

Evaluation of INGO Integrated Emergency Cash Transfer Program in Malawi, 2012-13

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Report to the INGO Consortium



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Acronyms

AEDO	Agricultural Extension Development Coordinator
CT	Cash Transfer
CTP	Cash Transfer Programming
CFW	Cash for Work
CICOD	Circle for Integrated Community Development (a local NGO)
DAC	Development Assistance Committee
DEC	District Executive Committee
DFID	UK Department for International Development
DRR	Disaster Risk Reduction
GVH	Group Village Headman
UCT	Unconditional Cash Transfer
FGD	Focus Group Discussions
GVH	Group Village Head /Headman (refers to Chief and/or area of authority)
INGO	International Non Governmental Organisation
KII	Key Informant Interviews
MK	Malawi Kwacha
MVAC	Malawi Vulnerability Assessment Committee
N	Number of observations / sample size
NGO	Non Governmental Organisation
NRU	Nutritional Rehabilitation Unit
OECD	Organisation for Economic Cooperation and Development
OIBM	Opportunity Investment Bank of Malawi
PDM	Post Distribution Monitoring
TA	Traditional Authority
UCT	Unconditional Cash Transfer
VH	Village Headman
WFP	World Food Programme

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Executive Summary

Rationale for the Evaluation

The primary purpose of this evaluation is to assess the relevance/ appropriateness, connectedness, coverage, efficiency, effectiveness and impact of the Consortium Cash Transfer response to food insecurity in three Districts of Malawi in the 2012/13 consumption year. This external evaluation thus follows the OECD-DAC criteria for evaluating humanitarian action.

The evaluation also seeks to identify and share lessons learnt and best practices in emergency cash transfer programming within the Malawian context. This will contribute to influencing and informing future related humanitarian (as well as long term development) programmes, policies and practices at all levels in Malawi.

Sampling Framework

The report is based mainly on the information obtained from 694 beneficiaries (669 in Mulanje, 123 in Salima and 27 in Nsanje), as well as 417 non-beneficiaries from the 3 TAs targeted by the project. Data was collected through a mixture of Focus Group Discussions, and individual interviews. In addition a total of 64 key informants were interviewed at local and national levels.

Relevance / Appropriateness

- 99.3% of beneficiaries felt that the cash transfer program was "good" or "very good" at meeting their needs.
- Overall levels of satisfaction with the program were high, with 97% of beneficiaries either "satisfied" or "very satisfied" with the cash transfer program
- There was a strong preference for cash over in-kind aid (78.7% and 15.1% respectively), with 5.9% preferring a combination of cash and in-kind aid.

The cash transfer response was highly appropriate to beneficiaries' needs and preferences. In particular, the CT Program accorded with the strong beneficiary preference for cash over in-kind aid. Future responses to transitory food shortages in Malawi should consider the option of cash based programming, where market conditions are identified as capable of supporting this approach.

Coverage and Targeting

- The community based targeting process was easily understood by 96.5% of beneficiaries across all of the target districts, and was widely regarded as being fair (93.9% of beneficiaries).
- Although 36.7% of beneficiaries stated that some of the poorest were left out, this was due to limits set on beneficiary numbers in areas of high need, not errors in the selection process.
- There was evidence of a limited number of cases of chiefs /leaders or their relatives being included on the beneficiary list were identified. Their role in the selection of beneficiaries means that project staff need to ensure that they rigorously verify that any leaders present on the beneficiary list fully meet the selection criteria. Making this verification open and transparent to communities will help prevent perceptions that the leaders are being wrongly included.
- Awareness of complaints and feedback mechanisms was generally good, with nearly two thirds (61.1%) still able to recall available systems three months after the end of the project. Awareness was higher amongst male beneficiaries (75.6%) than female beneficiaries (54.2%).
- In Salima, where beneficiaries received mobile phones as part of the Airtel Money cash transfer system, 100% of those who had complained stated that they did so by using the phone. This highlights the potential benefits of access to mobile phones in providing an easy to use and confidential form of communication between beneficiaries and program staff.

Impacts on Food Security and Nutrition

Strong positive impacts of the cash transfer project were identified for all three of the key indicator variables for food security and nutrition:

- The percentage of households eating two or more meals per day rose from 36.6% in the month prior to the cash transfer to 98.6% during the project.
- 54.9% of beneficiaries reported that the food purchase from the cash transfer lasted the household over 3 weeks, and 19.9% reported it lasting more than one month.
- The following food groups showed a marked rise in consumption during the cash transfer program: beans and pulses, meat and meat products, fish, eggs, fats and oils, sugar and sugar products, and bread. The increase in consumption of protein rich food groups was particularly high, especially for beans / pulses and fish with 76% and 54% respectively consuming these food groups at least once a week during the project.
- Referrals of children to nutritional rehabilitation units were almost completely eliminated, with only 2 households out of 694 (0.3%) reporting child referrals during the CT project.
- 74.4% of beneficiaries reported difficulties in maintaining household food consumption after the end of the cash transfer project.
- The positive impacts the cash transfers achieved for dietary diversity were mostly not sustained beyond the end of the cash transfer period.

The project had significant positive impacts on food security, nutrition and dietary diversity.

These impacts were not limited to the quantity of food consumed but also related to the variety of food groups consumed and in particular the consumption of protein rich foods, especially beans / pulses and fish.

The project was highly successful in its goal of saving lives and reducing suffering by reducing food insecurity of households affected by transitory acute food shortages.

Future projects should seek to identify and reflect variations in the timing of the hunger period in the different TAs. In areas which rely on winter cropping or rice cultivation (e.g. flood prone areas such as TA Pemba) future projects should have the timing of the cash transfers adjusted to reflect variations in the timing of the local hunger period.

Preliminary MVAC results for 2013/14 indicate that the affected areas for food insecurity have shown a shift northwards. This is likely to affect the timing of the seasonal calendar which requires to be considered in planning and implementing any response in 2013/14.

Expenditure Impacts : Beneficiaries' Use of Cash

- Expenditure of the cash transfer funds by beneficiaries was primarily on food (72.5%) and food-related expenditures, such as milling (4.8%) and fuel (2.4%). Together these account for 80% of beneficiary expenditure.
- Most households did not share any of the cash received (74.4%). However, one quarter (25.6%) did share a portion of the cash, usually with relatives not resident within the household. The average amount shared across all beneficiaries was low, at MK 280.
- Food purchases made with the cash transfer were more likely to be shared than the cash itself. Half of all beneficiaries questioned (51.6%) reported sharing part of the food they purchased with the cash, mainly with other family members not resident in the household. Where sharing occurred it generally involved less than 25% of the food purchased.
- Very few of those who shared their cash or food did so as a result of being pressured to do so. Almost all stated that they were "happy to share" with others in need, or felt a "moral obligation" to assist close family members who were hungry.
- There were very few reports of beneficiaries being aware of any misuse of the cash.

Project Effectiveness and Timeliness

- The project was effective in delivering the correct amount of cash to beneficiaries at the scheduled time, with 98.8% stating they received the correct amount of cash, and 98.6% receiving it at the scheduled time. In addition, there was a good level of understanding of the amount of cash they were entitled to receive (92.6%),
- **The key critical success factor in the project was the flexibility to vary the monthly cash transfer amounts to reflect local and national price fluctuations. Much credit rests with the donor (DFID) for showing the flexibility which enabled the project to adopt this approach.**
- **Exchange rate gains were an important factor in providing the resources to enable beneficiaries to be compensated in full for price rises of 30% to 37% which occurred during the project, thereby enabling them to continue to meet their household food requirements.** The exchange rate gains allowed the project to increase the cash transfer value beyond the 10% contingency provided for in the project proposal. In a climate of more stable exchange rates the project's capacity to adjust the cash transfer value would have been more limited.
- **It is strongly recommended that future cash transfer project build in the same degree of flexibility in setting the cash amounts locally and at on a monthly basis, based on the current commodity prices prevailing in the local markets.** This is particularly the case in the current context in Malawi, where considerable uncertainty surrounds commodity price trends and projections for 2013/14, and whether these will mirror the patterns shown in 2012/13 or return to patterns closer to the 5-year average.
- **In an environment of high commodity price increases such as occurred in Malawi in 2012/13, the contingency funds provision may require to be higher than 10% if it is to provide adequate scope to adjust for national level price inflation.**

Efficiency

- Waiting times at the cash distribution sites were generally low, and most beneficiaries were dealt with quickly and effectively. Overall, accessibility of cash distribution sites was very good, with 79% travelling not more than 1 hour to reach the site, and 85.1% travelling not more than 1.5 hours
- Most beneficiaries (89.6%) walked to the distribution site, incurring no travel costs. The main transport difficulties occurred in Nsanje, where 78.6% of beneficiaries relied on hired boats.
- Whilst the OIBM and G4S cash delivery mechanisms generally worked well, the use of Airtel Money mobile phone transfers in Salima were abandoned after the first round of distributions due to network problems and insufficient liquidity of Airtel Money agents.
- Airtel Money system was significantly more expensive per beneficiary per distribution than OIBM and G4S (around 50% more), mainly due to high cash-out charges.
- Available data obtained from WFP indicate that operational costs are lower for cash than for in-kind aid (25% of budget compared to 38%)
- Over two thirds of beneficiaries reported no (37.9%) or only occasional (32.1%) problems in purchasing basic food items. Although 30% of beneficiaries reported frequent problems, this is unsurprising given the national market context of maize shortages and escalating commodity prices prevailing during the project.
- Future programs should seek to conduct market monitoring on and around the cash distribution days to detect any short term price hiking.

Connectedness and Resilience Building

Although resilience building and income generation projects were occurring within the target communities, these were mostly unrelated to, or only loosely linked to, the INGO cash transfer program. In addition, they had by the time of the evaluation affected only a minority of CT program beneficiaries. 27% of respondents had received help to increase their income, and 21% had received help to reduce the risk of future food shortages.

Cash transfers contributed to providing an enabling environment to increase food security and resilience in the 2013/14 consumption year. This was achieved mainly through:

- (1) a reduction in reliance on ganyu and work for "food only", thereby enabling beneficiaries to spend increased time working on their own fields and crops during the peak agricultural period, and**
- (2) a reduced reliance on forced sales of assets, including productive assets.**

Cash transfers contributed to the project objective of maintaining the dignity of those Malawians affected by food shortages by reducing reliance on begging.

Future programs which seek to address resilience building should try to ensure that the detailed plans for this are incorporated into the program at the proposal and design stages.

Resilience building is likely to require a longer time horizon and more sustained engagement than is generally available under a 3 to 5 month humanitarian response.

Coordination

The intervention formed a coordinated part of the Malawi Government and MVAC's response to seasonal food insecurity in the 2012/13 consumption year.

Effective coordination occurred at the National, District and community levels, through :

- participation in Government committees including the Humanitarian Response Committee,
- participation of District Councils officials, and community level structures in program activities such identification of target GVHs and beneficiary selection.

The INGO Consortium provided an effective mechanism for implementing the INGO's food insecurity interventions, and increased the response capacity beyond what would have been achievable by the organisations working individually.

Accountability

The project met the Sphere standards for the minimum criteria to be met by humanitarian agencies in assisting people affected by conflict or disaster.

Effective complaints and feedback mechanisms were implemented by the program partners. Over three quarters of those who complained were satisfied with the way their complaint was dealt with.

Local Economic Multiplier Effects

Around two thirds of beneficiary expenditures were with local traders, and leakages from the local economy during beneficiary spending were low, at 3.5%. A high proportion of trader expenditures during the second round of spending of the cash transfer occur within the local economy (57.4%).

If the initial cash injection is excluded from the calculations, the multiplier value obtained was 2.3. If the gain to beneficiaries from the initial cash injection is included as part of the economic benefits, the multiplier value obtained was 3.3. This indicates that the total economic gain from the initial cash injection of MK 307,024,085 is MK 710,248,129 if the initial cash injection is excluded, and MK 1,017,272,214 if the initial cash injection is included

1. Background

In October 2012 the Malawi Vulnerability Assessment Committee (MVAC) reported some districts in the southern and central region of Malawi to have people at risk of being affected with lack of access to enough food during the 2012/13 consumption year¹. This was based on the vulnerability assessments carried out for the 2012/13 food consumption year. The October 2012 MVAC report indicated that about 1.97 million people were at risk of missing their food entitlements in the 2012/13 consumption year. This figure represented an increase from the June 2012 figure of about 1.6 million people, mainly due to the low production of winter crops as well as an increase in the prices of staple foods across the country.

In mid-2012 the MVAC, with technical support from Oxfam and WFP conducted a market assessment, (funded by UKaid/DFID) in order to determine markets functionality and make recommendations to the Humanitarian Response Committee on the most appropriate response to the food insecurity situation. The market assessment recommend the use of cash transfers in those areas where markets were deemed to be functional. The findings of the MVAC report and the market assessment led to the INGOs implementing this cash based response in 3 districts as part of the Malawi Government and MVAC's response to the food insecurity situation.

The INGO Integrated Emergency Cash project was aimed at saving lives, reducing suffering, building resilience as well as maintaining the dignity of the 40,988 Malawians² affected by food insecurity during the 2012-2013 consumption year in the 3 traditional authorities of Mulanje, Nsanje and Salima.

The integrated emergency cash transfer response project was implemented by Oxfam and its consortium partners³ was funded by DFID UK Aid, (with co-funding from Oxfam). The response targeted a total of 7,063 households identified as missing food entitlements. The consortium implemented the cash transfer project in 3 Traditional Authorities (TAs) within Nsanje, Salima, and Mulanje Districts. This project formed part of the government led response to localised food insecurity in Malawi.

2. Rationale

The primary purpose of this evaluation is to assess the relevance/ appropriateness, connectedness, coverage, efficiency, effectiveness and impact of the Consortium Cash Transfer response project on food security amongst beneficiary households. This external evaluation thus follows the OECD-DAC criteria for evaluating humanitarian action.

The evaluation also seeks to identify and share lessons learnt and best practices in emergency cash transfer programming within the Malawian context. This will contribute to influencing and informing future related humanitarian (as well as long term development) programmes, policies and practices at all levels in Malawi.

Full details of the Terms of Reference for the study are contained in Appendix 2.

¹ A consumption year runs from April of one year to March of the following.

² This figure was based on revised MVAC figures of October 2012 Updated MVAC Forecast

³ Oxfam partners in this project include Concern World Wide, Goal Malawi (International NGOs implementing in Salima and Nsanje respectively) and Circle for Integrated Community Development (CICOD) a local NGO working directly with Oxfam in Mulanje district.

3. Methodology

The methodology for this study included:

- a desk based review of relevant secondary data sources, including: project proposals, monitoring reports and other documents associated with the program.
- field data collection in various project sites in Mulanje, Salima and Nsanje.
- interviews with stakeholders, including key Government departments, Group Village Headmen (GVH), local officials, beneficiaries and non-beneficiaries in each district.

Beneficiary data was collected using household surveys and focus group discussions (FGDs). FGDs were also held for non-beneficiaries in each of the project areas. Information from other stakeholders was collected using structured key informant interviews (KIIs).

Independent enumerators from Bunda College of Agriculture piloted the data collection frameworks for beneficiary interviews and Focus Group Discussions (FGDs) on 18th June 2013. The main beneficiary data collection was conducted between 20th – 30th June 2013.

The sampling framework targets for individual household interviews reflected the distribution of affected households between the 3 affected TAs. In addition, gender disaggregated beneficiary focus groups were held in all of the targeted GVH areas. Views of non-beneficiaries were sought using FGDs in all targeted GVHs. A total of 818 beneficiaries (669 in Mulanje, 123 in Salima and 27 in Nsanje) participated in the evaluation process at some stage, as well as 417 non-beneficiaries from the 3 TAs. Data was collected through a mixture of Focus Group Discussions, and individual interviews. In Mulanje, several FGD participants arrived late, and therefore did not answer all questions. The remainder of this analysis will focus on the 694 beneficiaries who answered all questions.

Table 3.1 Sample Framework by Traditional Authority (TA) Area

Location	Number of Project Beneficiaries	Individual Beneficiary Interviews	Beneficiary FGD Participants	Non-Beneficiary FGD Participants	Sample of Beneficiaries (%)
TA Mthiramanja, Mulanje District	6,179	304	364*	253	10.8%
TA Pemba, Salima District	743	34	89	58	16.6%
TA Nyachikadza, Nsanje District	141	14	13	106	19.1%
Total	7,063	353	466	417	9.8%

*Note: This represents the number of people participating at some point in the FGDs. However, many beneficiaries arrived late and did not answer all questions. For Mulanje, the remainder of the analysis focuses mainly on the 544 beneficiaries who answered all questions.



Key Informant Interviews were conducted with a range of stakeholders, including local Government officials, Group Village Headmen (GVH), Village Headmen (VH), Area Development Committee (ADC) members, implementation partners, local traders, and schools. A total of 64 key informants were interviewed for the study at local and national levels. A list of Key Informants interviewed is provided in Appendix 1.

An elderly woman from Abunu Village TA Mthiramanja, waits to get her ID photo taken during beneficiary registration

4. Relevance / Appropriateness

4.1 Beneficiaries' Preferences for Cash or Food Aid

Beneficiaries expressed a very strong preference for cash over food aid (78.7% compared to 15.1%). Preferences for cash alone were strongest in Nsanje (92.6%) and lowest in Mulanje (77.6%). In contrast only 15.1% preferred food aid only (ranging from 7.4% in Nsanje to 16.4% in Mulanje). A significant minority in Salima and Mulanje (8.1% and 5.7%) preferred a mixed response combining cash and food aid. However, the numbers expressing this preference are insufficient to justify the additional administrative and logistical costs involved in a combined response.

Table 4.1 Do you prefer to receive a Cash Grant to Food Aid ? (% of Respondents by District)

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Cash	99	80.5	422	77.6	25	92.6	546	78.7
Food aid	14	11.4	89	16.4	2	7.4	105	15.1
Cash and Food	10	8.1	31	5.7	0	0.0	41	5.9
Don't know	0	0.0	2	0.4	0	0.0	2	0.3
TOTAL	123	100%	544	100%	27	100%	694	100%

Of those 546 beneficiaries who preferred cash, the main reasons were the ability to use cash for other (non-food) expenses (90.5%), and the increased choice of which food items to buy (71.6%).

Table 4.2 Why do you prefer to receive cash? (Percentages are only for those preferring cash)

	Salima	Mulanje	Nsanje	ALL
	%	%	%	%
Increased choice in what food items to buy	68.1	73.3	56.0	71.6
Can be used for other expenses	84.1	92.5	84.0	90.5
Easy to carry/transport	12.4	8.9	0.0	9.2
Increased status/dignity	0.0	2.7	0.0	2.1
Distribution process is easier	3.5	4.1	0.0	3.8
Other	0.0	3.6	0.0	2.8

NOTE: As multiple responses are allowed the percentages total > 100.

Amongst the 105 beneficiaries who preferred to receive food aid, the main reason given was the unpredictability of food prices (76.6%). This may have been influenced by the unusual price trends occurring in the maize market in the 2012/13 consumption year (see Section 8.5: Market Accessibility and Responsiveness for details of price volatility and maize shortages).

Table 4.3 Why do you prefer to receive food aid? (% = only for those preferring cash)

	Salima	Mulanje	Nsanje	ALL
	%	%	%	%
It best satisfies HH food shortage	33.3	38.5	66.7	38.3
Less risk of robbery/theft	0.0	5.1	66.7	5.7
Food prices are unpredictable	71.4	78.6	33.3	76.6
It is easier for women to manage/keep control of food	4.8	5.1	0.0	5.0
Its difficult to access markets to buy food	9.5	10.3	0.0	9.9
Other	0.0	1.7	0.0	1.4

NOTE: As multiple responses are allowed the percentages total > 100.

4.2 Non-Beneficiaries' Preferences for Cash or Food

There were some concerns that non-beneficiaries may have a stronger preference for food distributions, due to the lower level of sharing occurring when people receive cash. To test this, non-beneficiaries were asked "If there was another project in this village, would you prefer people to received a cash grant or food aid?" Contrary to the assumption before the project, none of the non-beneficiaries stated they preferred food aid. 76.3% indicated they would prefer future projects to be cash-based, and the remainder wanted a mixed (cash and food) response.

Table 4.4: Would you prefer to any future project to provide a cash grant or food aid? (Non-Beneficiaries)

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Cash	58	100.0	219	86.6	41	38.7	318	76.3
Food aid	0	0.0	0	0.0	0	0.0	0	0.0
Cash and food	0	0.0	34	13.4	65	61.3	99	23.7
TOTAL	58	100%	253	100%	106	100%	417	100%

Reasons given by those who said they preferred cash were:

- Increased choice of what food to buy (reported by 259 non-beneficiaries or 81.4%)
- It can be used for other expenses (e.g. school fees, medical, etc) (reported by 59 non-beneficiaries or 18.6%)

The only reasons given for preferring both cash and food was that "although can be used for other expenses, food prices are usually unpredictable" (100%)

4.3 Appropriateness to Local Needs

99.3% of beneficiaries described the type of assistance received (unconditional cash transfers) as "good" or "very good" in meeting their needs. Overall levels of satisfaction with the project amongst beneficiaries were also very high with 97% of beneficiaries stating they were either "satisfied" or "very satisfied" with the cash transfer program.

Table 4.5 Beneficiaries' overall levels of satisfaction with the project

	Salima	Mulanje	Nsanje	All TAs
Very dissatisfied	2.4%	0.4%	14.8%	1.3%
Dissatisfied	3.3%	0.7%	0.0%	1.2%
Neither	0.0%	0.7%	0.0%	0.6%
Satisfied	31.7%	27.4%	33.3%	28.4%
Very satisfied	62.6%	70.8%	51.9%	68.6%

Levels of satisfaction were highest in Mulanje (98.2%) and lowest in Nsanje (85.2%). Of the 17 beneficiaries who reported being dissatisfied or very dissatisfied, 15 said this was due to the low numbers of beneficiaries allowed onto the program, which was perceived as being lower than the number of food insecure households. The remaining 2 cases stated it was due to the duration being too short. These responses were also reflected when beneficiaries were asked their main likes and dislikes about the program.

What beneficiaries liked most about the project was:

- it reduced food shortages in the household (68.2%)
- the liberty to use the cash for any household expense (28.2%)
- it was more dignified (3.6%)

The main dislikes mentioned by beneficiaries were:

- the cash amount was not enough (62.5%)
- no dislikes (26.7%)
- the number of beneficiaries was low (10.8%)

Non beneficiaries were also asked what they liked and disliked about the cash transfer program.

What non-beneficiaries liked most about the CT program was:

- it improved the lives of beneficiaries (34.8%)
- it targeted the right months (17.3%)
- "we had increased access to *ganyu*" (8.6%)
- nothing (39.6%).

The main dislikes mentioned by non-beneficiaries were:

- the number of beneficiaries was limited (42.0%)
- the project duration was short (17.3%)
- nothing (40.8%)

4.3 Key Findings and Recommendations

Key Findings

- 99.3% of beneficiaries felt that the cash transfer program was "good" (27.1%) or "very good" (72.2%) in meeting their needs.
- Overall levels of satisfaction with the program were high, with 97% of beneficiaries either "satisfied" (28.4%) or "very satisfied" with the cash transfer program
- There was a strong preference for cash over in-kind aid (78.7% and 15.1% respectively), with 5.9% preferring a combination of cash and in-kind aid.
- The main reasons for preferring cash were:
 - it can be used for other expenses (90.5% of those preferring cash)
 - increased choice of which food items to buy (71% of those preferring cash)
- The main reasons for preferring food were:
 - food prices are unpredictable (76.6% of those preferring food)
 - it best satisfies the household food shortage (38.8%).

The cash transfer response was highly appropriate to beneficiaries' needs and preferences. In particular, the CT Program accorded with the strong beneficiary preference for cash over in-kind aid.

Recommendations

- **Future responses to transitory food shortages in Malawi should consider the option of cash based programming, where market conditions are identified as capable of supporting this approach.**

5. Coverage and Targeting

5.1 Beneficiary Targeting Criteria and Selection Process

The beneficiary selection process was community-driven, with local communities given an allocated number of beneficiaries they could select, based on the number of affected households given in the MVAC report. The community were then responsible for identifying the most vulnerable members of the community, up to this limit on number of potential participants. This process was regarded as easily understood by 96.5% across all of the target districts, and was widely regarded as being fair (93.9%). Although around a third (36.7%) of beneficiaries stated that some of the poorest were left out, the reasons given for this focused the limits set on beneficiary numbers in areas where high numbers were seen as in similar need, rather than errors of exclusion due to targeting processes.

One feature of the reliance on the community-driven targeting process is that if it is led by community leaders or development committees, this may increase the risk of 'elite capture' of benefits through these leaders influencing the beneficiary lists to enable themselves or associates to be included. Across the 3 districts, 8.7% of beneficiaries reported being aware of wealthier families being included in the project. There was strong evidence of a limited number of Chiefs and/or leaders being on beneficiary lists in TA Pemba, particularly GVH Chinthuli, TA Nthiramanja, Mulanje, where three village heads stated that they were among the project beneficiaries (VH Michiliro, VH Liponda and VH Chikhwaza). In addition, although GVH Chinthuli was not herself among the project beneficiaries, her daughter was a beneficiary. In Salima, evidence of leaders on beneficiary lists was greatest in GVH Mtauchira, where one beneficiary interviewed reported being a community leader (a VDG member). In addition in Salima, COOPE reported recognising names of leaders such as VDG members who they felt to be undeserving included on beneficiary lists passed to them by CWW.

In some instances chiefs or leaders may also be poor and may merit inclusion according to the criteria for the project. However, role in the selection of beneficiaries means that project staff need to ensure they rigorously verify that any leaders present on the beneficiary list fully meet the selection criteria. Making this verification open and transparent to communities will help prevent perceptions that the leaders are being wrongly included because of their role in the selection process. Beneficiary interviews indicated that their inclusion was believed to be "because they make up the lists". One VDC member admitted she was included because of her work in assisting with several past projects and it was felt it was time she received some benefit, not because she fulfilled the criteria.

Table 5.1 Targeting Variables by District: Beneficiary Responses

Variable	Mulanje Yes	Salima Yes	Nsanje Yes	All Districts
Was the process used for selecting beneficiaries easily understood by everyone?	96.5%	95.9%	100.0%	96.5%
Was the process of selecting beneficiaries fair?	95.0%	89.4%	92.6%	93.9%
Were any of the poorest left out (wrongly excluded)	38.2%	27.6%	48.1%	36.7%
Were some wealthier families registered (wrongly included)	9.5%	8.1%	0.0%	8.7%
Did leaders/powerful people try to influence the targeting process?	2.6%	2.4%	0.0%	2.4%
Did anyone try to get you to pay money or favours for being included on the beneficiary list	0.6%	0.8%	0.0%	0.5%

Amongst non-beneficiaries, 70.7% felt the targeting process was easily understood, and 80.6% felt it was fair in spite of their being excluded. Most felt that some of the poorest were wrongly left out, due to the limits set on beneficiary numbers. Only 4.1% on non-beneficiaries reported being aware of some wealthier families who were registered, and none reported being aware of leaders trying to influence the election process, nor anyone paying money or favours to be included on the lists.

In TA Nyachikadza, Nsanje, verification processes conducted on the beneficiary list inherited from World Vision resulted in 55 households being removed and replaced by the start of the program, rising to 72 by the end. It is understood that the need to cross the Shire River by boat to reach the TA led to the verification of beneficiary lists provided by the community leaders taking place in neighbouring TA Ndamera. Whilst none of the beneficiaries or non-beneficiaries interviewed from TA Nyachikadza reported inclusion errors, verification outside the TA carries increased risks of not all community members being aware the process is taking place. **It is strongly recommended that wherever possible verification of beneficiary lists should take place within the actual area where the community lives, even when this is fairly inaccessible. Conducting the process elsewhere increases risks of targeting errors as it becomes difficult to ensure all community members are aware of, and invited to attend, the verification process.**

Discussions with traditional leaders in GVH Mtauchira in TA Pemba, Salima identified 26 village heads under GVH Mtauchira. Of these, 11 village heads met with the evaluation team to report that only 2 villages (VH Zomba and VH Mtauchira) had been included in the project. Heads whose villages were not included felt that the criteria for selecting these villages were not transparent or fair, as equally food insecure households were present in the other villages. They argued that beneficiaries should have been equally distributed across all the 26 villages. According to GVH Mtauchira, although his areas has 26 villages, only 4 are recognized by the district council, the rest being "break-away" villages formed at the introduction of the Farm Input Subsidy Program (FISP). The use of the Department of Agriculture's FISP lists for selecting beneficiaries for the CT project meant that individuals outside the 4 recognised villages were excluded from registering.

It is recommended that where existing lists are used for targeting, processes should be in place to update or amend these if necessary if these lists are out of date or do not include all of the target population of potential beneficiaries.

District stakeholders and in particular District Council officials expressed concerns about the accuracy of the MVAC data used as the basis for the targeting of the national response to transitory food shortages. As the MVAC data also constituted the basis for the market assessment and the targeting of the INGO cash transfer program, this had a knock-on effect on the selection of districts for the cash transfer program. Issues raised by local stakeholders included :

- failures of MVAC field survey staff to draw on local expertise and knowledge within the District Councils by adequately consulting with local staff during the MVAC assessment
- concerns about the capacity of field staff carrying out the MVAC data collection
- failure to consider those areas added in the October revision of the MVAC data for inclusion in the CT program as these had not been covered in the earlier market assessment.

These concerns led some District officials to regard the MVAC data as not truly reflecting the situation on the ground, as a result of which they questioned whether the most appropriate TAs had been targeted for assistance by Government, and thus within the INGO interventions.

5.2 Complaints and Feedback Mechanisms

The project made significant efforts to devise a confidential system for project feedback and complaints. This was developed in consultation with project stakeholders (VDC members, local chiefs, and government officers) and community members. A variety of complaints mechanisms were implemented, including :

- placing complaints boxes at project meetings in the community and at distribution days,
- taking complaints to the offices of consortium members or to field staff
- a complaints phone line which community members could call, send a mobile phone text message to, or request a call back from to provide their feedback

Awareness of the processes for complaints and feedback on the project was generally good, with nearly two thirds (61.1%) still able to recall available systems three months after the end of the project. It is likely that awareness levels would have been even higher if elicited during project implementation. Awareness was higher amongst male beneficiaries (75.6%) than female beneficiaries (54.2%).

Amongst those who recalled feedback mechanisms, the most commonly mentioned was the suggestion box (72.9%), followed by the phone line (46.0%) and program staff in the field (38.1%).

The main issue identified was significantly lower awareness levels in TA Pemba, where less than one third (30.9%) could recall any of the systems available. This may partly reflect the lower levels of engagement between beneficiaries and the implementing partner in that TA, due to their not having an established presence in the area, or could indicate poorer levels of sensitisation.

Table 5.2 Awareness of Complaints/Feedback Mechanisms by District

	Salima		Mulanje		Nsanje		ALL	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
No	62	50.4	169	31.1	7	25.9	238	34.3
Yes	38	30.9	366	67.3	20	74.1	424	61.1
Don't know	23	18.7	9	1.7	0	0.0	32	4.6
<i>Total</i>	<i>123</i>	<i>100.0</i>	<i>544</i>	<i>100.0</i>	<i>27</i>	<i>100.0</i>	<i>694</i>	<i>100.0</i>

5.3% of beneficiaries interviewed had used the complaints or feedback systems during the project, indicating good levels of accessibility. Use of the systems was remarkably high in Nsanje, at 66.7%. This may possibly reflect the high levels of grievance identified at the low numbers of beneficiaries in Nsanje (141 across 9 GVHs) in an area where need was perceived to be high. In Salima just under 1% reported using the complaints system. Discussions with beneficiaries suggest this low figure may be partially attributable to the fact that in TA Pemba complaints were often not reported by individuals, but instead by groups of people appointing a representative to make the complaint on their behalf. However, it may also have been partly due to the lower levels of awareness of the available systems recorded in TA Pemba.

Table 5.3: Had Any Member of Respondents' Household Used the Complaints System?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Yes	1	0.8%	18	3.3%	18	66.7%	37	5.3%
No	114	92.7%	466	85.7%	3	11.1%	583	84.0%
Don't know	8	6.5%	60	11.0	6	22.2%	74	10.7
N	123	100%	544	100%	27	100%	694	100%

Where beneficiaries had complained, the mechanisms they reported having used were fairly evenly split between feedback at community sessions (35.1%), program field staff (29.7%) and the suggestion boxes at distribution sites (27.0%).

There was again great variation between Districts. Most notably, in Salima - where beneficiaries were issued with mobile phones as part of the Airtel Money cash transfer system, 100% of those who reported having complained stated that they did so by using the phone. This highlights the potential benefits of access to mobile phones in providing an easy to use and confidential communication channel between beneficiaries and program staff. In Mulanje, the suggestion box at the distribution site was the preferred way of providing feedback amongst those questioned, and in Nsanje it was through community meetings. In Mulanje, 11.1% reported using systems other than those implemented through the project, including making reports to police.

These patterns contrast with reports from project staff, who stated that most feedback occurred through project team offices or the district council offices, followed by calls to project staff. This discrepancy may partly reflect an unwillingness amongst those who used some of the more confidential feedback mechanisms to reveal this at the FGDs.

Table 5.4: Complaints Methods Used by Respondents Who Had Made a Complaint
(% of those who reported using the Complaints System)

Way of Making the Complaint	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Suggestion Box at distribution site	0	0.0%	9	50.0%	1	5.6%	10	27.0%
Program staff in the field	0	0.0%	7	38.9%	4	22.2%	11	29.7%
Visiting the NGO office	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Complaints phone line	1	100.0%	0	0.0%	0	0.0%	1	2.7%
Feedback session with community	0	0.0%	0	0.0%	13	72.2%	13	35.1%
Other**	0	0.0%	2	11.1%	0	0.0%	2	5.4
TOTAL	1	100.0	18	100.0	18	100.0	37	100.0

** such as reporting to the police

Project staff reported that over 80% of the feedback received was providing information on beneficiaries who the complainants felt were inappropriately registered. They conducted investigations into these complaints, and beneficiaries who were found to have been wrongly registered were replaced by deserving beneficiaries from the same village.

Table 5.6: Were Respondents Were Happy with the Way the Complaint was Dealt With?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Yes	1	100.0%	12	66.7%	15	83.3%	28	75.7%
No	0	0.0%	6	33.3%	3	16.7	9	24.3%
TOTAL	1	100.0%	18	100.0%	18	100.0	37	100.0%

Where a complaint was made, over three quarters of beneficiaries felt satisfied with the way it was dealt with. Of the 9 beneficiaries who were dissatisfied the reasons given were:

- 3 beneficiaries in Nsanje felt their complaint had not been addressed at all;
- 5 people in Mulanje felt that the matter had not been resolved to their satisfaction;
- 1 person in Mulanje indicated that program staff did not find out more about the problem.

Case Study 1: Response to Complaints Regarding Inclusion / Exclusion Errors



Zione Ojesi and 2 of her 5 children



Zione's house, destroyed by heavy rains

In February 2013 after one month of program implementation in TA Mthiramanja complaints were being received from community members through suggestions boxes and by phone regarding suspected errors of inclusion or exclusion.

One response to such a complaint documented by Oxfam and CICOD staff was Zione Ojesi, age 30, from Chisutu Village in TA Mthiramanja. Zione was initially excluded from the beneficiary list and depended on casual labour to survive. She is divorced and has 3 daughters and 2 sons. In February intensive rains led to the collapse of Zione's mud brick house.

Zione was able to replace a wealthier household which had been identified through the complaints system as not eligible, and had been removed from the list by monitoring staff. During the verification visit community members flocked to Zione's house chanting "register her!" When told she would receive MK13,000 per month from the project Zione stated that half of the money would go for food and the rest to reconstructing her house to provide a home for her children. This also demonstrates the flexibility of cash in meeting a range of beneficiary needs, including food and shelter.

Monitoring staff expressed satisfaction that the complaints system had identified Zione's situation, and led to her replacing an ineligible beneficiary who had been removed from the list. Communities were consulted before the removal of any illegible beneficiary identified.

Of those who did not use the complaints system, in the overwhelming majority of cases (around three quarters) this was because they had no complaint. More significantly, around a quarter (24%) cited problems with the complaints system as the reason for not using it (not knowing how to use the complaints system, not being easy enough to access, or fear of a lack of confidentiality). The extent of problems with the complaints system varied greatly between the 3 TAs, being lowest in Mulanje (17.7%), but reaching over 50% of the reasons given in Salima. This again may be at least partially due to the lower level of engagement of the implementing partner in that TA, which may have resulted in lower levels of trust and confidence having been established, as well the fact that project staff were not present in the area on a continuous basis during the project and thus were physically less accessible than in the other target TAs.

Table 5.7: Reasons for Not Using the Complaint System by District
(Percentages relate to Respondents who Reported not Having Used the Complaints System)

Reason	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Fear of ridicule or criticism by community	0	0.0%	16	3.0%	0	0.0%	16	2.4%
Not easy enough to access	22	18.0%	31	5.9%	0	0.0%	53	8.1%
Fear of lack of confidentiality	1	0.8%	19	3.6%	0	0.0%	20	3.0%
I had no complaint	60	49.2%	417	79.3%	6	66.7%	483	73.5%
Didn't know how to use the complaint system	39	32.0%	43	8.2%	3	33.3%	85	12.9%
N	122	100.0%	526	100.0%	9	100.0	657	646

5.3 Key Findings and Recommendations

Key Findings

- The community based targeting process was easily understood by 96.5% of beneficiaries across all of the target districts, and was widely regarded as being fair (93.9%).
- Although 36.7% of beneficiaries stated that some of the poorest were left out, this was due to limits set on beneficiary numbers in areas of high need, not errors in the selection process.
- 8.7% of beneficiaries reported being aware of some wealthier families who were beneficiaries
- Evidence of a limited number of cases of "elite capture" of program benefits by chiefs /leaders or their relatives being included on the beneficiary list were identified, especially in GVH Chinthuli (Mulanje) and GVH Mtauchira (Salima).
- Reports of people trying to elicit money or favours from people for including them on the beneficiary list were very low (0.5%).
- The rigid use of existing District Council lists for beneficiary selection processes may risk excluding some of the most vulnerable if these lists do not include all potential beneficiaries, and if there is insufficient flexibility to update or amend them.
- Awareness of complaints and feedback mechanisms was generally good, with nearly two thirds (61.1%) still able to recall available systems three months after the end of the project. Awareness was higher amongst male beneficiaries (75.6%) than female beneficiaries (54.2%).
- The main issue identified was significantly lower awareness levels of complaints and feedback systems in TA Pemba, where less than one third (30.9%) could recall any of the systems used.
- In Salima - where beneficiaries received mobile phones as part of the Airtel Money cash transfer system, 100% of those who had complained stated that they did so by using the phone. This highlights the potential benefits of access to mobile phones in providing an easy to use and confidential communication link between beneficiaries and program staff.

- Only 5.3% of households reported using the complaints system. Where a complaint was made, over three quarters of beneficiaries felt satisfied with the way it was dealt with.
- Of those who did not use the complaints system, in the majority of cases (73.5%) this was because they had no complaint. 24% cited problems with the complaints system as the reason for not using it (not knowing how to use the complaints system, not being easy enough to access, or fear of a lack of confidentiality).

Key Recommendations:

- In some instances chiefs or leaders may also be poor and may merit inclusion according to the criteria for the project. However, role in the selection of beneficiaries means that project staff need to ensure that they rigorously verify that any leaders present on the beneficiary list fully meet the selection criteria. Making this verification open and transparent to communities will help prevent perceptions that the leaders are being wrongly included because of their role in the selection process.
- If implementing partners are not already well established within the local area and communities, where possible based beneficiary lists should be cross-checked with agencies operating in the area, who may be better placed to identify instances of "elite capture" through their familiarity with local leaders.
- Wherever possible, verifications of beneficiary lists should occur within the location where the target communities are located, even if these are fairly inaccessible. Conducting these processes in a relatively distant central location increases risks of targeting errors as it impossible to ensure all were made aware and invited to attend the verification process.

6. Impacts

6.1 Impacts On Household Nutrition and Food Security

Three key indicators were used to assess project impacts on household food security and nutrition:

1. the number of meals consumed per day,
2. number of food groups regularly consumed by the households (where "regularly" was defined as at least once per week), and
3. referrals to Nutritional Rehabilitation Units.

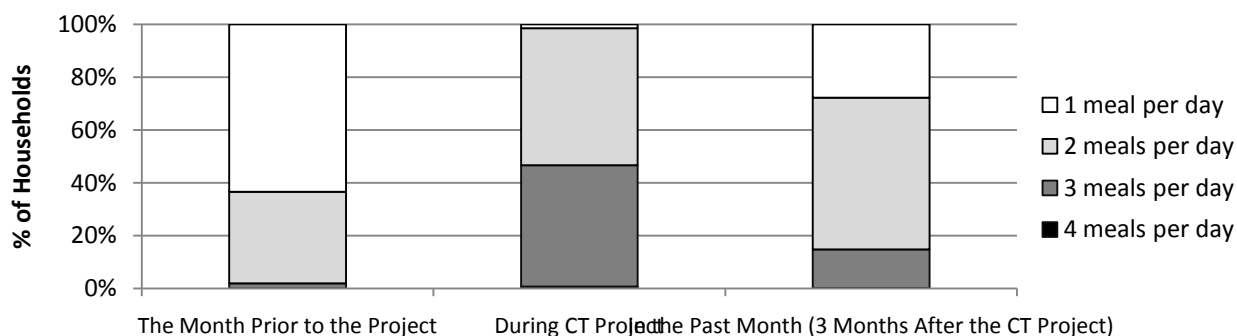
For each of these indicators, the situation during three time periods were compared:

1. the 3 months prior to the implementation of the project;
2. during the project; and
3. at the time of the evaluation survey 3 months after the end of the project.

Number of Meals Per Day

The percentage of households eating two or more meals per day rose from 36.6% in the month prior to the cash transfer to 98.6% during the project. In some cases, households which reported no change in the number of meals consumed during the project stated that although the number of meals eaten had not risen, the amount of food consumed during the meals had increased.

Figure 6.1: Number of Meals per Day Consumed by Beneficiary Households (Percent)



A subsequent decline in the number of meals consumed per day was reported to have occurred by the time of the evaluation (3 months after the end of the CT project). However, 72.3% of beneficiaries interviewed reported that they were still consuming 2 or more meals per day.

More than half of beneficiaries (54.9%) reported that the monthly food purchase from the cash transfer lasted the household more than 3 weeks, and around one fifth (19.9%) reported it lasting more than one month. 15.4% reported it lasting less than 2 weeks. Variations may be partly attributable to variations in household size and the extent of sharing occurring.

74.4% of beneficiaries reported difficulties in maintaining household food consumption after the end of the project. This problem was greatest in Salima (100%) and lowest in Mulanje (67.5%). In Nsanje, during the evaluation beneficiaries were observed to be eating "nyika" (water hyacinth tubers) collected from the river, an early warning sign of food insecurity. They reported using these to achieve a second meal per day. However, their bitter taste makes the unsuitable for children.

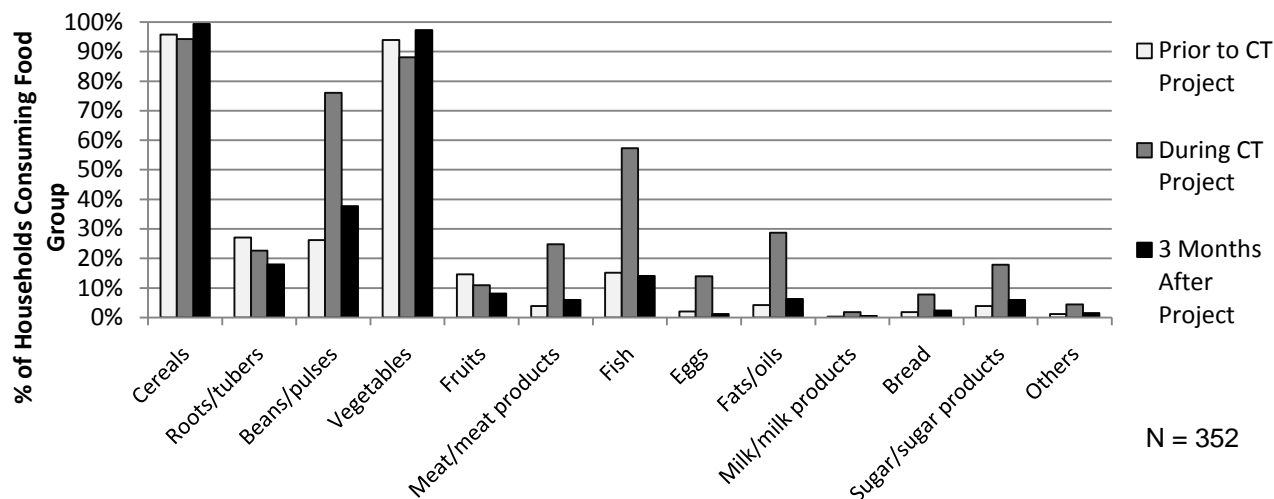
Table 6.1: Have you had problems maintaining household food consumption since the end of the project?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	0	0.0	171	31.4	1	3.7	172	24.8
Yes	123	100.0	367	67.5	26	96.3	516	74.4
Don't know	0	0.0	6	1.1	0	0.0	6	0.9
N	123	100.0	544	100.0	27	100.0	694	

Dietary Diversity

The following food groups showing a marked rise in consumption during the cash transfer program: beans and pulses, meat and meat products, fish, eggs, fats and oils, sugar and sugar products, and bread. The increase in consumption of protein rich food groups was particularly high.

Figure 6.2: Household Consumption of Major Food Groups (Percent)



The greatest increases were in the consumption of beans / pulses and fish. During the project over 57% of households reported consuming fish at least once a week, and over 76% consumed beans or pulses at least once a week. These figures compare with 15% and 26% respectively prior to the project implementation. Consumption of vegetables and cereals fell slightly.

Due to its complexity, data on food groups was collected only during the 352 individual interviews. FGD participants were simply asked if the variety of food types eaten by the household had increased during the project. All 342 FGD participants (100%) reported that this had been the case.

Household Dietary Diversity Score

Household dietary diversity refers to the number of food groups consumed over a given reference period (generally from one day to two weeks)⁴. This measure is important because a more diversified diet is associated with improved welfare outcomes including birth weight, child anthropometry status and improved hemoglobin concentrations. The following set of 12 food groups is used to calculate HDDS: cereals; root and tubers; vegetables; fruits; meat, poultry, offal; eggs; fish and seafood; pulses/legumes/nuts; milk and milk products; oil/fats; sugar/honey; and miscellaneous.

Table 6.2: Household Dietary Score

	Prior to Project	During the Project	June 2013 (3 months after the project)
Average Household Diversity Score	3	7	4

Note: The maximum HDDS score is 12.

The project had significant positive impacts on nutrition and dietary diversity. These impacts were not limited to the quantity of food consumed, but also related to the variety of food groups consumed. In particular, the consumption of protein rich foods showed a large increase during the project.

⁴ The procedure for calculating HDDS is provided in Swindale, A. and Bilinsky, P. (2006) Household Dietary Diversity Score (HDDS) for Measurement of Household Food Access: Indicator Guide (Version 2), Washington, DC. Food and Nutrition Technical Assistance (FANTA), Academy for Educational Development, 2006.

However by the time of this evaluation, 3 months after the end of the cash transfer project, food group consumption patterns had largely reverted to the pre-project position. The main exception was beans and pulses, where consumption levels fell back to a lesser extent, remaining mid-way between pre-project and during-project levels.

The positive impacts the cash transfers achieved for dietary diversity were mostly not sustained beyond the end of the cash transfer period.

Case Study 2: Elderly Sisters Household in Chonde, TA Mthiramanja



The elderly sisters were eating maize husks



Esther receiving MK12500 from OIBM

Ester and Veronica live in Chonde village TA Mthiramanja. The sisters are over 70 years old, and live together after losing all their children and grandchildren. Prior to the cash transfer project Veronica and Esther depended heavily on charity and maize husks for food. For the past 2 years Veronica had sought casual labour and begged for food from people in the village.

Before joining the project Esther explained "If you go into our house you will find out that we have no food, and where we sleep is very poor as we have no-one to take care of us. Sometimes we go two days or more without bathing as we have no soap or matches to use for cooking unless we are assisted by a neighbour".

When Esther heard about the Cash Transfer project from the village headman she rose as early as possible to get there on time. "I could not wait any longer to go to the centre."

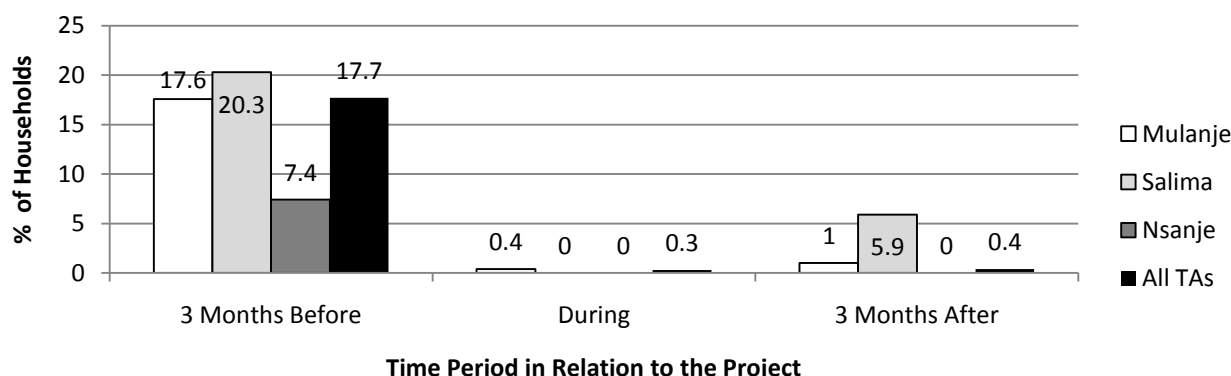
I am now able to receive the cash to buy maize and other household items we need like salt, matches, soap and relish' she explained. "You can see what a difference these many items make in our house. We now have enough food and groceries."

Source: Case study documented by CICOD and Oxfam Staff

Referrals to Nutritional Rehabilitation Units (NRUs)

None of the beneficiary households in TA Pemba, Salima, or TA Nyachikadza, Nsanje, reported having children referred to Nutritional Rehabilitation Units (NRUs) during the project when the cash transfers were being received. In Salima this represents a significant improvement on the 20.3% of households in Salima who reported having NRU referrals during the 3 months prior to the project. Referrals in TA Mthiramanja, Mulanje were very low during the project, at 0.4% of households compared to 17.6% in the 3 months prior to the project.

Figure 6.3: Households with Children Referred to Nutritional Rehabilitation Units (Percent)



Although households in Mulanje and Salima reported a slight recurrence of referrals to NRUs following the end of the cash transfer program (affecting 1.0% and 5.9% of households respectively), this represented a much lower incidence than existed prior to the receipt of the cash transfers. The larger post-project increase in Salima is likely to be attributable the different cropping patterns practiced in TA Pemba where a reliance on rice and winter cropping leads to the timing of the hunger season differing from that in most areas of Malawi. Thus harvesting had not yet begun in this area at the time the project ended. No NRU referrals were reported to have occurred in Nsanje since the end of the project.

6.2 Key Findings and Recommendations : Food Security and Nutrition

Key Findings

Strong positive impacts of the cash transfer project were identified for all three of the key indicator variables for food security and nutrition:

- The percentage of households eating two or more meals per day rose from 36.6% in the month prior to the cash transfer to 98.6% during the project.
- 54.9% of beneficiaries reported that the food purchase from the cash transfer lasted the household over 3 weeks, and 19.9% reported it lasting more than one month.
- The following food groups showed a marked rise in consumption during the cash transfer program: beans and pulses, meat and meat products, fish, eggs, fats and oils, sugar and sugar products, and bread. The increase in consumption of protein rich food groups was particularly high, especially for beans / pulses and fish with 76% and 54% respectively consuming these food groups at least once a week during the project.
- referrals of children to nutritional rehabilitation units were almost completely eliminated, with only 2 households out of 694 (0.3%) reporting child referrals during the CT project.
- 74.4% of beneficiaries reported difficulties in maintaining household food consumption after the end of the cash transfer project.
- The positive impacts the cash transfers achieved for dietary diversity were mostly not sustained beyond the end of the cash transfer period.

The project had significant positive impacts on food security, nutrition and dietary diversity. These impacts were not limited to the quantity of food consumed but also related to the variety of food groups consumed and in particular the consumption of protein rich foods, especially beans / pulses and fish.

Overall, the project was highly successful in its goal of saving lives and reducing suffering by reducing food insecurity of households affected by transitory acute food shortages.

Recommendations

- Future projects should seek to identify and reflect variations in the timing of the hunger period in the different TAs. In areas which rely on winter cropping or rice cultivation (e.g. flood prone areas such as TA Pemba) should have the timing of the cash transfers adjusted to reflect the impact of this variation on the local hunger period.
- Preliminary MVAC results for 2013/14 indicate that the affected areas for food insecurity have shown a shift northwards. This is likely to affect the timing of the seasonal calendar which requires to be considered in planning and implementing any response in 2013/14.

6.3 Use of the Cash Transfer

Cash Transfer Expenditure Patterns

Expenditure of the cash transfer funds by beneficiaries was primarily on food (72.5%) and food-related expenditures, such as milling (4.8%) and fuel (2.4%). Together these account for 80% of beneficiary expenditure.

Figure 6.4: Use of the Cash Transfer

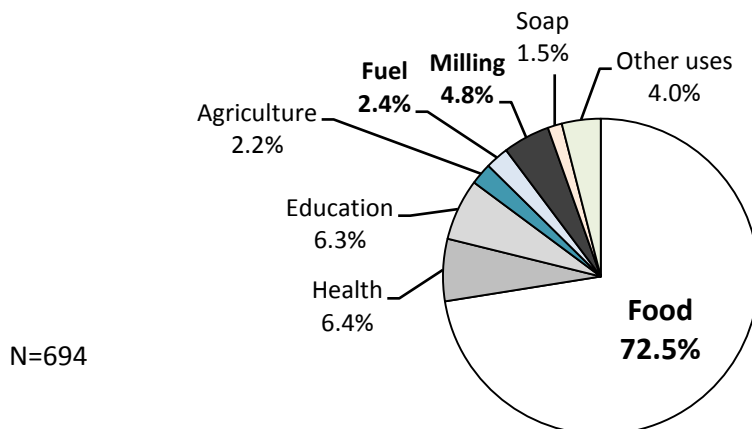


Table 6.3 What was the cash transfer spent on? (%)

Category of Expenditure	TA Nthiramanja, Mulanje District	TA Pemba, Salima District	TA Nyachikadza, Nsanje District	Total (All TAs)
Food Items	71.9%	75.5%	73.5%	72.5%
Health	6.7%	5.6%	2.6%	6.4%
Education	7.0%	3.1%	5.1%	6.3%
Agriculture and Livestock	2.3%	2.0%	0.0%	2.2%
Household Fuel	2.4%	2.4%	2.6%	2.4%
Milling	4.5%	6.3%	4.9%	4.8%
Soap	1.3%	2.2%	0.5%	1.5%
Other	3.9%	2.9%	10.8%	4.0%

Sharing of the Cash Transfer

Most households did not share any of the cash received (74.4%). However, one quarter (25.6%) did share a portion of the cash received, usually with relatives not resident within the household. In spite of concerns amongst some project staff in Mulanje that leaders were suspected of trying to elicit a share of the cash from beneficiaries, the evaluation found only one beneficiary who reported sharing their cash with community leaders out of the 694 people interviewed, indicating that any incidence of this occurring was very low. The proportion of beneficiaries sharing their cash was highest in Mulanje (27.4%), but very low in Nsanje at only 7.4%.

Table 6.4: Did you share part of the cash with others ?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	96	78.0	395	72.6	25	92.6	516	74.4
Yes	27	22.0	149	27.4	2	7.4	178	25.6
TOTAL	123	100.0%	544	100.0	27	100.0%	694	100%

As 67% of beneficiaries in Nsanje were male, unlike in Salima and Mulanje where 83% and 65% were female, the data were investigated to identify if the variations in gender were linked to the frequency of sharing. However, no significant differences were found in the likelihood of males or females to share the cash, with 73.8% of male beneficiaries sharing, and 74.6% of female beneficiaries across the project areas. For sharing of food bought the difference was slightly greater but still small, with 53.8% of males sharing food compared to 50.5% of females.

**Table 6.5: With whom did you share the cash?
(percentages only for those who reported sharing)**

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Relative not in HH	25	92.6	133	89.3	1	50.0	159	89.3
Friends	1	3.7	4	2.7	1	50.0	6	3.4
Leader	0	0.0	1	0.7	0	0.0	1	0.6
Other	1*	3.7	11**	7.3	0	0.0	12	6.7
TOTAL	27	100.0%	149	100.0	2	100.0%	178	100%

* Religious leader

** 10 = Neighbour, not related, 1 = Religious leader

Where cash was shared, the average amount was slightly over MK 1,000, but varied from only MK300 in Nsanje to MK 1,200 in Salima. Over the entire program, the amount of cash shared was very low, at an average of just MK 280 per program beneficiary.

**Table 6.6: Average amount of money shared per month:
(average of only those who reported sharing)**

Salima		Mulanje		Nsanje		ALL	
N	MK	N	MK	N	MK	N	MK
27	1,238.89	149	1,082.23	2	300.00	178	1,097.32

**Table 6.7: Average amount of money shared per month:
(average of all respondents)**

Salima		Mulanje		Nsanje		ALL	
N	MK	N	MK	N	MK	N	MK
123	271.95	544	294.43	27	22.22	694	279.86

Very few of those who shared their cash did so as a result of being pressured to do so. Most stated that they were "happy to share" with others in need, or felt a "moral obligation" to assist close family members who were hungry.

Table 6.8: Were you happy to share the cash or did you feel under pressure to do so?

Reason for Sharing	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Happy to share	17	60.7	91	61.5	2	100.0	110	61.8
Sense of duty/ moral obligation	8	32.1	49	32.4	0	0.0	57	32.0
Under pressure to share	2	7.1	9	6.1	0	0.0	11	6.2
TOTAL	27	100.0%	149	100.0%	2	100.0%	178	100%

Of the 11 people who reported that they were "under pressure" to share, the reasons given were:

- a relative in great need asked me to share (6 responses)
- to maintain good relationships with a relative (1), friend (1), leader (1) or other person (1)
- a friend in great need asked me to share (1 response)

Sharing of Food Bought with the Cash Transfer

Food purchases made with the cash transfer were more likely to be shared than the cash itself. Half of all beneficiaries questioned (51.6%) reported sharing part of the food they purchased with the cash, mainly with other family members. Sharing was highest in Salima (63.4% of households) and lowest in Nsanje (7.4% of households). Where sharing occurred it generally involved less than 25% of the food purchased, with only 5.5% of households reporting sharing more than this figure.

Table 6.9: How much of the food bought with the cash was shared with the other households?

% of Food Shared	ALL	
	Freq	%
None	336	48.4
Up to 10%	201	29.0
>10% to 25%	119	17.1
>25% to 50%	32	4.6
>50%	6	0.9
N	694	100%

The significant levels of sharing occurring are at least partially attributable to the limits placed on beneficiary numbers in locations where beneficiaries perceived others, including close relatives, as experiencing very similar food shortages. Consequently beneficiaries felt a moral obligation to share, mainly with close relatives. Quotes recorded included remarks such as "how can I sit there with plenty of food whilst my sister is hungry next door?" This also reflects community coping mechanisms, and beneficiaries may regard this as a form of 'insurance' against future shortages when they may be the ones seeking to benefit from others sharing with them.

Almost all of those who shared their food reported that they were happy to do so (98.9%), and that the sharing was not in response to pressures from other family or community members. Of the 4 beneficiaries who felt under pressure to share, all reported that this was because a relative in great need had asked them to do so.

Table 6.10: Were You Happy to Share the Food or Did You Feel Under Pressure to Do So ? (Percentages only for Those Respondents who Reported Sharing their Food)

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Happy to share	78	100.0	274	98.6	2	100	354	98.9
Under pressure to share	0	0.0	4	1.4	0	0.0	4	1.1
N	78	100.0	278	100.0	2	100.0	358	100.0

Effect of Household Size on Sharing

The results were analysed to identify differences in sharing between small households (<3 individuals) and large households (10+ individuals). This indicated that the percentage of households sharing their cash was 36.3% higher in large households, whilst the percentage of households sharing the food which was purchased with the cash was 70.5% higher.

Table 6.11: Beneficiaries' Sharing of Cash and Food by Household Size

		Small Household (1-3 individuals)	Large Household (10+ individuals)
		%	%
Did you share food?	Yes	64.9	47.6
	No	35.1	52.4
Did you share cash?	Yes	32.4	19.0
	No	67.6	81.0

Misuse of Cash

There were very few reports from beneficiaries them being aware of misuse of the cash (e.g. for alcohol or cigarettes). Less than 1% of beneficiaries in Salima were aware of instances of misuse. Most reports were recorded in Mulanje, where 5.3% were aware of some misuse of the cash.

Table 6.12: Are you aware of anyone misusing the cash they received?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	112	91.1	448	82.4	26	96.3	586	84.4
Yes	1	0.8	29	5.3	1	3.7	31	4.5
Don't know	10	8.1	67	12.3	0	0.0	77	11.1
TOTAL	123	100.0%	149	100.0	27	100.0%	178	100%

Amongst non-beneficiaries, almost all (98.6%) reported that they were not aware of anyone misusing the cash.

6.5 Key Findings and Recommendations: Beneficiaries' Use of Cash

Key Findings

- Expenditure of the cash transfer funds by beneficiaries was primarily on food (72.5%) and food-related expenditures, such as milling (4.8%) and fuel (2.4%). Together these account for 80% of beneficiary expenditure.
- Most households did not share any of the cash received (74.4%). However, one quarter (25.6%) did share a portion of the cash received, usually with relatives not resident within the household. The average amount shared across all beneficiaries was low, at MK 280.
- Food purchases made with the cash transfer were more likely to be shared than the cash itself. Half of all beneficiaries questioned (51.6%) reported sharing part of the food they purchased with the cash, mainly with other family members. Where sharing occurred it generally involved less than 25% of the food purchased, with only 5.5% of households reporting sharing more than this figure.
- Very few of those who shared their cash or food did so as a result of being pressured to do so. Almost all stated that they were "happy to share" with others in need, or felt a "moral obligation" to assist close family members who were hungry.
- There were very few reports from beneficiaries them being aware of misuse of the cash (e.g. for alcohol or cigarettes).

Recommendations

- The positive outcomes on the use of cash transfers suggest that the existing implementation processes, including sensitisation of beneficiaries on appropriate use of the cash, are being understood and accepted by beneficiaries and should therefore be continued.

6.6 Impacts On Household Relationships

The impacts of the programs on household relationships was largely neutral, with 76.5% of households reporting no change. Of those reporting impacts, these were overwhelmingly positive (21.8%), with only 1.7% of beneficiaries reporting a slight worsening in household relationships.

Table 6.13: Has the project had any impact on relationships in the household? (%)

Location	Much Worse	Slightly Worse	No Change	Improved Slightly	Improved a Lot	Number (N)
TA Nthiramanja, Mulanje	0.0%	2.2%	75.6%	11.9%	10.3%	544
TA Pemba, Salima	0.0%	0.0%	82.1%	13.0%	4.9%	123
TA Nyachikadza, Nsanje	0.0%	0.0%	70.4%	22.2%	7.4%	27
Total (All Districts)	0.0%	1.7%	76.5%	12.5%	9.3%	694

Positive impacts on household relationships were mainly due to:

- improved relationships between spouses (91 responses)
- better joint decision making (59 responses).

In the 12 households that reported a slight worsening of relationships, this was due to more conflicts between spouses.

6.7 Impacts On Community Relationships

89.4% of beneficiaries reported no impact (79.4%) or a positive impact (9.7%) on community relationships. Only 10.6% stated that relationships had worsened slightly (8.2%) or a lot (2.4%). All negative impacts mentioned related to jealousy on the part of non-beneficiaries.

Table 6.14: Did the Project have any Impact on Community Relationships?: Beneficiaries (%)

Location	Much Worse	Slightly Worse	No Change	Improved Slightly	Improved a Lot	Number (N)
TA Nthiramanja	2.2%	9.4%	78.3%	4.6%	5.5%	544
TA Pemba	3.3%	0.0%	88.6%	4.9%	3.3%	123
TA Nyachikadza	3.7%	22.2%	66.7%	7.4%	0.0%	27
Total (All Districts)	2.4%	8.2%	79.7%	4.8%	4.9%	694

Other positive community impacts identified by beneficiaries were:

- improved food availability in the community (33 reports)
- improved *ganyu* opportunities for non-beneficiaries (21 reports)
- able to share food with non-beneficiaries (8 reports)
- reduced begging by poor household members within the community (4 reports)
- opportunity to create new friendships with beneficiaries from other villages through meeting at cash distribution points (1 report)

Did the Project have any Impact on Community Relationships?: Non-Beneficiaries (%)

Location	Much Worse	Slightly Worse	No Change	Improved Slightly	Improved a Lot	Number (N)
TA Nthiramanja	34%	0%	66%	0%	0%	0%
TA Pemba	0%	0%	100%	0%	0%	58
TA Nyachikadza	0%	0%	100%	0%	0%	106
Total (All Districts)	20.6%	0.0%	79.4%	0.0%	0.0%	417

Amongst non beneficiaries, all in Salima and Nsanje reported no impacts on community relationships. In Mulanje two thirds also said there were no impacts, although a significant minority

(34%) reported a worsening of relationships due to jealousy amongst non-beneficiaries (77 responses), and beneficiaries not sharing their cash or food with non-beneficiaries (9 responses).

6.8 Other Impacts

When asked if the project had affected the community in any other ways, good or bad, 65.4% of beneficiaries stated it had. Details of the other impacts mentioned by beneficiaries were:

- **it saved people from dying of hunger (90.7% of responses)**
- it improved the livelihoods of the poor (7.7% of responses)
- reduced food shortages (1.6% of responses)

Note that the above percentages are only for those indicating other impacts had occurred.

Amongst non-beneficiaries, the other community impacts cited by respondents were:

- **beneficiaries were an important source of *ganyu* income (52.0% of responses)**
- it saved people from dying of hunger (26.2% of responses)
- non-beneficiaries benefitted from sharing done by beneficiaries (15.1% of responses)
- no other effects (4.1% of responses)
- food prices increased due to the project (2.6% of responses)

A potential concern in cash transfer programming is that any inflationary impacts may adversely affect non-beneficiaries. It is therefore reassuring to note that a very low percentage of non-beneficiaries (2.6%) mentioned price rises as an effect of the project. In addition, in the market climate of high national prices rises prevailing in 2012/13 means it is possible to conclude that non-beneficiaries' responses may have been at least partially due to these national level price factors.

6.9 Key Findings and Recommendations: Relationships and Other Impacts

Key Findings

- The impacts of the cash transfer program on household and community relationships and mostly neutral, with most beneficiaries and non-beneficiaries reporting no change.
- Where impacts do occur in household relationships, these are much more likely to be positive than negative.
- In the minority of cases where community relationships were reported to have worsened this was almost always due to jealousy amongst non-beneficiaries. In the remainder of cases it was due to resentment that beneficiaries had not shared their cash or food with others.
- The main "other impact" cited by beneficiaries was that the program had saved people from dying of hunger.

Recommendations

- Future projects should continue to sensitise beneficiaries on the correct use of the cash and the benefits of joint decision making in deciding on the use of cash, in order to continue to promote neutral or positive impacts on household relationships as achieved in this project.
- Ensure beneficiary selection processes are transparent to minimise resentments amongst non-beneficiaries excluded from the program.

7. Project Effectiveness and Timeliness

7.1 Effectiveness in Reducing Food Insecurity in Affected Households

As demonstrated in Section 6.1, the cash transfer program was highly effective in reducing food insecurity in households affected by seasonal food shortages. All key indicators measured showed strong improvement. Number of meals eaten per day increased, dietary diversity as measured by the number of food groups consumed showed strong improvements, and admissions to Nutritional Rehabilitation Units were almost completely eliminated.

7.2 Effectiveness and Timeliness of the Cash Distribution Process

The project was highly effective in delivering the correct amount of cash to beneficiaries at the scheduled time, with 98.8% stating they received the correct amount of cash, and 98.6% receiving it at the scheduled time. In addition, there was a good level of understanding of the amount of cash they were entitled to receive (92.6%), which also helps to ensure that the full entitlement is received by the beneficiary.

Table 7.1: Accuracy and Timing of the Cash Distribution (Percentage of Respondents)

Variable	Salima, YES	Mulanje, YES	Nsanje, YES	ALL YES
Was the amount of money entitled clearly explained to you?	95.9%	96.1%	100.0%	96.2%
Did you receive the correct amount of cash?	98.4%	98.9%	100.0%	98.8%**
Was the cash was received at the scheduled time?	98.4%	99.1%	88.9%	98.6%
Was the cash distributed for the right number of months?	50.4%	70.9%	81.5%	67.7%

** The remaining 1.2% indicated that they did not know.

A little over two thirds (67.6%) of beneficiaries felt the cash transfer was received for the correct number of months. Of the remaining 32.4% most (22%) indicated November to April as the appropriate period. Reasons given mostly centred around a belief that the hunger period commenced earlier than the program, and harvests were in many cases not yet ready by the time the program ended. In Salima this was because of the different agricultural calendar caused by their reliance on rice growing and winter cropping, which differs from most areas of Malawi.

Table 7.2: What do you think the duration of the cash distribution should have been?

Duration	Frequency	Percentage
The months were right	469	67.6
November-April	154	22.2
November - March	29	4.2
December-April	39	5.6
Other*	3	0.4
Total	694	100.0

*These included less realistic responses such as October to July; and throughout the year.

Although only 28.2% stated it was adequate to meet all their basic food needs, cross referencing this with food security and nutrition responses suggests that the sum was actually adequate in most cases. The responses obtained may be influenced by a failure to differentiate between basic food needs and other basic needs, and also beneficiaries' desire to try to influence the revision of the figure upwards in any similar future projects.

Table 7.3: Adequacy of the Cash Amount (Percentage of Respondents)

Variable	Salima, YES	Mulanje, YES	Nsanje, YES	ALL YES
Was the cash distributed adequate to meet basic food needs?	74.0%	28.9%	25.9%	28.2%
If no, how much should the project have given (MK Average)	23,222	24,185	24,583	24,021***

*** Minimum is MWK 20,000 and Maximum is MWK 50,000

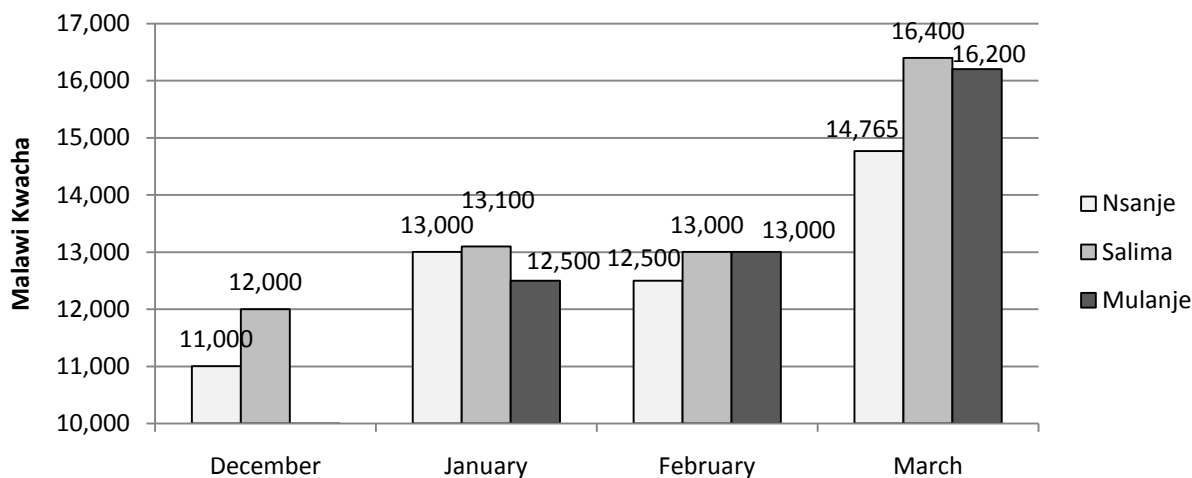
When asked how much should have been given to ensure food needs were adequately met, the average stated was around MK 24,000, which is approximately MK 8,000 (50%) higher than the maximum payment made under the CT program. Discussions with key stakeholders (District Council staff, program staff, group leaders) also suggest that the amount of cash distributed was broadly adequate for the basic food needs targeted by the program. However, the use of standard rates irrespective of household size, and the prevalence of sharing due to the limited number of program beneficiaries in the target area, may have led to some larger households, or those sharing most with other households using up their cash and food purchases before the end of the month.

7.3 Market Information and Use of Monitoring Data

Probably the single most important factor contributing to the success of the cash transfer project was the use of market monitoring and monthly adjustments in the cash transfer value to ensure that beneficiaries' purchasing power was maintained. As a direct result of this approach, beneficiaries were able to meet their food needs in spite of the extremely high price rises experienced across the country during the 2012/13 consumption year.

Critical to the INGO Consortium's ability to adopt this approach was the flexibility of the donor (DFID) in allowing the organisations the flexibility to monitor food basket prices each month and in each District, and vary the cash transfer to reflect price differences. The Consortium was not required to adopt a uniform payment rate across all Districts, and was thus able to adapt to the significant regional variations in commodity prices that occurred. For example, maize prices reached MK8,500 per 50kg in Mthiramanja, Mulanje, in March 2013, but were at MK 7,500 in Nyachikadza.

Figure 7.1: Cash Transfer Values by District and Month



The above flexibility was built into the project design at the proposal stage. However it is important to recognise that the original contingency fund allocated in the proposal of 10% would not on its own been adequate to allow for adjusting the cash transfer value to the full extent of the price increases which occurred. To achieve this a 30% increase in the cash transfer value in Mulanje was required over the project duration, rising up to a 37% increase in the cash transfer value in Salima. This was only possible due to the significant exchange rate gains which resulted from the denomination of project funds being in Pounds Sterling and the depreciation of the Malawi Kwacha against this currency. **These exchange rate gains were an important factor in providing the resources to enable beneficiaries to be compensated in full for price rises thereby enabling them to continue to meet their household food requirements.** In a climate of more stable exchange rates the project's capacity to adjust the cash transfer value would have been more limited.

7.4 Key Findings and Recommendations

Key Findings

- The cash transfer program was highly effective in reducing food insecurity in households affected by seasonal food shortages. All key indicators measured showed strong improvement number of meals per day, dietary diversity, and referrals to Nutritional Rehabilitation Units).
- The project was effective in delivering the correct amount of cash to beneficiaries at the scheduled time, with 98.8% stating they received the correct amount of cash, and 98.6% receiving it at the scheduled time. In addition, there was a good level of understanding of the amount of cash they were entitled to receive (92.6%),
- **The key critical success factor in the project was the flexibility to vary the monthly cash transfer amounts to reflect local and national price fluctuations.** Much credit rests with the donor (DFID) for showing the flexibility which enabled the project to adopt this approach. Given the unusual national market conditions prevailing in 2012/13 the success of the project would have been severely compromised if this approach had not been adopted, and if cash transfer amounts had been fixed in advance of project implementation.
- **Exchange rate gains were an important factor in providing the resources to enable beneficiaries to be compensated in full for price rises of 30% to 37% which occurred during the project, thereby enabling them to continue to meet their household food requirements.** The exchange rate gains allowed the project to increase the cash transfer value beyond the 10% contingency provided for in the project proposal. In a climate of more stable exchange rates the project's capacity to adjust the cash transfer value would have been more limited.

Recommendations

- **It is strongly recommended that future cash transfer project build in the same degree of flexibility in setting the cash amounts locally and at on a monthly basis, based on the current commodity prices prevailing in the local markets. This is particularly the case in the current context in Malawi, where considerable uncertainty surrounds commodity price trends and projections for 2013/14, and whether these will mirror the patterns shown in 2012/13 or return to patterns closer to the 5-year average.**
- **In an environment of high commodity price increases such as occurred in Malawi in 2012/13, the contingency funds provision may require to be higher than 10% if it is to provide adequate scope to adjust for national level price inflation.**

8. Efficiency

8.1 Travel Methods, Costs and Waiting Times for Beneficiaries

Waiting Times at Distribution Sites

Overall, waiting times at the cash distribution sites were low, and most beneficiaries were dealt with quickly and effectively. Waiting times to receive the cash were lowest in Mulanje and Salima, with 73.6% of beneficiaries in Mulanje and 83.7% in Salima spending not more than 1.5 hours at the distribution site. Delays in processing beneficiaries were significantly longer in Nsanje, where all waited over an hour, and 14.8% waited over 4 hours to receive their cash, as compared to only 2.1% in Mulanje and 2.5% in Salima waiting over 4 hours. The main reason for delays reported by beneficiaries in Nsanje was that "the people distributing the cash were always late". The reasons for their late arrival appear to be mainly due to G4S staff having to travel from their operational base in Blantyre on the morning of the cash distribution. In one case longer delays were caused due to the use of an unsuitable vehicle (non-4-wheel drive) which was unable to ford a flooded river. This necessitated obtaining a replacement vehicle from GOAL.

In Salima, delays encountered during the first round of distributions were attributable to problems with the Airtel Money system not working as efficiently as planned due to network problems and issues with the liquidity of Airtel Money agents.

Table 8.1: Time Spent at the Cash Distribution Centre (Percentage of Respondents)

Time	Salima	Mulanje	Nsanje
<0.5 Hours	3.3	23.1	0.0
0.5 – 1 Hour	69.7	34.2	0.0
>1- 1.5 Hours	10.7	16.3	22.2
>1.5 – 2 Hours	4.1	8.5	63.0
>2- 3 Hours	4.1	11.1	0.0
>3- 4 Hours	5.7	4.8	0.0
>4-5 Hours	0.0	1.3	7.4
>5-6 Hours	0.0	0.4	3.7
>6 Hours	2.5	0.4	3.7
TOTAL	100.0%	100.0	100.0%
N	123	544	27

Travel Times to the Cash Distribution Sites

Overall, accessibility of cash distribution sites was very good, with 79% travelling not more than 1 hour to reach the site, and 85.1% travelling not more than 1.5 hours. Accessibility of the cash distribution sites was greatest in Mulanje where 87.1% were able to reach the distribution site within 1 hour, and 93.4% within 1.5 hours. It was lowest in Nsanje, where only 11% were able to reach the site within 1.5 hours. Long travel times (over 4 hours) were rare across the project, affecting none of those interviewed in Salima and only 0.2% of Mulanje beneficiaries. However, they were common in Nsanje where 11% reported travelling more than 4 hours to reach the site.

Long travel times encountered in Nsanje were largely due to the challenging geographical conditions. TA Nyachikadza is positioned at a marsh area of the Shire River which becomes close to an island during the rains, necessitating the use of boats or canoes for most beneficiaries to access the cash distribution point. The cash distributions had therefore to take place in TA Ndamera, which is more than 8km from TA Nyachikadza proper. Given the physical constraints, the 'camp' used at TA Ndamera was considered by GOAL as the only practical and accessible location for the cash distribution point. This was reinforced by concerns around G4S staff crossing the river due to security risks of carrying large amounts of cash and potential problems in insuring the cash

transport process on the other side of the river. TA Ndamera is also the usual assembly venue for Nyachikadza residents when attending developmental meetings.

Table 8.2: Time Spent Travelling to the Cash Distribution Centre (% of Respondents)

	Salima	Mulanje	Nsanje	ALL
<0.5 Hours	52.8	62.6	0.0	58.4
0.5 – 1 Hour	7.3	24.5	3.7	20.6
1- 1.5 Hours	4.9	6.3	7.4	6.1
1.5 – 2 Hours	26.8	5.5	22.2	10.0
2- 3 Hours	4.9	0.7	18.5	2.2
3- 4 Hours	3.3	0.2	37.0	2.2
4-5 Hours	0.0	0.2	11.1	0.6
TOTAL	100.0%	100.0	100.0%	100%
N	123	544	27	694

Travel Methods and Costs

Most beneficiaries (89.6%) walked to the distribution site, ranging from 93.8% in Mulanje to 29.6% in Nsanje. The large majority of beneficiaries experienced little or no difficulty in easily accessing cash distribution sites. However, the main transport difficulties occurred in Nsanje, where 78.6% of beneficiaries had to rely on hired boats for transport. The only other widely used form of transport was bicycles, which were used by 15.4% of beneficiaries in Salima, and 6.1% in Mulanje.

Table 8.3: How did you travel to receive the cash?

Mode of Travel	Salima	Mulanje	Nsanje	ALL
Walk	84.6%	93.8%	29.6%	89.6%
Bicycle	15.4%	6.1%	0.0%	7.5%
Minibus	0.0%	0.2%	0.0%	0.1%
Boat	0.0%	0.0%	70.4%	2.7%
TOTAL	100.0%	100.0	100.0%	100.0
N	123	544	27	694

Most beneficiaries (92.7%) incurred no travel costs in getting to the cash distribution site. However the pattern was not the same across the 3 TAs. Whilst 97.2% of beneficiaries in Mulanje did not have any travel costs, in Nsanje 77.8% did experience these costs, which were reported to average MK1,529. This reflects the reliance on boat transport in Nsanje, with beneficiaries reporting charges for boat costs ranging from MK 400 to MK 3000.

Table 8.4: Were there any costs incurred in travelling to and from the site?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Yes	15	12.2%	15	2.8%	21	77.8%	51	7.3%
No	108	87.8%	529	97.2%	6	22.2%	643	92.7%
Total	123	100.0%	544	100.0%	17	100.0%	694	100.0%

Table 8.5: Average cost incurred in travelling to and from the site ? (for those incurring costs)

	Salima	Mulanje	Nsanje	ALL
Average cost (MWK)	383.33	396.42	1,528.57	868.00
N	15	15	21	51

Cross checking with other sources (district officials, project staff, local leaders) suggests that the actual cost may have been less than the upper figure stated by respondents. However, some reports were received that the costs charged by the boats varied with the purpose of the visit, and boat operators may have charged a higher fare for trips that they knew were to collect the cash

transfer, as compared with trips made by beneficiaries to tend their fields. This underlines the importance of identifying significant barriers to accessing the site (e.g. rivers) and associated costs in advance of the project. The possibility of pre-agreement of fares with transport providers in these cases should be considered.

8.2 Choice of Cash Distribution Method

Three methods were used to distribute the cash to beneficiaries:

1. mobile banks for the Opportunity Investment Bank of Malawi (OIBM),
2. cash transit services from security firm G4S, and
3. mobile phone cash transfers through Airtel Money.

All of the beneficiaries questioned (100% in all areas) expressed satisfaction with the cash distribution method used.

This was in spite of the challenges faced in Salima, where the use of Airtel Money was abandoned after the first cash distribution due to problems with the network and liquidity challenges amongst Airtel Money agents. This led to a limited number of beneficiaries not receiving their cash on the correct day due to delays caused by these difficulties. The implementing partner in this area (CWW) stressed the importance in this situation of having incorporated a clause in the contract with Airtel Money which enabled the contract to be terminated when performance of the system was deemed unsatisfactory.

The use of two cash distribution methods in Salima provided an opportunity to elicit beneficiary preferences between the systems used. There was a strong preference expressed for the G4S distribution method.

Table 8.6: Which cash distribution system did you prefer? (Salima Only)

Preference	Percentage
Mobile Phone	8.1%
G4S	81.3%
No preference	10.6%
N	123

The reasons given for preferring G4S all related to it being fast, whereas the reasons given by those who preferred Airtel Money were more varied, and included:

- secure from fraud and corruption (50%)
- receiving a phone (30%)
- no transport costs are incurred (20%).

However, as there was only one round of distributions made using Airtel, and these were affected by initial issues in establishing the system, it is not possible to say whether these preferences would have been the same if the initial problems been resolved and the potential benefits for beneficiaries in terms of reduced travel times, confidentiality and flexibility of timing realised.

Some beneficiaries also found it difficult to believe that the phones issued to them were really free, and believed that their cost must have been in some way deducted from the money they received. In addition, the fact that the sum of money displayed on the phone differed from the cash received due to agents' commissions led to some beneficiaries feeling that they had been 'cheated' out of some of the money. Greater awareness of these perceptions, coupled with improved sensitisation of beneficiaries may help to reduce the instances of these concerns amongst beneficiaries in future programs.



8.3 Cost Efficiency : Comparison of Alternative Cash Distribution Methods

This comparison of cost efficiency considers the three different cash delivery methods were used in the INGO cash transfer response:

- Group 4 Security (G4S) - a cash transit service
- Opportunity Investment Bank of Malawi (OIBM) - a mobile bank service
- Airtel Money - Mobile phone money transfer

This analysis compares the costs incurred per beneficiary per cash distribution in the areas using the three different methods. However these costs must be treated with caution, since although the costs for Airtel Money and G4S both relate to the same location (TA Pemba) and number of beneficiaries (123), the figures available for OIBM relate to the much larger Mulanje transfer, and thus may reflect some economies of scale. However, the OIBM mobile bank vehicles were travelling from their Lilongwe base, and so incurred much higher mileage charges than the Salima service providers.

Table 8.7: Monthly Costs for Alternative Cash Delivery Service Providers

Cost	Airtel Money	G4S	OIBM***
Number of Beneficiaries	123	123	6,177
One-off Costs / Capital Equipment costs	Mobile Phones : MK 3100* each	None	Bank Card MK 832 each Computers/ generators: MK 850,000 Stationery, Tents, etc: MK 1,607,000 Project Management: MK 2,917,422 Registrations: MK 1,257 per beneficiary
Operating costs	K955 cash out fee per beneficiary for a maximum of 2 cash out transactions Transaction fee of 2.0% of the total value of the monthly transfer	<u>Costs per delivery to Salima:</u> Cash Collection MK 5,250 Cash Delivery MK 5,250 Cashiers (2) MK 7,000 Packaging MK 74,300 Mileage (304x 193)= MK 59,280 Containers (2x MK2,520) = MK 5,040 VAT: MK 25,759	Monthly Cash Delivery Costs MK 3,075,633
Cost** per Beneficiary per Delivery (Amount)	MK1,965	MK1478.69	MK 1211.88
Cost** per Beneficiary per Delivery (Percent)	15.1%	11.4%	9.3%

1. * For calculations of monthly costs, it is assumed that the Airtel Money had been used for the 4 months of the project in Salima, and capital costs of phones is allocated across this time period (MK 750/month/HH)
2. **Based on an assumed 'mid-range' cash transfer value during the project of MK 13,000 per month
3. ***OIBM Costs are for 6177 beneficiaries in Mulanje, but the Mobile Banks travelled from Lilongwe with associated higher travel distance of 882km per monthly distribution

Based on these data, Airtel Money was significantly more expensive per beneficiary distribution than G4S and OIBM. This is in part due to the issuing of mobile phones to all beneficiaries, but also the high cash-out fees charged for the withdrawals made by beneficiaries. These cash out charges also caused confusion amongst beneficiaries, as the amount displayed on their phones included the cash out fees. They therefore received less than the amount shown, causing some to feel they had been cheated out of money by the Airtel agents. Offset against the higher costs of mobile phone transfers are the additional benefits beneficiaries gained from owning the mobile phone.

These include:

- no or lower transport costs for beneficiaries
- time savings for beneficiaries in not having to travel to the cash distribution site
- flexibility in when they chose to withdraw the cash
- the beneficiary receives a phone,
- phones aid complaints / feedback
- they may allow the staggering of payment days⁵.

The only one of these benefits which can be quantified in monetary terms is travel costs savings for beneficiaries. However this will vary from location to location. In Salima, 92% of beneficiaries walked to the cash distribution site, incurring no travel costs. Amongst those incurring costs, the average travel costs to the cash distribution site was MK 383. Thus in TA Pemba, Salima, the travel cost savings do not significantly alter the above cost comparisons. In an area like TA Nyachikadza, Nsanje, where travel costs were greater, potential savings could be significantly higher. This would however be dependent on adequate infrastructure and agents being present to support the use of Airtel Money in this area.

Mobile phones provide beneficiaries with an easy and confidential method of communicating with project staff in the event of complaints or if they wanted to provide feedback on the project. All of those who reported complaining in Salima stated they used the mobile phone to do so.

OIBM compares well on the cost comparison for cash delivery partners, showing the cheapest charges per beneficiary per transfer. In addition, the costs incurred in using OIBM included a significant allocation for capital items, including 3 computers, tents and chairs. As these capital items were recovered by Oxfam at the end of the project, they are thus available for future use by the organisation, including their potential use on any future projects. If these asset gains are taken into account the favourable cost comparison identified for OIBM would improve further.

8.4 Cost Efficiency: Comparison of Cash Transfers and Food Aid

As there was no in-kind component to the INGO cash transfer project, this section draws on data collected by WFP for their cash and food responses in the 2012-13 consumption year in Malawi. This indicates that the total per household monthly costs were lower for the cash based response than for the food based response. In addition, the proportion of the project budget going to operational costs was higher for in-kind aid (38%) than for their cash based response (25%).

Table 8.8: Cost Efficiency : Comparison of Cash and Food Based Responses (WFP data, 2013)

	Food distribution	Cash distribution
Average commodity cost per HH and month	US\$ 35.68	US\$ 35.68
Average monthly transport, storage, handling, NGO, Government costs per HH	US\$ 15.29	US\$ 5.95
WFP Malawi cost per month and HH	US\$ 3.01	US\$ 2.71
WFP HQ cost per month and HH	US\$ 3.57	US\$ 3.23
Total per HH monthly cost	US\$ 57.55	US\$ 47.57
Share of costs going directly to the beneficiary	62%	75%
Share of total operation costs	38% (13% WFP)	25% (13% WFP)

Source: Thomas Otter / WFP presentation, 5th June 2013

Note : Costs according to WFP budget execution per May 28, 2013

⁵ If the service provider does not have to travel to a cash distribution site each time, it may be possible to divide beneficiaries into a number of groups, with each group receiving their payments on a different day of the month

8.5 Market Accessibility and Responsiveness

Travel Times, Methods and Costs to Access Markets

Markets were easily accessible to most beneficiaries, with 69.2% able to reach the market within one hour, and 88% within 2 hours. The exception was in Nsanje where 96.2% took more than 1.5 hours to reach market, and 81.4% took more than 3 hours.

Most people walked to and from the market (82.9% and 67.0% respectively). In all areas, but particularly in Salima and Mulanje, the use of bicycles increased on the homeward trip due to their being used to transport goods, usually with the beneficiary walking alongside. In Nsanje 66.7% used boat transport to return home from market. Minibuses were only used in Mulanje, and even then only by a small minority of beneficiaries (2.8% going to market, and 3.7% for returning home).

Table 8.9: How long did it take you to travel to market (one way, not round trip)

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
<0.5 Hours	55	44.7	268	49.3	1	3.7	324	46.7
0.5 – 1 Hour	10	8.1	146	26.8	0	0.0	156	22.5
1- 1.5 Hours	14	11.4	55	10.1	0	0.0	69	9.9
1.5 – 2 Hours	25	20.3	34	6.3	3	11.1	62	8.9
2- 3 Hours	6	4.9	26	4.8	1	3.7	33	4.8
3- 4 Hours	8	6.5	5	0.9	11	40.7	24	3.5
>4 Hours	5	4.1	10	1.8	11	40.7	26	3.7
TOTAL	123	100.0%	544	100.0	27	100.0%	694	100%

Table 8.10: Were there any Costs Incurred in Travelling to and From Market?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	91	74.0	398	73.2	4	14.8	493	71.0
Yes	32	26.0	146	26.8	23	85.2	201	29.0
TOTAL	123	100.0%	544	100.0	27	100.0%	694	100%

Due to their reliance on walking, 71% of beneficiaries incurred no costs in accessing markets. The exception was Nsanje where 85.2% incurred costs, mainly boat charges to cross the river. Due to the necessity for most Nsanje beneficiaries to cross the river to access the markets, they not only faced the highest incidence of costs, but also the highest level of charges. Those who incurred costs reported an average charge of MK1,356 compared to MK 505 in Salima and MK 325 in Mulanje. It should be noted that these averages are only for those incurring costs, not for all beneficiaries, most of whom incurred no costs.

Table 8.11: Average Total Travel Cost (round trip) for Those Incurring Costs

	Salima		Mulanje		Nsanje		ALL	
	N	MWK	N	MWK	N	MWK	N	MWK
Number / Amount	32	505.63	146	325.48	23	1,356.52	201	472.55

Although there was a market very close to the Nsanje cash distribution site (Mtowe market), the cash distribution days were not coincided with the main market day, necessitating a further trip by beneficiaries if they were to attend this. In Nsanje it would have been more efficient in terms of beneficiaries long travel times and high transport (boat) costs if distribution days could have been coincided with the main market days. This may have also helped to reduce the risk of price-hiking, due to the much larger number of traders who would be expected to present on those days. However, these advantages for beneficiaries would have to be weighed against any perceived

increase in security (theft) risks associated with this approach, due to increasing the predictability of cash distribution dates. Security issues may be a greater concern in Nsanje due to the proximity of the Mozambique border and the reports of slow police response times to incidents in the area.

Availability and Costs of Basic Food Items

Any assessment of the availability of basic food commodities and price trends has to be viewed against the national maize market context prevailing in 2012-13 in Malawi, which saw unprecedented escalation in maize prices. Between April 2012 and March 2013 maize prices increased by 216%, from MK 42.41 / kg to MK 135.14 / kg⁶. Prices began rising early in the consumption year (51% in the first quarter of April-June), and continued during the fourth quarter (January to March 2013). During Q4, which coincided with the project implementation period, prices rose 51%.



Women beneficiaries in Mulanje with maize purchased from a trader who brought a lorry load of maize to the cash distribution point

The main drivers for this change were not just normal seasonal trends, but also maize scarcity, pressures from informal border trade, and macroeconomic factors including devaluation of the Kwacha. In addition, delayed receipt of budgetary allocations meant that ADMARC entered the grain purchasing market late in 2012, resulting in difficulties in sourcing supplies at its allocated purchasing prices, and subsequent low stock accumulation. Activities of private traders in accumulating maize for later resale had already started to push up prices prior to ADMARC's entry into the grain purchasing market. Their continued strong activity contributed to upward pressure on demand leading to maize price escalation, based on speculation that low stocks would be available through ADMARC to put a 'ceiling' on maize prices during the lean season.

Over two thirds of beneficiaries reported no (37.9%) or only occasional (32.1%) problems in purchasing basic food items. Although 30% of beneficiaries reported frequent problems, this may not be surprising given the national context outlined above.. Consequently, it is not possible to say how much, or if any, of the difficulties encountered were attributable to the CT program.

Table 8.12: Were there any problems in purchasing basic food items ?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	42	34.1	203	37.3	18	66.7	263	37.9
Yes, occasionally	57	46.3	159	29.2	7	25.9	223	32.1
Yes, frequently	24	19.5	182	33.5	2	7.4	208	30.0
TOTAL	123	100.0%	544	100.0	27	100.0%	694	100%

Over half of those questioned (59.4%) reported price changes they attributed to the CT project. In particular, there were several reports of price-hiking on cash distribution days.

⁶ Source: MVAC Bulletin No. 9/13 Volume 1 and *pers comm*. MVAC on 12 / 07 / 2013

Table 8.13: Did you observe any price changes that you think were caused by the project ?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
No	65	52.8	182	33.5	10	37.0	257	37.0
Yes	52	42.3	343	63.1	17	63.0	412	59.4
Don't know	6	4.9	19	3.5	0	0.0	25	3.6
TOTAL	123	100.0%	544	100.0	27	100.0%	694	100%

These reports of price-hiking were to some extent corroborated by trader interviews, with 31.6% of traders interviewed stating that the increase in cash in the community had led to them receiving a higher price for their goods and services. However, when pressed for details, only one trader (out of the 19 surveyed) stated that the rise in their prices was due to the demand for maize having increased. The remainder cited national factors, the most common being the value of the kwacha, but also maize shortages, and increases in prices charged by their suppliers. More common were the impacts of the increased cash in the community on the volume of goods sold, with 89.5% of traders interviewed reporting increased sales volumes, with a small majority (52.9%) stating that their trade volumes had at least doubled.

Table 8.14: How did the increase in cash in the community affect the amount of goods you sold?

No Increase	Increase >0 but < 10%	Increase = 10% to < 25%	Increase = 25% to < 50%	Double	>Double
0.00%	0.00%	17.65%	29.41%	35.29%	17.65%

The national patterns identified above make it difficult to separate national price patterns and shortages from any localised project impacts. Whilst reports of price impacts are common, they are mainly limited the period immediately around the cash distribution days, and any evidence of a link to the program is inconclusive due to the strong influence of the abnormal national price trends and maize shortages experienced in 2012-13.

8.6 Key Findings and Recommendations

Key Findings

- Waiting times at the cash distribution sites were generally low, and most beneficiaries were dealt with quickly and effectively. 73.6% of beneficiaries in Mulanje, and 83.7% in Salima spent not more than 1.5 hours at the distribution site. Delays in processing beneficiaries occurred in Nsanje, where 14.8% waited over 4 hours to receive their cash, mainly due to the late arrival of G4S who had to travel from Blantyre. In Salima, delays in first round distributions were attributable to problems with the Airtel Money system.
- Overall, accessibility of cash distribution sites was very good, with 79% travelling not more than 1 hour to reach the site, and 85.1% travelling not more than 1.5 hours. Long travel times encountered in Nsanje, largely due to the challenging geographical conditions, and the need for beneficiaries to cross the Shire river by boat or canoe.
- Most beneficiaries (89.6%) walked to the distribution site, incurring no travel costs. The main transport difficulties occurred in Nsanje, where 78.6% of beneficiaries relied on hired boats.
- Whilst the OIBM and G4S cash delivery mechanisms generally worked well, the use of Airtel Money mobile phone transfers in Salima were abandoned after the first round of distributions due to network problems and insufficient liquidity of Airtel Money agents. The use of the Airtel Money system was significantly more expensive per beneficiary per distribution than OIBM and G4S (around 50% more), mainly due to high cash-out charges.

- Available data⁷ indicate that operational costs are lower for cash than for in-kind aid (25% of budget compared to 38%) and that the share of the budget going to the beneficiary is therefore higher (75% as compared to 62%).
- 71% of beneficiaries walked to and from the markets, incurring no costs. The exception was Nsanje where 85.2% incurred costs, mainly boat charges to cross the river, at an average charge of MK1,356.
- Over two thirds of beneficiaries reported no (37.9%) or only occasional (32.1%) problems in purchasing basic food items. Although 30% of beneficiaries reported frequent problems, this is unsurprising given the national market context prevailing during the project.
- Any market price impacts were limited the period immediately around the cash distribution days, and evidence of a link to the program is inconclusive due to the strong influence of the abnormal national price trends and maize shortages experienced in 2012-13.
- Reports of increased trade volumes are consistent amongst traders, and significant in scale. 89.5% of traders interviewed reported increased sales volumes, and a slight majority (52.9%) said their trade volumes had at least doubled due to the increase in cash in the community.

Recommendations

- Future programs should seek to conduct market monitoring on and around the cash distribution days to detect any short term price hiking.
- In areas with significant travel distances or costs (e.g. TA Nyachikadza) consider coinciding cash distribution days with market days to reduce double journeys. The convenience this would offer beneficiaries must be weighed against any increased security concerns.
- To minimise beneficiary waiting times when using cash transit services, future projects should:
 - Identify when the packing of envelopes is to take place (if used). This should be completed the day before the distribution, otherwise delays in waiting for banks to open, and then packing envelopes will lead to significant delays in departing to the site.
 - Agree in advance the arrival times at the site, and required departure times from the operational base, taking into account road and weather conditions.
 - Ensure that contractual terms stipulate that suitable 4-wheel drive vehicles will be utilised at all times when accessing cash distribution points.
 - Ensure that the time at which beneficiaries are told to attend the distribution point is realistic in terms of when the cash distribution firm is able to reach the site from its operational base.

⁷ WFP Cost comparison, 2012/13 food insecurity response in Malawi.

9. Connectedness and Resilience Building

9.1 Income Generation and Resilience Building

Programs aimed at resilience building or income generation / diversification were found to be occurring within all of the targeted communities. However, these were mostly unrelated to, or only loosely linked to, the INGO cash transfer program. In addition, they had by the time of the evaluation affected only a minority of CT program beneficiaries, with only 27% of respondents indicating that they had had help to increase their income sources, and only 21% reporting having received help to reduce the risk of future food shortages. The types of support received to reduce future food shortages and (where identified) the source of that help, are detailed in Table 9.1.

Table 9.1 What type of support did you receive to develop ways of reducing the risk of your household experiencing future food shortages?

Type of support received	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
None	107	87.0	420	77.2	19	70.4	546	78.7
Promotion of irrigation farming	5	4.1	23	4.2	8	29.6	36	5.2
Irrigation farming promoted by COOPI	8	6.5	0	0.0	0	0.0	8	1.2
Production of drought-tolerant varieties promoted by Land o' Lakes	3	2.4	0	0.0	0	0.0	3	0.4
Participation in AFRICARE food security programme	0	0.0	15	2.8	0	0.0	15	2.2
Irrigation farming promoted by Oxfam	0	0.0	19	3.5	0	0.0	19	2.7
Food for work programme	0	0.0	4	0.7	0	0.0	4	0.6
Manure making training from CARD*	0	0.0	63	11.6	0	0.0	63	9.1
TOTAL	123	100	544	100	27	100	694	100

* CARD = Churches Action for Relief and Development

GOAL staff reported recruiting CT beneficiaries onto their DIPECHO III project, focusing on Disaster Risk Reduction (DRR), Climate Change Adaptation (CCA) and food security. In total, GOAL's figures show that 79 of the 141 cash transfer beneficiaries in Nsanje progressed to the DIPECHO III project. 22 beneficiaries participated in a seed multiplication/ agricultural inputs scheme, and 57 were registered to benefit from a rain fed crop production program. As the DIPECHO scheme only targeted 4 of the 9 GVH targeted by the cash transfer project this limited transition. Although DIPECHO was not named by the beneficiaries interviewed by the evaluation team, agricultural tools, inputs and training were, under measures to improve income (see below).

CWW passed their beneficiary lists to COOPI for consideration for inclusion in their DISCOVER Disaster Risk Management and livelihoods program. However, COOPI indicated that the project had not yet started implementation in that area, and any beneficiary selection process would be based on their own criteria rather than simply adopting the CT beneficiary list. In Mulanje, Oxfam shared beneficiary lists with AFRICARE, who are conducting a 1 year livelihoods recovery program targeting parts of TA Mthiramanja. This program was mentioned by beneficiaries, but only a small proportion (2.8%). However, Oxfam irrigation programs were also mentioned by an additional 3.5% of Mulanje beneficiaries.

Of those who reported having received help to increase their sources of income, the type of assistance received was overwhelmingly related to agricultural production (training, tools and / or inputs), with this figure likely to be in large part attributable to the effects of the Government's Agricultural Input Subsidy Program (AISP).

Table 9.2 Type of Support Received to Increase Sources of Income of the Beneficiaries

Type of Support Received	Percentage
Agricultural training	25.4%
Agricultural tools or inputs	83.6%
Livelihoods training	2.6%
Business development support	3.2%
Measures to reduce future crop failure risks	5.3%
Public Works Programme	6.3%
Other	0.5%

Note: Because multiple responses were allowed, percentages total >100
N= 188 (those who had received support to increase their income).

Other categories of support included 5.8% receiving livelihoods training or business development support and only 5.3% receiving assistance to reduce the risk of future crop failures. In addition, 1.8% was short term income support through public works programs.

Support for increasing income was highest in TA Nthiramanja, Mulanje (29.4%) and lowest in TA Pemba, Salima (17.9%). Support to reduce the risk of future food shortages was highest in TA Nyachikadza, Nsanje (29.6%), and lowest in TA Pemba, Salima (13%). Of those who received help to increase their income, 82.4% rated the help received as 'good' or 'very good'.

Table 9.3: How good was the help to you that you received to increase your income? (%*)

Location	Very Poor	Poor	Neither Bad Nor Good	Good	Very Good	N
TA Nthiramanja, Mulanje	0.0%	8.8%	8.1%	58.8%	24.4%	160
TA Pemba, Salima	0.0%	13.6%	13.6%	63.6%	9.2%	22
TA Nyachikadza, Nsanje	0.0%	0.0%	0.0%	83.3%	16.7%	6
Total (All Districts)	0.0%	9.0%	8.5%	60.1%	22.3%	188

* % of people who reported receiving help

The main types of assistance which beneficiaries wished to received to assist in reducing the risk of future food shortages focused on agricultural tools and inputs (35.9%), cash transfers (27.4%), provision of livestock (15%), and small scale irrigation (9.1%). In TA Pemba, due to the flood risk, District officials advocated agro-forestry and irrigation for winter cropping.

Table 9.4: What sort of help to reduce the risk of future food shortages would you have liked to have received?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
Agricultural training	0	0.0	22	4.0	3	11.1	25	3.6
Agricultural tools and inputs	14	11.4	228	41.9	7	25.9	249	35.9
Livelihoods training	0	0.0	9	1.7	2	7.4	11	1.6
Business development support	1	0.8	17	3.1	0	0.0	18	2.6
Measures to reduce future crop failure risks	0	0.0	2	0.4	0	0.0	2	0.3
Public works program	0	0.0	8	1.5	1	3.7	9	1.3
Provision of livestock	18	14.6	82	15.1	4	14.8	104	15.0
Cash distribution	52	42.3	134	24.6	4	14.8	190	27.4
Food aid	0	0.0	21	3.9	0	0.0	21	3.0
Small scale irrigation equipment	38	30.9	19	3.5	6	22.2	63	9.1
Access to agricultural land	0	0.0	2	0.4	0	0.0	2	0.3
N	123	100	544	100	27	100	694	100

9.2 Use of Negative Coping Strategies

In the absence of the cash transfer received from the program, the main coping strategy adopted by the beneficiaries would have been a strong reliance on seasonal farm labour (ganyu). 93% of households reported they would have used this as one of their coping strategies, and it as cited as the most important coping strategy (ranked 1) by 88.3% of households. Daily rates for ganyu averaged MK 325/day, with a minimum of MK 60/day and maximum of MK 1000/day. Similarly, 71.9% of households would have used working for food only - reported to be "a plate of food per day" - and for 3% this would have been the main coping strategy (ranked 1). A reduction in reliance on ganyu and work for food only has important potential impacts on food security for the 2013-14 consumption year by freeing up time to enable beneficiaries to work on their own fields and devote time to their own crops. Together, these two forms of negative coping strategy would have been the main response of 91.3% of beneficiaries in the absence of the project.

11.7% of households would have resorted to forced sale of assets as one of their coping strategies, including livestock and productive assets and for a small number (0.3%) this would have been the main (rank 1) coping mechanism. Asset sales could have potentially severe negative impacts on the future food security, as the types of assets sold included productive assets such as tools and livestock as well as household assets.

18% would have resorted to debt, either borrowing from relatives (12.6%) or using loans incurring interest charges (5.4%).

Table 9.5: If you had not received the money from the project, what would the household have done to enable you to cope? (% Using that Coping Strategy - Multiple Responses Permitted)

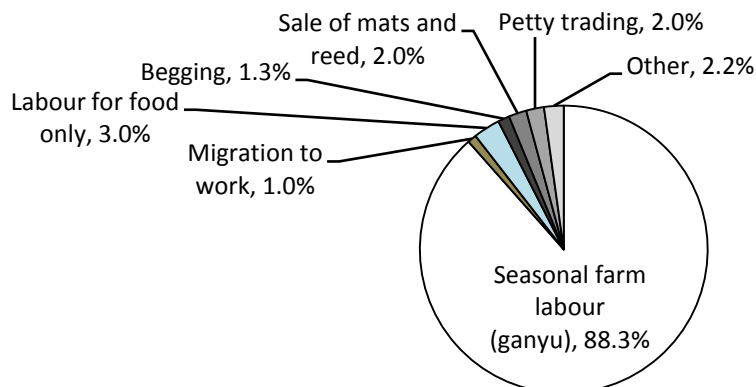
	Salima	Mulanje	Nsanje	ALL
Seasonal farm labour (ganyu)	98.4%	92.4%	96.3%	93.6%
Migration to work	3.3%	6.1%	3.7%	5.5%
Labour for food only	80.5%	69.9%	74.1%	71.9%
Public works programme	4.1%	5.9%	11.1%	5.8%
Taking children out of school	0.8%	3.0%	0.0%	2.5%
Sending children to work	2.4%	3.0%	0.0%	2.7%
Forced sale of livestock	5.7%	10.9%	37.0%	11.0%
Sale of other productive assets	0.0%	0.2%	3.7%	0.3%
Sale of household assets	0.0%	0.4%	3.7%	0.4%
Reducing number of meals per day (adults)	4.1%	9.1%	3.7%	8.0%
Reducing number of meals per day (children)	2.4%	0.2%	0.0%	0.6%
Sale of firewood	51.2%	25.1%	22.2%	29.7%
Begging	7.3%	6.5%	11.1%	6.8%
Borrowing from relatives	6.5%	14.4%	3.7%	12.6%
Sale of mats and reed	8.1%	4.1%	11.1%	5.1%
Loans incurring interest charges	4.9%	5.5%	3.7%	5.4%
Petty trading	7.3%	6.5%	3.7%	6.5%
Other	0.0%	2.0%	0.0%	1.6%

NOTE: Because multiple responses were allowed, the number of percentages add to more than 100%.

Reduced incidence of begging was reported by beneficiaries - 6.8% would have used begging, and for 1.3% it would have been their main coping strategy. This reduction in begging was corroborated by District Council staff, who reported having observed some beneficiaries begging prior to implementation of the project, but noted that this ceased during the project.

Adverse impacts on children would have involved taking children out of school (2.5%) and /or sending children out to work (2.7%), and in a few cases reducing the number of meals eaten per day by children (0.6%). Reducing the number of meals eaten was much more widespread for adults (8%) than for children.

Most Important (Rank 1) Coping Strategy in the Absence of the CT Project



9.3 Key Findings and Recommendations

Key Findings

- Although resilience building and income generation projects were occurring within the target communities, these were mostly unrelated to, or only loosely linked to, the INGO cash transfer program. In addition, they had by the time of the evaluation affected only a minority of CT program beneficiaries. 27% of respondents had received help to increase their income, and 21% had received help to reduce the risk of future food shortages.
- Of those who received help to increase their income, the type of assistance received was overwhelmingly related to agricultural production (training, tools and / or inputs).
- Assistance which beneficiaries wished to receive to reduce the risk of future food shortages again focused on agriculture (tools and inputs, livestock and small scale irrigation).
- In the absence of the cash transfer received from the program, the main coping strategies adopted by the beneficiaries would have been a strong reliance on seasonal farm labour (ganyu) and work for food only ("a plate of food a day"). Together, these two forms of negative coping strategy would have been the main response of 91.3% of beneficiaries in the absence of the project.
- A reduction in reliance on ganyu and work for food only has important potential impacts on food security for the 2013-14 consumption year by freeing up time to enable beneficiaries to work on their own fields and devote time to their own crops.
- 11.7% of households would have resorted to forced sale of assets as one of their coping strategies, including livestock and productive assets
- Reduced incidence of begging was reported by beneficiaries - 6.8% would have used begging, and for 1.3% it would have been their main coping strategy.
- Adverse impacts on children would have involved taking children out of school (2.5%) and /or sending children out to work (2.7%), and in a few cases reducing the number of meals eaten per day by children (0.6%).

Cash transfers contributed to providing an enabling environment to increase food security and resilience in the 2013/14 consumption year. This was achieved mainly through

- (3) a reduction in reliance on ganyu and work for food only, thereby enabling beneficiaries to spend increased time working on their own fields and crops during the peak agricultural period, and**
- (4) a reduced reliance on forced sales of assets, including productive assets.**

Cash transfers contributed to the project objective of maintaining the dignity of those Malawians affected by food shortages by reducing reliance on begging.

Recommendations

- Future programs which seek to address resilience should try to ensure that the detailed plans for this are incorporated into the program at the proposal and design stages. This may be achieved through:
 - incorporating detailed design for resilience components within the proposal, but ensuring they have a separate budget allocation, or
 - development of a separate 'partner' proposal.

Reliance on sharing of beneficiary lists with DRR or development projects lacks effectiveness in ensuring timely and reliable transition of beneficiaries onto these programs.

- Incorporation of resilience components is likely to require a longer time horizon and more sustained engagement than is generally available under a 3 to 5 month humanitarian response.
- Use of implementation partners with an established and ongoing presence in the area enables continuity of engagement, which is a key success factor in achieving resilience or development related outcomes. These types of objectives require a more sustained level of engagement than is generally achievable with short term emergency response programs, unless the partners already have existing or pending resilience building programs in place which the emergency response can link to to achieve a sustainable and effective transition for beneficiaries.

10. Coordination

10.1 Coordination with Key Stakeholders

At the national level, project partners participated fully in strategic and operational consultations convened by the Malawi Government's Department of Disaster Management Affairs (DoDMA) related to planning and coordinating the national food security response during the 2012/13 consumption year.

In addition, national level staff within the partner organisations met regularly throughout the program to share information and coordinate actions. (see Section 10.2 for Operation of the INGO Consortium).

At the District level, information was shared through the District Executive Committees (DEC), and through engagement with District Council officials including District Commissioners and staff from Planning, Disaster Risk Management, and Agriculture Departments, as well as District Civil Protection Committees. Engagement with District level structures was generally good, and constructive engagement processes were established by the Consortium members and local partners. GOAL facilitated monthly District stakeholder meetings to share lessons learned and progress of the project.

One concern raised by District Officials in Salima related to potential conflicts between the short term INGO cash transfer program and the cash transfer 'safety net' program which the Government is currently in the process of 'rolling out' in TA Kambiri, which neighbours TA Pemba. Their concerns focused on the fact that the payments made under the INGO cash transfer greatly exceeded those the Government scheme would be offering. The safety net program is based on the Brazillian *Bolsa Escola* program. It will involve a maximum payment of under MK 5,000 for a household of 8+ people, including a conditional component related to children's attendance a school. The basic rate for a 1 person household without the educational component starts at MK 600. Planning Department staff were concerned that the disparity between these rates and those paid under the INGO cash transfer response in Salima (MK 16,400 in March 2013) could negatively reflect on the Government scheme.

As many stakeholders lacked familiarity with the use of cash based responses, the Consortium members sought to sensitise and 'coach' District and Community level actors on the purpose, design and implementation of this kind of intervention.

10.2 Operation of the INGO Consortium

Overall, the INGO Consortium worked well, and provided an effective mechanism for implementing the food insecurity response. Key advantages of the operation of the response through a consortium approach included:

- Increased capacity to cover more areas than each organisation can deal with individually.
- Where organisations have an established presence in the area, this can increase speed of response times, and can draw on their existing knowledge of the area. Established organisations have a comparative advantage in implementing projects in the area through their increased familiarity with communities, key stakeholders, as well as the physical geography and its associated constraints. It also reduces the risk of community leaders or other influential persons being included on the beneficiary lists as these people are more likely to be already be known to the organisation.

The main issues identified included:

- A perceived lack of transparency in how the implementing partners for each area were selected. Local stakeholders were not always aware of the process used to identify potential partners through the INGO forum. In Salima, District officials and COOPE were amongst those expressing concern about the lack of transparency in how implementing partners were chosen. In particular, they questioned why organisations who were well established locally were not invited to participate, and challenged the use of an organisation which did not have an established presence in the area.
- There was some lack of clarity over efforts to standardise data collection tools. One consortium member adapted the data collection templates to their own needs or preferences, whilst in another case the Program Coordinator was unaware of any standard tool having been developed, and indicated that they had used a modified version of a WFP template for the CT project. Whilst modification of the 'standardised' template may increase its relevance to the individual organisation, once data collection becomes non-standard this creates problems with merging of data for the consolidated reports. Some of the information collected during the project was reported to have not been used due to difficulties in merging the data collected.
- Variations occurred in staff capacities related to reporting quality and timely delivery of partner contributions to the consolidated reports. This led to delays in submitting reports to DFID.
- Coordination of the activities of the Consortium involves significant staff effort, particularly where there is no one assigned person whose primary responsibility is as Coordinator. Whilst in this case the scale of the project was such that the existing arrangements worked effectively, if a scaling up occurs in future responses it may be necessary to consider 'seconding' a member of staff of one of the partner agencies to fulfil this role.
- In Salima, the lack of an established presence by the implementing partner was a disadvantage to that organisation in a number of ways including in relation to:
 - Lack of familiarity with local leaders leading to increased risk of their being present on beneficiary lists.
 - Increased challenges in establishing relationships with the target communities, and lack of continuity of engagement, since they were only present during one week each month around cash distributions.
 - Increased challenges in linking the humanitarian response to resilience building measures.

10.3 Recommendations

- Processes for selecting Consortium members should be transparent and clearly understood by all potential partners and local stakeholders. Information on selection procedures should be disseminated to key stakeholders outside of the INGO Forum.
- Wherever possible local implementing partners should have an established and ongoing presence in the target area.
- Consider increased use of Local Malawian NGOs such as CICOD as implementation partners to draw on their local knowledge and increase local ownership of the project. For some local NGOs this may necessitate capacity building to ensure timely and effective achievement of deliverables, but could offer longer term continuity of presence in the area.
- If significant scaling up of future INGO joint (Consortium) responses occurs, consider whether the appointment a full time Consortium Coordinator is required.

11. Cross-Cutting Issues

11.1 Gender Mainstreaming

Female Participation in the Project

During the beneficiary selection process, project staff in consultation with local communities agreed that a target of 60% of beneficiaries should be female. This target was exceeded in Mulange and Salima Districts. However in Nsanje, GOAL took over beneficiary lists from World Vision, and these lists consisted mainly of male household heads.

Targeting of female household members was intended to empower women, to give them control of the cash issued under the project, and to increase their participation in how cash is spent within the household.

Table 11.1: Gender Breakdown of Beneficiaries by District

	Beneficiary Households	Male Beneficiaries	Female Beneficiaries
Pemba	743	17%	83%
Nayachikadza	141	67%	33%
Mthiramanja	6179	35%	65%

The majority (58.1%) of those collecting the cash from the payment point were either female household heads (39.2%) or the spouse of the household head (18.9%). This suggests that even in male-headed households, the payment was frequently collected by the wife.

Household Decision Making

Women were well represented in decisions about how extra income was spent. In 88.5% of households decisions about how the cash transfer was spent were made either by the female household head, jointly by the household head and spouse, or by the spouse (wife). Female participation in decision making was high in all 3 TAs.

Table 11.2: Who Decided How the Money from the Cash Transfer was Spent ?

	Salima		Mulanje		Nsanje		ALL	
	Freq	%	Freq	%	Freq	%	Freq	%
HH head male	12	9.8	55	10.1	1	3.7	68	9.8
HH head female	49	39.8	190	34.9	14	51.9	253	36.5
Joint decision (HH head and spouse)	22	17.9	248	45.6	12	44.4	282	40.6
Spouse of HH head (Wife)	36	29.3	43	7.9	0	0.0	79	11.4
Other male HH member	0	0.0	1	0.2	0	0.0	1	0.1
Other female HH member	0	0.0	3	0.6	0	0.0	3	0.4
Other	4	3.3	4	0.7	0	0.0	8	1.2
N	123	100.0	544	100.0	27	100.0	694	100.0

11.2 HIV and AIDS Mainstreaming

Messages related to HIV and AIDS were disseminated to beneficiaries gathered at cash distribution points. These included information on HIV prevention, and AIDS management and treatment. In addition, communities were encouraged not to discriminate against people living with HIV and AIDS or the chronically ill. During targeting processes communities were informed that affected households should be considered for inclusion in beneficiary lists, and not discriminated against.

Selection criteria for the cash transfer program were constructed so as to favour households with chronically ill members, high dependency ratios, and those caring for orphans. These conditions are likely to affect a significant number of those households living with HIV or AIDS.

Households participating in the cash transfer contained on average a larger number of people than the national average of 5.5. Almost one fifth (18.6%) of beneficiary households contained an elderly person, whilst 22.5% contained one or more orphans. 14.7% of beneficiary households contained a chronically ill person.

Table 11.3: Percentages of Households Containing Vulnerable Groups

Vulnerable Group	Salima, YES		Mulanje, YES		Nsanje, YES		ALL, YES	
	Freq	%	Freq	%	Freq	%	Freq	%
Does the household have a chronically ill individual?	11	8.9	90	16.5	1	3.7	102	14.7
Does the household have an under-five child?	26	21.1	187	34.4	6	22.2	219	31.6
Does the household have a child 5-16 years old?	32	26.0	260	47.8	12	44.4	304	43.8
Does the household have an orphan?	19	15.4	128	23.5	9	33.3	156	22.5
Does the household have an elderly person?	12	9.8	112	20.6	5	18.5	129	18.6
N	123		544		27		694	

Table 11.4: Beneficiary Household Demographic and Vulnerability Data by District

District	Variable	N	Minimum	Maximum	Mean
Salima	Household Size	34	4.0	12.0	7.1
	Chronically Ill or Disabled	34	0.0	8.0	0.6
	Under 5	34	0.0	3.0	1.4
	5-16 years	34	0.0	7.0	2.8
	Orphans	34	0.0	5.0	1.1
	Elderly	34	0.0	5.0	0.6
Nsanje	Household Size	14	4.0	9.0	6.4
	Chronically Ill or Disabled	14	0.0	1.0	0.7
	Under 5	14	0.0	2.0	0.7
	5-16 years	14	0.0	4.0	2.3
	Orphans	14	1.0	6.0	1.9
	Elderly	14	0.0	2.0	0.5
Mulanje	Household Size	288	1.0	14.0	6.0
	Chronically Ill or Disabled	288	0.0	10.0	0.40
	Under 5	288	0.0	5.0	1.0
	5-16 years	288	0.0	8.0	2.1
	Orphans	288	0.0	8.0	0.9
	Elderly	288	0.0	5.0	0.5

12. Accountability

Adherence to Core Sphere Standards is fundamental to protecting the rights of people affected by conflict or disaster through humanitarian assistance that supports life with dignity and inclusion. The Core Standards define the minimum criteria to be met by humanitarian agencies.

#	Core Sphere Standards & Key Actions	How the Project Met the Standards
1	People-centred humanitarian response: People's capacity and strategies to survive with dignity are integral to the design and approach of humanitarian response - establish mechanisms for regular feedback - ensure balanced representation of vulnerable people in discussions	Communities were closely involved in targeting and selection processes. Cash transfers were cited as "more dignifying" by beneficiaries. Cash delivery processes were designed to ensure that waiting times and travel times for beneficiaries were taken into account, and most beneficiaries received their cash soon after arriving at the cash distribution points. Multiple channels were established through which beneficiaries could provide feedback and complaints, and awareness of these was generally high. The large majority (75.7%) of those who used the complaints mechanisms were happy with how it was dealt with.
2	Coordination and collaboration: Humanitarian response is planned and implemented in coordination with the relevant authorities, humanitarian agencies and civil society organisations engaged in impartial humanitarian action, working together for maximum efficiency, coverage and effectiveness.	The Consortium worked closely with the Government Humanitarian Response Committee to ensure coordination with Government priorities and other humanitarian responses. National Government, District officials, village committees and community groups were all informed and involved in the identification and targeting of beneficiaries, and the coordination of the project as part of the national humanitarian response to food insecurity. The formation of the INGO Consortium itself provided a cohesive framework for the partner organisations to provide a coordinated joint response to the humanitarian crisis. The Consortium approach was effective in increasing the response capacity.
3	Assessment: The priority needs of the disaster-affected population are identified through a systematic assessment of the context, risks to life or dignity, and the capacity of the affected people and relevant authorities to respond	Malawi Vulnerability Assessment Committee (MVAC) data were used to identify those communities where the risk of food insecurity was greatest, and vulnerability to hunger and malnutrition highest. These data were then used as the basis of a Market Situation Analysis conducted in July 2012 to identify those areas where market conditions indicated that cash transfers were an appropriate response to beneficiary needs. In addition, potential cash delivery partners were identified and reviewed against their ability to provide an efficient service to beneficiaries. Multiple cash distribution points were provided to minimise beneficiary travelling times and respect their dignity and convenience.
4	Design and response: The humanitarian response meets the assessed needs of the affected population	99.3% of beneficiaries interviewed stated that the cash transfer program was "good" or "very good" in meeting their needs. In particular, beneficiaries welcomed the flexibility provided by the cash in enabling them to prioritise their own needs and have greater choice in which foods suited their requirements.
5	Performance, transparency and learning: Performance of humanitarian agencies is continually examined and communicated to stakeholders; projects are adapted in response to performance	District Officials reported that the partners kept them informed of the project purpose and progress, and many District Council Staff participated in field visits. In addition, National level staff of the Consortium members participated in the Government of Malawi's Humanitarian Response Committee, at which progress of humanitarian actions is reported and reviewed. Post Distribution monitoring was carried out, and results / progress fed back to partners and the donor.
6	Aid worker performance: Humanitarian agencies provide appropriate management, supervisory and psychosocial support to enable aid workers to have the necessary skills, behaviour and attitude to plan and implement an effective humanitarian response with humanity and respect.	Oxfam, CWW and Save the Children all have significant experience in cash transfer programming. This includes experience of implementing such programs in Malawi. They are thus well placed to provide the necessary technical and mentoring support to field teams implementing the CT program. In addition, some Consortium staff have undergone formal training in cash transfer programming.

13. Multiplier Effects

13.1 Definitions, Theoretical Background and Methodology

The Local Economic Multiplier

The multiplier effect refers to the increase in final income arising from any new injection of spending into the economy of an area. If the cash injection is used to purchase local goods and services, it will have the effect of stimulating local demand, which in turn is assumed to stimulate local production. Each round of spending in turn becomes someone else's income, which is again re-spent. The size of the multiplier depends upon how much of the cash 'leaks' out of the economy on each round of spending. This in turn depends on how much of the cash households decide to save, how much they spend or 'consume' locally, and how much is withdrawn from the local economy through imports and taxes or removed from circulation through savings. According to standard economic theory the multiplier (k) takes the following general form:

$$k = 1/1 - mpc$$

where mpc is the marginal propensity to consume local goods.

Methodology

For the purposes of this study it is assumed that none of the cash received through the cash transfer program is lost through payment of taxes by the project beneficiaries. Consequently, the withdrawals of concern will be savings and spending external to the region. No savings were reported to remain within a very short period after the end of the cash transfer program, with all the cash having been released in not the local economy by the time of the evaluation. Nor did beneficiaries report savings when asked about how they used the cash, with any 'excess' cash being used to build up stocks of food. In addition, the time period considered here is the entire project duration, so that savings occurring from month to month within the program are not counted. For the purposes of this study savings are therefore assumed to be zero, and the initial cash injection is the total amount of cash transferred to the beneficiaries.

This analysis uses a Reduced Social Accounting Matrix (RSAM) approach to calculating the local economic impacts of the cash injection from the cash transfer program. This approach identifies the main categories of market actors and the financial flow occurring between them as a result of cash transfer expenditures. The process thus tracks the movement of the cash through the local economy in order to identify secondary and higher order beneficiaries.

For the first round of spending, data was gathered for where beneficiaries spent their cash, as well as the amounts spent with each type of vendor. This information was used to identify the main vendors involved. To identify second round spending patterns the key vendors identified as being used by beneficiaries were then interviewed in the key markets used by beneficiaries. This sought to establish where those vendors spent the cash they received, and the sources of their commodities and stocks. The data analysis was then conducted using the following approach:

- The multiplier analysis was run incorporating the vendor expenditure data collected for this study, which looked at impacts at the District level, supplemented where required using the research carried out by Davies⁸ in Dowa. The multiplier calculations were carried out using the model developed by Staunton⁹ and Collins (2011), which in turn was based on Davies 2007 model but uses a simplified range of categorisations.
- For the purposes of the present study, the 'local' area was defined as including the target districts for the program, and those areas lying within 20km of the beneficiary GHVs. The

⁸ Davies, S. (2007) *Making the Most of It: A Regional Multiplier Approach to Estimating the Impact of Cash Transfers on the Market in Dowa, Malawi*, Concern Worldwide Malawi, 2007

⁹ Staunton, C., and M. Collins, 2011. *Evaluating the Effectiveness of Cash Transfers versus Food aid: A Case Study in Rural Zimbabwe*. Paper presented to the TCD Economic Seminar on Cash and Food Aid.

20km criterion was included to cover the situation whereby some beneficiary GVHs lay close to district boundaries, resulting in the main affected markets being in very close proximity to the GVH, but across the district boundary, and to enable the study to capture these as 'local' impacts although they were occurring in neighbouring Districts.

13.2 Location of Beneficiary and Trader Expenditures

Beneficiary Expenditure by Vendor

The study included collection of data not only on what goods were purchased by beneficiaries, but also where they made their purchases, and from which types of traders. This revealed that around two thirds of beneficiary expenditures were with local traders, and leakages from the local economy during first round spending were low, at 3.5%. If purchases from ADMARC are also considered as an 'external' vendor or 'imports', due to the high proportion of ADMARC operational costs occurring outside the District, the proportion of first round external spending rises to 5.5%.

Table 13.1 Beneficiary Expenditure by Type of Vendor (%)

Local farmer/grower	Local trader	Local shop	Local Wholesaler	ADMARC	Local health centre	Local school	Local community	External	TOTAL
3.62%	65.75%	20.47%	1.45%	2.01%	0.89%	1.26%	1.06%	3.49%	100%

Beneficiaries' reported expenditure patterns were used to identify key market actors. Based on the above data, interviews were then conducted in the markets most used by the beneficiaries to identify local traders' expenditure patterns (second round expenditures).

Trader Expenditure Patterns by Vendor

The business expenditures and purchasing patterns for sourcing of new stock were identified for local market traders and vendors (Table 13.2). Trader business expenditures were then combined with trader personal expenditures to generate Table 13.3, indicating trader spending by each type of vendor. This revealed that a high proportion of trader expenditures during the second round of spending of the cash transfer occur within the local economy (57.4%). If ADMARC purchases are again classed as 'imports' then 'local' purchases fall to 53%.

Table 13.2 Origin of New Stock Purchased by Local Traders and Vendors (%)

Local farmer /grower	Local trader	Local wholesaler	ADMARC	External
28.61%	14.17%	14.72%	5.83%	36.67%

N=18

Table 13.3 Trader Expenditure by Type of Vendor (%)

Local farmer/grower	Local trader / wholesaler	Local shop	ADMARC	Local health centre	Local school	Other Local	External	TOTAL
17.58%	22.98%	2.94%	4.57%	0.27%	0.07%	8.98%	42.61%	100%

Note: Vendor costs for transport, debt or credit repayment and other business expenditures are assumed to occur proportionally to where stocks are sourced.

For each of the categories of market actors, the average proportion of their expenditures going to each category of traders was estimated, and this information used to construct the social accounting matrix. This enables the cash transfer to be tracked as it circulates within the local economy until it leaves through 'leakages'. The main forms of leakages occurring include imports, tax or savings.

13.3 Multiplier Results

District Level Multiplier

This analysis defined the area of interest to capture local economic impacts as the District in which the cash transfer program was operating, or any area within 20 km of the beneficiary TA, as outlined in Section 13.1.

During the first round of spending by the beneficiaries only 3.5% of beneficiary spending was not local, so that by the end of the first round of spending total economic gains have almost doubled. The main economic gains are accrued to traders, as would be expected. Farmers / growers show little benefit in the first round of spending, as beneficiaries buy little directly from the farmers (see Table 13.1). However, their gains are much greater in later rounds of spending as traders purchase stocks from them (see Table 13.2 & 13.3). Involvement of ADMARC is very low.

Figure 13.1 Who Gains?

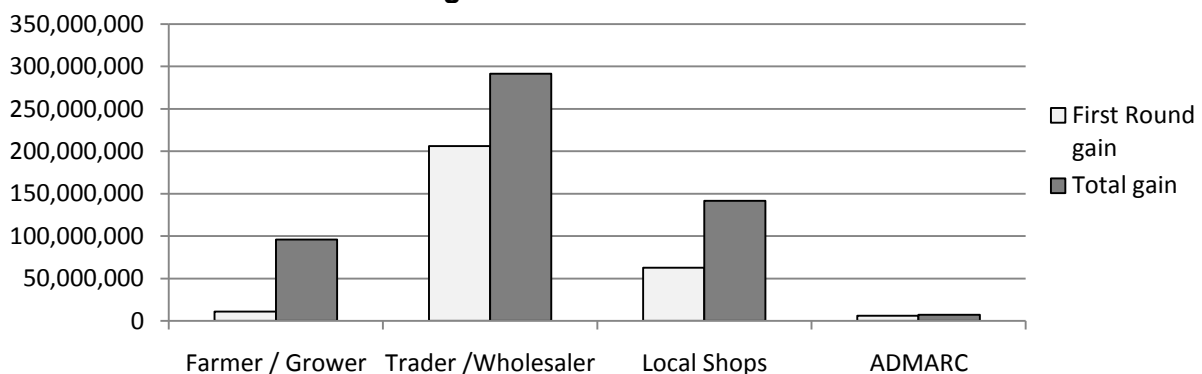


Table 13.4 Local Economic Gains (Malawi Kwacha)

	INITIAL CASH INJECTION (MK)	FIRST ROUND GAINS ¹⁰ (MK)	TOTAL GAINS (MK)
Farmer / Grower		11,114,272	95,864,656
Trader /Wholesaler		206,320,185	291,545,474
Local Shops		62,847,830	141,599,391
ADMARC		6,171,184	7,236,125
other local		9,855,473	174,002,484
other external		10,715,141	
Initial Input (a)	MK 307,024,085		
First Round Gain		MK 296,308,944	
Total Gain Excluding Initial Input (b)			MK 710,248,129
Total Gain Including Initial Input (c)			MK 1,017,272,214
Multiplier			
Excluding Initial Input (b ÷ a)			2.3
Including Initial Input (c ÷ a)			3.3

If the initial cash injection is excluded from the calculations, the multiplier value obtained was 2.3. If the gain to beneficiaries from the initial cash injection is included as part of the economic benefits, the multiplier value obtained was 3.3.

This indicates that the total economic gain from the initial cash injection of MK 307,024,085 is MK 710,248,129 if the initial cash injection is excluded, and MK 1,017,272,214 if the initial cash injection is included

¹⁰ These are the gains from the first round of spending (i.e. spending of the cash by the Beneficiaries themselves).

14. Summary of Key Findings

14.1 Appropriateness / Relevance

- 99.3% of beneficiaries felt that the cash transfer program was "good" (27.1%) or "very good" (72.2%) in meeting their needs.
- Overall levels of satisfaction with the program were high, with 97% of beneficiaries either "satisfied" (28.4%) or "very satisfied" with the cash transfer program
- There was a strong preference for cash over in-kind aid (78.7% and 15.1% respectively), with 5.9% preferring a combination of cash and in-kind aid.
- The main reasons for preferring cash were:
 - it can be used for other expenses (90.5% of those preferring cash)
 - increased choice of which food items to buy (71% of those preferring cash)
- The main reasons for preferring food were:
 - food prices are unpredictable (76.6% of those preferring food)
 - it best satisfies the household food shortage (38.8%).

The cash transfer response was highly appropriate to beneficiaries' needs and preferences. In particular, the CT Program accorded with the strong beneficiary preference for cash over in-kind aid.

14.2 Coverage and Targeting

- The community based targeting process was easily understood by 96.5% of beneficiaries across all of the target districts, and was widely regarded as being fair (93.9%).
- Although 36.7% of beneficiaries stated that some of the poorest were left out, this was due to limits set on beneficiary numbers in areas of high need, not errors in the selection process.
- 8.7% of beneficiaries reported being aware of some wealthier families who were beneficiaries
- Evidence of a limited number of cases of "elite capture" of program benefits by chiefs /leaders or their relatives being included on the beneficiary list were identified, especially in GVH Chinthuli (Mulanje) and GVH Mtauchira (Salima).
- Reports of people trying to elicit money or favours from beneficiaries for including them on the beneficiary list were very low (0.5%).
- The rigid use of existing District Council lists for beneficiary selection processes may risk excluding some of the most vulnerable if these lists do not include all potential beneficiaries, and if there is insufficient flexibility to update or amend them.
- Awareness of complaints and feedback mechanisms was generally good, with nearly two thirds (61.1%) still able to recall available systems three months after the end of the project. Awareness was higher amongst male beneficiaries (75.6%) than female beneficiaries (54.2%).
- The main issue identified was significantly lower awareness levels of complaints and feedback systems in TA Pemba, where less than one third (30.9%) could recall any of the systems used.
- In Salima - where beneficiaries received mobile phones as part of the Airtel Money cash transfer system, 100% of those who had complained stated that they did so by using the phone. This highlights the potential benefits of access to mobile phones in providing an easy to use and confidential communication mechanism between beneficiaries and program staff.
- Only 5.3% of households reported using the complaints system. Where a complaint was made, over three quarters of beneficiaries felt satisfied with the way it was dealt with.

- Of those who did not use the complaints system, in the majority of cases (73.5%) this was because they had no complaint. 24% cited problems with the complaints system as the reason for not using it (not knowing how to use the complaints system, not being easy enough to access, or fear of a lack of confidentiality).

14.3 Impacts on Food Security and Nutrition

Strong positive impacts of the cash transfer project were identified for all three of the key indicator variables for food security and nutrition:

- The percentage of households eating two or more meals per day rose from 36.6% in the month prior to the cash transfer to 98.6% during the project.
- 54.9% of beneficiaries reported that the food purchase from the cash transfer lasted the household over 3 weeks, and 19.9% reported it lasting more than one month.
- The following food groups showing a marked rise in consumption during the cash transfer program: beans and pulses, meat and meat products, fish, eggs, fats and oils, sugar and sugar products, and bread. The increase in consumption of protein rich food groups was particularly high, especially for beans / pulses and fish with 76% and 54% respectively consuming these food groups at least once a week during the project.
- The Household Dietary Diversity Score rose from 3 prior to the project to 7 during the project, then fell back to 4 after the end of the project.
- referrals of children to nutritional rehabilitation units were almost completely eliminated, with only 2 households out of 694 (0.3%) reporting child referrals during the CT project.
- 74.4% of beneficiaries reported difficulties in maintaining household food consumption after the end of the cash transfer project.
- The positive impacts the cash transfers achieved for dietary diversity were mostly not sustained beyond the end of the cash transfer period.

The project had significant positive impacts on food security, nutrition and dietary diversity. These impacts were not limited to the quantity of food consumed but also related to the variety of food groups consumed and in particular the consumption of protein rich foods, especially beans / pulses and fish.

Overall, the project was highly successful in its goal of saving lives and reducing suffering by reducing food insecurity of households affected by transitory acute food shortages.

14.4 Impacts on Beneficiaries' Expenditure and Use of Cash

- Expenditure of the cash transfer funds by beneficiaries was primarily on food (72.5%) and food-related expenditures, such as milling (4.8%) and fuel (2.4%). Together these account for 80% of beneficiary expenditure.
- Most households did not share any of the cash received (74.4%). However, one quarter (25.6%) did share a portion of the cash received, usually with relatives not resident within the household. The average amount shared across all beneficiaries was low, at MK 280.
- Food purchases made with the cash transfer were more likely to be shared than the cash itself. Half of all beneficiaries questioned (51.6%) reported sharing part of the food they purchased with the cash, mainly with other family members. Where sharing occurred it generally involved less than 25% of the food purchased, with only 5.5% of households reporting sharing more than this figure.
- Very few of those who shared their cash or food did so as a result of being pressured to do so. Almost all stated that they were "happy to share" with others in need, or felt a "moral obligation" to assist close family members who were hungry.

- There were very few reports from beneficiaries or non-beneficiaries of them being aware of misuse of the cash (e.g. for alcohol or cigarettes).

14.5 Impacts on Relationships and Communities

- The impacts of the cash transfer program on household and community relationships and mostly neutral, with most beneficiaries and non-beneficiaries reporting no change.
- Where impacts do occur in household relationships, these are more frequently positive than negative.
- In the minority of cases where community relationships were reported to have worsened this was almost always due to jealousy amongst non-beneficiaries. In the remainder of cases it was due to resentment that beneficiaries had not shared their cash or food with others.
- The main "other impact" cited by beneficiaries was that the program had saved people from dying of hunger.

14.6 Project Effectiveness and Timeliness

- The cash transfer program was highly effective in reducing food insecurity in households affected by seasonal food shortages. All key indicators measured showed strong improvement (number of meals per day, dietary diversity, and referrals to Nutritional Rehabilitation Units).
- The project was effective in delivering the correct amount of cash to beneficiaries at the scheduled time, with 98.8% stating they received the correct amount of cash, and 98.6% receiving it at the scheduled time. In addition, there was a good level of understanding of the amount of cash they were entitled to receive (92.6%),
- **The key critical success factor in the project was the flexibility to vary the monthly cash transfer amounts to reflect local and national price fluctuations.** Much credit rests with the donor (DFID) for showing the flexibility which enabled the project to adopt this approach. Given the unusual national market conditions prevailing in 2012/13 the success of the project would have been severely compromised if this approach had not been adopted, and if cash transfer amounts had been fixed in advance of project implementation.
- The above flexibility was built into the project design at the proposal stage. However it is important to recognise that the original contingency fund allocated in the proposal of 10% would not on its own been adequate to allow for adjusting the cash transfer value to the full extent of the price increases which occurred. To achieve this a 30% increase in the cash transfer value in Mulanje was required over the project duration, rising up to a 37% increase in the cash transfer value in Salima. This was only possible due to the significant exchange rate gains which resulted from the denomination of project funds being in Pounds Sterling and the depreciation of the Malawi Kwacha against this currency. **These exchange rate gains were an important factor in providing the resources to enable beneficiaries to be compensated in full for price rises thereby enabling them to continue to meet their household food requirements in spite of the extreme market conditions which prevailed at the time of the project. In a climate of more stable exchange rates capacity to adjust the cash transfer value would have been more limited.**

14.7 Efficiency

- Waiting times at the cash distribution sites were generally low, and most beneficiaries were dealt with quickly and effectively. In Mulanje and Salima, 73.6% of beneficiaries at Mulanje, and 83.7% at Salima spent not more than 1.5 hours at the distribution site. Delays in processing beneficiaries occurred in Nsanje, where 14.8% waited over 4 hours to receive their cash, mainly due to the late arrival of G4S who had to travel from Blantyre. In Salima, delays in first round distributions were attributable to problems with the Airtel Money system.

- Overall, accessibility of cash distribution sites was very good, with 79% travelling not more than 1 hour to reach the site, and 85.1% travelling not more than 1.5 hours. Long travel times encountered in Nsanje, largely due to the challenging geographical conditions, and the need for beneficiaries to cross the Shire river by boat or canoe.
- Most beneficiaries (89.6%) walked to the distribution site. The large majority of beneficiaries experienced little or no difficulty in easily accessing cash distribution sites. The main transport difficulties occurred in Nsanje, where 78.6% of beneficiaries relied on hired boats.
- Whilst the OIBM and G4S cash delivery mechanisms generally worked well, the use of Airtel Money mobile phone transfers in Salima were abandoned after the first round of distributions due to network problems and insufficient liquidity of Airtel Money agents. The use of the Airtel Money system was significantly more expensive per beneficiary per distribution than OIBM and G4S (around 50% more), mainly due to high cash-out charges.
- Available data¹¹ indicate that operational costs are lower for cash than for in-kind aid (25% of budget compared to 38%) and that the share of the budget going to the beneficiary is therefore higher (75% as compared to 62%).
- 71% of beneficiaries walked to and from the markets, incurring no costs. The exception was Nsanje where 85.2% incurred costs, mainly boat charges to cross the river, at an average charge of MK1,356.
- Over two thirds of beneficiaries reported no (37.9%) or only occasional (32.1%) problems in purchasing basic food items. Although 30% of beneficiaries reported frequent problems, this is unsurprising given the national market context prevailing during the project.
- Any market price impacts were limited the period immediately around the cash distribution days, and evidence of a link to the program is inconclusive due to the strong influence of the abnormal national price trends and maize shortages experienced in 2012-13.
- Reports of increased trade volumes are consistent amongst traders, and significant in scale. 89.5% of traders interviewed reported increased sales volumes, and a slight majority (52.9%) said their trade volumes had at least doubled due to the increase in cash in the community.

14.8 Connectedness and Resilience Building

- Although resilience building and income generation projects were occurring within the target communities, these were mostly unrelated to, or only loosely linked to, the INGO cash transfer program. In addition, they had by the time of the evaluation affected only a minority of CT program beneficiaries. 27% of respondents had received help to increase their income, and 21% had received help to reduce the risk of future food shortages.
- Of those who received help to increase their income, the type of assistance received was overwhelmingly related to agricultural production (training, tools and / or inputs).
- Assistance which beneficiaries wished to receive to reduce the risk of future food shortages again focused on agriculture (tools and inputs, livestock and small scale irrigation).
- In the absence of the cash transfer received from the program, the main coping strategies adopted by the beneficiaries would have been a strong reliance on seasonal farm labour (ganyu) and work for food only ("a plate of food a day"). Together, these two forms of negative coping strategy would have been the main response of 91.3% of beneficiaries in the absence of the project.
- A reduction in reliance on ganyu and work for "food only" has important potential impacts on food security for the 2013-14 consumption year by freeing up time to enable beneficiaries to work on their own fields and devote time to their own crops.

¹¹ WFP Cost comparison, 2012/13 food insecurity response in Malawi.

- 11.7% of households would have resorted to forced sale of assets as one of their coping strategies, including livestock and productive assets
- Reduced incidence of begging was reported by beneficiaries - 6.8% would have used begging, and for 1.3% it would have been their main coping strategy.
- Adverse impacts on children would have involved taking children out of school (2.5%) and /or sending children out to work (2.7%), and in a few cases reducing the number of meals eaten per day by children (0.6%).

Cash transfers contributed to providing an enabling environment to increase food security and resilience in the 2013/14 consumption year. This was achieved mainly through

- (1) a reduction in reliance on ganyu and work for food only, thereby enabling beneficiaries to spend increased time working on their own fields and crops during the peak agricultural period, and**
- (2) a reduced reliance on forced sales of assets, including productive assets.**

Cash transfers contributed to the project objective of maintaining the dignity of those Malawians affected by food shortages by reducing reliance on begging.

14.9 Coordination

- Processes for selecting Consortium members should be transparent and clearly understood by all potential partners and local stakeholders, and information on selection procedures should be disseminated to key stakeholders outside of the INGO Forum.
- Wherever possible local implementing partners should have an established and ongoing presence in the target area.
- Consider increased use of Local Malawian NGOs such as CICOD as implementation partners to draw on their local knowledge and increase local ownership of the project. For some local NGOs this may necessitate capacity building to ensure timely and effective achievement of deliverables, but could offer longer term continuity of presence in the area.
- If significant scaling up of future INGO joint (Consortium) responses occurs, consider whether the appointment a full time Consortium Coordinator is required.

15. Lessons Learned and Recommendations

15.1 Appropriateness / Relevance

- where market conditions are appropriate, cash transfers can provide an appropriate response to seasonal food insecurity. Future responses to transitory food shortages in Malawi should consider the option of cash based programming, where market conditions are identified as capable of supporting this approach.

15.2 Coverage and Targeting

- In some instances chiefs or leaders may also be poor and may merit inclusion according to the criteria for the project. However, role in the selection of beneficiaries means that project staff need to ensure that they rigorously verify that any leaders present on the beneficiary list fully meet the selection criteria. Making this verification open and transparent to communities will help prevent perceptions that the leaders are being wrongly included because of their role in the selection process.
- If implementing partners are not already well established within the local area and communities, where possible beneficiary lists should be cross-checked with agencies operating in the area, who may be better placed to identify instances of "elite capture" through their familiarity with local leaders.
- Wherever possible, verifications of beneficiary lists should occur within the location where the target communities are located, even if these are fairly inaccessible. Conducting these processes in a more distant location increases risks of targeting errors as it becomes difficult to ensure all were made aware of, and invited to attend, the verification process.

15.3 Impacts on Food Security and Nutrition

- **Future projects should seek to identify and reflect variations in the timing of the hunger period in the different TAs. In areas which rely on winter cropping or rice cultivation (e.g. flood prone areas such as TA Pemba) should have the timing of the cash transfers adjusted to reflect the impact of this variation on the local hunger period.**
- Preliminary MVAC results for 2013/14 indicate that the affected areas for food insecurity have shown a shift northwards. This is likely to affect the timing of the seasonal calendar which requires to be considered in planning and implementing any response in 2013/14.

15.4 Impacts on Beneficiaries' Expenditure and Use of Cash

- The positive outcomes on the use of cash transfers suggest that the existing implementation processes, including sensitisation of beneficiaries on appropriate use of the cash, are being understood and accepted by beneficiaries and should therefore be continued.

15.5 Impacts on Relationships and Communities

- Future projects should continue to sensitise beneficiaries on the correct use of the cash and the benefits of joint decision making in deciding on the use of cash, in order to continue to promote neutral or positive impacts on household relationships as achieved in this project.
- Ensure beneficiary selection processes are transparent to minimise resentments amongst non-beneficiaries excluded from the program.

15.6 Project Effectiveness and Timeliness

- **It is strongly recommended that future cash transfer project build in the same degree of flexibility in setting the cash amounts locally and at on a monthly basis, based on the current commodity prices prevailing in the local markets. This is particularly the case in the current context in Malawi, where considerable uncertainty surrounds commodity**

price trends and projections for 2013/14, and whether these will mirror the patterns shown in 2012/13 or return to patterns closer to the 5-year average.

- The exchange rate gains allowed the project to increase the cash transfer value beyond the 10% contingency provided for in the project proposal. In a climate of more stable exchange rates any future project's capacity to adjust the cash transfer value would be more limited, and the possibility of providing a larger contingency provisions should therefore be considered.

15.7 Efficiency

- Future programs should seek to conduct market monitoring on and around the cash distribution days to detect any short term price hiking.
- In areas with significant travel distances or costs (e.g. TA Nyachikadza) consider coinciding cash distribution days with market days to reduce double journeys. The convenience this would offer beneficiaries must be weighed against any increased security concerns.
- To minimise beneficiary waiting times when using cash transit services, future projects should:
 - Identify when the packing of envelopes is to take place (if used). This should be completed the day before the distribution, otherwise delays in waiting for banks to open, and then packing envelopes will lead to significant delays in departing to the site.
 - Agree in advance the arrival times at the site, and required departure times from the operational base, taking into account road and weather conditions.
 - Ensure that contractual terms stipulate that suitable 4-wheel drive vehicles will be utilised at all times when accessing cash distribution points.
 - Ensure that the time at which beneficiaries are told to attend the distribution point is realistic in terms of when the cash distribution firm is able to reach the site from its operational base.

15.8 Connectedness and Resilience Building

- Future programs which seek to address resilience building should try to ensure that the detailed plans for this are incorporated into the program at the proposal and design stages, along with associated budgetary allocations required to ensure effective delivery. Reliance on sharing of beneficiary lists with DRR or development projects lacks effectiveness in ensuring timely and reliable transition of beneficiaries onto these programs.
- Resilience building elements are likely to require a longer time horizon and more sustained engagement than is generally available under a 3 to 5 month humanitarian response.
- Use of implementation partners with an established and ongoing presence in the area enables continuity of engagement, which is a key success factor in achieving resilience or development related outcomes. These types of objectives require a more sustained level of engagement than is generally achievable with short term emergency response programs, unless the partners already have existing or pending resilience building programs in place which the emergency response can link to to achieve a sustainable transition for beneficiaries.

15.9 Coordination

- Processes for selecting Consortium members should be transparent and clearly understood by all potential partners and local stakeholders, and information on selection procedures should be disseminated to key stakeholders outside of the INGO Forum.
- Consider increased use of Local Malawian NGOs such as CICOD as implementation partners to draw on their local knowledge and increase local ownership of the project. For some local NGOs this may necessitate capacity building to ensure timely and effective achievement of deliverables, but could offer longer term continuity of presence in the area.
- If significant scaling up of future INGO joint (Consortium) responses occurs, consider whether the appointment a full time Consortium Coordinator is required.

Appendix 1: Key Informants Interviewed

Date	Name	Organisation / Position	Location / Contact Details
27/6/13	Thomas Otter	Consultant (Evaluation of WFP Food and Cash Transfer Responses)	thmotter@gmail.com
14/6/13 27/6/13	Gerard Ferrie	Consultant to CWW	gerard.ferrie@gmail.com Cell: 0881362931
4/7/13	Fumakazi Munthali	UK Department for International Development (DFID), Malawi	f-munthali@dfid.gov.uk
12/7/13	George Chimseu	National Technical Adviser, MVAC	ta@malawivac.net gchimseu@yahoo.co.uk
9/7/13	Brent Edelman	Consultant (Evaluation of WFP Food and Cash Transfer Responses)	brentedelman@gmail.com
13/06/13	John Makina	Country Director, Oxfam Malawi	jmakina@oxfam.co.uk
10/07/13	Fanwell Bokosi	Senior Program Manager, Oxfam Malawi	FBokosi@oxfam.org.uk
07/07/13	Lindy Montgomery	Oxfam in Malawi	
Salima			
20/6/13	Blessings Nkhoma	Director of Planning and Development, Ministry of Local Government and Rural Devt.	Salima District Council 0999944173 Email: blessnkhoma.yahoo.co.uk
20/6/13	Blessings Kantema	Asst. District Disaster Risk Management Officer	Salima District Council
20/6/13	Moses Kanfulu	Assistant District Registrar	Salima District Council
28/06/13	Moira Simpson	COOPI	Salima COOPI Office Cell: 0999582318
20/6/13	Martha Nkhonjera	Asst. Ag. Ext. Devt. Coordinator, Ministry Of Agriculture, Salima	Cell: 0999629214
20/6/13	Victor Balaleya	Ag. Ext. Devt. Coordinator, Ministry Of Agriculture, Salima	Cell: 0998576666
20/6/13	Millias Robert	Area Devt. Ctte. Vice Chairperson, Gwengwe Villlage, TA Pemba	Cell: 0991210340
20/06/13	Enifa Sandikonda	ADC & VDC Ctte Member, TA Kabumbu, Salima	Cell: 0994655852
20/06/13	Issa A. Anubi	Chairman, VDC, TA Kabumbu, Salima	Cell: 0996197329
20/06/13	Alinafe Anafi	VDC Member, TA Kabumbu, Salima	Cell: 0997920781
20/06/13	Spear Mkwaiia	Chairman, VCPC, TA Kabumbu, Salima	Cell: 0991252255
Mulanje			
10/6/13	Tapiwa Jamao	Project Coordinator, Zomba	Email: tagausi@yahoo.co.uk Cell: 0881070151
26/06/13	Aubrey Kambewa	CICOD Project Officer, Mulanje	Cell: 0888628120
27/06/13	Grey Mkwanda	Director of planning and Development, Mulanje District	Cell: 0888628120
Nsanje			
24/6/13	Mathews Mtimaukanane	M&E Officer, GOAL Malawi, Nsanje Office	Email:mmtimaukanana@mw.goal.ie Cell: 0888648454
24/6/13	Humphrey Magalasi	Asst. District Disaster Risk Mgt. Officer, DoDMA, Nsanje	Cell: 0888242086 / 0999059678

Group Village Headmen and Village Headmen Interviewed		
Mulanje		
28/06/13	GVH Chinthuli	
28/06/13	VH Machiliro	
28/06/13	VH Liponda	
28/06/13	VH Chckwaza	
28/06/13	VH Kamtunda	
Salima : Group Village Headmen and Village Headmen		
20/06/13	VH Filipo	
20/06/13	VH Kustanja	
20/06/13	VH Kabumbu I	
20/06/13	VH Kanyebele	
20/06/13	VH Kapanda	
20/06/13	VH Mapondela	
20/06/13	VH Nyangu	
20/06/13	VH Nnamumba	
20/06/13	VH Kabumbu II	
21/06/13	VH Mtauchira	
21/06/13	VH Zomba	
21/06/13	VH Kamwendo	
21/06/13	VH Zondi	
21/06/13	VH Maleta	
21/06/13	VH Kalongonda	
21/06/13	VH Liwelenga	
21/06/13	VH Kampango	
21/06/13	VH Najumiza	
21/06/13	VH Kalino	
21/06/13	VH Nzuzza	
Nsanje: Traditional Authority, Group Village Headmen and Village Headmen		
24/6/13	TA Nyachikadza	Cell: 0994270847
24/6/13	GVH Mlemba	
24/6/13	GVH Mpamachulu	
24/6/13	GVH Nsuse	
24/6/13	GVH Nyachikadza	
24/6/13	GVH Nkupila	
24/6/13	GVH Monyo	
24/6/13	VH Mpomba	
24/6/13	VH Meke	
24/6/13	VH Ngena	
24/6/13	VH Nkunda	
24/6/13	VH Alu Fazema	
24/6/13	VH Ngalu	
24/6/13	VH Chiligowa	
24/6/13	VH Mpitanyanga	

Appendix 2: Evaluation Terms of Reference**TERMS OF REFERENCE****External Evaluation of INGO Consortium Emergency Food Security Response Project.
April 2013****1.0 Background**

The Malawi Vulnerability Assessment Committee (MVAC), based on the vulnerability assessments for the 2012/13 food consumption year, reported some districts¹² in the southern and central region of Malawi to have people at risk of being affected with lack of access to enough food during the 2012 to 2013 consumption year¹³. In October 2012, MVAC report indicated that about 1.97 million people were at risk of missing their food entitlements in the 2012 to 2013 consumption year. The population of people at risk of missing their food entitlement went up from the June 2012 figure of about 1.6 million people, mainly due to the low production of winter crops as well as an increase in the prices of staple foods across the country.

The MVAC, with technical support from Oxfam and WFP conducted a market assessment, (funded by UKaid/DFID) in order to determine markets functionality and make recommendations to the Humanitarian Response Committee on the most appropriate response to the food insecurity situation. The market assessment did recommend the use of cash transfers in areas where markets were deemed to be functional.

The integrated emergency cash transfer response project, which is being implemented by Oxfam and its consortium partners¹⁴ and being funded by DFID UK Aid, (with co-funding from Oxfam) is targeting a total of 40,988 people¹⁵ and is part of the government led response to localised food insecurity in Malawi. The target figure changed from the original 38,352 as in the original proposal to 40,988 after MVAC October 2012 Report which had indicated an additional 2,632 people been included on the list of those missing their food entitlements in T.A. Nthiramanja in Mulanje district. The consortium is implementing the cash transfer project in Nsanje, Salima, and Mulanje Districts.

The INGO Integrated Emergency Cash project is aimed at saving lives, reducing suffering, building resilience as well as maintaining the dignity of the 40,988 Malawians affected by food insecurity during the 2012-2013 consumption year in the 3 traditional authorities of Mulanje, Nsanje and Salima.

2.0 Purpose of the Evaluation

This external evaluation will follow the OECD-DAC criteria for evaluating humanitarian action to assess the relevance/ appropriateness, connectedness, coverage, efficiency, effectiveness and impact of the Consortium Cash Transfer response project on food security amongst beneficiary households.

Based on the OECD-DAC criteria, the evaluation will also seek to generate and share lessons learnt and best practices in emergency cash transfer programming within the Malawian context. This will contribute to influencing and informing future related humanitarian (as well as long term development) programmes, policies and practices at all levels in Malawi.

¹² Balaka, Blantyre, Chikhwawa, Dedza, Machinga, Mangochi, Mulanje, Mwanza, Neno, Nsanje, Ntcheu, Phalombe, Salima, Thyolo, and Zomba.

¹³ A consumption year runs from April of one year to March of the following.

¹⁴ Oxfam partners in this project include Concern World Wide, Goal Malawi (International NGOs implementing in Salima and Nsanje respectively) and Circle for Integrated Community Development (CICOD) a local NGO working directly with Oxfam in Mulanje district.

¹⁵ This figure is based on revised MVAC figures of October 2012 Updated MVAC Forecast

The evaluation will also assess the MEL Framework for the project and how this contributed on achievement of project purpose.

3.0 Scope of the Evaluation

This evaluation seeks to bring out issues and lessons from the INGO consortium integrated emergency food security response project that was implemented in Mulanje, Salima and Nsanje. The evaluation will seek to assess the project on all indicators as per the project MEL Framework. Specifically the evaluation will assess the following:

- **Project Design Relevance:** This will be concerned with assessing whether the project was in line with local needs and priorities. Appropriateness will focus on assessing to what extent were the project interventions tailored to local needs, increasing local ownership, accountability and cost-effectiveness accordingly.
- **Connectedness:** This will be assessing the design as well as implementation focusing on how / to what extent short-term emergency activities were carried out in a context that takes longer-term livelihood recovery issues into account. This will help to draw some lessons on how short term food security interventions should be linked to longer term resilience building in the vulnerable communities.
- **Targeting:** Assessing the efficiency of targeting in the project. Did the project reach major population groups that were the most at risk wherever they were? This will also assess the inclusion and exclusion issues in the project and draw out lessons on improving targeting issues in similar future programmes. This section will also assess the project accountability mechanisms and how this contributed to managing inclusion and exclusion errors in the project beneficiary targeting.
- **Efficiency of project delivery:** This will be assessing the extent to which project outputs – qualitative and quantitative – were achieved as a result of the direct project inputs. This generally requires comparing alternative approaches to achieving an output, to see whether the most efficient approach had been used in the project delivery. This section will also assess the cash delivery mechanisms in the project and provide lessons on cash delivery mechanisms to future similar programming.
- **Project Effectiveness and Timeliness:** This will be assessing the extent to which an activity in the project achieved its purpose. This will also be assessing the timeliness of project interventions and how this could have contributed to achievement/ non-achievement of project outcomes. This will also assess the extent to which monitoring information (e.g from market monitoring) informed programme implementation to effectively achieve project purpose.
- **Coordination** with different stakeholders (including government structures) at different levels (district, national and community levels) and amongst the INGO Consortium in implementing the programme
- **The project Impact:** This will be an assessment of the wider short, medium and (projected) longer term effects of the project – social, economic, technical, and environmental – on individuals, gender- and age-groups, communities and institutions. Impacts could be intended and unintended, positive and negative, macro (district level, country level) and micro (household). This will assess how the cash received was used and how it contributed to the project food security and nutrition impacts (as well as other intended and non intended impacts).

CROSS-CUTTING ISSUES

- Assess the effectiveness of the gender mainstreaming aspects of the project (distribution of cash directly to women, level of women participating in decision making on the use of the cash transfer money, dissemination of gender related messages during cash transfers)
- Assess the effectiveness of HIV and AIDS mainstreaming aspects of the project (targeting of households keeping chronically ill people, orphans and vulnerable children. Assess the Effectiveness of the project Complaints and Accountability Mechanisms and how it informed management of inclusion and exclusion errors.

4.0 Methodology

The Evaluation will utilize a mixture of both qualitative and quantitative methodologies. This should be detailed by the consultants in the Expression of Interest (application). The evaluation will also ensure that cross cutting issues are adequately addressed

5.0 Deliverables of the evaluation

- Develop inception Report detailing among other things, the process and methodologies to be employed to achieve the objective of this evaluation as stated in sections above. It should include a full proposed methodology: the sampling frame, data collection tools, the interview schedules and important time schedules for the evaluation. This should also detail a data collection matrix and indicators matrix for the assessment, based on project log frame (to be provided by project team) This will be presented to Consortium Technical team for review and further input before going to do actual data collection. The Inception Report should be produced by the consultants within 3 days of being awarded the contract.
- Data collection tools will have to be agreed upon by the consortium and the consultant before the start of data collection.
- Present draft evaluation report to Consortium Technical team for the first review before producing a second draft of the report (based on comments provided).
- Present an almost final draft evaluation report to the Consortium members, implementing partners and other stakeholders in workshop to facilitate sharing of evaluation results with a view to incorporate inputs from project stakeholders in the final draft.
- After incorporating comments from the workshop, Submit a Final Evaluation Report.
- Present the evaluation findings and lessons generated to a Humanitarian Country Team meeting and Humanitarian Response Committee as part of enhancing the understanding and pushing for acceptability of emergency cash programming amongst humanitarian stakeholders in Malawi.

Appendix 3: Market Monitoring Data and Cash Transfer Value Calculations**Table 1: November Transfer Rate Calculation (Nsanje Only)**

District	TA	Maize	CSB	Cooking Oil	Pulses	Total Ration	Rounded rate
Nsanje	Nyachikadza	4,000	3,115	-	3500	10615.00	11,000.00

Table 2: December Transfer Rate Calculation (Nsanje and Salima only)

District	TA	Maize	CSB	Cooking Oil	Pulses	Total Ration	Rounded rate
Nsanje	Nyachikadza	4,250	3,375	-	3,000	10,625.00	11,000.00
Salima	Pemba	4,100	3,895	-	3,400	11,395.00	12,000.00

Table 3: January Transfer Rate Calculation: (Mulanje started, and Cooking Oil was introduced as per the HRC Recommendation)

District	TA	Maize	CSB	Cooking Oil	Pulses	Total Ration	Rounded rate
Nsanje	Nyachikadza	5,000	3,115	2100	3140	13355.00	13,000.00
Salima	Pemba	4,900	3,025	1,600	4100	13613.00	13,100.00
Mulanje	Nthilamandja	5000.	3,025	1374	3230	12,629	12,500.00

Table 4: February Transfer Rate Calculation

District	TA	Maize	CSB	Cooking Oil	Pulses	Total Ration	Rounded rate
Nsanje	Nyachikadza	5,500	3,025	1,840	2,400	12,765	12,500
Salima_	Pemba	4,800	3025	1,600	3,530	12,995	13,000
Mulanje	Nthilamandja	4,833.	3,025	993.33	4,500	13,351.33	13,000

Table 5: March Transfer Rate Calculation

District	TA	Maize	CSB	Cooking Oil	Pulses	Total Ration	Rounded rate
Nsanje (Goal)	Nyachikadza	7,500	3025	1,840	2,400	14,765	14,765
Salima (CWW)	Pemba	8583	3025	1,453	3,346	16,408	16,400
Mulanje (Oxfam)	Nthilamandja	8,500.	3,025	1,200	3,500	16,225	16,200

Appendix 4: OIBM Operational Budget for Mulanje

This section constitutes the agreed operational budget for OIBM for the 5 month period from December 2012 to end of April 2013. This budget does not include money for the beneficiaries. Money for the direct cash transfers (for the beneficiaries) will be calculated very month based on the prevailing market prices of staples in the project area and be transferred into the Oxfam account at OIBM on a monthly basis for the whole project period.

OPPORTUNITY BANK - COSTING FOR A PLASTIC CARD METHOD					
1 - RECIPIENT REGISTRATIONS					
	Unit Definition	Unit	Rate/Unit	Total cost (MK)	Total Cost in US\$ (US\$1=MK330)
1.1 - Pre-Filling of Forms and Card Registration					
Cost of Card	Card	6,177	832	5,293,442	16,041
Board & Lodge for 4 E-Rom	Per Diem	48	15,000	720,000	2,182
Cost of Hiring Vehicles from LL	Vehicles	2	261,696	523,392	1,586
Fuel	Litres	148	607	89,663	272
Salaries	days	28		383,091	1,161
Allowances (2 Supervisors, 2 driver)	Days	56	7,500	420,000	1,273
Accommodation (2 Supervisors, 2 driver)	Days	48	7,000	336,000	1,018
Sub-total				7,765,587	23,532.08
1.2 - Equipment					
6 Net Books	#	2	200,000	400,000	1,212
2 Generators	#	1	450,000	450,000	1,364
Sub-total				850,000	2,575.76
1.3 - Stationery, Communications and Other					
Communication - Voice and Data (lump sum)	Lump Sum	72	3,000	216,000	655
Dongles	#	2	10,000	20,000	61
Tents (rainy and sunny day operations) - Re-usable)	#	2	70,000	140,000	424
Tables	#	6	26,500	159,000	482
Plastic Chairs	#	6	12,000	72,000	218
Stationery	Lump Sum	1	1,000,000	1,000,000	3,030
Sub-total				1,607,000	4,870
SUB TOTAL FOR REGISTRATION COST				10,222,587	30,978

2 - RECIPIENT CASH DELIVERIES					
2.1 - Monthly Costs					
Monthly Cash Processing Fee (9 centers)	#	9	300	2,700	8
Cost of Hiring 2 vehicles	vehicles	2	160,240	320,480	971
Fuel (2 vehicles)	litres	893	607	541,791	1,642
Fuel for 2 generators plus lubricants	litres	10	607	6,070	18
Fuel Provision for inflation, shortages	lump sum	1	250,000	250,000	758
Security	days	20	3,500	70,000	212
Salaries				565,091	1,712
Allowances (2 drivers, 6 tellers, 2 Tos, 2 Supervisors, 1 manager)	days	91	7,500	682,500	2,068
Accommodation (2 driver, 6 tellers, 2 Tos, 2 Supervisors, 1 manager)	days	91	7,000	637,000	1,930
Monthly Cash Transfer Fee				3,075,632	9,320.10
SUBTOTAL 3 months Monthly Cash Transfer Fee				9,226,895.30	27,960
DIRECT PROJECT COST				19,449,483	58,937.83
Project Management				2,917,422	8,841
TOTAL PROJECT COST				22,366,905	67,778.50

ASSUMPTIONS

Blantyre Lilongwe 350km
 limbe - Mulanje 51km
 Around Mulanje km 40km/day

7km / 1litre

Using 2 vehicles at a time

Generators using 50 litres per week

Cost of Hiring a vehicle - see Sheet 2 for quotes

Hiring fee /day 8,000.00

Insurance / day 2,000.00

Charge per KM 80.00

other assumptions

3 tellers paying at each centre

Payments done at 2 centres per day

On average each teller paying 300 people per day

T/A Nthilamamja