors and most organisations reacted quickly – certainly more so than in 2011, and faster than would have been possible with in-kind. Beyond the initial response, it is difficult to compare CBA scale up during the respective years, as the areas accessible and approaches used were very different, as described further in this report.

A small number of organisations mobilised funding before the alert was raised, some CBA began as soon as the alert was raised – mostly from reprogrammed funds of organisations already operational. The scale up started in March and reached the peak of distribution in May 2017, with 3.2 million beneficiaries assisted that month (equal to USD 48 million); see Figure 3¹².

Beneficiaries Reached with CBA by Month

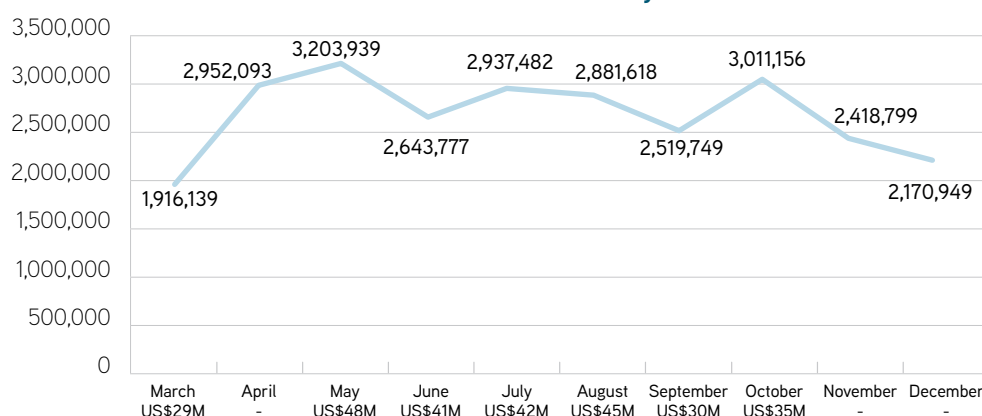


Figure 3: Number of beneficiaries reached and estimated value of CBA by month

¹¹2017 DFID Somalia IRF Real Time Review FINAL

¹²Source: CWG estimates derived from 3W database cross-referenced with data on CBA collected through clusters; some overlap or double counting is possible (missing \$ value of CBA for April, November and December)



This suggests the original November 2016 HRP¹³ target to reach 3.9 million people was almost reached by CBA alone, but the revised May 2017 target of 5.5 million was not, though in-kind assistance likely helped to cover the gap.

During the FGD, beneficiaries reported the time between displacement and assessment as ranging from one month to more than 10 months, with around half of beneficiaries being assessed within three months of displacement. Half of the groups interviewed first received CBA between April and June 2017, which correlates with the data presented above, with only a few groups receiving CBA in the subsequent two quarters.

Field-based informants tended to disagree about whether CBA was a timely method. Many of these said that the average time it could take after the funds were approved is between two to three months when the operational systems are already functional. The location, scale and preparedness of the response obviously impact timeliness, so it is difficult to draw hard conclusions, but CBA is generally considered faster than in-kind when supplies are not already at hand.

Most organisations planned to deliver monthly transfers. Beneficiaries not told when payment was due complained about delays, but those informed generally did not. Organisations reported transfers to beneficiaries sometimes being delayed due to operational challenges, so they then paid a two-month lump sum. A third of focus groups (both beneficiaries and non-beneficiaries) similarly reported delays with payments. In the case of delays, most beneficiaries resorted to credit or casual labour to cope.

One reason given by informants for the effectiveness of the 2017 response was that it was both faster and able to reach locations closer to where drought-affected populations lived. This reduced the distance and duration of displacement-related travel that seemingly led to so many deaths¹⁴ during the earlier famine. A few informants suggested that this faster response was likely possible both because the humanitarian community was more attuned to the risk of famine (and conscious of the lessons learnt from the previous famine) and because more areas were under government control compared to 2011. It was also suggested by a few informants that it might be because drought-affected communities were quicker to leave in search of aid, and already had networks in towns of previously displaced members. Both findings are likely the result of the 2011 experience.

The fact that many organisations were already operational, also allowed a faster response. Their presence, networks and existing beneficiary lists helped them assess, share information and react quickly, and benefit from the confidence of donors. Some organisations managing resilience programmes reportedly saw such capacities as part of their work on resilience. Many were able to re-programme existing funds or use contingency funds to quickly meet basic needs with CBA.

Performance against Humanitarian Response Plan Objective 4

Objective 4 of the HRP reads: “Support the restoration of livelihoods, promote basic services to build resilience to recurrent shocks, and catalyse more sustainable solutions.” The objective is measured via several indicators, including “number of people in stressed food security (IPC 2) sustained” as a baseline.



FINDINGS

- Only a small amount of CBA was delivered towards restoring livelihoods and promoting basic services due to the alert of famine being raised and funds being channelled into emergency relief.
- Beneficiaries and informants prefer CBA for income-generating activities (IGAs) but also reduce dependency.
- Savings and loans schemes are effective and popular and provide otherwise unobtainable access to capital.
- A better understanding of local coping strategies will enable the international community to maximise them in resilience-building programmes in the future.

The bulk of CBA delivered for the 2017 drought response was focused on preventing the risk of famine and supporting beneficiary basic needs. Less CBA was provided to restore livelihoods, and little was seen for promoting basic services other than some water access and school enrolment, though there was a later report of some health clinic attendance incentives. Most CBA programmes that focused on livelihoods and resilience were multi-year projects that were already underway or planned before the famine alert was raised. With the scale up of funding for emergency assistance, there was limited funding available for livelihoods programming with no increase in livelihood activities during 2017. There is very little data available on livelihood-focused activities specifically.

¹³Source: Somalia Humanitarian Response Plan Nov 2016 version, revised May 2017 version and HRP 2018

¹⁴UN estimates report over a quarter of a million people died from famine in Somalia between 2010 and 2011 (<https://news.un.org/en/story/2013/05/438682-somalia-famine-killed-nearly-260000-people-half-them-children-reports-un>)

CBA for livelihoods was primarily provided in the form of cash grants or vouchers to facilitate access to agricultural or livestock (where appropriate) inputs or to support business establishment. Households who received cash grants to establish a small business generally report that their business is profitable and has lifted their household's living conditions as well as boosted morale.

Beneficiaries who did not receive IGA support all request that future assistance enables IGA, which echoes the common feedback that unconditional CBA risks instilling dependency and weakening existing coping mechanisms. The perceived risk of dependency may correlate directly with the duration of the emergency assistance i.e. the longer the emergency response, the higher the risk of dependency. In future to avoid this perception of dependency, the humanitarian community could consider a phased approach, with unconditional emergency response transitioning into IGA and other livelihood support.

Some organisations provide short-term unconditional cash assistance for basic needs to vulnerable households receiving support for IGA or restoration of productive assets. This avoids putting financial pressure on the venture thus enhancing the viability of the business or keeping farmers on the land and protecting restored assets. Some organisations refer to this type of approach as 'Cash Plus' and consider it an innovation worth consideration for all IGA and productivity restoration for vulnerable households struggling to meet basic needs.

Alternatively, existing resilience programmes had established savings and loans groups allowing beneficiaries access to capital without draining the households' already limited resources. All beneficiaries involved in savings and loans schemes express great satisfaction with having access to finance and the ability to develop their enterprises. With savings schemes being a well-established practice in Somalia, CBA can be effectively used to this end in future.

Conditional CBA such as Cash for Work (CFW), Cash for Assets, or Cash for Training are examples of CBA that contribute to building resilience. The works carried out often contribute to important community assets such as roads, water systems or waste management. Simultaneously, the work provides short-term income to participating households (generally IPC 2). Beneficiaries are eager to receive trainings and skills that are marketable in future, which, reportedly, the CFW activities did not allow. Cash for Training does contribute to building community capacities although very little Cash for Training was done in 2017.

Where CBA was used to support access to basic services such as education or water, not only did the CBA allow an

otherwise unlikely access to these services, but also potentially contributed to sustaining these services which may not have been viable, had there not been a cash injection. Similarly, the CBA injection into markets contributed to resilience by stimulating the economy. It strengthened purchasing power, kept businesses viable and even developed markets (quantity, quality, diversity). This is particularly important in the Somali context, which is a strong market-economy.

Many beneficiaries and informants mentioned the need for CBA to be directed at drought affected communities before they are displaced which was done in a small number of programmes. Increasing assistance to rural areas would help to further protect productive assets in those areas, avert displacement and the risks associated with living in camps, and likely significantly contribute to the resilience of those communities.

CBA Design

What analysis underpinned decision making on CBA approaches?



FINDINGS

- The practical feasibility of CBA was assessed, but broader challenges could have been considered earlier.
- Both cash and voucher modalities were used in the 2017 response, mostly unconditional, and mostly either via mobile money for cash, or stored-value cards for e-vouchers and some cash.
- CBA modalities were chosen based on whether restricting use was considered important to programme objectives – usually a donor or agency mandate constraint.
- Mechanisms were chosen for whether they could ensure accountability and identity.
- Mobile money is considered able to scale further. Concerns are beneficiary verification and traceability. e-Cards can use biometric ID, but coverage is more limited by network scale.
- Hawala can offer remote or insecure access because of local knowledge or acceptance.

Feasibility of CBA

By early 2017, most organisations had done some form of context assessment to understand the basic relevance of using CBA as described earlier. This included the existence of a well-developed market-based economy, and a population accustomed to using cash, mobile transfers and credit for trade. Many organisations also already considered CBA feasible,



as beneficiaries generally preferred CBA, organisations and partners are experienced in CBA programming, and there were readily available service providers for a variety of delivery mechanisms.

FSNAU had regularly assessed Minimum Expenditure Basket (MEB) prices around the country as part of its food security assessments, and some organisations were already using it for CBA. There was also a broad assumption that CBA is cheaper or more cost-efficient than in-kind. While this seems mostly anecdotal in Somalia, it is aligned with a growing body of global opinion that CBA is more cost-efficient to deliver than in-kind.¹⁵

Most informants knew the basic security and other risks involved in CBA, and most organisations used basic risk and mitigation analysis to determine if CBA was appropriate. However, some informants reported concerns that broader accountability and protection risks and the challenges of CBA that are inherent to operating in Somalia were not considered collectively by all CBA programmes until the CWG was re-established, which was after programmes were already being planned. This was already recognised by the time of a lessons learned workshop facilitated by the Cash Learning Partnership CaLP in May 2017¹⁶, which also reviewed findings from 2011, including delays and challenges of geographic targeting, fraud or diversion, and monitoring.

Evaluation reports¹⁷ reviewed by the evaluation team, and concerns expressed by informants in this evaluation similarly raise these issues and others which still seem to challenge Somalia's humanitarian programmes, though they are not considered to make CBA overall any less feasible or appropriate.

CBA Approaches

Most analysis and decision-making on CBA transfer modalities reportedly focused on the ability to restrict use for programmatic objectives – often a donor or agency mandate constraint. Regardless of modality, most CBA was unconditional, except some shelter and education CBA generally for purposes of quality and attendance respectively, and CFW for building community assets.

Food vouchers especially were often chosen for their ability to restrict usage to the desired quality of food. To allow some

beneficiary choice they were designed as stored value 'value vouchers' but vendors were required to provide a specified range and quality of items. Water vouchers encouraged vendors to deliver to communities, as was also done with 'mobile' food vendors asked to cover more remote areas.

Where restrictions were not required, or flexibility of use was considered more important, cash transfers were used, although, again, mostly for food or sometimes also water, NFI or education costs. Given the findings above that CBA is used by beneficiaries primarily for its intended purpose, including food purchases with cash, many informants thought that organisations could reconsider the use of restrictive CBA such as vouchers. This is also in line with DFID¹⁸ and European Civil Protection and Humanitarian Aid Operations (ECHO)¹⁹ published approaches and principles on cash and vouchers which both include the principle to prioritise cash over vouchers.

Choice of in-kind as a modality was reportedly done where functioning markets or appropriate commodities did not exist, or where food stocks or NFI were already available and easy and quick to distribute i.e. where warehouses and stock existed. In some cases, once the stocks were delivered, the assistance transitioned to CBA. In-kind was also reportedly used for specialised nutrition supplements, but the evaluation did not look at the proportion of in-kind to CBA used in any sector.

The choice of transfer mechanisms involved the consideration of the typical factors including reach, preference and practicality, efficiency, organisational capacity or systems, and the ability to account for funds. Often the choice of modality also influenced or directed the choice of mechanism, as in the case with vouchers requiring the e-card system and related vendor networks. In many cases informants emphasised concerns over the ability of mechanism to directly confirm the receipt and use of the cash or voucher assistance by the intended beneficiary, rather than rely on more remote means such as monitoring.

For those with such concerns, e-cards were often seen as preferred for both e-vouchers and stored value cash because of the ability to use biometric identification during purchases or cashing (based on biometric data collected during registration). Many also used the stored biometric identification for 'top-ups' to add additional layers of accountability. Most other organisations chose mobile money and relied on distribution reports from mobile service providers and their own post-distribution monitoring to confirm receipt by beneficiaries. Some also used separate biometrics processes to re-verify beneficiaries prior to top-up.

¹⁵CaLP, *The State of the World's Cash Report*, February 2018, p80.

¹⁶May_2017_CaLP_Workshop_Report_Somalia_Reflection_2011+2017 – Final

¹⁷See Bibliography for various Somalia project evaluation documents

¹⁸Mar_2018 UK Approach to Cash and Vouchers in Crises

¹⁹Mar_2015 ECHO 10 Common Principles for Multi-Purpose Cash-Based Assistance to Respond to Humanitarian Needs

Paper vouchers were mostly mentioned in the context of water supply, where beneficiaries would receive either multiple vouchers of set amounts to use as needed, or a family card (sometimes with photo for identification) detailing the family's monthly entitlement that vendors would provide. Traditional transfer agents (*Hawala*) were sometimes used to distribute cash assistance directly to beneficiaries, but mostly where access was constrained because of their advantages and disadvantages as described below.

Reported Advantages and Disadvantages of Different Mechanisms

Each of the main different mechanisms used in Somalia are recognised by informants and beneficiaries to have different advantages and disadvantages.

Mobile money as a transfer mechanism is seen as having the ability to eventually go to scale where a cash modality is feasible. It has broad possible coverage because of existing networks and potential ability to expand. It has widespread beneficiary and vendor acceptance and familiarity with use. And, it is perceived as safe and even less prone to demand for sharing or taxation because of its discreetness (though can also be shared with family members in other locations or with other phones).

It also has relatively low costs for organisations – with considerably lower commission rates compared to *Hawala* dealers and is seen as quick and easy to set up and deliver transfers. Though mobile phone penetration rates are high, network coverage for signal reception is lacking in some rural areas. Access to agents for cash-out or personal top-ups is problematic in remote areas²⁰. More negotiations could have taken place with service providers if enough beneficiaries were to sign up as new customers. Some organisational informants fear an exclusion risk for elderly and illiterate, however reportedly service providers can plan for that with simple user interfaces and training, and others say family or trusted community members usually help.

The main reported informant concerns with mobile money are verification of beneficiaries and traceability of use. SIM cards are legally required to be registered to individuals, but without a national ID system it is difficult to verify identity. Many organisations choose to provide and register SIM cards based on the community-level verification they do. Service providers report distribution, and can track spending, but of

course cannot confirm the person using it beyond use of PIN codes which tend to not be changed from generic ones used at SIM distribution. Phones or SIMs can also be stolen, but better security systems and raising awareness could reduce the risks. Other complaints include sometimes unreliable networks, lack of functionality across providers, and sometimes inaccurate transfers.

There are other challenges that were not mentioned as much but do show up in other evaluations. A recent World Bank study²¹ pointed out what it called “staggering risks” of mobile money due to weak regulation and a lack of “parity between e-money and cash in banks.”. Because providers do not keep enough cash reserves, surging demand in pay outs or failure of the business could leave account holders or transferring organisations with no way to claim the balance of their money. This would particularly raise a concern where only one or a few providers are used for large volumes of transfers but could be partly mitigated by reducing the size of tranches and increasing competition.

New government regulations will likely impact mobile money, though it is unclear to what degree. The Somalia federal government wants to strengthen the implementation of SIM registration, while the Somaliland authorities imposes minimum transfer amount restrictions on use of USD currency transactions. Some informants worry that restrictions on USD transfers will affect organisations' ability to transfer top-ups to beneficiaries that exceed the limit. Others see less problem as they believe either that the restriction does not apply to 'businesses' as they would consider aid organisations, or that anyway negotiation with authorities will allow for exemptions for humanitarian assistance.

Electronic cards as a transfer mechanism are seen by informants to take more time and cost to set up and operate but can include biometric identification data as an addition or alternative to PIN codes and thus ensuring top up and use by the right person. They are also currently the main option used for voucher modalities in Somalia. Coverage for use is more limited than mobiles, as vendors and money transfer agents need to have agreements and technology in place, though organisations are continuing to build a widespread network of vendors, some of whom are asked to travel to rural areas with moveable shops as needed.

²⁰CWG - MM Ecosystem Final presentation WB, slide 7

²¹Jul_2017 World Bank Mapping the mobile money ecosystem in Somalia; Presentation for the Cash Working Group.



E-cards can also limit the ability of beneficiaries to easily move around or share assistance with family members located elsewhere. Though many e-cards can be used at any participating vendor across the network around the country, it requires use of the physical card, so other family members cannot use it. This limits the ability to share the assistance, which while not intended by programmes was cited by beneficiaries as desirable. The regular top up must also be done in person at the location where the beneficiary is registered, though beneficiary re-registration in a new location is in principle possible. Some organisations do also restrict the geographic area of use with vendors. Internet and mobile data access are needed for both top-up and vendor reimbursement.

Although stored value cards can be used repeatedly, most beneficiaries reportedly spend or withdraw it all right after receiving the top-up. This can reportedly create costly transport, long queues and waiting times, as well as security concerns not seen with mobile money. Using cards for cash over counter with banks offers potential financial inclusion if beneficiaries are also able to open bank accounts, but that is difficult as few banks exist and national identification is lacking.

Paper vouchers were only mentioned by a few informants, with little to say about advantages beyond relative ease of initial set up, or disadvantages of weak security. Beneficiary photo identification presumably helped on voucher entitlement cards, but like any paper ID there are higher risks of fraud.

Traditional money-transfer (*Hawala*) agents can offer access to remote and insecure areas where mobile networks or voucher accepting vendors do not reach as they often have better understanding and acceptance of the community and those ‘non-state actors’ in control of the area. Some informants expressed concerns about “liquidity risk” of dealers running out of cash – more so than the mobile providers – but others even reported some *Hawala* dealers being willing to ‘front’ the money to local NGOs when payment was delayed.

Costs are typically significantly higher than mobile money as agent staffing, travel, cash handling and security measures are required. Given the challenges of access, quite a few informants suggested that organisations should still consider use of *Hawala* dealers where other mechanisms are not workable.

How was feedback from affected communities used to inform changes to response over time?



FINDINGS

- PDM is regularly carried out from which feedback can be obtained and turned into action e.g. shift to mobile money following expressed preference by beneficiaries.
- Feedback mechanisms are in place but inconsistent awareness/use of them.
- TPM appears to be increasingly requested by donors for its potential for objectivity.
- There are inconsistent and therefore incomparable measures of food security.
- It appears that men are better informed than women on CBA selection and delivery.

There are several methods for organisations to obtain feedback from beneficiaries. Most organisations carry out post-distribution monitoring (PDM) visits or carry out call-backs to ensure compliance with service delivery standards in terms of timeliness, quality and quantity are maintained as well as to check that beneficiaries have received their assistance. While these are not feedback mechanisms as such, and are more of a monitoring mechanism, they are an important means of obtaining feedback directly from beneficiaries.

Many organisations also provide feedback mechanisms for beneficiaries and non-beneficiaries to air their concerns as and when they wish. The main feedback mechanisms used are hotlines (sometimes toll-free, sometimes not), helpdesks, suggestion boxes or simply directly via the agency staff or the village committees, with the latter raising potential confidentiality issues.

Beneficiary awareness of feedback mechanisms varies greatly from 22% to 100% knowing of a mechanism according to PDMs while non-beneficiaries are generally not aware of any mechanism. One report even recounted an “incredibly low awareness that feedback mechanisms existed”. This finding was reiterated by key informants, who confirmed the low usage of the feedback mechanisms in their agency. From the FGDs, it seems a larger proportion of women are unaware of the existence of feedback mechanisms than men.

This correlates with the fact that fewer women report knowing when to expect the CBA, fewer women report being asked about their safety concerns and more women report that CBA is being provided to the wrong people, all suggesting that women are less informed than men. A possible explanation for this may be due to community committees and organisations' staff engaging with male household members more than women, as is considered culturally appropriate in Somalia. This suggests an area for further investigation coupled with more efforts in ensuring women's participation in community consultation, especially if they are the preferred recipients of CBA.

Very few focus group participants report using the feedback mechanisms. Most groups did not provide a reason for this, whereas some mentioned not knowing where to complain and a few stated they had no complaints to report. This low feedback rate may be because of a fear of lack of anonymity or compromising further assistance. The main issues raised though feedback are non-receipt or delays in payments. Only a few of those who used the feedback mechanism report receiving a timely response, suggesting that feedback management and follow up is weak and needs strengthening to be effective and trustworthy to beneficiaries.

Several organisations began using independent Third-Party Monitoring (TPM) organisations, often requested by the donors either for compliance purposes, to increase the number of people sampled, or to access areas with security constraints, often in parallel to organisations' own monitoring activities. Despite using similar methods as organisations do, TPM is reported to have flagged different issues to PDMs or hotlines, issues that are then communicated directly to the implementing partner and donor.

Informants suggest that the ability for TPM to obtain different information than organisations do may be attributable to their objective and unbiased position and their ability to introduce themselves as such thereby reassuring beneficiaries that their assistance will not be compromised. However, some literature suggests that "there is a risk that the [TPM] organisation replicate poor or naïve structures and practices of the aid organisations they are there to monitor"²² therefore careful selection of TPM is recommended. Others²³ recommended to "avoid the proliferation of TPM and call centres" in place of strong community level feedback mechanisms.

Feedback collected through PDM to assess households' food security status is inconsistent across organisations; while some organisations use Food Consumption Score (FCS), others use number of meals per day, the Household Hunger Score (HHS), the Dietary Diversity Score (DDS) or the Coping Strategy Index (CSI) (sometimes using different calculations) limiting the potential for comparability of results between different organisations. Towards the end of 2017, the CWG started to harmonise food security measures for CBA as part of the M&E framework that is under development.

Some feedback has nonetheless been incorporated into responses; for instance, community consultations improved over the year because of feedback showing confusion on entitlement and selection, payment frequency or change in transfer value. Furthermore, the increase in use of mobile money appears to result from feedback voicing a preference for what they consider the safe and easy nature of mobile money. Similarly, cases where organisations shifted from vouchers to cash were often driven by beneficiary complaints with accessing or using the vouchers and inflated vendor prices.

CBA Implementation

What impact did the role of community structures, exclusion/inclusion of social groups, gender and age have on access to and use of CBA?



FINDINGS

- There was no significant impact on access to CBA beyond those applicable to all humanitarian assistance.
- Few beneficiaries reported problems of selection, and very few said age, clan or gender mattered.
- Targeting female beneficiaries did not lead to any reported problems.

There were no significant impacts on access to or use of CBA reported beyond previously mentioned issues of community-level targeting, overall access constraints, and the issues of 'gatekeeper' influence that are applicable to all types of humanitarian assistance in Somalia.

In several regions visited, there were field-based informant and beneficiary concerns of bias by implementing partners or staff when targeting communities that they favour places they are from or favour people of their own clan rather than villages

²²CREATE: Southern Somalia Case Study, Transparency International 2016

²³2017 DFID Somalia IRF Real Time Review FINAL



and households that are more vulnerable. As with targeting in general, remoteness and other access constraints also made it difficult for others to monitor community and beneficiary selection.

Most beneficiary selection was done through community committees, with some local authorities, elders, or religious leaders involved. Organisation staff almost always then did verification, sometimes with public sharing of beneficiary lists for transparency and collective verification. Some informants were concerned about clan influence. Allocation of beneficiary numbers across clans was reported by field staff, but there are also complaints on inequitable distribution, especially for marginalised clans.

Organisations, local authorities and traders also said that the influence of ‘gatekeepers’ was one of the most common challenges they have seen in the IDP settlements. Informants reported beneficiary complaints that gatekeepers demand part of the assistance, though this was not seen in the evaluation of the beneficiary focus groups as seen earlier in the report. Some key informants suggest that this ‘tax’ to gatekeepers is viewed as a proxy payment for rent or security and is considered justifiable by community members.

Despite informants’ concerns, few beneficiary groups reported any problems of selection, and very few said that age, clanship or gender affected use of CBA although this could be because these are sensitive matters to discuss in FGD and would be better tackled through one-on-one confidential interviews. There was no reported impact on market access, other than the elderly needing help with technology.

Most organisations focus unconditional CBA only or jointly on female beneficiaries. This is based on the traditional roles of women being primary household level decision-maker on food and other family needs. It is also based on the perception that women would use it correctly. Most beneficiary focus groups (both male and female) were satisfied with who received CBA in their household, with few reports of any household tension because of CBA being given to women. However, one study looking specifically at gender mainstreaming in CBA²⁴ found that “ad hoc targeting of women as cash recipients will not guarantee that women have control over or benefit from cash transfers; consultation is needed at the household level [paired with] activities that promote joint decision making and equitable use of resources for the well-being of the household.”

²⁴Feb_2018 Adeso Mainstreaming Gender-based Violence Considerations in Cash-Based Interventions; A Case Study from Lower Juba, Somalia

(How) Did different or varying transfer amounts affect project outcomes?



FINDINGS

- The data on beneficiary opinions varied, with some showing CBA was not enough and others that it was.
- Concerns were reported related to inconsistent amounts, but there is not enough evidence to really show either way if CBA amounts influence project impact.

There was significant variation in the CBA transfer amounts given for basic needs in different places and at different times, and sometimes in the same place by different organisations. This was partly due to differing local market prices, partly due to lack of agreement on appropriate amounts, and partly due to funding availability and donor directives – all factors that are related.

The FSNAU and the CWG have done considerable work to develop a MEB to meet basic needs of an average household, based on market price and income gap analysis. In April 2017, the CWG then issued recommendations on transfer amounts to cover the MEB. The recommendation was based on similar average family size which did not account for variation in needs and costs by specific household sizes.

Concerns of cost and validity from donors, implementing organisations and others led to a further series of debates and revisions of both the MEB and transfer amounts. This included variation by region and urban or rural, and variation by programmatic intent i.e. food only, food plus other basic consumption needs, or full multi-purpose cash. This process seemed very confusing to many concerned, especially those in the field expected to implement the guidance. Eventually, some of the donors who had earlier adhered to the CWG recommendations, created their own sets of agreed transfer amounts.

The lack of consistency in transfer amounts was considered a problem by all informants, and by many beneficiaries. Organisations had to repeatedly explain different amounts being given, and households found it difficult to plan for use of the CBA. Just under half of beneficiary focus groups reported not receiving the same amount every month, most of which did not know why. Better communication would have helped this problem.

Opinions on the amounts varied; regardless of the amount given, when asked whether the assistance was sufficient, most beneficiary focus groups said the amount was not enough to cover all the needs in the family while several said the amount was enough to cover the intended purpose.

However, many PDM find that beneficiaries are satisfied with the amount (between 64% and 100%). Of the two PDM that enquired if CBA was enough to last until the next disbursement, around 90% of beneficiaries said it was not enough. There were few reports in the focus group of complaints, tensions or other problems related to amounts.

The lack of consideration of family size led to some complaints from beneficiaries consulted and was also recounted in at least one organisational alliance report reviewed²⁵. This issue may have been mitigated somewhat by the Somali culture of sharing. In fact, most beneficiary focus groups said organisations should “give more people less money” to spread the assistance within their community. This idea had also been raised during CaLP workshop discussions²⁶ as an option for increasing coverage with limited funds.

The finding that some beneficiaries would prefer fewer, but larger instalments and others prefer smaller amounts more often both support the previously mentioned workshop discussions on frequency of transfers. However, since most transfers have been monthly there is little data to work with, other than an earlier finding that organisations did larger transfers to make up for delayed instalments. Community consultations exploring beneficiary preferences and suggestions would be helpful to define more appropriate timing and frequency of transfers. **One survey²⁷ found over 40% of beneficiaries would prefer a change in amount, of which over 80% wanted more money less often.**

Payment amounts for CFW also reportedly varied across locations and organisations, and there was no CWG guidance provided on amounts. While few informants were asked specifically about CFW amounts, answers to questions about transfer amounts more generally did not raise any concerns about CFW. The few focus group discussions with CFW beneficiaries also reported no problems related to amounts. Two groups (both with higher rates) said payment was in line with the labour market, and two (with lower rates) said they were not, but neither expressed a complaint.

²⁵Apr_2018 NRC Cash Alliance Final Report

²⁶Nov_2017 CaLP: Scaling up CTP in Somalia; a focus on CTP options in a changing funding landscape. Improving the use of lessons learning

²⁷Jan_2018 BRCIS – SW Somalia Survey Report Final

CBA Coordination

How did inter-agency cash coordination perform and how can this coordination improve?



FINDINGS

- There was a very effective and dynamic revival of the CWG at Nairobi level, a much-appreciated platform for discussing CBA operational and decisions across sectors.
- CWG has a strong strategic position with assigned advisory role, large stakeholder engagement and cross-sectoral approach.
- There is some confusion on the role of the regional level CWG.
- There is a call for the CWG to finalise robust and effective guidance, standards and tools for CBA.
- Requests are made for government involvement in CBA in Somalia discourse.

The 2017 coordination of emergency CBA is said to have been much stronger than in 2011, and further described as an important contributing factor to preventing the risk of famine in Somalia in 2017. The dynamic revival of the CWG in Nairobi in February 2017, together with the broad stakeholder representation it drew (donors, UN, LINGO, LINGO, clusters, etc.) and the wide range of CBA operational priorities and decisions it explored, have been instrumental in facilitating the wider adoption of CBA across clusters in Somalia.

In Nairobi, the CWG met on a weekly basis for the initial response months, then bi-monthly and saw regular attendance, despite the high frequency and long meetings – at a time when all members were focused on delivering emergency assistance – demonstrating a strong commitment on the part of members. The CWG rapidly reached a consensus on the role and objectives of the group, later drafted into terms of reference, which have been mostly adhered to in Nairobi. The roles and responsibilities are less clearly understood at implementation level where some regions show more active working groups than others suggesting the need to draft regional level ToR.

There is some confusion at the regional level between the role of the CWG and the FS cluster. The respective roles of each is unclear with field level informants reporting an overlap between the two structures suggesting clarity on the mandate



of each is required. Clusters are intended to support operational coordination²⁸ while the CWG is intended to focus on technical cooperation. Instead in some places the local CWG members also tried to coordinate the delivery of CBA, while the local FS cluster continued to also discuss CBA technical issues as was the case before the CWG re-established. This led to duplication of efforts around coordination, though implications on programmes are unclear.

There is also some confusion at implementation level on changing transfer values. While much discussion went into transfer values at the Nairobi level CWG as mentioned previously, harmonising transfer values was a challenge with some members eventually opting for a flat rate rather than a value anchored to the CWG-recommended MEB.

Another missed opportunity for the CWG may have been the failure to negotiate standard service provider charges with telecommunications companies contracted to distribute the CBA. Organisations report paying service charges of between 1% and 3% for the same service suggesting the fees were dependant on the organisations' ability to negotiate with the service provider. The CWG is in a strong position to lead a multi-stakeholder high-level discussion with telecommunication companies to agree on a standard service fee.

Informants from both government authorities and humanitarian organisations report that government involvement in the 2017 emergency response was limited. Despite the establishment of new government structures to facilitate coordination such as the Ministry of Humanitarian Affairs and Disaster Management, authorities across Somalia report being unaware of much of the discussions around and implementation of the emergency assistance, including CBA. However, the federal and state administrations of Somalia report being eager to play an active coordination and advisory role in humanitarian responses as well as to improve their preparedness for dealing with future emergencies. Government at all levels is aware it needs to build capacity in coordination, population administration, social protection and safety nets, natural resource management, early warning and policy development, among other areas.

There was a big effort by the CWG together with UNOCHA to achieve a comprehensive reporting mechanism showing 3W to enhance CBA coordination and effectiveness. While the 3W does provide an overview of CBA mapping, inconsistencies in the frequency of reporting and the terminology used by organisations have led to the 3W data being inconsistent, limiting the possibility to carry out deeper analysis from it with which to inform programmatic decisions.

A comprehensive database with dedicated management would contribute to enhancing coordination, integration, harmonisation and coherence of programmes. For this, there need to be guidelines on data fields and CBA terminology to be used, and clear expectations for reporting, analysis and sharing of information. Staff members charged with data management such UNOCHA IM teams need the support of the CWG for technical input.

During 2017, in addition to providing a platform for the timely sharing of lessons learnt, the CWG worked on the elaboration of CBA tools (M&E framework, risk matrix). With finalised robust and coherent tools across sectors, preparedness will be improved thus contributing to more efficient and effective future CBA programmes. With its advisory role, its large stakeholder engagement and its cross-sectoral approach, the CWG is well positioned to assist clusters and organisations in elaborating clear objectives for future CBA which is highly recommended. Furthermore, to contribute effectively to building resilience among Somali communities, the CWG could invite private sector, research, development and government entities to join the discourse on the future of CBA as well as elaborate a stronger policy framework for CBA.

With closer collaboration with the government at all levels, the international humanitarian and development community would benefit from support from authorities, local and national, in carrying out research and studies on the Somali context. More research will enable the international community to achieve a more informed understanding of the Somali context. This would enhance CBA programming for resilience by adequately tailoring interventions to the Somali context and strengthen the existing capacities and systems.

²⁸Aim of country clusters include to "Supporting service delivery by providing a platform for agreement on approaches and elimination of duplication." <https://www.humanitarianresponse.info/en/about-clusters/what-is-the-cluster-approach>



3. Efficiency (DAC Criteria 3)

Efficiency of CBA programmes for project outcomes



FINDINGS

- CBA is seen as more cost-efficient than in-kind, with mobile money the most so, but few studies have been done, and any direct comparison is difficult.
- In Somalia, much of the CBA cost is programmatic, and sometimes those processes do not take advantage of benefits the mechanisms offer.

Most CBA programmes in Somalia considered beneficiary access to basic needs as a primary output. As described above, organisations chose a variety of means to deliver them. This evaluation initially hoped to assess opinions of the cost-efficiency of the selected CBA modalities and mechanisms, but it became clear that little information existed. An interesting finding did emerge regarding the overall efforts involved in differing choices about CBA programming in Somalia.

In terms of delivery, all informants see CBA modalities as cost-efficient compared to in-kind, and generally mobile money being the most cost-efficient mechanism. Some informants referred to past studies they had seen, but there does not seem to have been much more recent cost-analysis in Somalia, though there was interest on the part of at least one donor to do so. It is therefore difficult to assess how valid such common assumptions are for Somalia, though they are in line with global opinions that cash transfers are more cost-efficient to deliver than in-kind or vouchers, and vouchers more cost efficient than in-kind, but “more consistent and robust approaches to cost analysis are required to cover relevant dimensions including scale, context, procurement practices and hidden costs²⁹”.

One study done for CaLP in 2013 and summarised in 2015³⁰ looked at a variety of Somalia and other country programmes to compare cost-transfer ratios on a variety of mechanisms but was not able to definitively identify one as any better than the other as there are so many variables to consider. It did find other useful implications for CBA programme costs, including many that costs are negotiated rather than fixed, and that a key determinant is the amount of new activity required to

deliver a programme. The cost of the mechanisms are often of secondary consideration, though lowering service fees can be an area of cost savings. The state of infrastructure has a huge impact on costs if internet or electricity must be put in place—but that depends on vendor needs.

As with that study, the current evaluation also found that much of the CBA operating cost is programmatic. This includes the time, effort and cost involved in planning and supervising the beneficiary registration, set up of service provider or vendor agreements, issuance of delivery mechanisms, verifying again prior to transferring top ups, and post-distribution monitoring. While these activities are required for any programme, some seemed particularly burdensome, especially monthly beneficiary verification and intensive post-distribution monitoring to confirm receipt of mobile money.

Programme choices on verification and monitoring described by informants seem to be based to a large extent on concerns about ensuring full accountability, as was already seen with choice of transfer mechanisms. This may be a reasonable fear given the risks of diversion in Somalia, but it risks adding substantially to costs and thus reducing amounts available for beneficiaries.

The common transfer mechanisms and security features used in Somalia offer advantages that could seemingly be used more. For example, mobile money offers the ability for beneficiaries to receive top-ups anywhere they have phone coverage, yet some donor rules reportedly required physical re-verification prior to top up. Service providers independently report distribution lists, samples of which can be spot-checked over time by call centres, text messaging, or other means (even using ‘phone-banking’ passwords to verify identity). When donors or organisations require more intensive or frequent monitoring, the costs increase.

Where biometric identification is used by e-cards for purchases, only registered beneficiaries can use the card. Requiring verification prior to top up would be unnecessary if those cards could be topped up remotely without intervention of field staff – for example at vendors or self-service points. Reportedly the technology is not yet available in Somalia but is an area of consideration.

²⁹CaLP, *The State of the World's Cash Report*, February 2018, p80.

³⁰Mar_2015 Clare O'Brien and Fidelis Hove. *What affects the cost of delivering cash transfers in humanitarian settings?* www.ennonline.net/fex/49/cashtransfers

The broad issue of cost-efficiency of CBA and especially which programmatic and other costs should be considered in comparisons continues to be a source of sometimes contentious debate³¹. This evaluation recognises that much work needs to be done at all levels but does recommend some further consideration of programmatic decisions that can impact cost far beyond just the transfer costs.



4. Impact (DAC Criteria 4)

Primary Question 2: How did CBA impact Somali households and markets, and meet recipients' needs?

Impact of CBA on individuals, households and communities



FINDINGS

- CBA is seen to have an overall positive short-term impact, for food and basic needs.
- Beneficiary focus groups reported general satisfaction with and preference for CBA.
- Overall positive impacts on FS measures (though different indicators, times and areas reported), but according to FSNAU data, the North West shows a significant increase of people in IPC 3 and 4 in 2018.
- Beneficiaries used CBA for the intended purpose, primarily food and other basics, with little misuse.
- Few beneficiaries report household or community tension from CBA or its provision to women.
- Few people saw much positive longer-term impact of CBA, and concerns of creating dependency
- Lack of access and the resulting 'pull-factor' of aid was recognised, though is a bigger issue than just CBA.

Most informants interviewed, and all 12 project endline assessment or evaluation reports provided to and reviewed by the evaluation team³² consider CBA to have had an overall positive immediate and short-term impact on vulnerable populations compared to baselines. This includes better access to food and other basic needs, though some informants complained that the assistance was not enough and the duration too short. It is recognised that other forms of assistance (in-kind, remittances, charity) provided in Somalia in

2017 will have had an impact on households and communities, therefore impacts found in this evaluation can be not attributed solely to CBA.

The scale of remittances is not fully understood, but a 2017 World Bank study³³ found 20% of households in northern and north-western Somalia received remittances contributing to an average of 37% of household expenditure.

Satisfaction

All beneficiary focus groups and many community members reported satisfaction with and preference for CBA, and that households and the community have benefitted from the CBA. The main listed impacts were improved living conditions (access to basic needs, improved health and education, boosted morale) as well as access to credit and the ability to repay debts. If they had not received CBA, beneficiaries reported a variety of alternative coping strategies. Over half of the groups would ask vendors for credit, some would look for casual labour, whereas some stated they would be forced to live in difficulty, suggesting CBA was their only option. A few groups mentioned they would move to another location in search of aid, possibly to areas with a high concentration of assistance.

THE MAIN LISTED IMPACTS WERE IMPROVED LIVING CONDITIONS (ACCESS TO BASIC NEEDS, IMPROVED HEALTH AND EDUCATION, BOOSTED MORALE) AS WELL AS ACCESS TO CREDIT AND THE ABILITY TO REPAY DEBTS.

IPC Status

The target for the indicator of 2017 Somalia HRP Objective 1 was the "number of people in acute food insecurity 'crisis' and 'emergency' phases (IPC 3 and 4) maintained at baseline". While this seems a reasonable high-level ambition, the fact that so many factors can influence the situation means its use as a valid target or indicator for humanitarian assistance is debatable and was indeed questioned by some informants. Nonetheless, it is the target against which the HRP has chosen to measure the humanitarian response.

³¹CALP. *The State of the Worlds' Cash Report*, February 2018, pg. 89.

³²See bibliography for various evaluations/project reports reviewed

³³Jul_2017 World Bank, CWG - MM Ecosystem Final presentation WB

REGION	POPULATION ³⁴	% POPULATION IN 3 & 4 ³⁵		% CBA RECIPIENTS ³⁶
		2017	2018	
Awdal	673,264	10%	14%	1%
Togdheer	721,363	6%	12%	3%
Woqooyi Galbeed	1,242,003	5%	15%	4%
Sanaag	544,123	23%	29%	7%
Sool	327,427	23%	31%	5%
Bari	730,147	11%	7%	6%
Nugaal	392,698	19%	10%	4%
Mudug	717,862	26%	20%	8%
Galgaduud	569,434	14%	28%	5%
Hiraan	520,686	25%	25%	5%
Bakool	367,227	35%	11%	8%
Bay	792,182	28%	10%	7%
Gedo	508,403	3%	0%	4%
Lower Juba	489,307	8%	14%	2%
Lower Shabelle	1,202,219	5%	9%	14%
Middle Juba	362,921	9%	4%	0%
Middle Shabelle	516,035	4%	0%	6%
Banadir	1,650,228	11%	12%	10%
Grand Total	12,327,529	13%	13%	100%

Table 1: Proportion of people in IPC 3 & 4 in January 2017 and 2018 by region and overall

Table 1 shows the total population estimates from 2014 and the proportion of people in IPC 3 and 4 by region and overall as of January 2017 and early 2018, and the proportion of people reached by CBA by region as provided by the CWG. Overall, the proportion of people in IPC 3 and 4 in Somalia has remained at baseline levels (13%). Marked in red are the regions that show an increase in the proportion of people in IPC 3 and 4 at the beginning of 2018 from 2017. These numbers are the actuals assessed, not the projected numbers that many organisations use for Programme planning.

Interestingly, the data shows that, though Lower Shabelle received the most CBA (14%), it showed a worsening food security situation with almost double the number of people classified as IPC 3 and 4 in early 2018 compared to 2017.

It is also interesting to note that all regions of NW Somalia show deterioration in the food security status with the worse deterioration being in Woqooyi Galbeed which shows a three-fold increase in the proportion of IPC 3 and 4 in 2018 from 2017. It must be noted that these results may have been due to inconsistent reporting thus suggesting further investigation or, the data was suggesting there is no correlation between increased CBA and improved food security status.

³⁴Source: UNFPA 2014 Somalia Population Estimates

³⁵Source: FSNAU Population Tables, Jan 2017 and Jan 2018 <http://www.fsnau.org/ipc/population-table>

³⁶Source: 3W database

Simple before and after comparison of the FSNAU IPC maps and population tables from January 2017 and 2018 show status improvement in some places, stability in others, whereas some seem to have worsened. While there are many factors possibly contributing to the inconsistent improvement in IPC phases, one informant thought there had been too much emphasis on IPC 3 and 4 areas, and not enough on IPC 2. The FS Cluster recommendation had been to provide only conditional CFW or livelihoods activities for IPC 2 areas, and unconditional CBA for IPC 3 and 4. One knowledgeable informant expressed concern that not all IPC 2 areas received CBA, and so they became IPC 3 or 4 because they were not supported.

According to the FSNAU-produced IPC food security overview map of January 2018 (see Figure 4: IDP camps are circled, yellow is IPC 2 and brown colour is IPC 3), IDP camps do not seem to have improved, and now often appear to show worse food security situations than surrounding areas. Presumably this relates to overcrowding and the limited resources available to cover all those in need; unfortunately, the scope of this evaluation does not allow for more in-depth analysis of the factors responsible for the deterioration of food security in camps.

Food Security Measures

Considering the number of distributions that occurred during 2017, there is only a limited number of PDM to review (33 in total) many of which are from the same organisations (11 organisations and one consortium).

However, review of these shows a range of outcomes, though they cover different areas or timeframes. FCS and CSI are the most widely used measures of food security. Half of organisations reporting use FCS and CSI, although not in every PDM, and some organisations use different calculations of the CSI.

Other measures include DDS, HHS, and the number of meals per day – see Table 2 for the number of organisations reporting these food security measures in the reviewed PDM.

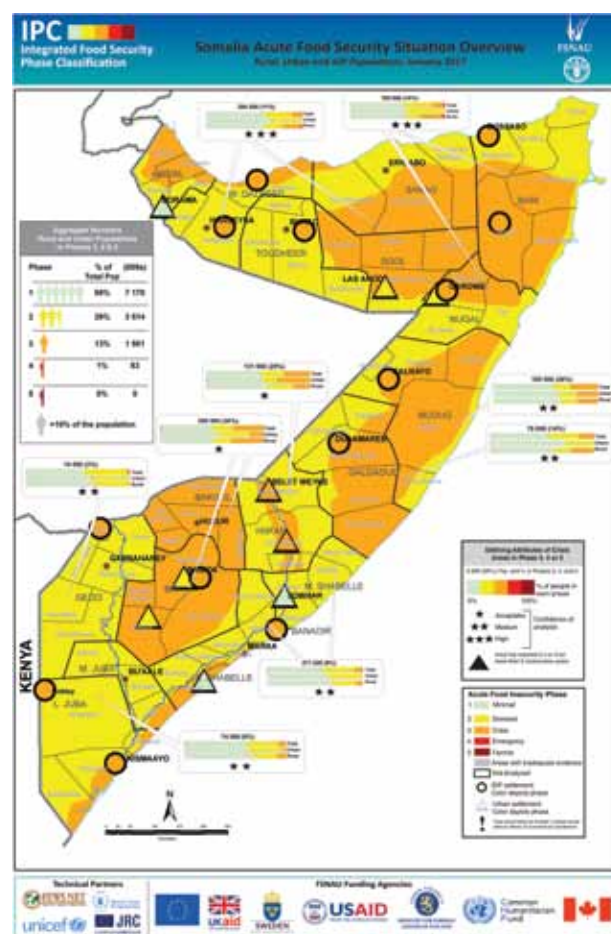


Figure 4: FSNAU Food Security Situation Overview; Jan 2018

Most PDM related to late 2017 show improvements in FCSs compared to early 2017. However, one PDM reports as many as 70% of households in the acceptable FCS category and only 7% in the poor category, whereas another PDM looking Somalia-wide reports only 35% of beneficiaries in acceptable and 46% in poor. This demonstrates the significant inconsistencies in FCS results (or the way they are measured) across different organisations and locations.

Reports do show consistent improvement in average CSI across all areas and organisations although individual households still show great variation in CSI.

TOTAL # OF REPORTING ORGANISATIONS	# ORGS REPORTING FCS	# ORGS REPORTING CSI	# ORGS REPORTING HHS	# ORGS REPORTING DDS	# ORGS REPORTING MEALS/DAY
12	6	6	4	2	3

Table 2: Frequency of food security measures reported by organisation in PDM

Three PDM from two organisations also report DDS, with scores ranging from 4.3 (Somalia-wide) to 5.2 food groups consumed by households, an improvement from baseline. The harmonisation of food security measures would allow a better comparability of findings between organisations.

All PDM show a great improvement in Household Hunger Scale at the end of 2017/early 2018 with significantly fewer households in 'severe hunger' and an increase in the 'little or

no hunger' category (as reported by three of the organisations). Meals per day (reported by two organisations only) show all households are between two and three meals per day compared to 1.5 at baseline. In an attempt to compare food security measure results across PDM, the evaluation selected three PDM published in the same time frame (September 2017) by three different organisations each reporting Somalia-wide FCS and CSI results; Table 3 shows FCS and CSI results as reported and the variance therein.

	PDM #1	PDM #2	PDM #3
FOOD CONSUMPTION SCORE	43% Acceptable 20% Borderline 37% Poor	56% Acceptable 13% Borderline 28% Poor	24% Acceptable 28% Borderline 49% Poor
COPING STRATEGY INDEX	Average 11.2 (Range 4.3 – 16.2)	Average 18.3 (Range 12.7 – 32.2)	Average 12.1 (Range 3.8 – 29)

Table 3: Somalia-wide FCS and CSI as reported by three organisations in September 2017

Beneficiary CBA Use

When asked what their highest (current) priority need is, almost all beneficiary groups said food, over a third said water, a fifth said shelter or medical costs and a few mentioned education costs – all considered basic needs for survival. This implies that the CBA was mostly designed for appropriate purposes.

When asked during FGD what the CBA was spent on, all beneficiaries reportedly also spent most of their CBA according to the sectoral Programme objectives – i.e. food, water, shelter and education, a finding shown in all PDM as well. See Figure 5 for the distribution of CBA purposes cited by the 58 beneficiary groups. Other common uses include debt repayment, clothing, medical. The fact that CBA intended for food needs was in some cases being used to also access water reflects the ongoing drought and suggests that more CBA could have been allocated for water (or multi-purpose use).

When asked whether the CBA covered their basic needs: three quarters of beneficiaries answered that it covered some but not all their basic needs. Of those who received CBA for food, most state that CBA allowed them to buy their preferred foods (rice, pasta, flour and sugar are the most commonly listed). Although the same number of beneficiary groups also report that the CBA was not enough to cover their family meal needs.

While only a small sample was asked, beneficiaries of water vouchers reported having access to clean water thanks to the assistance but complain of the restriction of the vouchers not being able to be used for other non-water purposes.

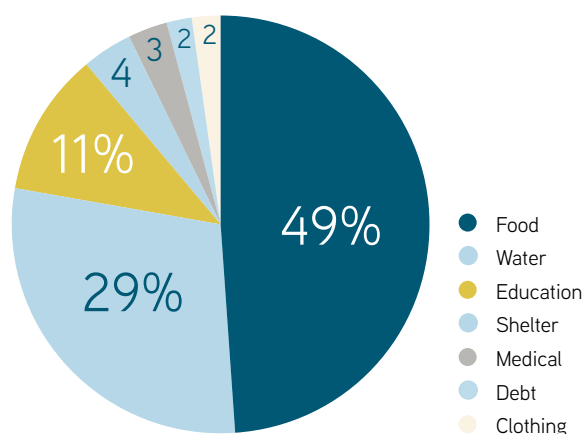


Figure 5: CBA use as cited by FGD (total; 58 groups)

Beneficiaries of shelter CBA reported using it for construction materials or NFIs (e.g. cooking, cleaning and sleeping items). Most of the shelter/NFI CBA beneficiary groups complained that the items they bought were expensive. Transportation costs was especially common among the village beneficiaries receiving food vouchers or cash through the *Hawala* agents located in the main cities.

³⁷<http://www.spherehandbook.org/en/shelter-and-settlement-standard-4-construction/>

CBA for shelter materials was usually 'conditional' and done in phases. According to good practice, this allows organisations to conduct quality inspections of work done by beneficiaries before additional instalments are given (and of course also ensure CBA is used for the intended purpose). There was a report that beneficiaries have been known to take advances on materials from vendors to complete the shelter before waiting for their final instalment. This shows both the importance of credit in Somalia and beneficiary commitment to completing their shelter. It also raises potential quality concerns if they did not purchase appropriate materials or have their construction works checked for programme quality compliance³⁷.

Livelihood investment (such as opening small kiosks or purchasing assets) was not a significant part of household expenditure compared to food and debt repayment. This is mainly due to the relatively low value of the cash transfers intended to be enough to cover mostly food. CBA for livelihood activities was mostly spent as intended according to PDM and FGD results, although these programmes represent a small proportion of overall CBA beneficiaries.

Somalia is recognised as having a cultural tradition of sharing, and two-thirds of beneficiary focus groups reported sharing their CBA with neighbours, relatives or friends, and sometimes several people. Sharing with community members mainly happens when assistance only reaches a part of the community or a small number of people. Beneficiaries also share the assistance with other family members who are most of the time away taking care of any remaining small animal livestock.

Such sharing allows assistance to reach non-beneficiaries, both supporting the community, but also building relationships and acting as a kind of 'safety net' for when they might be in need in future. While most informants recognise the cultural value of sharing, some are concerned of possible negative impacts on beneficiaries, or at least on meeting programme objectives when assistance is based on single household amounts. This fact of sharing was also recognised by organisations when evaluating their own projects, in that "sharing makes it difficult to assess impact."³⁸

Protection Impacts

Many GBV and other protection risks are recognised in Somalia, including those relating to conflict, displacement and concentration, and societal divisions aggravated by competition for resources. As described in targeting and beneficiary

selection sections above, some have likely been exacerbated by humanitarian assistance, and the humanitarian community has now made protection a central feature of the ongoing response plans³⁹.

Though CBA was not considered to have contributed to general protection concerns more so than other modalities, some informants were concerned about the potential for household conflict or damage to relationships when women (of male-headed household) received CBA. Only a few thought it would improve household relations. However, most of beneficiary focus groups (both male and female) reported satisfaction with who received the CBA in their household.

Few beneficiary groups, regardless of gender, reported any household conflict because of who was registered to receive CBA or resulting from CBA use. In fact, when asked whether the CBA has had an impact on household relations, a third of the groups (both men and women) stated the CBA has improved their household relations by boosting morale and building capacity. Very few groups mentioned CBA causing power struggles. While there are perceived risks that CBA being given to women can cause household tensions, there are also documented protection benefits associated with CBA being given to women⁴⁰, both of which require careful consideration when designing a CBA intervention.

Only a few groups reported that the selection process led to conflicts between households over entitlement and registration, and around a third say that being in receipt of CBA leads to community conflicts. Very few non-beneficiaries report any community conflict arising from the selection process or receipt of CBA. This variation between beneficiaries' and non-beneficiaries' perceptions of community conflict from CBA may result from non-beneficiaries under reporting of conflicts given that they may be the instigators of the conflict, however further exploration of this issue would enable a better understanding of community dynamics resulting from CBA. Some PDM report jealousy in the community due to some receiving CBA and others not. One PDM reported a concern over the marginalisation of men, those over 50, and the disabled or infirm.

Many informants, mostly in Somaliland, felt men were likely to misuse cash for *Khat*^{*}. However most beneficiary groups across the country did not report any misuse. While several groups did say that CBA was sometimes misused, including that some men bought *Khat or Miraa*^{**}, none were in Somaliland.

³⁸Jan_2018 CRS Final Report Afgooye Corridor UCT

³⁹Dec_2017 Somalia Humanitarian Country Team, Centrality of Protection Strategy – 2018-2019, pg. 1

⁴⁰Feb_2018 Adeso Mainstreaming Gender-based Violence Considerations in Cash-Based Interventions; A Case Study from Lower Juba, Somalia

^{*}A plant with stimulant properties.

^{**}A similar plant with stimulant properties.

While the problem of gatekeepers and taxation was recognised as a challenge in most areas and for all types of programmes, in Mogadishu there was an additional concern that humanitarian organisations focusing on newly displaced people possibly led to forced eviction of IDPs (and hence ‘new’ displacement) to attract more attention and thus more aid. It is unclear whether CBA might have exacerbated this problem.

Impact on Population Movement

The main concern about longer-term consequences related to whether assistance was seen by beneficiaries as a “pull factor” or giving encouragement to displace, and disincentives to return. This obviously negatively impacts rural communities, livelihoods and productivity. Certainly, there was large-scale displacement into some urban centres such as Baidoa and Mogadishu, leading to reports of overcrowded IDP settlements, and overwhelmed local services. Some feel IDP settlements appear to be experiencing deteriorating conditions, and limited funding will only make it worse.

Many informants thought the presence of aid was a key cause. Some thought that the drought was so severe that people would have moved anyway regardless of the presence of humanitarian aid. Others reported displacement in some locations due to conflict or insurgent group taxation on harvests and income, whereas government-controlled areas provided security. The fact that most assistance was not able to reach far beyond IDP camps or urban centres in some places such as Baidoa due to access constraints exacerbated the pull-factor effect, though wider distribution in other areas was believed to have reduced concentrations. The limited outreach of CBA teams by air to otherwise inaccessible areas as described in the geographic targeting section may have also helped reduce the pressure of new arrivals.

Most beneficiary groups in IDP camps and host communities reported people moving to the area in the hope of obtaining CBA, while half of non-beneficiary groups report people moving to the area for CBA. Though beneficiaries said that the CBA amount had an influence on people’s movement to the area, it is difficult to attribute CBA specifically as a cause, since any other assistance modality might have had the same results. Counter to the pull factor, some informants report that rural CBA for basic needs and livelihoods did help keep people on the land and in productive activities, and thus avert displacement. Existing resilience activities helped. There was still some displacement, but it was more localised to nearby villages rather than more distant urban centres.

There was limited evidence that organisations tried to encourage return of IDPs. People were considered generally not keen to return without support. A survey in early 2018⁴¹ found that over half of IDP intended to return if the situation changed or if they received assistance to return. However, in 2011, there reportedly had been a lot of diversion or ‘ghost beneficiaries’ involving return packages, so organisations might have been reluctant to do so again in 2017. Mobile money reportedly allowed some to return home at least temporarily, but requirements for monthly verification for CBA are restrictive, as are the practical limitations on the usefulness of vouchers or e-cards in remote locations.

There is widespread recognition among key informants and focus groups of the need to offer support in rural areas to entice people back, balanced with the need to provide livelihoods and services for the potentially permanent new urban populations. A few see cultural change already happening, unrelated to aid or CBA specifically, as household tensions are reported over the differing attraction of urban or village living vs. nomadic lifestyles.

Impact on markets and trade



FINDINGS

- CBA was widely seen as positive for markets, with concerns about inflation not supported by vendors or beneficiaries other than some ‘price-gouging’ (within vendor allowance) on vouchers.
- CBA promoted access to vendor credit and allowed consumption smoothing where needed.

Almost all informants saw CBA as having positive impacts on markets and the economy, and a few beneficiary focus groups reported that the markets benefitted from CBA. Some benefits were immediate due to the increased spending power, others more longer-term such as stimulation of more imports, and establishment of new trade routes.

Vendors generally reported that increased demand for food (which was mostly imported) led to increased supply and helped stabilise the market. Almost all increased their amount and variety of stock and saw increased business turnover and profit. Most reported to have opened new locations, though there are few details on where. Trade patterns also improved in some areas considered usually rather inaccessible, e.g. Hudur where vendors reported being able to source increased volumes required by road from Mogadishu or Baidoa despite roadblocks or ‘taxes’ that affected prices.

⁴¹Jan_2018 BRCIS – SW Somalia Survey Report Final

Though some informants were concerned about impact of CBA on prices, most saw no impact, and vendors reported no major changes. Monthly and quarterly price monitoring published by the CWG⁴² based on FSNAU, WFP and other organisations' data tended to find seasonal changes, or in some cases the increased price of water due to the on-going drought, but overall stable prices across the country.

The only other price concerns beneficiaries reported during focus groups related to some vendors raising prices for vouchers, but there were few reports of broader market price impacts. Only one organisation touched on market benefits in their PDM report which noted an increased variety of foods, better pricing and better quality. There were however reported difficulties by vendors around planning their stocks when transfer amounts changed suddenly; the vendors were left with unsold stock.

Cash was also largely used to repay loans and credit debt, which allowed for consumption smoothing. According to informants and traders, the availability of CBA also allowed otherwise credit-constrained households to access credit based on their beneficiary status, with the more regular the cash transfers, the better the creditworthiness. This use of credit for food was also seen in some endline assessments and other reports reviewed⁴³.

When transfers were delayed, traders indicated that they would give beneficiaries credit, also a sign of trust between them. Traders sometimes gave credit to beneficiaries before the next distribution to attract and keep more customers for their business. This again enabled consumption smoothing when transfers are not enough to last the month but could of course lead to problems when transfer cease if beneficiaries have gotten into excessive debt.

Few beneficiary groups report having opened bank accounts, made savings or joined savings schemes with the CBA. Some of the female beneficiaries (those mostly involved in CFW or livelihoods, but also a few recipients of unconditional cash transfers) did report joining the saving "*Ayuuto scheme*" during the three to six months they were receiving cash. With this money, some of them started small kiosks, sold clothes and others bought assets like goats to get milk for the family.



5. Sustainability (DAC Criteria 5)

Primary Question 3: To what extent has the CBA built systems and capacity for improved resilience in the future, and which are the concrete actions that can improve cash programming in Somalia, particularly with a view to longer-term programming and linkages between humanitarian, recovery, resilience and social protection interventions?

Did CBA build systems and capacity and how can it improve?



FINDINGS

- Relationships have been restored between buyers and vendors, an important safety net in Somalia.
- Mobile phone use has increased and on occasion there is better network coverage.
- Community assets are being developed through CFW.
- There is some protection of productive assets where programmes were targeted at place of origin.
- There is some improvement or support of basic services (e.g. schools, water).

Most of the CBA delivered in 2017 was emergency assistance designed to provide for households' basic needs. Most was not intended to build resilience or systems, other than multi-year projects that were already underway or planned prior to the January 2017 alert. There are cases of CBA contributing to building household or community systems and capacity, especially where the CBA was delivered in the framework of a resilience building programmes.

Financial systems and infrastructures existed prior to the crisis, and according to informants Somalia's remittance culture is far greater and more influential on financial systems and capacity than CBA has been. Presumably CBA contributed in those areas not previously reached, and especially for beneficiaries not receiving remittances e.g. other than the typically wealthier, urban and female headed families as found in one World Bank study⁴⁴.

⁴²For example: Cash and Markets Quarterly Dashboard- Somalia, <http://www.cashlearning.org/downloads/somcwg-cash-and-markets-quarterly-dashboard-jan-to-march-2018.pdf>

⁴³For example: March_2017 ACTED-EU Endline Baidoa Ceelwaq

⁴⁴Jul_2017 World Bank, CWG - MM Ecosystem Final presentation WB

The finding that CBA enabled many households to repay, and even clear debts with market vendors shows a longer-term benefit; this is an important relationship in Somalia where credit is often extended by vendors, especially where the buyers' main source of income is generated through seasonal activities such as livestock or agriculture.

Informants and at least one service provider reported an increase in mobile phone use, particularly in Somaliland, which may, in part, be attributable to organisations distributing mobile phones and SIM cards to beneficiaries who did not previously use them. In Somaliland, a telecommunications company reports installing new infrastructure to enhance their network coverage to facilitate the delivery of CBA; lucrative for the company while enhancing the potential for using mobile money to those who previously did not have adequate network to use it. Organisations and mobile network providers report having offered support systems to illiterate phone users to reduce exclusion issues.

CFW initiatives, which involve community assets, such as feeder roads or water systems rehabilitation projects, are often considered to contribute to the community's resilience by both beneficiaries and informants. The works carried out enable the development of the community assets, thereby enhancing the community's capacity to access markets or basic services, while simultaneously providing an income to vulnerable households selected to participate in the work.

Likewise, CBA specifically for IGAs, such as cash for agro-inputs or livestock, are recognised as contributing to the households and community's resilience by protecting productive assets, promoting the production of diverse, and sometimes nutritious foods, as well as reducing vulnerability in the community. However, according to informants, IGA need to be adapted to the extreme climatic shocks that prevail in Somalia which severely impact natural resources, and subsequently lead to significant deteriorations in livelihoods. There is an increasing focus within the international community and the authorities of Somalia on building adaptive capacity and resiliency of pastoralists and agro-pastoralists; CBA for livelihoods should remain in touch with this discourse and ensure timely integration of adaptive theories and strategies into CBA interventions and contract experts in the subject to advise Programme design.

Some CBA has contributed to improved access to basic services by bringing the services closer to the people. With the availability of water vouchers, and therefore a better purchasing

power within the community, water vendors are delivering water to communities rather than households having to collect water from, sometimes, distant sources.

The CBA provided to enable children to attend school has contributed to children's educational attainment, an important aspect of building resilience. CBA in education is likely to have additionally contributed to school revenue thereby allowing schools to maintain standards which may not have been possible with higher drop-out rates. The establishment and strengthening of school management committees also promotes better basic services in the future. In addition, the school feeding, and school water programmes are important to protection outcomes, which further contributes to improved resilience.

Most beneficiary groups interviewed during the evaluation would like to see CBA accompanied by improvements to basic services (health, education, water), as well as CBA for income generating activities such as trainings, employment opportunities and business establishment. A few beneficiary groups also requested that CBA be used to enhance access to credit and others suggested that CBA could be focused on reaching rural communities and enabling the return of displaced families.

Another suggestion on the part of beneficiaries is to improve CBA targeting to avoid duplication, a suggestion which echoes the feedback provided by many key informants that CBA requires a central and interoperable registration platform, especially in view of the poor population administration systems found in Somalia. This would also help the government authorities if incorporated into the eventual Social Protection system authorities are considering.

One coherent central registration platform would facilitate targeting and potentially allow for more vulnerable people to receive assistance, but also provide linkages between the humanitarian, recovery and development phases and actors. While it is largely agreed that an interoperable registration platform is technically viable with enough resources, it would likely be challenging for a variety of reasons. Data protection challenges are both technical in terms of implementing effective systems, and ethical in terms of ensuring standards of appropriate data collection and use could be ensured. Data management challenges are more political in terms of which organisation would 'own' the systems and data therein, and therefore be able to control access.



6. The Grand Bargain

How did CBA perform against the Grand Bargain Commitments?



FINDINGS

- All informants said organisations now see CBA as a routine humanitarian response option.
- A few organisations tried new approaches, but few collect evidence, and there are no joint markers.
- Some guidance or tools were issued, but not all were finalised. Coordination needs improvement.
- Most informants believe that the scale of funding and programming will be overall reduced in 2018.

In May 2016 at the World Humanitarian Summit in Istanbul, Turkey, global donors and major humanitarian organisations agreed to a set of Grand Bargain commitments to improve humanitarian aid. The commitments related specifically to CBA are:

1. Increase the routine use of cash alongside other tools, including in-kind assistance, service delivery (such as health and nutrition) and vouchers. Employ markers to measure increase and outcomes.
2. Invest in new delivery models which can be increased in scale while identifying best practice and mitigating risks in each context. Employ markers to track their evolution.
3. Build an evidence base to assess the costs, benefits, impacts, and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof.
4. Collaborate, share information and develop standards and guidelines for cash programming to better understand its risks and benefits.
5. Ensure that coordination, delivery, and monitoring and evaluation mechanisms are put in place for cash transfers.
6. Aim to increase use of cash programming beyond current low levels, where appropriate. Some organisations and donors may wish to set targets.

The findings from this evaluation show that CBA has improved considerably since 2011, but also that while organisations working in Somalia have made progress against some of the 2016 Grand Bargain commitments, they still struggle to meet some of its collective ambitions.

In Somalia, all organisations now see CBA overall as a routine humanitarian response option. That is a significant change from the 2011 response and has increasingly been the case in the years since. The oft-quoted number is that 50% of assistance in 2017 was done using CBA, significantly more than the global average of 10%⁴⁵. There has also been an increase in consideration of cash versus vouchers, though food usage concerns still influence much thinking – both often related to donor preference or agency mandates. The relative lack of multi-purpose cash also shows that the global movement in that direction by others has not yet fully reached Somalia.

A useful marker for CBA use by the humanitarian community is the OCHA data visualisation online platform, though it does not capture funding from local government authorities, non-traditional donors, the private sector, or public charity. There is also very little information on remittances (nor was this evaluation able to measure them). There did not seem to be any consistent markers for measuring outcomes beyond the use of FSNAU reports, but those are not attributed to any specific assistance.

The overall comprehensive rollout of CBA ‘at scale’ was considered a new model or approach compared to the more tentative previous scale up of responses in 2011. Otherwise a few organisations tried new or shifts in methods, though others said there was limited time or money to pilot new approaches. One organisation report⁴⁶ described having piloted an online beneficiary management database integrated with a mobile provider, which showed significant improved ability for remote Programme management and monitoring.

Other examples of new approaches include the shift from use of *Hawala* to mobile money, the use of biometrics (or use at scale), the coupling of unconditional cash to customised livelihood input packages or IGA, and education for CBA. One donor piloted a requirement (and funding) for Third Party Monitoring and is now reportedly considering expanding the concept.

Though there were a few workshops held to discuss CBA progress and challenges in 2017 which called for developing an evidence base, there is little sign of it being done. That is not particularly surprising given the urgency of the on-going response. Arranging this joint evaluation was a successful outcome of the CWG discussions and will be a good start though finding consistent data was a challenge.

⁴⁵2018_CaLP State of the World's Cash Report

⁴⁶Jan_2018 CRS Final Report Afgooye Corridor UCT

Conclusion

Impact measures used are mostly food security related. There are no unified markers for CBA overall, though the CWG is now working on these as part of the monitoring and evaluation (M&E) framework. The CWG also developed a risk matrix to document issues, and several organisations share market risk analysis and price monitoring through the Food Security (FS) Cluster.

The CWG work on recommended transfer value was appreciated by most informants if not in the end followed by all, and now needs reworking. Also, the new M&E framework will be helpful if robust when finished. The FS Cluster also shared assessment tools, and donors issued some guidelines such as the third-party monitoring and use of village relief committees.

While it was recognised that the CWG is not part of the cluster system, the confusion in some locations between the work of the local CWG and the food security cluster might have been resolved through clearer understanding of roles. Since most CBA was for food, the collaboration between the CWG and the FS Cluster at higher levels made sense and reportedly functioned well, but it seems the messaging or support did not make it to field level.

Due to the multiple needs targeted by multi-purpose cash, coordination across sectors/clusters is also needed to ensure operational and technical coherence. Operational coordination is the role of the Inter-Cluster Coordination (ICC) group, but it was not clear how much coordination looked at the specifics of multi-purpose cash. The ICC mechanism was engaged with the CWG on technical issues, though as in many countries there did not appear to be a formal relationship. This may also relate to the bigger and on-going global discussion of where cash coordination best 'fits' within a cluster system designed for sectoral coordination. The HCT as the 'implementer' of the Grand Bargain commitments in country could engage to help this process.

Informants believe, and funding trend analysis report⁴⁷ that the scale of funding and programming may be overall reduced in 2018, likely due to expected improvement in food security situation⁴⁸ and other priorities elsewhere. It will likely therefore be difficult to expand use of CBA overall. The CWG has already held discussions about finding solutions. Some organisations do plan to increase the percentage use of CBA in 2018,

while others will use less CBA for basic needs to focus more on resilience activities. Donors are keen to see more such recovery and resilience activities, including the use for the productive sector, revolving funds, assets, etc. and more use of conditionality, so more funding may become available for that.

Many informants expressed an interest in 'safety nets' and 'social protection' to support vulnerable households in time of crisis. Much work is being done or planned in 2018⁴⁹ by government, donors, consortiums and organisations on mobilising funding for and piloting new food security and social protection safety net approaches. There is also a lot of ongoing global research and development that the Somalia humanitarian community could engage with.

CONCLUSION

This evaluation has looked in detail at a wide range of questions across a large and diverse group of organisations, projects and locations, without intending to evaluate any specific one. Per the terms of reference, evaluation and analysis was focused on CBA alone, with only anecdotal comparisons to in-kind and other approaches as reported to evaluators. The following groups and summarises the key successes, opportunities and challenges generally found to be facing CBA in Somalia and recommends some ways to address them. As necessarily generalisations, the findings and recommendations should not be taken to refer or apply to every organisation, project or location in Somalia, though all organisations should review and consider whether and how they apply to their circumstances. Recommendations are not intended to be prescriptive and should be seen as possible options rather than as contradictory directives where suggesting alternative approaches.

Relevance, Effectiveness and Impact

CBA was clearly a relevant and appropriate response to drought in Somalia and for longer-term resilience activities. The strong market system generally means beneficiaries can purchase both basic and livelihood-related needs. Beneficiary preference for CBA, its widespread acceptance, the organisational expertise, and the presence of service providers all mean CBA is feasible where markets exist, and where acknowledged security and fraud risks and costs can be well managed.

⁴⁷Compared to 2017, the reported funding trends show decrease. While the resources committed against the HRP in the first months of 2018 were close to 2017, the gap has been widening since March 2018, https://www.humanitarianresponse.info/sites/www.humanitarianresponse.info/files/documents/files/somalia_humanitarian_funding_20180611_analysis.pdf

⁴⁸<http://jews.net/east-africa/somalia/food-security-outlook/june-2018>

⁴⁹2018 Humanitarian Response Plan, strategic objective 4 and section on Multipurpose cash plans pg. 42



CBA is seen as a routine response option in Somalia, and donors and organisations were fast to react to the crisis. The humanitarian community then quickly took CBA to scale across much of the country with cash. CBA provided life-saving assistance to over three million people per month within four months of the famine alert being raised. The HRP overall met its objectives to meet the basic needs of people living in “crisis” and “emergency” phases of the Integrated Phase Classification (IPC). To a lesser extent, CBA also reached those in “stressed” food security situation. The 2017 response was generally considered much more effective overall than during the prior crisis in 2011.

Rural and remote area coverage however was still a challenge as described below, and other geographic targeting could have been better to avoid some gaps or duplication, and more coordinated with authorities. There were also some concerns raised by field-level informants over potential favouritism in the geographic targeting by local staff or local authorities. Vulnerability targeting was reported to be mostly appropriate. While there were concerns that the risk of duplication and overlap in selection was considerable in view of the scale of the response, this is not consistent with the findings of this evaluation. Few beneficiaries reported problems of selection, or said age, clan or gender mattered, though it is likely that ‘gatekeeper’ influence is difficult to avoid but was under reported. Targeting focused mostly on women, however few beneficiaries report household or community tension from CBA or its provision to women. It appears that men are much better informed than women on CBA selection and delivery, so issues of beneficiary communication should be addressed.

All sectors saw positive results from CBA where used. There was documented improvement in most food security measures (though different indicators, times and areas were reported), though FSNAU actual results data used did show an increase of people in IPC 3 and 4 in early 2018 in northwest Somalia. Updated data due in mid-2018 should be reviewed as part of trying to understand this deterioration. It would also be useful to harmonise indicators across organisations. CBA for water was considered successful, as were the more limited uses for shelter, education and multi-purpose cash that were studied. Livelihoods, agricultural productivity and other recovery or resilience support was a much smaller component of CBA in 2017 due to the focus on basic needs but was nevertheless beneficial and successful as described below. Many informants would like to see an increase in integrated cross-sectoral or multi-purpose CBA programming to support basic needs.

CBA was also very beneficial to the market system in Somalia. It boosted business and trade links, helped restore important relationships between buyers and vendors, promoted access to vendor credit, and thus allowed consumption smoothing. Inflation due to CBA was not seen as a significant problem. The business incentive offered by CBA also encouraged vendors to expand into underserved areas.

Recommendation 1: **Increase the use of CBA, especially integrated, multi-sector CBA**



Organisations should continue to increase the use of CBA and consider its use for beneficiary needs where it is not currently used as much, for example shelter/NFI, education and other family expenses. Cash can likely help meet those needs, though awareness raising, market support or vouchers may also be required in some cases to ensure an appropriate quality and quantity of items. Conditions can continue to be applied as appropriate according to global good practice to promote school and health centre attendance or other behaviour change, or to ensure compliance with shelter construction quality or deadlines for example.

Though sector-specific CBA is of course useful, it would however be better if integrated across or with multiple sectors to ensure all basic needs are being appropriately addressed and complemented with service provision as appropriate. This did not always happen and led to some gaps in meeting community needs in different sectors. We recognise that some agency and donor mandates can currently limit the use of multi-sector CBA or Multi-Purpose Grants (MPG), but that others at both Somalia and global level promote it as good practice. There needs to be joint work among donors, clusters and organisations to elaborate clear and cross-sectoral objectives for integrated CBA, especially around the use of multi-purpose cash. Senior level leadership will be needed.

CBA Use

Organisations used both cash and voucher modalities, and a wide variety of mechanisms (mobile money, electronic cards for e-vouchers or cash, *Hawala* or paper vouchers). Most of the CBA was unconditional. CBA modalities were reportedly often chosen for whether restricting use was considered important to Programme objectives regarding quality of consumption – a valid consideration, but also often seen as simply a donor or agency mandate constraint. Vouchers were also often chosen where needed to ensure supply. Beneficiaries mostly prefer cash over vouchers due to the flexibility and dignity of choice, and donors are increasingly encouraging the use of cash.

The proportion of cash rather than vouchers increased over time during 2017, sometimes in recognition of those advantages.

This evaluation found that unrestricted cash was used by beneficiaries for the relevant Programme-intended purposes i.e. primarily for food, and no significant problems were reported regarding some stakeholder fears of “misuse.” The remainder of the cash was appropriately used for other basic needs, including education, medical and communication costs, as well as some debt repayment, and whether it was intended as multi-purpose cash or not. Many informants and beneficiaries therefore suggest overly-tight restrictions on use of assistance may be unnecessary in many cases.

Vouchers were recognised as very beneficial where high levels of malnutrition or poor food quality was a problem, or where food, shelter or other items truly needed such market incentives to ensure an appropriate range and supply. Access to quality food is improving as a result, as more and more vendors agree to accept vouchers, but it is an intensive process which suffers some limited price-gouging by vendors. Water vouchers were also helpful to encourage vendor delivery, but even then, some beneficiaries complained of restrictions on use of the assistance.

Recommendation 2: **Reconsider if restrictions are needed on beneficiary use of CBA**



Considering the findings of preference and appropriate beneficiary use of cash, organisations could use more unrestricted cash where appropriate in place of vouchers, and particularly for food in places where markets can or can be supported to provide appropriate items. Cash provides more flexibility for beneficiaries and allows them to take advantage of the large and diverse cash-transfer economy. Thorough needs, market and other analysis are still required to determine the best response options, but as with the global shift from in-kind assistance to CBA, we could ask “why not cash (instead of vouchers)?” Vouchers may not always be necessary in a generally strong market economy such as Somalia. Quality concerns are of course valid, but organisations can consider a balanced approach to benefit from the advantages of cash. Though vouchers are often used to ensure quality, such objectives can also be met in a variety of ways beyond use of restrictions, including awareness raising, and market chain support to help remove obstacles to supply.

Vouchers are of course still often needed to address very specific concerns such as poor food quality or malnutrition or persistent lack of appropriate stock in remote areas, etc.

However, a complementary approach could also work in those cases to combine both focused vouchers or services with cash. Most transfer mechanisms, including the e-cards used for vouchers can be made to also provide cash ‘over the counter.’ By doing so, beneficiaries could use such cash to either buy their needs or top-up their own widely-used mobile money accounts for other goods and services where e-cards are not accepted.

Coverage

The humanitarian response was much better in 2017 than during the previous crisis of 2011, because it was both faster and better able to reach locations closer to where drought-affected populations lived. This reduced the distance and duration of displacement-related travel and likely saved many lives. A changed context including improved government control allowed much better access to people in need. Better coordination among organisations and donors enabled a faster response, including rapid disbursement of funds. Ongoing registration of target populations by resilience programmes or others in advance of the famine risk alert also helped.

All informants however still considered access a major constraint to programming of all types, either due to ongoing logistical or security issues, though there were few reported significant constraints specifically on CBA compared to in-kind or other programmes beyond possibly greater security risk. All informants recognise the programmatic and financial accountability challenges of remote management of CBA. Though all organisations assess and work to effectively manage risks, many informants however thought that the humanitarian community overall could have tried harder to find ways to reach more rural or remote areas or was too risk averse – particularly those risks related to accountability. Because of the still limited rural or remote access, beneficiaries moved to where aid could be reached, often leading to overcrowding. Many beneficiaries would be willing to return home if there was assistance available in those rural and remote areas, or they were assisted to return, but there was little evidence of organisations doing so.

Some organisations tried or suggested a variety of local partners or transfer mechanisms as possible solutions, each with their own advantages and disadvantages. Mobile money was often recommended by informants and some beneficiaries as a potential solution where coverage existed or could be established. Others were reluctant, as mechanisms were often chosen for whether they can support accountability of use by beneficiaries, and mobile money was often seen as



less transparent in that way. It is also currently seen by some as a potential liability to both organisations and beneficiaries due to the risk of financial collapse of service providers in the currently unregulated mobile money market. *Hawala* was sometimes used as it can offer otherwise difficult access to remote or insecure areas because of the local knowledge or acceptance of dealers.

The expansion of TPM by contracted external organisations was seen as a good complement for accountability for all mechanisms. Some agencies also tried innovative ‘fly-in/fly-out’ registration and verification to reach beneficiaries otherwise inaccessible by road.

Recommendation 3: Reconsider risks to reach more areas, possibly with mobile money



Operating in Somalia presents a variety of serious risks to both safety and accountability. As elsewhere, all organisations undertake risk analysis and some degree of mitigation to reduce risk. Better risk mitigation may be needed to allow operation in difficult environments. There are however limits to what mitigation can be done within a reasonable time, effort or expense or without negatively impacting Programme objectives and there is always some degree of remaining, or “residual risk” they must face. Expanding programmes to more rural and remote areas while ensuring reasonable safety and accountability will therefore likely require acceptance both of more such residual risk and of increased costs on the part of both organisations and donors. Advocacy will be needed, though donors may be more open than often assumed if well-considered risk management measures are in place for funds and personnel.

CBA mechanisms were reportedly often chosen for their ability to help ensure receipt and use by the rightful beneficiary. Different CBA mechanisms or processes can each be used either to increase reach or increase accountability as described in the findings, but often not both at the same time as each mechanism or process also tend to have both advantages and disadvantages. A combination of approaches and reasonable balance of pros and cons should be sought accordingly that still offer acceptable residual risk.

Organisations should for example consider how to adapt their policies and procedures while still achieving a reasonable degree of accountability. Sometimes where it relates to

verification or reporting this may require a change in mindset of finance and audit teams. Where it relates to physical security, staff and partner safety must of course be ethically managed to avoid simply transferring risk, but more use might be made of local staff and partners who understand how to operate in insecure areas. Finally, organisations can advocate for and continue to negotiate humanitarian access to insecure areas.

Organisations should encourage mobile phone providers to continue to expand phone network coverage to more rural and remote areas. Where appropriate they could then take advantage of mobile money for its widespread acceptance, its perceived cost-effectiveness and safety, and its ease in receiving top-ups, spending and sharing with others regardless of beneficiary location. This assumes that markets are accessible and have appropriate items – not necessarily the case in remote areas, so assessment is needed, and where they are not organisations would also or instead need to support market access or supply. All organisations will need to sufficiently address the concerns about verification, traceability and financial risk of mobile money within their risk management process and reporting, but many already do so successfully.

Organisations should continue the use of e-cards where vouchers are needed, but otherwise maybe emphasise e-cards in urban or peri-urban and IDP settlements. Because of the large and diverse populations in those locations, the e-cards’ advantages of easy biometric identification for accountability are greater, while the disadvantages of infrastructure needs are less. When usable for cash withdrawals, beneficiaries can also add money to their own mobile money accounts as described above for more flexibility and for use in other locations or by other family members.

Transfer Amounts and Funding

The CWG was initially successful at harmonising transfer amounts based on a market-derived MEB amount for an average household size. Over time some donors reverted to differing lower amounts, hoping to spread the funds further. Though limited in depth of data, the evaluation found no obvious differences in beneficiary-reported use or satisfaction with amounts given for the targeted basic needs. Regardless of the transfer amount, some said it was enough, others not enough. Many beneficiaries themselves suggested giving less money to more people, in the spirit of sharing common to Somalia.

There were however varied comments from beneficiaries and informants regarding the frequency (and related size) of instalments and questioning why monthly transfers were done. It seems that decisions on transfer amounts and frequencies could have benefitted from more consultation with beneficiaries in addition to the typical practice of monthly transfers based on an MEB.

Humanitarian funding in 2017 was considered substantial, but still not enough. The original Nov 2016 HRP beneficiary target was almost met by CBA alone, though not the higher May 2017 revised target. The 2018 HRP targets 5.4 million people and requests 1.5 billion USD. However, some informants worry that funding is likely to be reduced in 2018, though the percentage for resilience may increase. This means CBA for basic needs will need to reduce coverage, transfer amounts or duration, and find ways to improve cost-efficiency elsewhere, all while trying to reach more areas that involve added risk mitigation costs. All informants see CBA modalities as cost-efficient compared to in-kind, and generally mobile money being the most cost-efficient mechanism, but more savings will be needed.

Recommendation 4: **Reconsider transfer amounts, frequency and duration**



The CWG and partners need to revisit the issue of assessing beneficiary needs and preferences to try again to harmonise amounts for similar objectives in each location as appropriate, and work with communities to adapt instalment frequency. Some consideration should also be given to household size, at least for very large households. In the longer term, supplementary CBA could even consider individual household assets or income in defining gaps.

The humanitarian community needs to continue to discuss and agree on how to spread limited funds further, recognising that lower amounts may not have enough individual household impact, whereas progressively higher amounts may have diminishing returns on cost-effectiveness of population-level outcomes. Tighter vulnerability targeting could help, as could shorter duration assistance to address the most time-critical needs without giving beneficiaries the longer-term support they may also need.

Recommendation 5: **Minimise cost of delivering CBA programmes**



CBA modalities and transfer mechanisms have different advantages and disadvantages as described in the findings. The set up and delivery costs also vary, and given likely funding constraints, organisations should consider cost as part of

response options analysis, however there is insufficient data in Somalia to compare them. The CWG should also negotiate with service providers on behalf of others to harmonise and reduce fees using economy of scale.

Much of the actual cost of CBA in Somalia however is typical to all humanitarian programmes – things such as database management, registration and initial verification of eligibility, re-verification prior to next transfer, training on use, post-distribution monitoring, feedback mechanisms, logistics, etc. Those costs also go up in rural and remote areas where access is more challenging, or risks are increased, placing further burden on budgets.

To reduce costs therefore, the chosen programmatic design and accountability processes could also take advantage of the benefits that different mechanisms offer. For example, mobile money can be topped up automatically regardless of where the beneficiary is, so programmes do not need to physically see the beneficiary for top-up except possibly for periodic re-verification or confirmation that they still have the mobile card. In difficult to access areas, this might also reduce the overall security-related risks and costs, though of course increases the accountability risk. Organisations need to agree with donors on ways and acceptable risk to sufficiently verify holders or account for spending without regular physical contact. Accepting reporting from service providers and remote monitoring by call centres is already used by many organisations, and other means can be tried. Where biometric identification is used by e-cards for making purchases, only registered beneficiaries can use the card. Requiring any re-verification of identity prior to top up would no longer be required if those cards could be topped up remotely without intervention of field staff – for example at vendors or self-service points. Technological options should be studied and considered.

The final cost saving is the direction that some donors are moving in; to encourage consortiums or joint operations where organisations each take on different tasks of registration, verification, distribution, top-ups, monitoring, etc. to drive greater cost-efficiency through economy of scale, possibly using one centrally managed platform. Somalia may not be ready for this approach given the range of modalities and mechanisms in use, but private service providers are also keen to engage and can offer financial systems or monitoring services.

CBA for Recovery

The majority of CBA was used to provide basic needs; therefore, few people saw much positive longer-term impact of humanitarian CBA. Furthermore, there were some concerns



of CBA creating dependency. However, there was some positive support to recovery which could be expanded. Beneficiaries and informants liked provision of CBA for income generating activities, as it could also help prevent or reduce the risk of dependency of unconditional basic needs CBA. Savings and loans schemes are effective and popular and provide otherwise unobtainable access to capital. Some community assets were developed through CFW. There was some protection of productive assets where programmes were targeted at place of origin. Some innovative practices complement customised livelihood input packages with cash to leverage the impacts of both. Many informants stressed a need to support natural resource management.

With the extent of both agro-pastoralism in Somalia and the likely on-going urban presence of so many displaced persons, there is a huge need for both better livelihoods and increased productivity. It is clear from the findings of this evaluation that CBA can be used in a variety of ways to promote livelihoods and productivity. Existing resilience programmes successfully make use of CBA, and some continued during the drought crisis to help reduce displacement and promote recovery.

Finally, the government-led of social protection programmes are being considered which will need much support from the international community. That many organisations are already engaging is a good sign. The World Bank is reportedly considering a pilot using mobile money that could provide an opportunity for humanitarian organisations to share good practice.

Recommendation 6: Expand CBA for recovery and resilience



Expand the use of CBA for urban and rural livelihoods and productivity to protect productive assets. This can include grants for Village Savings and Loans Association (VSLA) and small business credit, crop or asset insurance, etc. Be sure to use the Minimum Economic Recovery Standards (MERS – a companion guide to Sphere). Accompany IGAs with unconditional cash for basic household needs but phase it out over time as beneficiary assets and incomes grow. This can enhance the success of the IGAs preventing the need to use IGA-related assistance instead for basic needs, and by reducing the financial strain on the new venture during the start-up phase. As suggested by some informants, combine CBA with support for the management and rebuilding of natural resources such as soil and water sources, to help strengthen environmental resilience to future shocks. Consider defining and adopting innovative IGAs that are suitable for Somalia's extreme climatic conditions.

The humanitarian community should continue to find ways to support the development of government social protection programmes, and as is now considered good practice, organisations should consider how to work with government to use those programmes for the delivery of humanitarian CBA.

The ongoing displacement and conflict raises many protection issues, which also have an impact on recovery and resilience. While outside the remit of this evaluation or report, this will need to be addressed in future CBA, both as a possible contributor and to help alleviate them.

Coordination and Information Management

All informants considered the CWG to be very effective and dynamic at the Nairobi level, and a much-appreciated platform for discussing CBA operations and decisions across sectors. While much progress has been made, there is a call for the CWG to finalise its efforts to develop a set of robust and effective guidance, standards and tools for CBA. There were also requests for more government involvement in the discourse around CBA in Somalia.

There was some confusion at the regional level between the role of the local CWG where it existed and the local clusters which led to some duplication of coordination efforts. This was mostly an issue with food security because of the overwhelming use of CBA for that purpose. The clusters are intended to be operational coordination while the CWG is intended to focus on technical cooperation, but it seemed these roles were not distinctively clear in some cases.

Government of various levels expressed concerns over not being consistently engaged on CBA discussions and delivery, despite an interest to do so. Capacities and coordination mechanisms with government at all levels needs strengthening. The lack of population administration systems in Somalia and the diversity of incompatible registration mechanisms means it is difficult to coordinate humanitarian assistance and measure its effectiveness.

Despite the strong effort made by CWG and UNOCHA, there was limited reliable data in cash 3W. This was a missed opportunity as a solid database would have helped in evaluation and could also help enable organisations and the CWG to better tailor and coordinate and CBA programmes.

At organisational level, PDM are regularly carried out, and TPM appears to be increasingly requested by donors for its potential for objectivity. Organisations also used slightly different calculations, and therefore incomparable measures of food security indicators.

While feedback mechanisms are in place there was inconsistent and, in some cases, poor awareness and limited use of them.

Across organisations, diverse and incompatible beneficiary registration, verification and monitoring systems make it very difficult to avoid gaps or duplication and measure effective coverage. Lack of national ID also makes it difficult to cross-check lists. Many organisational informants call for a centralised system useful to both the humanitarian and development community as well as authorities. Most, however, recognise both the practical technical challenges, and the ethical and 'political' ones including data privacy and ownership. Technical ones relate to implementing effective systems, and ethical ones to ensuring standards of appropriate data collection and use. Political challenges arise in terms of which organisation would 'own' the systems and data therein, and therefore be able to control access.

Recommendation 7: **Clarify roles and improve** **Information Management**



The roles of regional CWGs and clusters should be clarified and clearly implemented. Though most CBA in Somalia is in food security and livelihoods, it's also a cross-cutting, cross-sector activity. The CWG and the inter-cluster coordination group managed by UNOCHA should work on the broad strategic issues affecting CBA. These include cluster-CWG roles, the appropriate use of CBA mechanisms to expand reach while ensuring accountability, defining appropriate joint objectives for multi-purpose cash, and ensuring effective Information Management (IM). Joint CBA analysis and coordination mechanisms, communication plans, and agreed transfer amounts and standards should be in place based on lessons learned from 2017.

There needs to be a more effective process for reporting and the coordination of CBA 3W needs to be used systematically and consistently by all stakeholders. The support of the inter-cluster mechanism and, if necessary the HCT, can be sought for compliance of reporting organisations. Donors can support the process by also expecting reporting on CBA the way they do on use of gender and protection markers.

Finally, there are recognised bigger challenges in that CBA and the CWG do not fit neatly into the cluster system, and that some global agencies and other organisations are competing for influence or control over CBA. A pragmatic approach needs to be taken. The CWG has shown itself effective in bringing together donors, organisations and consortia for practical results. It should expand and engage with government, the private sector, and technical and research bodies as well to foster broader coherence and connectedness outside the humanitarian community.

Recommendation 8: **Work towards an interoperable** **or common registration system**



Organisations should harmonise current data collection and sharing protocols, then move towards an interoperable or common registration system using both biometric identification and national ID where available.

It is key to recognise that each stakeholder has different needs or use for the data, even within the humanitarian system, so organisations should aim for a minimum set of unique identification data with the ability to add layers as required.

Authorities need to oversee policy setting, with system management by the UN or private sector and funding by development donors. All should refer to global guidance and standards already developed for data privacy and protection.

In Summary

During 2017, the CBA community in Somalia has helped to reduce the risk of famine and save lives and livelihoods in many areas. The rapid response and significant scale up are impressive. The approach to learning and change reflected by convening the CWG and this evaluation is also remarkable and should be further encouraged and supported.

There are many successes and opportunities, but also challenges in the coming year – not least the necessary and recommended shift from survival CBA to recovery and resilience. The on-going crisis for many vulnerable and displaced households demands yet more reach and coverage which will require more innovation and considered risk-taking by all organisations at all levels. Security and especially accountability concerns cannot be allowed to take precedent over the humanitarian imperative to provide neutral life-saving assistance where needed.



A challenging funding environment means that organisations individually and collectively need to find more cost-effective and cost-efficient means of delivering and accounting for CBA at scale both in the near term and in future crises. There are opportunities that can be seized to take advantage of more targeted use of modalities, mechanisms and monitoring. Effective collective and individual preparedness can be done, and support is available from CaLP, as well as donors.

Urgent needs and gaps remain. The broad humanitarian structures, mandates and systems can be an obstacle, and organisational inertia can be challenging, but progressive change is possible. Collective leadership will be required, but the humanitarian community is well placed to succeed, especially with the support of the CWG. Using the findings and recommendation in this report we hope will help all those concerned to gather, discuss, agree and take the next steps.

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A caravan of camels cross a road in Sanaag

ANNEXES

ANNEX 1: EVALUATION TERMS OF REFERENCE

Terms of Reference Joint Evaluation of the Humanitarian Cash-Based Response Somalia Response 2017

1. Background

A famine alert was issued for Somalia in January 2017. This was the third rainy season in a row that was below average. The cumulative effect was that crop harvests and livestock productivity declined sharply. By May 2017, 6.7 million people were considered to be at risk of food insecurity. Following the post-Gu assessment by FSNAU in August 2017, an estimated total 6.2 million people were in need of humanitarian assistance, and over 3.1 million people were facing acute food insecurity and classified as being in Emergency Phases 3 and 4 as per the Integrated Phase Classification (IPC). Overall, some 388,000 acutely malnourished children were in need of critical nutrition support, including life-saving treatment for more than 87,000 severely malnourished children. Since November 2016, 1.2 million people have been internally displaced, mainly by drought but also by conflict. Cholera/acute watery diarrhoea and measles outbreaks also remained a big concern. The humanitarian community mobilised quickly when the famine alert was raised in an effort to prevent famine and save lives. A significant part of the response was delivered as cash-based assistance (CBA). CBA has been used in humanitarian response in Somalia since 2003. During the 2017 famine prevention response, the use of CBA significantly scaled up, reaching up to three million individuals each month. Somalia's robust markets and dependence on imported foods unaffected by drought, as well as humanitarian access constraints across much of the country limit the transport of in-kind assistance and mean that CBA is seen as an essential tool to meet needs across much of the country. The large majority of the 2017 CBA (75-85% each month) has been delivered through the food security cluster with the objective of meeting food security needs. However, CBA is also used to meet water and sanitation, shelter, education and protection needs, as well as multi-purpose cash intended to cover multiple basic needs. The assistance is delivered as

cash or vouchers, and through various transfer mechanisms, including electronic payment cards, mobile money or cash-in-hand. Data collected through the clusters shows that the vast majority of CBA delivered during the response has been unconditional and about half of the CBA has been restricted (primarily vouchers) and about half unrestricted.

The inter-agency Cash Working Group (CWG) started convening in February 2017, on the backdrop of the increase of agencies using CBA to respond to the drought. The CWG is intended to provide a forum for agencies engaged in CBA in Somalia to engage, share learning and coordinate activities. The CWG also provides guidance on transfer values, produces a monthly markets dashboard, discusses CBA-related M&E and risk management, and engages with mobile money providers etc. The group meets every two to three weeks.

As part of its work to share lessons learned and identify areas for CBA delivery improvement, the CWG is commissioning this joint evaluation of CBA to the 2017 famine prevention response for Somalia. The evaluation is joint in nature and will not evaluate individual agencies' responses but rather take a collective view of the CBA delivered in the 2017 response.

2. Objectives of evaluation

The overarching objective of this evaluation is to review the joint performance and impacts of the humanitarian CBA in the 2017 response as the basis for improved CBA programming and delivery, as well as to examine the sustainability and different ways forward for how to continuously use CBA on a large scale in Somalia. It will support CWG partners to identify areas for improvement and shape the on-going response in 2018.

⁵⁰Cash Based Assistance (CBA): CBA refers to all programmes where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, household or community recipients; not to governments or other state actors. CBA covers all modalities of cash-based assistance, including vouchers. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash).

The term can be used interchangeably with Cash Transfer Programming, Cash Based Interventions, and Cash and Voucher Programming. Please refer to the Cash Learning Partnership (CaLP) glossary of cash transfer programming: <http://www.cashlearning.org/resources/glossary#CTP>

The Humanitarian Response Plan 2017 for Somalia outlined the following overall objectives, across sectors and modalities:

1. Provide life-saving and life-sustaining integrated multi-sectoral assistance to reduce acute humanitarian needs among the most vulnerable people.
2. Reduce acute malnutrition levels in settlements for internally displaced and host communities through integrated multi-sectoral emergency response.
3. Reinforce the protection of the displaced, and other vulnerable groups at risk.
4. Support the restoration of livelihoods, promote basic services to build resilience to recurrent shocks, and catalyse more sustainable solutions

In particular, objective 1 and to some extent objective 4 were supported with CBA among other modalities. The evaluation is intended to focus mainly on these two overarching objectives and primarily on objective 1. In addition, the evaluation will examine agency-specific objectives related to the CBA. It is important that the evaluation be mindful that CBA comprises response *cash modalities* and is used alongside other modalities (in-kind assistance and services) to achieve given objectives.

Against this background, the evaluation will be undertaken against the five DAC evaluation criteria⁵¹:

1. Relevance
2. Effectiveness
3. Efficiency
4. Impact
5. Sustainability

Within the overarching framework of the DAC criteria, the evaluation is expected to answer the following **primary questions**:

- P4. How did the CBA **perform against** the stated objectives, OECD DAC Criteria and Grand Bargain Commitments on cash⁵²?

- P5. How did the CBA **impact** Somali households and markets, as well as meet the recipients' needs?

Analysis can include (but is not necessarily limited to) emergency response outcome indicators and coping strategies, impacts on markets, trade, and population movements, and protection outcome indicators.

- P6. To what extent has the CBA **built systems and capacity** for improved resilience in the future, and which are the **concrete actions** that can improve cash programming in Somalia, particularly with a view to longer-term programming and strengthening of linkages between humanitarian, recovery, resilience and social protection interventions?

After answering the primary questions, the evaluation will also seek to examine the following **secondary questions**:

- S1. What analysis underpinned decision making on transfer modalities (cash, voucher, in-kind)?
- S2. How was feedback from affected communities utilised to inform changes to the response over time?
- S3. How was CBA used to reach targeted populations?
- S4. What impact did the role of community structures, exclusion/inclusion of social groups, gender and age have on access to and utilisation of CBA?
- S5. Did different or varying transfer amounts lead to different outcomes?
- S6. How did inter-agency cash coordination perform and how can this coordination improve?
- S7. What are the opportunities, comparative advantages and limitations of using CBA to meet humanitarian objectives across all sectors in Somalia in future cash-based programming?

⁵¹As per OECD DAC, additional criteria to review within the context of a humanitarian evaluation include Connectedness, Coherence and Coverage. These criteria should also be considered during the evaluation. Please refer to the ALNAP Guide for Humanitarian Agencies on Evaluating Humanitarian Action using the OECD/ DAC Criteria <https://www.alnap.org/system/files/content/resource/files/main/eha-2006.pdf>

⁵²The Grand Bargain Commitments on Cash: (1) Increase the routine use of cash alongside other tools, including in-kind assistance, service delivery (such as health and nutrition) and vouchers. Employ markers to measure increase and outcomes. (2) Invest in new delivery models which can be increased in scale while identifying best practice and mitigating risks in each context. Employ markers to track their evolution. (3) Build an evidence base to assess the costs, benefits, impacts, and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof. (4) Collaborate, share information and develop standards and guidelines for cash programming in order to better understand its risks and benefits. (5) Ensure that coordination, delivery, and monitoring and evaluation mechanisms are put in place for cash transfers. (6) Aim to increase use of cash programming beyond current low levels, where appropriate. Some organisations and donors may wish to set targets. https://reliefweb.int/sites/reliefweb.int/files/resources/Grand_Bargain_final_22_May_FINAL-2.pdf

⁵³Cash Learning Partnership (CaLP) glossary of cash transfer programming: <http://www.cashlearning.org/resources/glossary#CTP>

While answering these primary and secondary questions, the evaluation must consider **differences between types of CBA** (e.g. cash vs vouchers, different transfer mechanisms) and differences in targeted populations. To the extent possible, the analysis should be disaggregated by gender and age.

3. Scope

The evaluation will cover the humanitarian CBA made by CWG partner agencies as part of the 2017 Somalia drought response e.g. transfers taking place from the beginning of 2017 until the time of the evaluation. CBA refers to all programs where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, household or community recipients⁵³. It will describe how cash assistance has been used in the 2017 drought response, including the reach, types and modalities of CBA, the partners involved and the objectives of the assistance. As part of the background analysis, the evaluation should comment on the evolution of CBA in Somalia since the last major drought crisis in 2011. In addition, the evaluation is expected to give further consideration to the one-year period immediately before the 2017 response, with a view on early warning, planning and preparedness measures which were or could have been undertaken with regard to CBA.

While the evaluation covers CBA by CWG partner agencies, the evaluation is expected to take into account other types of assistance (and by other actors) delivered as part of the 2017 response, as well as remittances sent by the Somali diaspora. This assistance is not the subject of the evaluation, but it is important that the evaluation recognises their existence as well as possible overlap, complementarities or synergies with the CBA.

The evaluation is joint in nature and will not evaluate any individual agency's response or performance. It will take a collective view of the CBA delivered, drawing on examples and lessons learned from the agencies engaged in the evaluation. The evaluation should seek to complement, not overlap with, ongoing or planned evaluations by CWG partners. CWG partners should avail any research, studies or evaluations relevant to the evaluation team to ensure complementarity.

4. Methodology

The evaluation will employ mixed-methods, and consist of the following:

1. A desk review of existing literature and key partner documents;
2. Interview with key stakeholders;
3. Meta-analysis of existing primary data sources (from CWG partners' data collection);
4. Qualitative primary data collection through focus group discussions and engagement with different social groups in the field;
5. Quantitative primary data collection to the extent possible through existing partner set-ups, including but not limited to call centres, post-distribution monitoring and others. Where appropriate and time and budget permits, primary quantitative data can be collected through household/trader surveys.

As much as possible, the evaluation will leverage and work with existing field presence and data collection mechanisms of partners, while still maintaining neutrality in the collection and collation of information. Data collected, analysed and presented should be disaggregated by gender and age, wherever feasible. Consultation with Somalis at all levels should be prioritised, including but not limited to beneficiaries, community leaders and government, frontline and senior staff. Interviews with private sector actors and partners should also form part of the evaluation, particularly mobile money operators, *hawalas* and banks, and retailers. The evaluation team is expected to engage with affected social groups on their experience of cash within the wider context of change in their lives and their insights on how cash programming can be more effective and improved. Diligence should be taken when focus groups are composed, allowing participants to share their experiences and opinions freely and honestly. Due consideration must be given to balancing genders, ages and social groups.

The review should meet high ethical standards and avoid assessment fatigue of affected populations. CWG member agencies will be expected to be available, facilitate logistics when necessary and participate in the review.

5. Deliverables

The consultants are expected to deliver the following deliverables over the course of the contract:

Inception:

1. A maximum five page inception report

Action learning:

2. A one-day Learning and Action workshop for CWG partners/other key stakeholders.

Finalisation:

3. A maximum 30-page final report (excl. annexes) including a two-page executive summary
4. A one-day final event presenting and working on final report recommendations.

The deliverables are described in detail below:

Inception report: Once contracted, the consultants should provide a maximum five-page Inception Report demonstrating understanding of this ToR and propose participatory and inter-active methodologies to address each of the evaluation questions. This should include an evaluation matrix/ analytical framework with the targeted sources of evidence/ data, methods/tools, constraints, dependencies, risks and opportunities associated with answering each question. Any limitations of the process should be identified. Both qualitative and quantitative methods should be applied, and the balance between the two clearly stated and justified. To the extent possible, the evaluation should leverage CWG partners' own data collection (feedback mechanisms, baseline findings, post distribution monitoring data etc.).

Learning and Action workshop: A participatory learning and action workshop with CWG partners/key stakeholders to present interim findings and allow work on the key findings and recommendations. The workshop will act as a learning forum for the evaluation of findings and is aimed to ensure participation and buy-in from all stakeholders on the recommendations of the final report.

Final report: A maximum 30 page clearly written final report (excluding annexes), evidence based, referenced, to the point and utility focused written in plain English is required, with the chapter/section headings reflecting each of the evaluation questions/criteria. Any data tables or graphs should be limited and convey essential points simply. The Executive Summary should concisely present key findings, key recommendations and learning in easily accessible language for wide dissemination with a broad audience. A table setting out each key finding and recommendation (informed by the Learning

and Action Workshop), should allow the CWG to state which findings and recommendations it accepts fully, partially or rejects for improving cash based programming in Somalia.

Final event: One-day event for CWG partners and other key stakeholders presenting final report and key findings.

6. Dissemination and uptake of evaluation findings

The evaluation will be a crucial document for the humanitarian and development community in Somalia and will help move forward and improve cash programming in the country. CWG partners will be able to use findings and recommendations to make real-time adaptations to cash programming. The evaluation will also help the community understand how cash programming can be leveraged for building longer-term resilience.

The evaluation is expected to be disseminated widely. The final presentation of results will be for participating CWG partners, but also be open for a wider audience. The two-page executive summary will be disseminated widely, including to government officials, humanitarian and development partners and private sector. The two-page summary will be translated into Somali by two CWG partner agencies (TBD). In addition, a maximum 10-minute-long video of the presentation of the final report will be produced by two CWG agencies (TBD) and narrated in English and Somali, to further help broad dissemination. An uptake plan for the CWG partners and management will be further developed by the evaluation Steering Committee and discussed with the evaluation team during its mission.

7. Management of evaluation

The evaluation team will be guided by an inter-agency Steering Committee who will engage at the contracting phase, inception phase, during field work to the extent required and on draft report feedback.

The Steering Committee will function as a conduit for feedback from the CWG and facilitate engagement between the evaluation team and CWG partners. The evaluation team is accountable to the Steering Committee for carrying out the evaluation and for quality control, and concerns or issues arising should be referred to the Steering Committee.

The evaluation contract will be held by Steering Committee member CARE. Contractual and compliance issues are referred to CARE. The evaluation is funded jointly by participating CWG agencies.

8. Timeline

The evaluation is structured in three phases: i) the inception phase, ii) the main evaluation mission including field work (primary and secondary data collection and preliminary analysis), and iii) the reporting phase concluding with a final report and presentation hereof. The three phases are expected to take no longer than the timeline outlined below:

- i. Inception phase: From contracting to inception report delivered, maximum two weeks (14 calendar days)
- ii. Main evaluation phase: maximum six weeks (42 calendar days)
- iii. Reporting phase: maximum three weeks (21 calendar days)

Maximum expected time is 11 weeks, or 77 calendar days. The evaluation team is expected to spend a minimum of 50% of their time in Somalia.

9. Consultant qualifications

Consultancy firms and individual consultants are eligible to apply. A team consisting of a minimum of two consultants are required. The below specifications are required in any configuration of applying agencies or team of individuals.

Evaluation team specifications:

- 10 years' multi-sector international humanitarian and development experience for each applying consultant
- Proven humanitarian evaluation experience
- Solid experience and understanding of cash policy and delivery, including various delivery mechanisms
- Solid experience and understanding of CBA and its inter-connectedness to other sectors especially food security, nutrition and livelihoods
- Strong Somalia knowledge and experience (teams including Somali speakers are desirable and if unfeasible, it should be outlined how the team will obtain local feedback in their methodology)
- Knowledge and understanding of the World Humanitarian Summit's Grand Bargain and OECD DAC Criteria
- Knowledge and experience within the humanitarian cluster system
- Ability to see the big picture and make practical recommendations for delivery and improvements on the ground
- Ability to absorb, consolidate and communicate large amounts of data and information simply and concisely

- Experience and ability to operate in insecure environments
- Experience of working with local partners and private sector in particular the financial/payments sector
- Excellent inter-personal skills
- Willingness to travel to Somali under the security framework of a partner agency and the necessary security certificates required to work in Somalia (e.g. SSAFE or HEAT)
- Good participatory facilitation and workshop design skills
- Excellent English report writing-skills

10. Application procedure

The consultancy contract will be held with CARE Somalia.

Short Expressions of Interest showing technical understanding of the ToR and a proposed timeline, CVs, cover letter demonstrating requirements of the consultants specification, Daily Rate in \$USD and a relevant report sample should be sent to somconsultants@care.org by COB **5 January 2018**. All assignment related economy class travel, feeding and accommodation costs will be covered directly. Only those short-listed will be contacted for interview. Please indicate "**Joint Evaluation of the Humanitarian Cash-Based Response**" as the subject heading".

11. Initial list of documents to be consulted

- Humanitarian Response Plan Somalia 2017
- Cash Working Group for Somalia – ToR
- Cash Working Group for Somalia – meeting minutes
- Monthly Cash 3W presentations and information products
- Cash Working Group for Somalia - Transfer value guidance (all versions)
- Scaling up CTP In Somalia: Reflecting on the 2017 Drought Response (CaLP)
- Looking back to move forward: Building on learning from 2011 to strengthen the 2017 drought response in Somalia learning report (CaLP)
- Using cash and vouchers in Somalia in 2017: The need to build on learning from the 2011-12 Somalia drought response (CaLP)
- Checking Back. Using cash and vouchers in Somalia: Recommendations from the 2011-12 Somalia Drought Response March 2017 (CaLP)
- Humanitarian Country Team Somalia –Centrality of Protection Strategy
- Famine in Somalia, Dan Maxwell and Nisar Majid, 2016



12. Participating agencies and Steering Committee

The following CWG partner agencies are participating in this evaluation:

1. ADESO
2. ACTED
3. CaLP – the Cash Learning Partnership
4. CARE
5. CESVI – Cooperazione e Sviluppo
6. Concern World Wide
7. CRS – Catholic Relief Services
8. DFID – Department for International Development
9. ECHO
10. FAO – Food and Agriculture Organisation of the UN
11. NRC – Norwegian Refugee Council
12. OCHA – Office of Coordination of Humanitarian Affairs
13. REACH
14. The World Bank
15. World Vision
16. UNHCR
17. UNICEF
18. USAID
19. VSF Suisse
20. WFP – the World Food Programme

The evaluation Steering Committee is composed of the following eight members:

1. ADESO
2. CaLP
3. CARE (representing SomRep partners: ACF, ADRA, CARE, COOPI, DRC, Oxfam, World Vision))
4. DFID (representing as well ECHO and USAID)
5. FAO
6. NRC (representing BRCiS partners: CESVI, CWW, NRC, IRC, SCI)
7. OCHA
8. WFP

ANNEX 2: BIBLIOGRAPHY

CaLP and other CBA Literature

- Mar_2017 CaLP Synthesis Report – Using cash in Somalia – Recommendations from-2011-12
- Apr_2017 CaLP Summary Synthesis - Cash in Somalia - Learning from 2011 – Summary
- May_2017 CaLP Workshop Report – Somalia Reflection 2011+2017
- Sep_2017 CaLP Workshop Report – Somalia CTP in Drought Reflection
- Oct_2017 CaLP Updated Glossary
- Nov_2017 CaLP Workshop Report – Scaling-up CTP in Somalia – Learning Event Report
- 2018_CaLP State of the World's Cash Report
- <http://www.cashlearning.org/somalia/somalia>

Humanitarian Guidelines and Agreements

- Mar_2006 ALNAP Evaluating humanitarian action using the OECD-DAC criteria: an ALNAP guide for humanitarian agencies
- May_2016 Grand Bargain: A shared commitment to better serve people in need
- <http://www.sphereproject.org/handbook/>
- <http://www.spherehandbook.org/en/shelter-and-settlement-standard-4-construction/>

Somalia Response Documents

- 2014 UNFPA Somalia Population Estimates
- Apr-2015 FSNAU-FEWSNET Updated Somalia Livelihood Zones Map
- Nov_2016 Somalia Humanitarian Response Plan 2017
- May_2017 Somalia Humanitarian Response Plan 2017 (Revised)
- Dec_2017 Somalia Humanitarian Response Plan 2018
- Dec_2017 Somalia centrality of protection strategy 2018-2019
- <https://news.un.org/en/story/2013/05/438682-somalia-famine-killed-nearly-260000-people-half-them-children-reports-un>
- <https://fts.unocha.org/appeals/overview/2017>
- <https://www.humanitarianresponse.info>

Donor Documents

- 2017 DFID Somalia IRF Real Time Review FINAL
- FFP Modality Decision Tool
- FFP Fiscal Year 2017 International Emergency Food Assistance Annual Programme Statement
- Mar_2015 ECHO 10 Common Principles for Multi-Purpose Cash-Based Assistance to Respond to Humanitarian Needs
- Jun_2017 WB MME Ecosystem Final Presentation
- Jul_2017 ICT-ECT WG - ICT Country Profile Final Presentation WB
- Jul_2017 WB Mapping the mobile money ecosystem in Somalia; Presentation for the Cash Working Group.
- Nov_2017 World Bank Somali Poverty Profile Update 4
- Dec_2017 DFID ECHO Approach to MPCA in Somalia - 2018 PRESENTATION + NOTE
- Mar_2018 UK Approach to Cash and Vouchers in Crises
- Jan_2018 UK's Approach to Cash and Voucher Transfer Programmes in Crises

Cluster Documents

- Feb_2017 Interim Guidance Notes on Determining Cash Transfer Values for Food Security Drought Response Programming in Somalia – Somalia Cash and Markets Taskforce
- Jun_2017 Guideline Water Access by Voucher WASH Cluster Somalia
- Oct_2017 Cash and Education in Somalia
- <http://fscluster.org/somalia>
- <http://www.fsnau.org>
- <http://fewsnau.net/east-africa/somalia>

Cash Working Group Documents

- CWG M&E Workstream Update (Dec 2017 and Feb 2018)
- CWG Meeting Minutes Feb 2017 to Feb 2018
- CWG Recommended Transfer Value Recommendations (Jul, Apr, Nov)
- CWG 3W data presentations (Apr, May, Jun, Jul, Aug, Sep, Oct)
- Jul_2017 FSNAU presentation to CMWG
- Sep_2017 ToR for Somalia Drought CWG
- Oct_2017 Somalia CTP Risks Matrix DRAFT
- Dec_2017 M&E Workstream Harmonised CBT M&E Framework
- Apr_2018 CWG Attendance Analysis

Project Briefs

- Aug_2017 UNICEF Brief Pre-famine Cash Response Programme - UNICEF Somalia
- Oct_2017 UNICEF AVF Brief Overview of Cash Feedback Loop
- Jan_2018 UNICEF AVF Brief Technical Review of AVFs Monitoring Support to UNICEFs Pre-Famine Cash Transfer Programme
- Stream Consortium SSNP Project Brochure

Evaluations, Assessments, Surveys, Studies

- 2013 Humanitarian Outcomes, Final Evaluation of the Unconditional Cash and Voucher Response to the 2011-12 Crisis in Southern and Central Somalia
- Mar_2013 O'Brien et al. Factors Affecting the cost-efficiency of electronic transfers in humanitarian programmes
- 2016 Transparency International CREATE; Southern Somalia Case Study
- Jan_2015 RPM TPM Evaluation Final Report
- Jun_2016 ADESO Evaluation Adeso YEIP Final Evaluation Report
- Nov_2016 ADESO Evaluation Adeso CARSP II Final Evaluation Report
- Jan_2017 CRS Assessment Quarterly FS Assessment FFP Baidoa-BelethHawa
- Mar_2017 BRCiS Learning Final Report Full and Summary
- Apr_2017 ADESO Evaluation Final of SPUR Project Report for Mudug and Sanaag Region
- Sep_2017 FAO Assessment Crop Yield Assessment Gu 2017 - Final Report
- Oct_2017 CRS Assessment Quarterly FS Assessment Afgooye Corridor UCT Project
- Oct_2017 CRS Assessment Quarterly FS Assessment FFP Baidoa-BelethHawa
- Dec_2017 CRS Assessment Afgooye Corridor UCT Final Assessment Report
- Dec_2017 SCI Analysis Positive Deviance Analysis in Beletweyne Somalia
- Jan_2018 BRCiS Survey SW Somalia Survey Report Final
- Jan_2018 UCT IGA Somalia
- Feb_2018 Adeso Mainstreaming Gender-based Violence Considerations in Cash-Based Interventions; A Case Study from Lower Juba, Somalia
- www.ennonline.net/fex/49/cashtransfers

Baselines

- Dec_2016 ADESO Baseline Adeso CAPS Baseline Report
- Mar_2017 WFP Baseline Final report Baseline drought response
- Mar_2017 WFP Baseline Food Security Monitoring Baseline Report
- Mar_2017 ACTED-FFP Baseline Burhakaba
- Feb_2017 ACTED-OFDA Baseline CeelWaq Baidoa
- July_2017 ACTED-SHF Baseline Baidoa
- Jun_2017 ADESO Baseline Adeso DEAP Baseline
- Jul_2017 Baseline Assessment Report for SPUR Project
- Jul_2017 CRS Baseline Report FFP Baseline Report Baidoa Belet-Hawa
- Oct_2017 ACTED-EU Baseline Burhakaba
- Oct_2017 ADESO Baseline Adeso NIS Baseline Assessment Report
- Sep_2017 ACTED-ECHO Baseline Badhan

Quarterly, Annual and Quarterly Reports

- Mar_2017 ACTED-EU Endline Baidoa Ceelwaq
- Jul_2017 Quarter 1 EFAS Progress Report (April - June 2017)
- Oct_2017 CRS Annual Report FFP Baidoa - BeletHawa
- Oct_2017 Quarter 2 EFAS Progress Report (July - Sept 2017)
- Sep_2017 ACTED-OCHA Endline Baidoa
- Sep_2017 SHF Endline Baidoa Rural
- Jan_2018 Quarter 3 EFAS Progress Report (Oct - Dec 2017)
- Jan_2018 CRS Quarterly Report FFP Donor Report Oct-Dec2017 Baidoa-Belethawa
- Jan_2018 CRS Final Report Afgooye Corridor UCT
- Jan_2018 Mercy Corps Final Report UNHCR 2017 Somalia Way Station Kismayo
- Jan_2018 Mercy Corps Final Report UNHCR 2017 Somalia Education Reintegration 2
- Apr-2018 NRC Cash Alliance Final Report

Post-Distribution Monitoring Reports

- Mar_2017 Mercy Corps PDM USAID 2017 Somalia SELIP2 Q. Jan/Mar 2017
- Mar_2017 WVI PDM Somalia EFSP Post Distribution Monitoring Report – Q. Jan/Mar 2017
- May_2017 CARE PDM FFP 2nd Cash PDM Survey - May report
- May_2017 FAO PDA CFW Project Training and PDA Impact Assessment Phase 6 A/B
- Jun_2017 Mercy Corps PDM USAID 2017 Somalia SELIP2 Q. Apr/Jun 2017
- Jun_2017 ACTED-FFP PDM Burhakaba
- Jun_2017 WFP PDM Drought response 1st follow up outcome monitoring report
- Jun_2017 WFP PDM Final report 1st follow up report drought response
- Jul_2017 WFP PDM Expenditure analysis
- Jul_2017 CARE PDM FFP 3rd Cash PDM Survey July report
- Aug_2017 WFP PDM 2nd follow up report drought response
- Sep_2016 Mercy Corps PDM USAID 2017 Somalia SELIP2 Q. Aug/Sep 2016
- Sep_2017 ACF PDM GAC PDM1
- Sep_2017 ACF PDM IRF PDM1
- Sep_2017 BRCIS PDM IRF4 PDM Brief Final
- Sep_2017 FAO PDA CFW Project Training and CFW Phase VIC PDA Impact Assessment
- Sep_2017 Mercy Corps PDM USAID 2017 Somalia SELIP2 Q. Jul/Sep 2017
- Sep_2017 WFP PDM 2nd Follow Up Drought response outcome monitoring report
- Sep_2017 WVI PDM Report - WVUS - Somalia - FFP Q. 4 Jul/Sep 2017
- Sep_2017 ACTED-SHF PDM Baidoa
- Oct_2017 UNICEF AVF PDM Lessons learned from CTP to Returnees from Dadaab and Dhobley
- Nov_2017 ACF PDM GAC PDM2
- Nov_2017 ACF PDM IRF PDM3
- Dec_2017 ACF PDM IRF PDM4
- Dec_2017 UNHCR PDM Summary PDM Report

- Dec_2017 WFP PDM 3rd follow up report drought response
- Dec_2017 WFP PDM Drought response monitoring by transfer modality
- Dec_2017 WVI PDM Report - WV - Somalia - FFP Q. Oct/Dec 2017
- Jan_2018 PAH PDM UCT PDM Report
- Jan_2018 UNICEF AVF PDM Initial Findings from UNICEF's Pre-famine cash transfer programme in Bay and Bakool

Post-Distribution Monitoring Reports (continued)

- Feb_2018 WFP PDM 3rd Follow Up Drought response outcome report
- Feb_2018 WFP PDM Food Expenditures Results 1st follow up

Market Assessments

- May_2017 WFP Assessment Somaliland Assessment
- May_2017 WFP Assessment South Assessment Report
- Jul_2017 WFP Assessment Final Central Assessment
- Nov_2016 WFP Assessment Final Puntland Market Assessment
- Dec_2017 CRS Market Price Monitoring – FFP Baidoa BeletHawa Market Prices July-Dec 2017

Datasets

- 2017 3W Master/Combined Dataset (Mar – Dec 2017)
- 2017 3W Monthly Dataset (Mar, Apr, May, Jun, Jul, Sep, Oct, Dec)
- 2017 WASH 4W_ Master Dataset
- 2017 FSL Cash and Voucher Dataset
- 2017 Somalia Shelter Cash Projects Dataset

ANNEX 3: WORK PLAN

Evaluation

MONTH OF ACTIVITY	MARCH				APRIL					MAY				JUNE			
Week commencing	5	12	19	26	2	9	16	23	30	7	14	21	28	4	11	18	25
Inception																	
Desk Review																	
Tools, planning																	
Fieldwork																	
Workshops																	
Data Analysis																	
Report Writing																	

Fieldwork

MONTH OF ACTIVITY	APRIL														MAY																	
Dates	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Fieldwork																																
Somalia																																
Baidoa																																
Dollow																																
Mogadishu																																
Garowe																																
Galkayo																																
Sool/Sanaag /Bari																																
Hudur																																
Hargeisa																																
Burao																																
Kismayo																																
Kenya																																
Nairobi																																
Workshops																																
Hargeisa Workshop																																
Morgadishu Workshop																																
Nairobi Workshop																																

ANNEX 4: ORGANISATIONS AND PEOPLE CONSULTED

List of locations and organisation types for interviews

ZONE	LOCATION	DONORS, UN, INGO, LNGO, GOVERNMENT	BANK, TELECOM, VENDORS	TOTAL KII
Kenya	Nairobi	38	1	39
Southern and Central Somalia	Mogadishu	8	1	9
	Baidoa	25	11	36
	Dollow	7	4	11
	Galkacyo	11	0	11
	Qardho	0	4	4
	Hudur	1	2	3
	Kismayo	11	0	11
Puntland	Garowe	12	1	13
Somaliland	Erigavo	0	4	4
	Hargeisa	6	0	6
	Burco	4	1	5
Total		123	29	152

Names of organisations consulted

NGO	UN Agencies & International Organisations	DONORS	WORKING GROUPS	CONSORTIUMS	GOVERNMENT	PRIVATE SECTOR	THINK TANKS
ACF Acted ADRA CARE Candlelight CDI Concern COOPI CRS DRC GREDO IRC MC NRC Oxfam PAH SADO SCI TAAKULO TASCO World Vision Xidig	FSNAU/ FEWSNET ICRC IOM/FVC UNFAO UNHCR UNICEF UNOCHA WFP	DFID ECHO USAID WB	CWG Education Cluster Food Security Cluster Inter-Cluster Shelter Cluster WASH Cluster	BRCis Somalia NGO Consortium SomRep STREAM Consortium	Ministry of Humanitarian Affairs (Federal and Regional) NADFOR Ministry of Planning (Regional) Governors Regional and Local Administration Village Leaders Camp Leaders	Anab Beverage Atlas Logistics Burhan Trading Daawo Trading Darusalam Trading Dayah Trading Goolis Huubey Trading Iftin ISHA Gen. Services JCCI Salaama Transtec	Cash Learning Partnership Centre for Humanitarian Change



List of FGD by location and gender

ZONE	LOCATION	FEMALE BENEFICIARIES (# ind:347)	MALE BENEFICIARIES (# ind:219)	FEMALE NON-BENEFICIARIES (# ind:98)	MALE NON-BENEFICIARIES (# ind:57)	TOTAL FGD (# ind=566)
Southern and Central Somalia	Mogadishu	4	4	2	1	11
	Baidoa	9	4	2	2	17
	Dollow	2	2	0	0	4
	Galkacyo	3	3	0	0	6
	Qardho	3	3	0	0	6
	Kismayo	3	2	1	2	8
Puntland	Garowe	4	2	1	1	8
Somaliland	Erigavo	3	3	0	0	6
	Burco	2	2	2	1	7
Total		33	25	8	7	73

List of beneficiary FGDs by cluster, modality and mechanism

CLUSTER	
Food Security	48
Livelihoods	2
WASH	2
Education	2
Shelter	4
MODALITY/CONDITIONALITY/RESTRICTION	
Cash	36
Voucher	18
Cash for Work	4
MECHANISM	
Mobile Money	40
E-Card	18

ANNEX 5: KEY INFORMANT INTERVIEW GUIDE

#. QUESTION	...) PROBES
1. Was CBA a relevant response based on appropriate needs assessments of affected populations?	<ul style="list-style-type: none"> a) How and how well were needs and priorities assessed prior to CBA (food, shelter, WASH... regularity, jointly)? b) How was MEB determined; who was involved and what was the impact of those choices?
2. During 2016, what early warning, planning and preparedness measures were or could have been undertaken with regards to CBA?	<ul style="list-style-type: none"> a) How has CBA in Somalia evolved since last major drought crisis in 2011? b) How did it affect 2017 programmes?
3. What analysis underpinned decision making on transfer modalities (cash, voucher, in-kind)?	<ul style="list-style-type: none"> a) How are outcomes, indicators, targets and geographical locations decided for CBA? b) What analysis and process underpins decision about <ul style="list-style-type: none"> - Modalities (cash, voucher, in-kind, combination)? - Mechanisms (cash-in hand, voucher, e-payment...)? - Conditionality, restriction and amount?
4. Where analysed, how did costs of CBA modalities & mechanisms compare to the alternatives, and how cost efficient was each?	<ul style="list-style-type: none"> a) How were costs for CBA assessed or analysed (setup, equipment, staff, communications, implementation, feedback mechanisms, M&E etc.)? b) How did costs of CBA modalities & mechanisms compare to the alternatives, and how cost efficient was each?
5. How was CBA strategy coherent with development programmes?	
6. Did CBA meet the Somalia Response Plan Objectives Obj. 1: "Provide life-saving and life-sustaining integrated multi-sectoral assistance to reduce acute humanitarian needs among the most vulnerable people"?	<ul style="list-style-type: none"> a) What is the "vulnerability" criteria used to select beneficiaries? b) How effective is this selection method in reaching the "most vulnerable"? How could it be improved? c) How do you prevent duplication or overlap of beneficiaries? d) In your opinion, is it always the most vulnerable being selected for CBA (gender, age, disability, clan...)? e) Once started, was the delivery of CBA always timely? If not, why not and what was or could have been done to improve it?
7. Did CBA meet the Somalia Response Plan Objectives Obj. 4: "Support the restoration of livelihoods, promote basic services to build resilience to recurrent shocks, and catalyse more sustainable solutions"?	<ul style="list-style-type: none"> a) How and how well did CBA support the restoration of livelihoods (food security-related/other IGA, livelihoods inputs, infrastructure)? b) What were the successes and challenges?
8. What was the impact of CBA on individuals, households and communities (beneficiaries and non-beneficiaries)?	<ul style="list-style-type: none"> a) Did CBA sufficiently reduce acute needs of the most vulnerable? b) What were the challenges, and what could have been done to improve?
9. What was the impact of CBA on markets & trade (prices, availability, economy, trade patterns...)?	



#. QUESTION	...) PROBES
10. What was the impact on population movements?	<ul style="list-style-type: none">a) Does having high or low CBA concentration in different areas affect the implementation and results of CBA?b) Does CBA have an influence on population movement (push, pull, return...)?
11. Is there increased household/community systems & capacity due to CBA?	<ul style="list-style-type: none">a) How and how well did CBA build resilience to recurrent shocks?b) How and how well did CBA contribute to sustainable solutions (funding, access...)?
12. Is there increased institutional systems & capacity due to CBA?	<ul style="list-style-type: none">a) How and how well did CBA support infrastructure, & community-based management structures?b) Did CBA promote basic services, and if so how and how well?
13. What impact did the role of community structures, exclusion/inclusion of social groups, gender and age have on access to and use of CBA?	<ul style="list-style-type: none">a) How are protection and social inclusion incorporated into CBA assessment and response design?b) What impact did community structures and inclusion/exclusion of social groups (age, gender, clans) have on selection for CBA? How?c) What about their impact on beneficiary use of CBA in the market?
14. How was feedback from affected communities used to inform changes to the response over time?	<ul style="list-style-type: none">a) How regularly/systematically were community consultations and post-distribution monitoring visits carried out?b) What mechanisms are used to obtain community feedback on CBA?c) Who is able to use and how systematic is the use of the feedback mechanisms?d) How was the PDM & community feedback used (analysis, sharing, discussion and integration into response design...)?e) How quickly can feedback be turned into a change of action (weekly, monthly, yearly...)?
15. How was CBA used to reach targeted populations?	<ul style="list-style-type: none">a) Did CBA assist or hinder the timely reach and coverage of target populations? Why?b) Did different CBA mechanisms affect the timeliness and the reach/coverage of CBA?c) What actions were or could have been taken/recommended to improve timeliness/reach/coverage?d) What about different conditions or restrictions?
16. Did different or varying transfer amounts affect project outcomes?	<ul style="list-style-type: none">a) What amounts of CBA was provided, and did it vary over time?b) Do different amounts have a different affect?
17. What other types of assistance was provided by all actors in 2017, including remittances?	<ul style="list-style-type: none">a) Are there social safety nets?b) Are remittances an important source of income?c) What about community charity or sharing among beneficiaries?
18. What overlap, complementarities or synergies did (or should have) such other assistance have/had with CBA?	

ANNEX 5: KEY INFORMANT INTERVIEW GUIDE

#. QUESTION	...) PROBES
19. How did CBA perform against the Grand Bargain commitments?	<ul style="list-style-type: none"> a) Is CBA a routine response option (your organisation, cluster, the humanitarian community)? Why/why not? b) Is CBA increasing (since last year, since three years ago, in future)? Why? c) What was % of total funding spent on CBA in 2017 in Somalia (your organisation, cluster, the humanitarian community)? d) What markers are used to monitor the use and outcomes of CBA (FS, WASH, Shelter, MPG)? By organisation, cluster, donors? e) How effective are these markers in building an evidence base to assess costs, benefits, impacts and risks of CBA? f) Has your organisation or cluster piloted any new delivery models for CBA? If so, what was the outcome of these pilots? g) What other assessments are carried out to support CBA (feasibility, market, risk etc.)? h) What work has been done to develop CBA standards across the humanitarian community? Are they used? Are they effective?
20. How did inter-agency cash coordination perform and how can this coordination improve?	<ul style="list-style-type: none"> a) What CBA coordination mechanisms exist (CWG, 3W Clusters etc.) and what is their role? b) Do you belong to a consortium? If so, what benefits of working in a consortium? Disadvantages? c) How does your organisation participate in cash coordination mechanisms (logistics, attendance in meetings, data sharing...)? d) What are the benefits of belonging to the cash coordination mechanisms? Disadvantages? e) What could be improved in cash coordination to make it more beneficial to you/others/all?
21. What concrete actions can be taken to improve CBA to build systems and capacity for improved resilience in the future, particularly with a view to longer-term programming and strengthening of linkages between humanitarian, recovery, resilience and social protection interventions?	<ul style="list-style-type: none"> a) What do you think could be done to improve the way CBA is designed, delivered and monitored? b) What constraints exist in carrying out adequate assessments (funding, access etc.)?"
22. What are the opportunities, comparative advantages and limitations of using CBA to meet humanitarian objectives across all sectors in Somalia in future cash based programming?	<ul style="list-style-type: none"> a) How well accepted is CBA in Somalia? Why? b) Who would need to be convinced to use CBA in more places and sectors or as MPG? What would it take to convince them? c) Which needs could be better met by CBA than by current modalities? (e.g. in-kind, shelter construction, education or health services) d) How easy would it be to obtain/provide funding for CBA - by sector and/or across more/all sectors/MPG? e) Is increasing the reach and coverage of CBA across more sectors in Somalia feasible/realistic? Why/why not?

ANNEX 6: FOCUS GROUP DISCUSSION GUIDE – BENEFICIARIES

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
Participation	1. Needs & Relevance	a) Were your needs and priorities assessed? b) Were you asked about any safety or other concerns and preferences of CBA?
	2. Selection and verification	a) What was the process to select beneficiaries for CBA? b) Who was involved and/or had influence over the selection? c) Why were you selected to receive CBA? d) How did the organisation verify your identity? e) Did you have to pay a contribution to anyone to be registered for CBA or after you received the CBA? f) What are your views on the selection process for CBA? Was it fair, accurate etc? g) Does the selection process cause any conflicts in the community? a. If so, why? h) Do you think someone's age, gender, or clan can affect their access to the CBA and their ability to spend CBA? i) Do you think some people received CBA who should not have (i.e. not the most vulnerable)? j) Why do you think they were selected? k) Do you think some people were left out who should have received CBA? l) Do you know of anyone who was registered to receive CBA but didn't? a. If so, why did they not receive it? m) Does the fact that some people receive CBA and others don't create any conflicts in the community? a. If so, why?
	3. Feedback	a) When receiving CBA, were you able to provide feedback/ complaints about any problems you had? a. If so, how did you give your feedback and what were the concerns raised? b. If not, why not? b) Did you receive a response, or did anything change because of your feedback?
CBA Delivery	1. Timing	a) When (and how long after displacement) were you assessed/ registered for CBA? b) When did you first receive CBA? c) Where you informed when to expect the CBA and how often? d) Were the CBA payments on time or were there delays? e) If there were delays, at what stage were the delays (e.g. assessment, registration, delivery)? f) If there were delays, were you informed of the delays? g) If there were delays, what would you do until the CBA arrived? h) If it was on time, did it cover your needs until the next disbursement?

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
CBA Delivery	2. Amount	<ul style="list-style-type: none"> a) Did everyone you know receiving CBA receive the same amount? a. If not, do you know why (different NGOs, HH size, purpose etc.)? b) Did you receive the same amount every month or did it change from month to month? a. If it changed, do you know why it changed? c) Do you mind telling us how much CBA you received? d) What is your opinion on the amount of CBA your household was given? a. Why would a different amount have been better? e) Are there any conflicts due to people receiving different amounts? f) Do you think it is better to give fewer people more money, or more people less money?
	3. Mechanism	<ul style="list-style-type: none"> a) How did you receive the CBA (cash, vouchers, e-payment/mobile money)? b) Were there any problems with the way you received the CBA? a. If so, what problems? c) Would you have preferred to receive the CBA via another way (cash, voucher, e-payment, mobile money)? a. If so, in what way and why? d) Who received the CBA for your household (woman, man)? a. Why did that person receive it and not another? e) Would you have preferred it if the CBA was received by someone else in the household? a. Why? f) Are there any conflicts in the house because of the CBA received? If vouchers: g) Were you able to access the supplier easily? h) Were you able to buy what you needed with the voucher? i) Did you find the price with the supplier fair? j) Did you feel safe when receiving/collecting the vouchers? a. If not, why not? k) What are the advantages and disadvantages of vouchers? If e-payment/mobile money: l) Did you have a mobile phone and use mobile money before being the CBA? m) Are you able to use mobile money to buy anything you need? n) What are the advantages and disadvantages of e-payment/mobile money? If cash in hand: o) What do you think about how it was delivered to you? p) Did you feel safe when receiving/collecting the cash? a. If not, why not? q) What are the advantages and disadvantages of cash in hand?

ANNEX 7: FOCUS GROUP DISCUSSION GUIDE – NON-BENEFICIARIES

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
CBA Use	1. HH Income/ Expenditure	a) What do you consider your highest <i>priority</i> needs? a. Why? b) How much do you <i>need</i> to cover your monthly food costs? c) How much do you <i>need</i> to cover your monthly water costs? d) How much do you <i>need</i> to cover your monthly health costs? e) How much do you <i>need</i> to cover your monthly other household costs (e.g. hygienic products, clothes)? f) How much do you need to cover your monthly education costs? g) What are your other significant costs (e.g. loans, medical, others)? h) Do you have any debts/loans that need repaying? i) Do you receive any other kind of assistance than CBA? a. Which? j) Do you receive any money from relatives/friends/others? k) Do others in the community usually receive money from relatives/friends/others?
	2. CBA Management	a) Can you describe what you spent <i>most</i> of the CBA on (e.g. food, water, health, education)? b) Did you share your CBA with anyone outside your household (e.g. family, neighbours, friends, community committees/village leaders)? c) What important things that you <i>needed</i> could you not buy with the CBA? d) In your household, who decides <i>how or when</i> to spend the CBA? e) Do you sometimes have conflicts about how to spend the CBA? a. If so, why? f) Do you think the CBA has affected power relations in your household? a. If so, how? g) Do you think everyone who received CBA used it in the correct way, i.e. for their household's basic needs? If Food Security: h) Did the CBA allow you to buy your preferred foods? a. Which foods are they? i) Did the CBA cover everyone's meal needs in the household? Every day? a. If not, how would you manage your food (e.g. borrow, reduce portions for adults/some/all, skip meals)? j) What were the main advantages in receiving the CBA on your household's food consumption? If Livelihoods: k) What CBA support did you receive to support you in generating an income (e.g. grants for business, farming or other inputs)? l) How did you use the CBA for your IGA (e.g. inputs, transport to IGA, market place)? m) What was the quality/price of the inputs you bought for your IGA? n) How is your IGA going now (e.g. profits, yields)? a. Why?

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
CBA Use	2. CBA Management	<p>o) What is your opinion on the CBA you received for IGA (was it sufficient, timely etc.)?</p> <p>p) Do you participate in a savings and loans scheme (e.g. VSLA, Ayuuto)?</p> <p>If Cash for Work:</p> <p>q) What was the work done (e.g. shallow wells, roads, construction)?</p> <p>r) Who was involved in the CFW activity (e.g. men, women, youth)?</p> <p>s) What (different) roles did different people have in the CFW activity?</p> <p>t) What CFW activity were you involved in?</p> <p>u) What was your role in the CFW activity?</p> <p>v) Was there any training before the CFW activity?</p> <p>a. If so, was it helpful?</p> <p>w) Please tell us your opinion on the quality/usefulness of the work you participated in?</p> <p>x) Please tell us your opinion on the payment you received for the work?</p> <p>y) Was the payment comparable to market rates?</p> <p>If WASH:</p> <p>z) How did you access water before receiving the vouchers?</p> <p>aa) What are the main advantages of receiving water vouchers to buy your water?</p> <p>bb) Were there any disadvantages to the water vouchers and what would you suggest to improve CBA for water?</p> <p>If Nutrition:</p> <p>cc) What did you do with the CBA?</p> <p>dd) Was the CBA helpful in changing the way you purchase and consume food in your household?</p> <p>ee) How has the nutrition information influenced the foods you purchase and consume in your household?</p> <p>If Shelter/NFI:</p> <p>ff) What items did you obtain after receiving CBA for your household?</p> <p>gg) What did you do with the items you bought with the CBA?</p> <p>hh) What challenges did you face when trying to purchase your shelter/NFI items (e.g. availability, price, quality)?</p> <p>ii) What was the quality of the items bought in your opinion?</p> <p>jj) If it was for construction, did you receive any technical support? Was it helpful?</p>
CBA Impact	1. Households	<p>a) What would you say are the <i>main</i> advantages of having received CBA for your household?</p> <p>b) What would you have done if you had not received the CBA?</p> <p>c) Has the CBA allowed you to make savings, join savings schemes or access finance from financial providers?</p>
	2. Community	<p>a) In what way do you think basic services have improved in your community because of the CBA received?</p> <p>b) Do you think others are moving to this area (settlement or community) in the hope of receiving CBA?</p> <p>a. If so, does the amount of the CBA influence the number of people moving to the area?</p>
	3. Overall	<p>a) What other assistance would be better provided as CBA rather than in-kind (e.g. housing, education or health)?</p>

ANNEX 7: FOCUS GROUP DISCUSSION GUIDE – NON-BENEFICIARIES

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
Participation	1. Needs	<ul style="list-style-type: none"> a) Were the communities' needs and priorities assessed? <ul style="list-style-type: none"> a. If so, how? b) To your knowledge, were people in the community asked about any safety or other preferences of CBA?
	2. Selection and Verification	<ul style="list-style-type: none"> a) What was the process to select beneficiaries for CBA? b) Who was involved and/or had influence over the selection? c) Why were you were <i>not</i> selected to receive CBA? d) What do you think about the way organisations verified the identity of those who did receive the CBA? e) Do you know of anyone who had to pay a contribution to anyone to be registered for CBA or receive CBA? f) How do you feel about not being selected to receive CBA? g) Do you have any views on the selection process for CBA (e.g. is it fair, accurate)? h) Did the <i>selection process</i> cause any conflicts in the community? <ul style="list-style-type: none"> a. If so, why? i) Do you think some people received CBA who should not have (i.e. not the most vulnerable)? <ul style="list-style-type: none"> a. Why do you think they were selected? j) Do you think some people were left out who should have received CBA? k) Is there anything you or anyone could do about it? l) Do you know of anyone who was registered to receive CBA but didn't receive it? m) Does the fact that some people receive CBA and others don't create any conflicts in the community? <ul style="list-style-type: none"> a. If so, why?
	3. Feedback	<ul style="list-style-type: none"> a) Were you able to provide feedback/complaints about any problems you witnessed with CBA? <ul style="list-style-type: none"> a. If so, how? b. If not, why not?
CBA Delivery	1. Timing	<ul style="list-style-type: none"> a) Did you hear of anyone complaining of delays in being registered for CBA? b) Did you hear of anyone complaining of delays in receiving their CBA? c) Do you think it is better to receive less money more often, or more money less often?
	2. Amount	<ul style="list-style-type: none"> g) What is your opinion on the amount of CBA households were given? <ul style="list-style-type: none"> a. Why would a different amount have been better? h) Are there any conflicts in the community due to people receiving different amounts? i) Do you think it is better to give fewer people more money, or more people less money?
	3. Mechanism	<ul style="list-style-type: none"> a) What is your opinion about the different mechanisms used to deliver CBA? b) Vouchers: strengths and weaknesses? c) Cash in hand: strengths and weaknesses? d) E-payment/mobile money: strengths and weaknesses?

DISCUSSION THEME	KEY CONCEPTS	PROBING QUESTIONS
CBA Use	1. HH Income Expenditure	a) What do you consider your highest <i>priority</i> needs? a. Why? b) How much do you <i>need</i> to cover your monthly food costs? c) How much do you <i>need</i> to cover your monthly water costs? d) How much do you <i>need</i> to cover your monthly health costs? e) How much do you <i>need</i> to cover your monthly other household costs (e.g. hygienic products, clothes)? f) How much do you need to cover your monthly education costs? g) How much do you need to cover your monthly rental costs? h) What are your other significant costs (e.g. loans, medical, others)? i) Do you have any debts/loans that need repaying? j) Do you receive any other kind of assistance? a. Which? k) Do you receive any money from relatives/friends/others? l) Do others in the community usually receive money from relatives/friends/others?
	2. CBA Management	a) Do those who receive CBA generally share it with anyone outside your household (e.g. family, neighbours, friends, community committees/village leaders)? b) In your household, who decides <i>how or when</i> to spend money? c) What do you think most people who received CBA spent it on? d) Do you think everyone who received CBA used it correctly, i.e: their household's basic needs, or not?
CBA Impact	1. Households	a) What would you say are the main advantages of some received CBA? b) What do you think recipients of CBA would you have done if they had not received the CBA? c) Do you think the CBA has allowed people to make savings, join savings schemes or access finance from financial providers?
	2. Community	a) How do you think basic services have improved in your community because of the CBA received? b) Do you think others are moving to this area (settlement or community) in the hope of receiving CBA? a. If so, does the amount of the CBA influence the number of people moving to the area? c) Do you think the CBA has contributed to your community at all? a. If so, how?
	3. Overall	a) What other assistance would be better provided as CBA rather than in-kind (e.g. housing, education or health services)?



ANNEX 8: TRADER INTERVIEW GUIDE

1. Did you know that humanitarian organisations gave people cash or vouchers for basic needs in 2017?
2. What did they tell you about their plan to give people cash or vouchers?
3. Did the organisations ever ask you about your stock or prices? When?
4. Did you enter a tender process to join a voucher scheme? What is your opinion of the tender process?
5. Did they ask you to accept vouchers from people in return for your items/services? If so which, and why did you agree or not agree?
6. If you agreed to accept vouchers, are you satisfied with your participation in the project? Why?
7. How has the market changed since people were given cash or vouchers during 2017?
 - Number, location and type of customers?
 - Money that customers must spend?
 - Different customer needs or preferences?
 - Number, location and type of marketplaces?
 - Number and type of vendors/wholesalers/importers?
 - Number and type of manufacturers? Raw materials providers?
 - Number and type of cargo transporters? Other service providers?
 - Labour supply vs. demand from you and others?
 - Market open hours/days?
8. How has getting stock for your business changed since CBA? Why?
 - Type and range of items available to you? Quantities? Quality?
 - Seasonality of availability?
 - Supply available vs. demand from you and others?
 - Where/how you source stock?
9. How have prices you pay changed since CBA? Why?
 - Price you pay to wholesaler/importer/manufacturer?
 - Transport costs you pay? Fuel costs & other services?
 - Storage costs you pay?
 - Labour or staff costs?
10. As a result of CBA, how have you changed, or intend to change how you run your business? Why?
 - More, new or different locations/stores/factories/fleets?
 - More, new or different items/products/services?
 - New or different sources of stock?
 - More or different staff?
 - More or different store hours?
11. As a result of CBA, how have you changed, or intend to change the way you make a profit? Why?
 - Change the prices charged?
 - Change the quality or size of items you sell?
 - Change how many/much you are willing to supply?
 - Compete harder against others to offer best price/quality/supply?
 - Agree with others to offer same price/quality/supply?
12. Overall, how well has your business done because of CBA? Are you satisfied with the results? Why?
 - More customers?
 - More items/services sold?
 - More profit?

ANNEX 9: SERVICE PROVIDER INTERVIEW GUIDE

1. Did you know that humanitarian organisations gave people cash or vouchers for basic needs in 2017?
2. What did they tell you about their plan to give people cash or vouchers?
3. Did the organisations ever ask you about your services or prices? When?
4. Did you enter a tender process to join a voucher scheme? What is your opinion on the tender process?
5. Did they ask you to make transfers to individuals on their behalf? If so why did you agree or not agree?
6. If you agreed to make transfers, how satisfied are you with your participation? Why?
7. How has the money transfer market changed since organisations began transferring money in 2017?
 - Mechanisms used for money transfer?
 - Number and type of customers sending money?
 - Number, location, type and gender of recipients?
 - Size and frequency of transfers?
 - Price that customers are willing to pay?
 - Time lag between accepting money from senders, to availability/delivery to recipients?
 - Risks to dealers/staff?
 - Risks to customers?
 - Requests/agreement to provide credit or savings accounts for recipients?
 - Number and type of competitors?
 - Labour supply vs. demand from you and others?
 - Business costs you must pay for? Access to capital/credit for your business?
8. As a result of CBA, how have you changed, or intend to change how you run your business? Why?
 - More, new or different areas of coverage/reach (mobile phone towers, branch offices, dealers)?
 - More, new or different products/services?
 - Change the transfer fees charged (for sender and/or recipient)?
 - Compete harder against others to offer best price/service?
 - Agree with others to offer same price/service?
9. How do you confirm the identity of recipients if needed (e.g. cash payments)?
10. How do you protect the privacy of customers' data (name, phone/account number, identity card)?

ANNEX 10: CWG TERMS OF REFERENCE

Somalia Cash Working Group 2017 Somalia Drought Response Terms of Reference

The Cash Working Group for the 2017 Somalia Drought Response (hereafter referred to as the CWG) was established in February 2017. Somalia has had very active CWGs in the past, however, recent years have seen a decline in activity. Due to the scale and severity of the drought and risk of famine in 2017, the need to revitalise a mechanism to enable a strategic approach to cash and a coordinated response was identified by several actors.

As the use of cash transfers is increasingly multi-sectoral, the CWG brings together all actors, across all sectors, who are employing cash-based interventions. To ensure a system-wide approach, the CWG will coordinate across clusters and update the Inter-Cluster Coordination Group (ICCG) and Humanitarian Country Team (HCT).

These Terms of Reference (ToR) focus on the immediate priorities and needs of a CWG in the context of drought response and may be revised in coming months as these needs change.

Overall aim

The overall aim of the CWG is to support the response by using cash-based assistance (CBA) where appropriate and to streamline the design, development and implementation of cash-based interventions. The group will focus on improving operational efficiency and effectiveness through collaborative planning and coordination for the drought response.

The specific goals are to:

- Ensure consistency in cash transfer values (final amount received) and the reassessment of such over time.
- Agree on clear mechanisms for the CWG to work with in-country coordination forums, including at various state levels.
- Where cash is feasible, agree on factors to be considered in given areas to determine the type of transfer (conditional, restricted or multi-purpose etc.) most appropriate to meet these needs.
- Ensure a clear understanding of coverage and gaps and update this over time in collaboration with respective clusters.

- Ensure the best value is received by collectively engaging with financial service providers to ensure information on opportunities, solutions and partners are widely understood.
- Agree on mechanisms and processes for undertaking collective market assessments and keeping market monitoring updated; along with other collective processes, as relevant.
- Agree on what actions are needed, if any, regarding overall monitoring and evaluation (M&E) to enable effective programming and to support effective formative and summative evaluation of the overall response.
- Develop and agree on a collective risk management framework and, where appropriate, take collective action to address risks.

While working towards these goals, the CWG will aim to:

- Ensure cash-based responses consider and build on lessons from the 2011 drought.
- Ensure protection and gender mainstreaming as per Sphere guidelines.
- Ensure inclusion of vulnerable and marginalised groups.
- Ensure there is a clear understanding of how agencies are embedding accountability to affected populations standards in the response.
- Share operational challenges and attempt to provide guidance to address them.
- Document options, choices made and lessons learned.

Wherever possible, the CWG will:

- Harmonise approaches to targeting.
- Agree on how the sharing of beneficiary lists, if necessary, will take place.
- Agree on when and under what conditions retargeting should take place.

Participation

All agencies, organisations, or donors actively engaged in or supporting cash-based responses to the 2017 drought in Somalia.

UN agencies (FAO, IOM, UNHCR, UNICEF and WFP); OCHA/ cluster representation (for overall coordination), ICRC, IFRC, CaLP, INGOs (ACF, ACTED, ADESO, ADRA, CARE, CESVI, COOPI, CWW, DRC, IRC, Mercy Corps, NCA, NRC, RI, SCI, Solidarities, WVI, World Concern, etc.) NNGOs (SADO, Southern Aid, WOCCA etc.); and donors (representatives to be agreed by the Informal Donor Working Group).

Chair and Co-chair

The CWG has a co-chairing arrangement, with one NGO chair and one UN chair. ADESO takes up the NGO chair and WFP the UN chair.

Meetings/frequency

- The main CWG will meet bi-monthly, with the option to meet more often if required.
- Specific technical workstreams to be formed as required with appropriate cluster and technical partners representation.

Documentation and Information Sharing

- Minutes will be compiled by the chair and shared with the group for comments before finalisation.
- Minutes will be made available to all CWG members and stakeholders through the CaLP website/ clusters /OCHA websites.
- Due to the range of terminologies used surrounding cash transfer types, for common understanding, terms and definitions as defined in the CaLP glossary will be those followed by the CWG. This should not impact on the internal use of terms within organisations.



