Emergency Cash-First Response to Drought-Affected Communities in the Southern Provinces of Zimbabwe – Impact Evaluation Findings

Policy Brief No. 1

1.Overview

Cash transfers are increasingly being used in humanitarian response; they have proven successful at increasing food security, reducing the use of harmful coping strategies, empowering women and strengthening local markets.

The independent High Level Panel on Humanitarian Cash Transfers (2015) found the evidence compelling to conclude that 'giving aid directly in the form of cash is often a highly effective way to reduce suffering and to make limited humanitarian aid budgets go further'. The Panel triggered a general call for an increased use of cash transfers in humanitarian action (from the present low level of 6% of humanitarian aid) in the lead up to the World Humanitarian Summit in May, 2016. This led to major agencies and donors committing to an increased use of cash transfers as part of the 'Grand Bargain'.

A humanitarian cash transfer project was implemented by CARE International in collaboration with World Vision International in Zimbabwe and financially supported by the UK Department for International Development (DFID). It is to date the largest cash transfer project to be carried out in Zimbabwe to respond to urgent humanitarian needs. The project started in August 2015 as a result of failed rains and early warning of an El Nino event. Originally foreseen to run through to March 2016, the project was extended through to March 2017 and built on its early investment to scale-up effectively and efficiently to address increasing needs in Zimbabwe. This evaluation covers the first phase of the project, through to March 2016.

In this first phase, the project provided unconditional digital cash transfers to 67,200 vulnerable households (336,000 people), to ensure they were able to meet their basic food and nutritional needs. The project aimed to meet 50% of basic food purchases and ensure that households were able to cope with food shocks by enhancing asset retention and preventing the use of negative coping strategies. The project also aimed to empower women and stimulate local markets.

The project targeted regions that were projected to have the highest food insecurity rates during the lean season of 2015/16: Matabeleland North, Midlands, Masvingo and Matabeleland South.

By February 2016, these regions had received less than 75% of the average expected rainfall and had experienced significant crop failure, leading to a drought declaration and increased acute food insecurity.

The monthly cash transfer value was USD5 per household member. The transfer value for small households (1-2 persons) was increased to USD15 after project monitoring showed that the size of the transfer was insufficient. Two mobile network operators, Econet and NetOne, carried out the cash transfers to beneficiaries' mobile phones and mobile money accounts.

Key findings

Intended impact

Enhance the food security of vulnerable and drought-affected households.

- **The cash transfers enhanced food security by improving dietary diversity by 8%, increasing the probability of achieving a minimum acceptable diet by 15% and decreasing self-reported hunger by nearly 18%.**

Intended outcomes

To cover 50% of household basic food and nutritional needs

- **The cash transfers increased the consumption of low calorie foods but not of high calorie nutrient dense foods.**

To ensure target households were able to cope with food shocks

- **There was a significant reduction in the incidence of skipping entire days without eating but no reduction in the coping strategies index and in other food rationing coping strategies. There was no significant impact on productive asset ownership.**

To empower women

- **The cash improved women's control over household budgets by 11% and their participation in community networks by 24%.**

To stimulate local economies

- **The cash transfers increased the availability and supply of cereals within local markets and may have increased local trade.**

2.Key Impacts

Improved dietary diversity and decreased self-reported hunger

The dietary diversity for beneficiaries increased by 8%, self-reported hunger decreased by nearly 18% and probability of meeting the minimum acceptable diet increased by 15%. Stronger impacts were observed in male headed households, households with more than 6 members and households with a larger number of dependents.

Increased consumption of low calorie foods

Although beneficiaries reported that the cash transfers met about 48% of their daily food needs, consumption only increased for low calorie foods such as fruit and foods consumed in small quantities such as cooking oil. There was no significant change in the frequency of food consumption and the consumption of high calorie foods such as animal source proteins and pulses, required to consistently meet food needs.

Minor effect on reducing food insecurity coping strategies

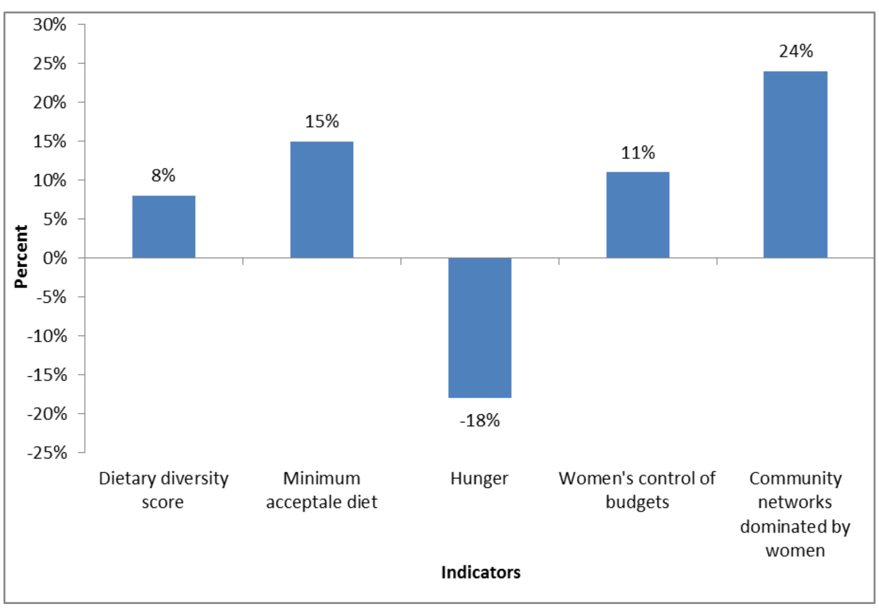
There was a significant reduction in the proportion of households skipping entire days without eating. Nearly 90% of the cash transfer was spent on food, especially maize meal. There were no statistically significant reductions in the coping strategies index and in food rationing coping strategies.

Improved women's control over household budgets and participation in community networks

The cash transfers increased the proportion of beneficiaries reporting that women had control over household budgets by 11%, although the intervention did not affect women's involvement in other household decisions. The programme also increased the proportion of women-dominated community networks by nearly 24%, and was associated with a decline in the incidence of domestic violence.

Increased availability and supply of commodities and goods

Within local markets, the project increased the availability and supply of cereals and there are reports of an increase in the overall volume of local trade in these markets.



Source: Evaluation survey 2016; statistically significant impacts

Evaluation Background and Methodology

The mid-term impact evaluation of the cash transfer project was commissioned by CARE International with advisory support from DFID, and was conducted by UNU Merit in partnership with Ruzivo Trust. The team evaluated the cash transfer programme from January to March 2016 and applied a mixed-method approach. Quantitative data were collected from a household survey of beneficiary and non-beneficiary households. To ensure representativeness of the sample, a proportional approach was followed to distribute the sample among the wards. The quantitative survey was complemented by qualitative surveys.

In order to establish robust impact estimates the evaluation uses propensity score matching (PSM). PSM mimics randomisation by identifying beneficiaries (treatment group) and non-beneficiaries (control group) that are similar in pre-intervention socio-economic characteristics. For a few outcomes, baseline and follow up data was available due to information collected retrospectively, and for this data the evaluation combines PSM with differences-in-differences estimation which accounts for bias from unobserved factors. More detail on the methodology, robustness checks and limitations can be found in the main report:

Tirivayi, N; Matondi, P; Tomini, S.M; Tesfaye.W.M; Chikulo, S; & van den Berg Morelli, C. 2016. Humanitarian Assistance through Mobile Cash Transfers: Evaluation of the Emergency Cash-First Response to food security in drought-affected communities in Southern Zimbabwe through a mobile cash transfer project. Evaluation Report. UNU-MERIT, Maastricht.

3.Programming Implications

The evaluation has confirmed previous findings on the effectiveness of unconditional cash transfers in a humanitarian setting. It provides a basis on which to build more effective and accountable programmes in Zimbabwe. Building on the evaluation findings and lessons learned during the second phase of the cash transfer programme, key implications for programming are outlined below.

Targeting and accountability: The project was able to scale up from an initial pilot phase targeting 2,000 households, to 67,200 beneficiary households during the first phase of the programme. This was later increased to 72,000 beneficiaries. The inclusion error was very low at 1.5%. Communities and local government were fully engaged during design and implementation, increasing awareness and buy-in. A multi-layered accountability and feedback framework was put in place including trained community volunteers, local authorities, suggestion boxes, and an independently managed hotline. Within the first phase of the project, 81% of documented complaints were responded to.

Efficiency and effectiveness: The project performed well in terms of value for money, with 74% of project costs going directly to beneficiaries as cash transfers. This is higher than similar interventions in sub-Saharan Africa, and is more cost efficient than humanitarian food transfers implemented in Zimbabwe. With the same funds, the cash transfer programme can reach 120% more beneficiaries than humanitarian food relief.

Investment in technological readiness and consumer education: Predictable and regular cash transfers make them an effective tool for households to meet their needs and mitigate against shocks. In phase 1, just 58.5% of surveyed beneficiaries reported receiving timely cash transfers between September 2015 and February 2016. Several months were needed to overcome technical challenges related to mobile network lines, including blocked and recycled lines, and identification mismatches. In addition, technological readiness and literacy were initially poor and the programme had to invest in consumer education on the use of mobile money platforms: 17% of the beneficiaries did not have reliable handsets and only 41% knew how to conduct mobile money transactions.

Mobile network and presence of agents: Mapping of mobile money agents was carried out by service providers and CARE. 79% of the beneficiaries reported the availability or presence of mobile money agents in their communities. Around 30% of beneficiaries reported that they had to travel more than 5km to the nearest cash agent. The project eventually introduced a transportation subsidy to reduce costs for the 15% of beneficiaries living in remote areas without network.

Ongoing risk management and contingency planning: The project maintained a live matrix that identified possible reputational, operational, fiduciary and macroeconomic risk factors with corresponding mitigation and contingency measures. The project has been responding to the deepening cash crisis in Zimbabwe by tracking the source and severity of liquidity challenges faced by beneficiaries, increasing consumer education on the use of digital payments, and working with mobile service providers to increase agent coverage.

Cash transfer beneficiaries in Gokwe South assembled during monitoring visit. ©DFID

Concilia Sande, a recipient of the cash transfers in Zaka. ©CARE/Katia Rakotobe

CARE International in Zimbabwe

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For more information:

Contact: Cristy McLennan

8 Ross Avenue, Belgravia

Harare, Zimbabwe

Telefax: +263 4 708047/708115/735874-6

carezim@carezimbabwe.org