

Somalia Food Security Cash Transfer Programming

After Action Review



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Acronyms and abbreviations

AAR	After Action Review
CCT	Conditional cash transfer
CfW	Cash for work
CTP	Cash transfer programme/programming
FS	Food security
FSP	Financial service provider
ID	Identity
KAP	Knowledge, attitudes and practices
NFI	Non-food item
NRC	Norwegian Refugee Council
PL	Puntland
SC	South and Central Somalia
SL	Somaliland
SOP	Standard Operating Procedures
UCT	Unconditional cash transfer

1. Introduction

The Norwegian Refugee Council (NRC) has been operational in Somalia since 2004 under the NRC Horn of Africa mission. NRC has coordination field offices in South Central Somalia (Baidoa, Dolow, Dhoobley, Kismayo and Banadir); Somaliland (Hargeisa, Burao, Erigavo, Las'anod) and Puntland (Garowe, Galkayo, Bossaso).

On 20 July 2011, the United Nations declared a famine in parts of Somalia; the crisis affected some 3.1 million people, 2.8 million of whom were in South Central Somalia. The causes of the famine included a series of failed rains and a rapid increase in food prices. This complicated an already difficult situation characterised by ongoing civil war and insecurity, lack of humanitarian access, politicisation of aid by Al Shabaab and donor policies combined with the absence of effective and accountable government. These latter factors also contributed to the withdrawal of principal food aid actors in 2009 and 2010 and, therefore, the cessation of the primary means of addressing food insecurity crises in Somalia, until now.

In the context of increasingly widespread and severe suffering, displacement and excess mortality and with a clear humanitarian imperative to act, NRC Somalia scaled-up an unprecedented and innovative cash transfer programme (CTP).

Since 2011 NRC Somalia has adopted a variety of CTP schemes in order to pilot and learn how best CTP can be used to achieve food security objectives. The various CTP schemes used are:

- Commodity food voucher
- Value food voucher
- Unconditional cash transfer (UCT) (to access food and non-food items (NFIs))
- Conditional cash transfer (CCT) (to access food and NFIs)
- Livelihood value voucher (to access livelihood productive inputs/assets)
- Cash for Work (CfW) (to access food and NFIs)

NRC Somalia has utilised a range of different transfer modalities, starting with the use of vouchers (tied to specific items and specified traders/shops) and has progressed to using technology (where available) through the use of e-transfers via mobile phones. The transfer methods used are as follows:

- Paper voucher via NRC
- E-voucher via mobile money transfer (e.g. Hormud and Telesom)
- E-voucher via Hawala (e.g. Dahabshiil)
- Paper cash in envelope via Hawala (e.g. Dahabshiil)
- Paper cash in envelope via NRC

2. After action review objectives

In the context of the protracted humanitarian situation in Somalia and the successful use of CTP as a tool/method for delivering food security programming, NRC Somalia has commissioned this After Action Review (AAR) to map-out and document the different CTP schemes used in order to identify and share lessons learnt and highlight examples of good practice to improve its food security programming.

The overall objective of the AAR is to identify strengths and weaknesses of the approaches adopted in NRC's FS CTP in Somalia. The AAR will inform future NRC FS programming in Somalia (and elsewhere) to improve the provision of food security assistance contributing to the protection of and durable solutions for refugees and internally displaced persons (IDPs) worldwide.

The AAR aimed to benefit NRC in:

- Allowing FS team members (but not only) to immediately apply lessons learned from the CTP schemes;
- Gathering FS team members (but not only) intuitions about the strengths and weaknesses of the CTP schemes;
- Giving FS team member (but not only) an opportunity to share their views and ideas and thus develop common perspectives on which they can base their future work.

More specifically, the AAR aimed to:

- Identify all CTP schemes used by the FS programme of NRC Somalia since 2011.
- Map out the different CTP schemes by describing cash flows and stakeholder involvement.
- Carry out a SWOT Analysis (Strength, Weakness, Opportunity and Threat) of the different schemes.
- To assess what worked (good practice) and what did not for each CTP scheme.
- To identify improvement recommendations for each CTP scheme.

3. AAR Methodology

The AAR is designed to highlight programmatic strengths and weaknesses and to facilitate ongoing organisational learning by looking at an individual project, activity, event or task.

The main focus of the AAR has been to bring together the NRC teams involved in the different CTPs in Puntland (PL), Somaliland (SL) and South Central Somalia (SC) to discuss the CTPs implemented (and still being implemented) since 2011. Two one-day AAR reflection workshops were held as part of this process – one in Hargeisa (covering PL and SL) and a second one in Mogadishu (covering SC).

The aim was to include representatives from Programmes (FS) as well as from relevant support departments (Logistics, Finance, Security, monitoring and evaluation (M&E)) to ensure that all elements of implementing CTPs were captured.

The workshops considered the following key questions:

- What was supposed to happen?
- What actually happened?
- Why were there differences?
- What worked?
- What didn't?
- Why?
- What can be done differently next time?

Most workshop discussions were held in plenary and small break-out groups were formed in order to look in more detail at specific issues. A SWOT analysis of the FS CTPs was undertaken during each workshop. Brief AAR reports have been written up for both of the workshops.¹

A debriefing workshop to highlight initial findings was envisaged with senior management of NRC Somalia and the NRC Nairobi Regional Office in Nairobi, Kenya after the workshops. Due to lack of staff availability this debriefing workshop did not go ahead. Instead a debriefing session was held with the Regional Food Security Programme Manager.

In addition to the workshops a series of one-to-one discussions were held with NRC staff² (via phone and face-to-face) in advance of the workshops. A review of key project documents was undertaken and a mapping of the different schemes was carried out.

Constraints and limitations

A number of constraints and limitations were faced in undertaking the AAR as follows:

- The AAR considered six different CTP schemes using four different transfer modalities carried out over a period of five years. The total number of CTP actually taken into account was eight as two different transfer modalities were used in two of the schemes. AARs are better suited to focus on one project as opposed to a series of projects within one programme. This limited the ability of the AAR to explore the detail of each of the schemes and transfer modalities implemented and to undertake a detailed cash flow/process mapping for each scheme.
- Some workshop participants (specifically covering PL and SL) were new to the programme and unfamiliar with the schemes under discussion, limiting (to an extent) their participation.
- In Mogadishu the workshop participants only represented Programmes and M&E with no representation from Finance, Logistics or Security, limiting key inputs from these critical support departments.³
- The Hargeisa workshop was designed to cover CTP implementation in both Puntland and Somaliland thereby limiting the amount of detail that could be covered for each location and each scheme during the one-day workshop. This has impacted on the AAR terms of reference requirement to provide detailed cash flow/process overviews for each individual CTP scheme.

¹ Please see Annex 1 and Annex 2

² Please see Annex 3

³ One-to-one discussions were held with staff from these departments after the workshop.

- AARs are designed to bring together a group to think about a project, activity, event or task. The AAR workshops held for the FS CTP actually had to consider a number of projects and activities within a limited period of time (one day for each workshop). This did not allow for in-depth analysis of each of the CTP projects/schemes implemented under the broader cash transfer programme.
- It was not possible before or during the AAR exercise to collect accurate information on the different CTP schemes implemented due to lack of available documentation. Efforts were made to gather this data during the workshops but post-workshop follow-up was required in order to sufficiently collate the necessary information.

Benefits

In spite of the limitations highlighted above, some key strengths of the AAR process have also been identified as follows:

- The AAR has allowed for the gathering of significant macro-level data on the FS CTP as a whole. This data is now documented in this report and its annexes.
- Feedback from staff involved in the workshops highlighted the benefits of the teams meeting together to share their thoughts and experiences on CTP implementation. The workshops allowed for cross-comparison of approaches adopted, successes achieved and challenges faced.

4. Overview of cash transfer programme schemes

NRC has been implementing FS CTP in Somalia since the end of 2011. NRC's FS objectives and related outputs for Somalia (for 2015) are as follows:

Table 1: Food security objectives and expected outputs

Objective	Expected output
1. Target groups meet their basic food needs (Food Safety-net)	1.1 Target groups are provided with means to access food 1.2 Target groups have improved basic nutrition practices
2. Target groups have alternative livelihoods / resume productive activities (Productivity)	2.1 Target groups received knowledge on food production activities 2.2 Target groups received knowledge on Income Generation Activities (IGAs) 2.3 Target groups provided with access to food production/income generation assets
3. Target groups conserve their environment (cross cutting)	3.1 Target groups received knowledge on environment conservation activities 3.2 Target groups provided with access to environment conservation assets

Between 2011 and 2015 NRC developed a range of different approaches to achieve its FS objectives, piloting and developing a variety of mechanisms to transfer cash to identified beneficiaries. Initial approaches were led by Programmes without any support systems being in place. Development of such support systems in terms of finance, security and logistics started (and is still on-going) soon after the FS programme engaged in new CTP.

With CTP being new to NRC Somalia, it has been necessary for the FS programme to develop context specific CTP guidelines whilst simultaneously implementing its programmes. This has involved significant dedicated effort on the part of the FS teams, particularly in light of their stretched capacity. Standard operating procedures (SOPs) for CTP have been developed to cover the NRC Horn of Africa and Yemen Regional Office in order to clarify the roles of the different departments involved.⁴

A total of six different CTP schemes were implemented between 2011 and 2015, as seen in Table 2.

Table 2: Cash transfer schemes implemented in Somalia

Scheme
1) Livelihood Value Voucher/Cash Grant
2) Commodity Food Voucher
3) Unconditional Cash Transfer
4) Conditional Cash Transfer
5) Value Food Voucher
6) Cash for Work

The four different transfer mechanisms adopted include:

- 1) Paper cash in envelope via Hawala
- 2) Paper value voucher via NRC
- 3) Paper commodity voucher via NRC
- 4) E-voucher via mobile money transfer

Table 3 below provides an overview of the different schemes and the different transfer modalities used for each scheme.

⁴ For example, "Procurement Procedures to be followed for different types of cash transfer" (24 June 2013); and "Field Operational Plan for food commodity vouchers" (17 September 2011).

Table 3: Cash transfer schemes and modalities

Scheme	Transfer Modality	Total number of CTP (combining scheme and transfer modality)
Commodity Food Voucher	Paper commodity voucher via NRC	1
Value Food Voucher	E-voucher via mobile money transfer	2
Unconditional Cash Transfer	Paper cash in envelope via Hawala	3
Conditional Cash Transfer	E-voucher via mobile money transfer	4
	Paper cash in envelope via Hawala	5
Livelihood Value Voucher/Cash Grant	Paper cash in envelope via Hawala	6
	Paper value voucher via NRC	7
Cash for Work	Paper cash in envelope via Hawala	8

A combination of conditional and unconditional transfers was distributed to beneficiaries⁵. Conditionality of cash transfers has been linked to recipient access to the grant i.e. before receiving a cash transfer, recipients are required to undertake an activity such as attending training or participating in community works projects. Use of the transfer was either unrestricted (i.e. recipients could spend the money as they wished) or restricted (i.e. the transfer could only be used to purchase, or in the case of a voucher be exchanged, for specified commodities). Restricted transfers have either specified broad usage (e.g. food of a specified value amount), or limited usage (e.g. specific food types of a specified quantity and type or livelihoods inputs of a specific type).

Table 4 provides an overview of the types of conditionality and restriction that NRC has applied for its CTP.

Table 4: Conditionality and restrictions

Type of conditionality Scheme	Access		Use	
	Conditional	Unconditional	Restricted	Unrestricted
Value food voucher		√		√
CCT (training)	√			√
UCT		√	√	√
Commodity food voucher		√	√	
Livelihoods value voucher/cash grant (training)	√		√	
CfW	√			√

⁵ UCT were introduced in South and Central in 2013.

A range of different CTP schemes have been implemented by NRC in Somalia since 2011 and these are outlined in Table 5. The table also shows what kind of transfer modalities have been used within each scheme.

Table 5: Overview of CTP schemes and transfer modalities

Scheme	Transfer modality	2011			2012			2013			2014			2015		
		SL	PL	SC	SL	PL	SC	SL	PL	SC	SL	PL	SC	SL	PL	SC
Commodity food voucher	Paper commodity voucher via NRC	√	√	√	√	√	√									
Value food voucher	E-voucher via mobile money transfer							√			√					
UCT	Paper cash in envelope via Hawala									√		√	√	√	√	√
CCT	E-voucher via mobile money transfer									√						
	Paper cash in envelope via Hawala								√			√		√	√	
Livelihood value voucher / cash grant	Paper cash in envelope via Hawala												√			√
	Paper value voucher via NRC					√		√	√		√	√		√	√	
CfW	Paper cash in envelope via Hawala												√			√

Figure 1 below provides an overview of the six different cash transfer schemes that have been used by the NRC FS Programme throughout Somalia between 2011 and 2015.

The majority of transfers have been linked to the provision of livelihood value vouchers/cash grants (30%); UCT and commodity food vouchers each account for 20% of the transfers; a total of 16% has been dedicated to CCT; and CfW and value food vouchers each account for 7% of the transfers.

Figure 1: Cash transfer schemes used 2011-2015

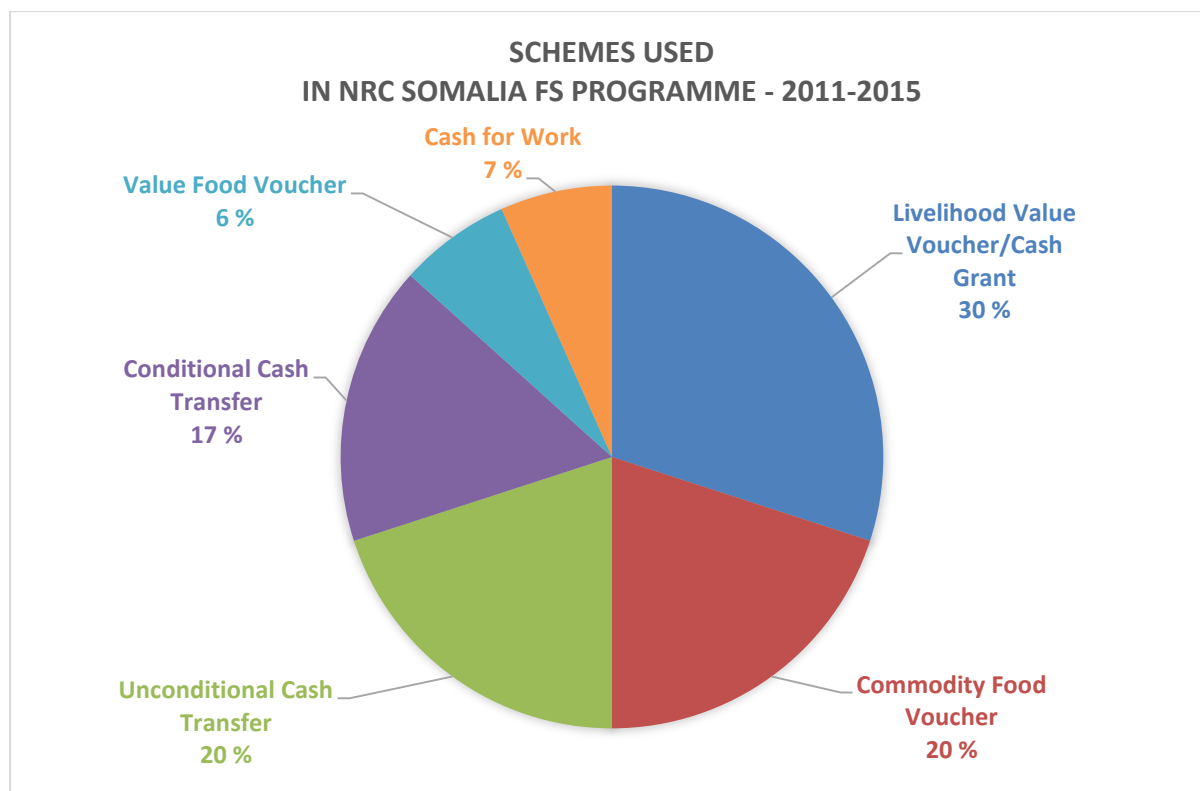


Table 6 below highlights the variety of schemes that have been implemented between 2011 and 2015. In 2015 the most frequently used schemes have been livelihoods value vouchers/cash grants and UCT which have been used in PL, SL and SC. The second most frequently used scheme is CCT in SL and PL but not in SC. The commodity food voucher scheme was the only scheme used during the 2011 drought response throughout Somalia (PL, SL and SC) but has not been used since 2013. The value food voucher that was started in SL in 2012 is no longer used.

Table 6: Cash transfer schemes used 2011-2015

Scheme	2011	2012	2013	2014	2015	2011	2012	2013	2014	2015
Livelihood Value Voucher/Cash Grant	0	1	2	3	3	0%	25%	33%	38%	33%
Commodity Food Voucher	3	3	0	0	0	100%	75%	0%	0%	0%
UCT	0	0	1	2	3	0%	0%	17%	25%	33%
CCT	0	0	2	1	2	0%	0%	33%	13%	22%
Value Food Voucher	0	0	1	1	0	0%	0%	17%	13%	0%
Cash for Work	0	0	0	1	1	0%	0%	0%	13%	11%
Total # of schemes used	1	2	4	5	4					

Figure 2 below provides an overview of the six different transfer schemes that have been used throughout Somalia during the period 2011 – 2015.

Figure 2: Cash transfer schemes used 2011-2015

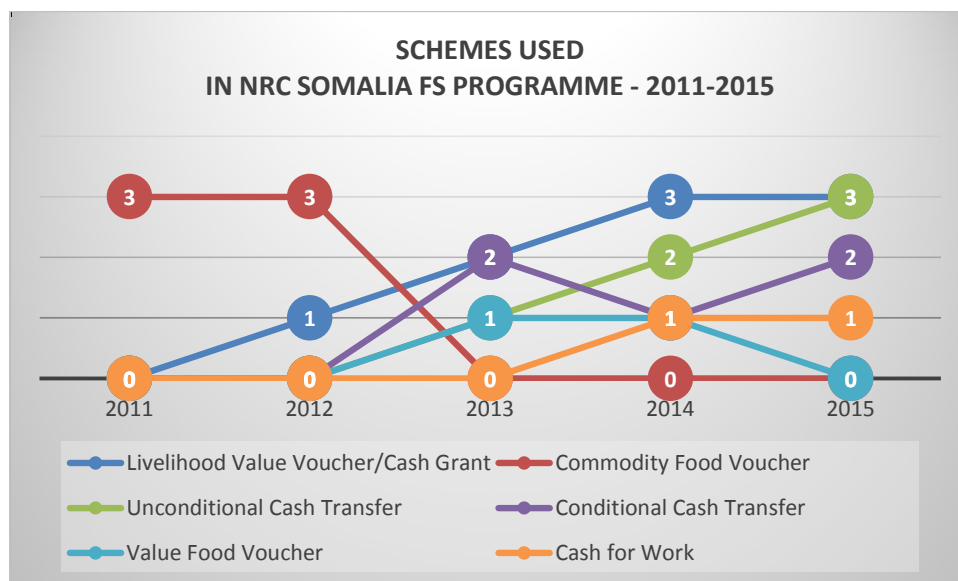


Table 7 outlines the different transfer modalities that have been used across Somalia by the NRC FS Programme. The most frequently used transfer modality in 2015 (used in seven different schemes) is paper cash in envelopes via hawala for the provision of UCT (PL, SL, SC); CCT (PL and SL); livelihood value vouchers/cash grants (SC); and CfW (SC).

Table 7: Transfer modalities used 2011-2015

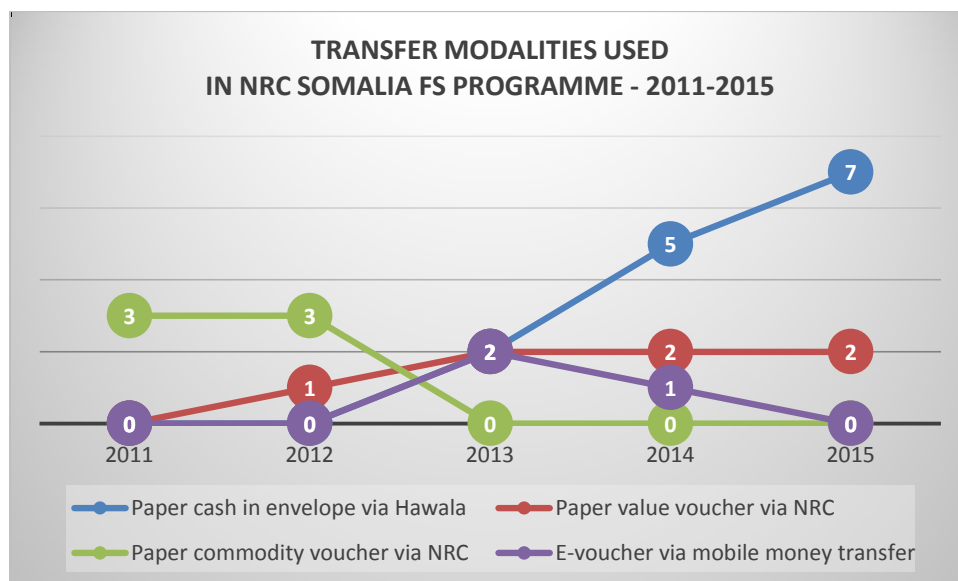
Transfer Modality	2011	2012	2013	2014	2015	2011	2012	2013	2014	2015
Paper cash in envelope via Hawala	0	0	2	5	7	0%	0%	33%	63%	78%
Paper value voucher via NRC	0	1	2	2	2	0%	25%	33%	25%	22%
Paper commodity voucher via NRC	3	3	0	0	0	100%	75%	0%	0%	0%
E-voucher via mobile money transfer	0	0	2	1	0	0%	0%	33%	13%	0%
Total # of transfer modalities used	1	2	3	3	2					

The least used transfer modalities are paper commodity voucher via NRC and e-voucher via mobile money transfer. The paper commodity vouchers via NRC were used during the 2011 drought response. NRC moved away from this modality following recommendations from the evaluation of that response.⁶

Figure 3 below provides an overview of the four different transfer modalities that have been used throughout Somalia during the period 2011 – 2015.

⁶ See NRC Somalia 2011 Famine Response Evaluation

Figure 3: Cash transfer modalities used 2011-2015



5. Differences between plans and implementation

By working through the project cycle for each CTP scheme, the AAR attempted to identify what was supposed to happen in terms of implementing FS CTP and how this differs from what actually happened.

The process has not allowed for detailed exploration of each CT scheme (e.g. UCT/CCT) or transfer modality (e.g. paper voucher/e-transfer) but it has been possible to undertake broad analysis of the schemes and modalities whilst also highlighting issues relevant to each operational area.

Table 8 below summarises the findings from this discussion.

Table 8: Plans versus implementation

Scheme	Transfer modality	Plan	Actual
Commodity food voucher (to access food commodity)	Paper voucher	Facilitate beneficiary access to predefined food items thereby reducing their expenditure.	Provision of bulk food (via voucher) incurred transport costs from supplier distribution sites to beneficiary locations which reduced the financial benefit of the transfer.
Value Food Voucher (to access food commodity)	E-voucher via mobile money transfer	Facilitate beneficiary access to the food they want thereby reducing their expenditure.	Pre-selection of food vendors and provision of E-voucher of \$40 (using Telesom) to beneficiaries allowing them to access food items from the shop of the pre-selected food vendors.
Unconditional cash transfer (UCT) (to access food and non-food items)	Paper cash in envelope via Hawala	Enable beneficiary responding to their own needs with dignity.	Use of the cash to respond to relevant existing needs as demonstrated by and documented in the Post Distribution Monitoring (PDM)
Conditional Cash Transfer (CCT) (to access food and non-food items)	Paper cash in envelope via Hawala	All beneficiaries attend training ⁷ in order to improve nutrition, dietary and feeding practices. Provision of transport allowance conditional on attending training (SC).	Absenteeism from training and lack of application of knowledge imparted. Beneficiary movement from one location to another resulted in different transport costs than originally calculated.
	E-voucher via mobile money transfer	Provision of mobile phones and sim cards to those without.	Sharing of mobile phones by beneficiaries (not sim cards).
Livelihood Value Voucher/Cash Grant (to access livelihood assets/inputs)	Paper cash in envelope via Hawala	Provision of a value voucher with freedom for beneficiaries to choose which items to purchase.	Due to limitations of the Agresso system, beneficiaries had to specify in advance the items (type and quantity) they would purchase. This restricted choice, resulting in the provision of a commodity voucher.
	Paper value voucher via NRC	Facilitate access to predefined assets/inputs to recover or diversify livelihoods. Beneficiaries should buy the items they needs from pre-selected shop.	Due to some internal procurement process challenges (e.g. Agresso) beneficiaries were assigned to a specific shops and could only choose from a pre-selected list of items.

⁷ With the exception of a small number of pre-identified "labour-poor" households.

Scheme	Transfer modality	Plan	Actual
Cash for Work (CfW) (to access food and non-food items)	Paper cash in envelope via Hawala	Expectation of adequate internal technical and finance support.	Absence of NRC finance staff in all areas (e.g. Gedo). Limited levels of technical infrastructure knowledge within FS and limited inputs from other relevant core competencies.
	Plan	Actual	
Universal issues	Undertake detailed response options analysis prior to designing and implementing CTP in order to identify the most appropriate transfer scheme and mechanism.	Limited thorough response options analysis has been undertaken with NRC observing approaches of other organisations and building on its own learning. This was partly due to time pressure in initial phases as well as lack of knowledge/capacity on how to undertake response analysis amongst NRC staff.	
	Undertake solid market assessment in each operational area. Collect regular market price data for analysis to feed into programme development.	Limited market assessments allowing for anticipation of the potential risk and impact of injecting cash into local markets. ⁸ Regular market price data is collected but not sufficiently analysed and documented. There is lack of knowledge/capacity on undertaking market assessments amongst NRC staff.	
	Development from manual registration and verification processes to electronic methods.	Ongoing manual registration and verification of beneficiaries (using thumb prints).	
	Collation of learning related to CTP outcomes and impact to feed into future programme design.	Lack of human and financial resources has limited the ability of NRC to gather outcome and impact data with a focus primarily on gathering output level data or collecting outcome data without the resources to sufficiently analyse it.	

⁸ Skills and labour market assessments have been undertaken.

6. What has worked well – good practice

Through the workshops and individual discussions it was possible to identify a number of processes and procedures related to the CTP that have worked well as follows:

- i. Piloting different cash transfer mechanisms including new and developing technology such as e-transfers via mobile phone.
- ii. Scaling up M&E resources to support the increased post distribution monitoring (PDM) that has been required in order to meet internal and external accountability requirements in terms of measuring outputs.
- iii. Involvement of Security staff in assessing potential risks to staff and beneficiaries of the CTP (particularly in SC). There have been no security-related incidents linked to the programme.
- iv. In addition to learning-by-doing, the majority of staff involved in the CTP (both Programme and support staff) have received CTP-specific training which has resulted in an increased knowledge and understanding of the processes for implementing this form of programming.
- v. Correct beneficiary targeting has ensured that programme objectives are met.
- vi. In Somaliland, during the commodity food voucher scheme (2011 famine response) the provision of an additional amount of money to facilitate beneficiary travel to cash collection points has ensured that the value of the transfer is not diminished.
- vii. The provision of NRC identity (ID) cards to those beneficiaries who did not possess national ID cards has ensured that those who meet programme criteria are still able to benefit.
- viii. Through implementing much-appreciated CTP NRC has built good relationships with a range of stakeholders including recipient communities; shops/suppliers; money transfer agencies; community leaders; local authorities; and other humanitarian organisations.
- ix. In the initial phases of its response NRC was able to implement CTP at scale for the benefit of more than 20,000 households in SC.
- x. The FS department has developed working documents to support CTP implementation including field operational procedures and SOPs.
- xi. Provision of livelihood grants in instalments has helped NRC to ensure that programme objectives are achieved and to monitor requirements for future programme adaptation.

In addition to the procedural successes of the CTP, this review has identified that whether provided with unconditional or conditional cash, recipients have used NRC FS cash transfers for their intended purpose i.e. improving food security (for the duration of the time that the transfer was provided) and/or restoring or reinvigorating livelihoods. Conditional cash transfers through the implementation of cash for work (CfW) programmes have reportedly benefited individuals as well as broader communities.

The only exception has been linked to the provision of training to improve dietary and breastfeeding practices where attendance at the training has been high but there has been limited observation of changes in practice.⁹

⁹ This feedback has come from programme PDMs as opposed to a more formal knowledge, attitudes and practices (KAP) survey.

7. What could have worked better

A number of processes and procedures that could have worked better in order to implement more effective CTP were identified through the workshops and discussions as follows:

- i. Thorough response options analysis prior to starting an intervention.
- ii. More comprehensive senior management support for CTP particularly at the initial stages.
- iii. Manual registration and verification of beneficiaries – this approach is resource-heavy and takes time.
- iv. Timely provision of cash transfers according to schedules. There have been internal transfer delays resulting in disbursement delays of 2-3 weeks. At times this has been combined with disbursement delays in some remote areas due the limited capacity of hawala at village level. It is not clear what impact these delays have had on beneficiary purchasing power and food security. However, at times the delays have led to pressure being put on NRC staff by expectant recipients.
- v. More systematic analysis of market data linked to transfer value.
- vi. Not all programmes have factored in the reduced value of transfers to beneficiaries when travel costs are incurred (particularly relevant in rural areas).
- vii. Complaints, response and feedback mechanisms are in place in all operational areas. They are however not effectively used partly due to the feedback not being specific to CTPs and partly due to lack of resources to follow up on issues raised.
- viii. Incompatibility between some programme objectives and NRC's Agresso system. For example, the provision of small scale business grants of a specific value (through a value voucher) whereby beneficiaries were meant to be able to choose what commodities to purchase. The Agresso system required more detailed information on types and quantities of items to be purchased resulting in the need to include an additional restriction specifying the actual items that a beneficiary could purchase.
- ix. Slow processes between Programmes and support departments. Support departments have at times felt pressure to move quickly as a result of lack of lead time from Programmes. Programmes have experienced implementation delays due to internal Finance and Logistics procedures.
- x. Current systems and programme design do not allow for the fluctuation of transfer amounts linked to seasonality and market prices.

8. SWOT analysis

Individual SWOT analyses were carried out for the different operational locations where NRC is implementing CTPs. These are included in the annexed workshop reports. The SWOT analysis provided in Table 9 highlights the common internal strengths, weaknesses, opportunities and threats identified through the workshops and discussions.

Table 9: NRC Internal SWOT

<p>Strengths</p> <ul style="list-style-type: none"> • Current senior management support and encouragement. • Provision of UCT. • Provision of CTP can be undertaken remotely without the need for NRC presence when using mobile money transfers. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of understanding of CTP across all departments/staff. • Logistics procedures creating a barrier for UCT. • Limitations in choice of commodity and supplier with CCT. • Lack of NRC presence in some areas due to security situation. • NRC internal transfer processes causing payment delays. • Beneficiaries in rural areas having to travel to FSPs thereby incurring transport costs.
<p>Opportunities: Senior management directive on increased use of CTP and new technology</p>	<p>Threats Lack of capacity to support scale up of CTP.</p>

Table 10 provides a SWOT analysis relating to the external environment.

Table 10: External SWOT

<p>Strengths</p> <ul style="list-style-type: none"> • Existence of functioning mobile money transfer systems. • Presence of financial service providers (FSPs) in urban and rural areas. • Provision of cash has enhanced NRC's reputation within the communities that it is working. 	<p>Opportunities In areas where NRC has no/limited access the remote provision of cash transfers through Hawala/mobile money transfer systems allows for access and the ability to meet needs without incurring security risks for staff.</p>
<p>Weaknesses</p> <ul style="list-style-type: none"> • FSPs not present in all rural areas. • Donor reluctance to finance post-implementation monitoring to assess outcomes and sustainable impact. 	<p>Threats</p> <ul style="list-style-type: none"> • Focus on livelihoods/recovery when humanitarian needs remain (SL). • Fluctuations in market price/no fluctuations in payment amounts. • Protection risks related to the use of mobile money transfers via phone in Al-Shabaab controlled areas.

9. Conclusions and Recommendations

Programmatic

Since starting to implement CTP in Somalia the NRC FS programme has had the courage and conviction to test out a number of different approaches (scheme) using a variety of different cash transfer mechanisms (transfer modality). This practical learning-by-doing approach (which was not necessarily planned but which was the only way that NRC could continually develop its approach to CTP in Somalia) has resulted in a good understanding of the benefits and challenges of implementing CTP for those staff involved. However, this learning has not been sufficiently documented over the course of the last five years to ensure onwards and shared learning. This is partly due to lack of staff capacity to develop, design, implement and record learning simultaneously.

NRC FS CTP in Somalia has benefitted significant numbers of people, both displaced and host communities, who have been affected by drought and conflict in recent years. NRC reporting highlights that programme objectives have been achieved and that beneficiaries have improved their food security (at least for the duration of the programmes) and have strengthened and recovered livelihood options. Objectives have been achieved even when provision of cash has been unconditional and use has been unrestricted.

AAR process

As per the objective of an AAR, both workshops in Hargeisa and Mogadishu were held in open environments and were very participative in nature. All participants, even those less familiar with the CTPs, provided important inputs into all the workshop discussions.

Whilst a number of recommendations have come out of the workshops (see below) it is not clear whether the teams will immediately action these. One of the aims of an AAR is to provide immediately actionable recommendations. However, as the recommendations emanating from the workshops primarily require senior management support, the recommendations provided are targeted at a Nairobi regional and Somalia Office level. It is likely that there will need to be a clear direction from the NRC Somalia Office and Regional Office as to which recommendations to take forward, when, how and who will be responsible. The development of a documented management response plan would help to ensure that where agreed, recommendations will be taken forward within specified timeframes and managed by a specified person.

The conclusions and recommendations below emanate from the key findings of the AAR. They are presented in line with the project cycle management process (identification, formulation, implementation, evaluation) which was also used to guide the structure of the AAR workshops. Links are provided to resources which may help NRC to implement some of the recommendations proposed. The links are listed in order of priority/relevance for NRC.

It should be noted that a number of the recommendations provided are likely to require an increased investment in both human and financial resources for NRC.

Recommendations are provided within six thematic areas:

- I. Identification and assessment
- II. Scaling up
- III. Consolidation and simplification
- IV. Implementing adaptive responses
- V. M&E
- VI. Organisational and staff capacity building

I Identification and Assessment

Prior to designing and implementing its CTP NRC has not been able to undertake thorough response options analysis in order to guide decision-making processes on the most appropriate form of response to implement. This has partly been due to lack of available human and financial resources. In addition, no systematic market assessments have been undertaken to assess the potential impact of CTP on markets or the impact of fluctuating market prices on beneficiaries. Market price data is collected but is not sufficiently analysed to feed into programme adaptation.

Recommendation

- i) NRC should consider **further investment in market analysis** both prior to designing new interventions and during the course of implementation. There are a number of existing market assessment and analysis tools which are relatively simple to use which NRC could use as a reference point. Some of these include:
 - ICRC Rapid Assessment for Markets (provides basic instruction on post shock market operation. Highlights market data to collect to inform response decisions and transfer mechanism selection)
 - ✓ <https://www.icrc.org/eng/resources/documents/publication/p4199.htm>
 - CaLP Minimum Requirements for Market Analysis in Emergencies
 - ✓ <http://www.cashlearning.org/resources/library/351-minimum-requirements-for-market-analysis-in-emergencies>
 - Oxfam EFSL 48 hour assessment tool
 - ✓ <https://www.humanitarianresponse.info/operations/somalia/document/oxfam-gb-emergency-food-security-livelihoods-efsl-48-hr-assessment-toolsds>
 - Pre-crisis Market Mapping and Analysis Step-by-step Guidance for Practitioners (PCMMA) (practical step-by-step process of how to plan, carry out, and update pre-crisis market mapping and analysis).
 - ✓ <http://www.cashlearning.org/resources/library/545-pre-crisis-market-mapping-and-analysis---step-by-step-guidance-for-practitioners>
 - Emergency Market Mapping and Analysis Toolkit (EMMA) – (provides practical recommendations that are suitable for the early stages of emergencies).
 - ✓ <http://emma-toolkit.org/>
 - ICRC Market Analysis Guidance (suggests processes and tools aimed at integrating market analysis into the different phases of the project cycle.)
 - ✓ <http://www.cashlearning.org/resources/library/541-market-analysis-guidance-mag>

- ii) Prior to designing new CTP NRC should **invest in undertaking and documenting response options analysis** in order to provide a clear foundation and assist in decision-making processes selecting the most appropriate response to implement. Guidance can be found here:
 - ✓ <http://www.ifrc.org/Global/Publications/disasters/finance/cash-guidelines-en.pdf>
 - ✓ <http://www.sraf-guidelines.org/resources/situation-and-response-analysis-framework>
- iii) **Cross-department integrated risk analyses** should be included during CTP design phases to ensure that all potential risks and mitigating steps have been identified. The approach adopted in SC whereby Security is an integral part of the design process and highlights potential security risks during the initial phases should be replicated elsewhere.

II *Scaling up*

With the current resources dedicated to FS, NRC is able to manage CTP at the present-day scale. Some contextual guidelines have been developed in order to facilitate CTP processes both for programmes and for the support departments. However, if NRC has the ambition to scale up its FS CTP in terms of reaching more beneficiaries, adaption of approach will be necessary. Although NRC has managed to implement CTP at scale (for the 2011-12 drought response for example), there is a lack of documented learning or preparedness planning in place in order to facilitate future scale up.

Recommendation

- i) Move away from manual beneficiary registration and verification and investigate opportunities for beneficiary **biometric thumb-printing** or other technological methodologies which allow for rapid registration and verification.
- ii) Continue investigating the feasibility of using **mobile money transfers** (via phone) including the potential security risks of using only one service provider (i.e. Hormud in SC). It is understood that NRC has already started this investigation. These analyses and discussions need to be well-documented in order that they are available as a reference tool for the future. Resource tools include:
 - ✓ <http://www.mercycorps.org.uk/research-resources/e-transfer-implementation-guide-cash-transfer-programming>
 - ✓ <http://www.cashlearning.org/resources/library/390-e-transfers-in-emergencies-implementation-support-guidelines>
- iii) The establishment of **agreements with private sector bodies** in advance of scale up will facilitate more rapid increase in scale. NRC already has such an agreement in place with Dahabshiil. Learning from this process should be used to feed into the establishment of agreements with mobile money transfer agencies as well as traders (if restricted use transfers are to continue) in order that NRC is ready to take its FS CTP to scale should the need arise. This is particularly relevant in hard-to-reach areas where staff access is limited.

III Consolidation and simplification

The FS department in Somalia has managed to trial and implement a variety of different CTP schemes in order to improve beneficiary food security and livelihoods options. It has been necessary to adopt this approach for a number of reasons including:

- Initial lack of senior management agreement on the most appropriate form of cash transfers to provide (conditional/unconditional).
- Limited staff experience, skills and knowledge of CTP.
- Limited resources to undertake detailed response options analysis on a regular basis
- Technology development which has increased options for cash transfers (e.g. from distribution of paper money/vouchers to mobile money transfers).

Managing such a range of schemes has allowed for “learning-by-doing” and has resulted in NRC having a good knowledge of the pros and cons of the different **transfer mechanisms** available. At the same time however, implementing such a range of schemes has stretched the capacity of the FS department in terms of being able to closely manage and monitor the effectiveness of the different approaches.

With regard to conditionality, the AAR workshops have highlighted universal support for implementing **unconditional and unrestricted CTP**. PDM and AAR discussions highlight that beneficiaries have used cash transfers for the purpose for which they were provided thereby meeting programme objectives even when transfers have been unconditional and unrestricted. This appropriateness of use is linked to effective targeting mechanisms which have been put in place by NRC.

Recommendation

- i) Consideration should be given to reducing the number of **transfer modalities** that NRC is using. In light of developing and widespread technology and in the interest of being prepared for scale-up, further investigation of the reliability and efficiency of increasing the use of **mobile money transfers** should be undertaken.

In specific areas where the use of mobile money transfers might increase security risks for staff and beneficiaries, continued use of current systems (such as hawala) should be maintained.

- ii) The provision of **unrestricted use cash transfers** should be increased. Some transfers may still be conditional in terms of the obligation to attend training or undertake specific activities (such as purchase of items to re-start or restore livelihoods by providing grants in tranches). Increased implementation of UCT will enhance beneficiary choice and dignity – key positive features of CTP.

IV Implementing adaptive responses

A key benefit of CTP is that they can address a variety of beneficiary needs particularly when transfers are not restricted in terms of usage. An important element of this is to establish **responsive programme designs** that can be flexible to needs as they change. The current approach of providing fixed transfer amounts does not take into account changing beneficiary needs linked, for example, to seasonality.

Recommendation

- i) An examination of the potential for developing a system of **varying the value of transfers** provided in relation to need should be undertaken in order that disbursements can be linked to critical issues such as fluctuation in market prices. This needs to be linked to **undertaking initial context/area specific market assessments and response analyses** to identify the risks and potential impacts of providing cash and anticipating market shifts.

V Monitoring and evaluation

FS CTP monitoring to date has primarily consisted of data collection at output level. Regular baselines, post distribution monitoring (looking at issues such as beneficiary preference, beneficiary feedback on change of knowledge and practices and use of cash transfer) and endlines have been carried out. Market price monitoring is undertaken regularly but there is limited analysis of the data collected. The information collected is primarily used for reporting purposes as opposed to programme adaptation and impact management.

The AAR process was valued by the country office staff as it brought together those working on the programme in an open environment allowing for information-sharing across and between departments. NRC now has significant experience of implementing CTP in Somalia (not only in FS but with other core competencies such as Shelter) as well as in other countries in the region. There is an absence of shared learning both across core competencies and across countries.

Recommendation

- i) In order to facilitate the use of monitoring data for programme adaptation, FS teams, in combination with and with the support of M&E staff, should be provided with **additional support in terms of analysing the data collected**. This analysis can then be used to better understand programme outcomes as well as to adapt responses.
- ii) More emphasis should be placed on **documenting and disseminating lessons learned** during implementation of CTPs in order to continually feed into their development.
- iii) NRC should consider **introducing AARs (or similar reflective processes) on a regular basis** to ensure that lesson learning is more easily shared both within and between teams working on CTP.
- iv) Post-implementation **outcome and impact level monitoring** should be undertaken to assess changes in practice and longer term changes (in terms of increased and sustainable food security for example) leading to better understanding of the situation for beneficiaries such as whether durable solutions have been identified through CTP.
- v) Learning on **cross-competency good practice and experience** should be analysed, documented and disseminated.
- vi) At an Oslo/regional level NRC should **consolidate and document cross-country learning** from the region in order to feed into organisational CTP development processes.

NRC staff involved in CTP in Somalia have benefitted from learning from the approaches adopted by other organisations as well as learning-by-doing. There has been one valuable training session provided by the Cash Learning Partnership and NRC Oslo for both Programme (Food Security and Shelter) and support staff. However, with the arrival of new staff and developments in approaches to CTP there remains the need for ongoing training on CTP. This will ensure that there is a common understanding of CTP both in terms of the general concept as well as technical specificities for all NRC staff.

NRC has initiated a process to assess organisational capacity for CTP in the Horn of Africa. This process has however not been completed.

Recommendation

- i) **Training modules should be developed** for all staff involved in CTP in Somalia in order to strengthen organisational knowledge. Where relevant, the training courses of other organisations can be used or adapted. Potential training modules/courses could include:
- Introduction to CTP in humanitarian interventions (using CaLP Level 1 training as a foundation) – for staff who are new to CTP.
 - IFRC on-line introduction to CTP
 - ✓ <http://ifrc.org/en/get-involved/learning/opportunities/>
 - CaLP Level 2 training (capacity strengthening in CTP design and implementation, sharing learning, encouraging advocacy, institutionalisation and coordination) – for staff with some existing CTP experience.
 - Market assessment training:
 - ✓ <http://www.cashlearning.org/capacity-building-and-learning/specialised-training-a-market-assessment>
 - E-transfers and operationalising beneficiary data protection
 - ✓ <http://www.cashlearning.org/capacity-building-and-learning/e-transfers-and-operationalizing-beneficiary-data-protection>
 - CTP guidance linked to different elements of the project cycle
 - ✓ <http://rcmcash.org/>
- ii) The process **assessing NRC's CTP capacity in the region** should be finalised and sufficiently tailored to the region.
- iii) In order to facilitate organisational and staff capacity building it is proposed that **NRC should consider recruiting a regional cash and markets specialist**. If this position is created then it would also facilitate implementation of the other recommendations of this review particularly given the current lack of staff capacity.



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