BEYOND BASIC NEEDS:
Using Cash and Voucher Assistance to support the transition from basic survival to livelihoods recovery in a resource-strapped world

Photo: Samantha Allen/IRC | Nigeria
INTRODUCTION

In recent years, there has been undeniable progress in the acceptance and utilization of Cash and Voucher Assistance (CVA)\(^1\) in humanitarian contexts. According to the Cash Learning Partnership’s (CaLP’s) 2018 State of the World’s Cash Report, the amount of humanitarian assistance delivered through CVA globally doubled between 2014 and 2016.\(^1\) Among the numerous well-established advantages of CVA is its cost efficiency – in most cases – when compared to in-kind assistance.\(^ii\) Such efficiency is especially crucial in this period of unprecedented humanitarian crisis, with some 135 million people in need of assistance worldwide, and funding shortfalls of nearly 30%\(^iii\).

At the same time, leading cash thinkers recognize that simply increasing the use of cash in and of itself is not a complete solution “if the underlying challenge is insufficient funding compared to growing need.”\(^iv\) The vast majority of humanitarian assistance goes to crises that have required funding for at least three years,\(^v\) while the average person displaced by a crisis is uprooted for nearly 20 years.\(^vi\) While CVA can certainly help scarce resources go farther in this context, it is highly unlikely that the humanitarian community will ever have sufficient funding to support people with long-term access to basic needs given the growing scale and length of crises. It is therefore incumbent upon humanitarian practitioners to more effectively utilize CVA to foster livelihoods recovery whenever possible, so that disaster-affected people are less reliant on humanitarian assistance over the long term, supporting the move towards self-reliance.

The challenge here is that even within the humanitarian sector, we tend to work in silos. Most CVA specialists focus on programs supporting access to basic needs such as food and essential household items, sometimes as one-off assistance and sometimes on a recurring basis over a longer period of time. Meanwhile, economic recovery and livelihoods experts support programs that aim to foster longer-term economic opportunities for those affected by crises, for example by providing relevant skills trainings and by working with the private sector to ensure that these trainings are aligned with actual market opportunities. Perhaps unsurprisingly, these different types of programs are typically designed and implemented as discrete initiatives by specialists with distinct skillsets. However, given the challenges outlined above, we owe it to disaster-affected people to think beyond our narrow specialities.

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\(^1\) According to CaLP’s glossary, “CVA refers to all programs where cash transfers or vouchers for goods or services are directly provided to recipients.” While the majority of humanitarian CVA to date has been used to support access to basic needs, CVA can be used to help achieve any number of different outcomes. [http://www.cashlearning.org/resources/glossary#CVA](http://www.cashlearning.org/resources/glossary#CVA)

What do we mean by “recovery”? "Recovery" can mean different things to different people across sectors and roles. For the purposes of this paper, we approach recovery from a livelihoods perspective. By this definition, people have "recovered" when they are capable of meeting basic needs and weathering micro-shocks without humanitarian assistance. Livelihoods recovery is tied to a range of factors, encompassing human, social, natural, financial and physical assets.\(^vii\)
There is already substantial guidance on the design and implementation of both multi-purpose cash assistance (MPCA)\textsuperscript{\textit{iii}} – used here interchangeably with the term basic needs CVA – and livelihoods recovery programs\textsuperscript{\textit{iv}}, and fairly well-established information on how to integrate CVA into livelihoods recovery programs\textsuperscript{2}. This document does not attempt to replicate that guidance. Instead, it focuses on how CVA can be used to facilitate the transition between basic survival and initial livelihoods recovery, by consolidating, presenting and showcasing existing learning and good practice related to the following key questions:

- How can humanitarian actors implement basic needs/multi-purpose cash assistance in a way that helps lead to the longer-term livelihoods recovery of disaster-affected populations?
- What might a co-designed basic needs/livelihoods recovery program that incorporates CVA look like?

## METHODOLOGY

This paper aims to consolidate existing learning related to how CVA can help facilitate the transition between basic survival and livelihoods recovery in humanitarian contexts. As a starting point, the IRC conducted a desk review of the fairly small pool of available, relevant literature – including papers on the use of CVA in longer term resilience programs in development contexts, the development sector’s Graduation Approach and linkages between CVA and social protection systems. Next, the IRC shared earlier variants of the key questions noted above through The Cash Learning Partnership’s (CaLP) online Community of Practice, with an invitation to those interested in and knowledgeable about the topic to offer themselves as key informants for this paper. Through this process, seven key informants, representing four different humanitarian organizations,\textsuperscript{3} were identified and interviewed between November and December 2018. Interviews were loosely structured, allowing interviewees to respond to the aforementioned key questions based on their own interpretation, with follow-up questions to clarify their responses. Where relevant, interviewees provided literature to support the information they had shared.

\textsuperscript{2} See for example the resources compiled on the Cash and Livelihoods page of CaLP’s website. http://www.cashlearning.org/cash-and-livelihoods/cash-and-livelihoods

\textsuperscript{3} Key informants included Manish Tewani (American Red Cross); Olivia Collins (UNHCR); Lotti Douglas and Oliver Westerman (Mercy Corps); Hilary Dragicevic (independent); Sarah Ward (independent); and Charlie Goldsmith (Charlie Goldsmith Associates).
The IRC then analyzed the information from these interviews to identify areas of general consensus and further divided these into specific good practices. A mixed-specialty group of IRC’s Economic Recovery and Development Technical Advisors then discussed, refined and validated the practices during a workshop in December 2018. This paper presents what the consulted practitioners agreed upon as “good practice,” even if the impact of these practices has not yet been established through rigorous research. Where there was uncertainty or disagreement about a given practice, it appears in the Areas for Further Research section of this brief.

Finally, a two week-long field visit was made to two IRC CVA programs in northeastern Nigeria in February 2019. The first of these programs had used CVA primarily to facilitate livelihoods recovery, while the second was more wide-ranging and had provided CVA to different target groups to foster both basic survival and economic recovery. Examples of what the various practices highlighted in this paper look like in action, along with their impact at the beneficiary level, were gathered through focus group discussions and individual interviews with beneficiaries of both projects, along with in-depth discussions with field staff and key informant interviews. Selected findings from this field research are presented in a case study that follows the description of the good practices.

**FINDINGS**

As a result of the work outlined above, ten key good practices were identified. While some of the good practices are slightly more relevant to basic needs-focused programs, and others are slightly more relevant to co-designed basic needs/economic recovery programs, most remain relevant across both types of programs. In the spirit of thinking beyond narrow technical specialties, readers are encouraged to read through the descriptions of all of the practices. The practices are organized according to the phase of the program cycle – Situation and Response Analysis, Program Design, or Program Implementation – for which they are most pertinent.

**Situation and Response Analysis**

1. **Understand wants and needs of different population sub-groups, and tailor assistance accordingly**

   In emergency contexts, we too often treat needs as homogenous, leading to uniform responses with limited effectiveness. As we are slowly learning, however, different sub-groups of disaster-affected populations often have quite distinct challenges and needs. We should ensure that context and needs assessments are nuanced and broad enough to capture these differences.

   For the purposes of fostering livelihoods recovery, needs assessments can help us differentiate between chronically vulnerable people who may require long-term assistance long after the emergency has ended, and people whose vulnerability is linked mainly to the current emergency, but who otherwise possess the human capital needed for economic self-sufficiency. Needs assessments can also provide crucial information about the specific barriers that this latter group of disaster-affected people face in achieving economic recovery, whether legal, financial or linguistic, and/or related to mismatches between technical capacity and market opportunities.
These distinctions can be used to inform program design by clarifying who is capable and motivated to recover at this time and targeting them with the appropriate types of assistance. In some cases, the people for whom MPCA is appropriate may not be appropriate targets of sophisticated livelihoods recovery programs with multiple components.

In addition to distinct needs, it is important to consider different groups’ motivations and priorities. For example, some displaced people may feel too unstable to want to invest in livelihoods at a given point in time.x

2. During response analysis, distinguish between assumptions and facts when evaluating cash and vouchers as modalities of assistance

CVA can support livelihoods objectives by supporting access to (1) food and other basic needs; (2) livelihoods-related assets; and/or (3) other services linked to livelihoods, such as trainings or financial services. In addition, while cash for work programs are primarily intended to support access to food and basic needs, they can also have secondary objectives of (re)developing community assets that can support livelihoods recovery.xi

There is widespread agreement, well supported by evidence, that unconditional, unrestricted cash is typically more appropriate than conditional, restricted assistance for achieving basic needs objectives.xii Meanwhile, practitioners often assume that imposing conditionality and restrictions may be more appropriate and effective for achieving livelihoods recovery objectives, given that livelihoods-related assets tend to be more expensive and specific than basic needs-related assets. However, the evidence on this is inconclusive. While agencies sometimes opt for conditions or restrictions in order to ensure that project indicators are achieved, thereby satisfying donors, it is important to distinguish between achieving project outputs (e.g. providing business start-up support to a certain number of individuals) and reaching overall project goals (e.g. business beneficiaries are economically self-reliant).xiii In numerous cases, unconditional MPCA has led to short-term improvements in livelihoods indicators.xiv

Whatever conditionalities and restrictions you ultimately decide to impose, it is important to be aware of the assumptions that inform these choices. To the extent possible, the program’s design should allow for these assumptions to be tested.
Program Design

3. Make the facilitation of livelihoods recovery an explicit objective of the MPCA project.

Very often, MPCA programs aim only to support access to basic survival needs, such as food, water, shelter, clothing, bedding and other household items. Many involve little more than the provision of MPCA to project beneficiaries, either on a one-off or a recurring, short-term basis. To state the obvious, programmatic goals and objectives are absolutely crucial to program design. **If we want to support livelihoods recovery in a CVA program, this should be stated explicitly from the outset.** This allows the entire program – from overall project activities to rollout strategy to the M&E plan – to be designed for this objective – and increases the likelihood that the program will enable livelihoods recovery.

Can Digital Payments Promote Recovery and Resilience?

Financial assets are widely recognized as one of the main factors necessary for livelihoods recovery. There has been considerable buzz about digital payments as a means to facilitate financial inclusion, with the potential to link beneficiaries to formal financial services that they might continue to use after the CVA program ends. However, by and large this theory is not borne out by the evidence, especially in humanitarian contexts, where beneficiaries typically need, and withdraw, the full amount of assistance right away, and where the sense of urgency on both the implementer’s and the beneficiaries’ sides leaves little room for complementary activities to meaningfully sensitize people to the features and benefits of digital finance.

Matthew Soursourian of the Consultative Group to Assist the Poor (CGAP) argues that the potential of digital payments to foster financial inclusion is real, and describes specific ways that humanitarians can more effectively tap that potential, including (1) making financial inclusion a specific objective of a project, and then designing complementary activities to support it; (2) measuring financial inclusion outcomes as part of the M&E plan, to grow the very limited evidence base; (3) working with high quality digital payments providers, and helping them to improve their services; (4) helping to make the business case for why financial service providers should work with the very poor; (5) advocating for policy changes that will help make financial services more inclusive to the most vulnerable.\(^\text{xv}\)

An example of this comes from a set of case studies from Mercy Corps, which evaluated the effect of three different MPCA programs on the financial inclusion of beneficiaries. (While financial inclusion is not synonymous with livelihoods recovery, it is widely recognized as an important prerequisite to sustainable livelihoods.)\(^4\) The three programs all used digital payments to deliver MPCA, but only one – a sub-project within Mercy Corps’ PRIME project in Ethiopia – had made financial inclusion a specific objective in the project design phase. Perhaps unsurprisingly, beneficiaries of this latter program realized greater gains in financial inclusion than those of the other projects.\(^\text{xvi}\)

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4. Where possible, align cash and voucher assistance with existing social assistance programs

In an ideal world, national governments, rather than humanitarian actors, would ensure that their citizens are able to survive and recover from crises through social protection systems. While government capacity in crisis-affected areas varies widely, a fair number of countries offer some social assistance to vulnerable individuals, covering approximately 10% of the population in Africa, 16% in Asia and the Pacific and 25% globally. Social protection systems have their limitations; for example, many face major funding shortfalls, many are geared towards the chronically poor rather than to individuals affected by crisis, and few allow for assistance to vulnerable non-citizens such as refugees. Where feasible, however, humanitarian actors should support existing social protection programs in two main ways: (1) by considering their eligibility criteria and aligning to them to the extent appropriate in the context; and (2) where the protection context allows, by exchanging information to support more strategic and efficient targeting. In certain contexts, these actions can reinforce the legitimacy and functionality of a crucial governmental system that can provide for the long-term needs of extremely vulnerable people and support others during future shocks and crises.

There are numerous examples of these practices in action. For example, the member agencies of the Cash Consortium of Iraq (CCI) have worked with the national Ministry of Labor and Social Assistance (MoLSA) and the World Bank to refine an assessment tool for determining eligibility for assistance. MoLSA currently covers only a part of the country but is in the process of expanding its reach. CCI members are supporting this expansion by evaluating regions where MoLSA is not yet re-established to help identify especially vulnerable areas for MoLSA to prioritize. Meanwhile, the UNHCR in Cameroon has aligned its selection criteria and the value of assistance with that of the national safety net and is providing assistance to both vulnerable Cameroonian and refugees. As in Iraq, UNHCR is increasing the national system’s reach while allowing it time to scale up. In Turkey, this alignment process has gone even farther, with WFP essentially delivering MPCA to Syrian refugees through the Turkish welfare system, via national civil servants and welfare offices, and alongside vulnerable Turkish people.
5. Ensure that the transfer value and duration of assistance are sufficient to support recovery

Typical MPCA programs use a minimum expenditure basket, or MEB – the cost of a suite of key goods and services to meet basic needs and well-being – as a basis for setting the value of the assistance provided. Transfer values typically cover only a portion of the MEB, since funding is often limited and vulnerable households often have additional sources of income and support, however minor. In programs **where livelihoods recovery is a goal, the cost of livelihoods recovery** (whether asset purchase, training, business investment, or something else) **should help to inform the transfer value**. If the transfer is intended to cover both basic needs and livelihoods recovery, then it should potentially be larger than a transfer simply intended to support access to basic needs, and/or be based on the cost of livelihoods assets that are relevant in the context. To the extent possible, programs should account for the varying costs of different types of livelihoods and adapt the level of assistance accordingly. It may be possible to combine multiple funding sources, i.e. emergency and livelihoods-focused, to cover the different elements of the assistance.

Just as MPCA programs frequently overlook the costs of livelihoods recovery, programs that are focused on economic recovery often forget to account for cost of basic needs. At the same time, basic needs are fundamental, and people tend to prioritize them over livelihoods in times of scarcity. Especially in complex humanitarian contexts, people may struggle to participate in livelihoods-oriented activities such as vocational or business trainings, extensive job searches and apprenticeships, or to keep a business going until it is profitable, if they or their household members are struggling to meet their basic survival. In such cases, MPCA should be provided in complement to economic recovery activities to maximize their impact.

In addition to the value of the transfer, **the duration of MPCA may influence economic recovery outcomes** in humanitarian contexts. There is very little evidence on this one way or the other, though many humanitarians have a general perception that longer programs, delivered on a regular basis over time, are more appropriate to foster recovery. As usual, it is important to base decisions on context-specific information and evidence as much as possible. For example, in Iraq, the CCI has determined that members of a certain sub-group of the population, namely extremely vulnerable displaced households with documentation, are eligible for cash assistance up to three months, based on government guidance that indicates how long it takes for this category of beneficiaries to reconnect with social safety nets.
6. Consider using cash to support institutions and systems linked to recovery, either directly or indirectly

While we often think of vulnerable disaster-affected populations as the natural targets of humanitarian assistance, institutions and systems like markets and financial service providers are also affected by humanitarian crises. **CVA can play a role in supporting the recovery of institutions and systems – in particular, market systems - that can in turn facilitate the broader recovery of communities.** For example, **cash assistance can be provided directly to market actors – such as vendors – to help spur economic activity that will ultimately benefit the entire population that relies on that market for basic goods and income.** Such market support programming is increasingly gaining traction as an important complement to CVA. In a study CRS conducted on the effect of its response to Hurricane Matthew on vendors in Haiti, vendors are recognized as key allies in the recovery of the overall community who are worth supporting in their own right, not just through the financial benefits of increased sales to beneficiaries of cash and voucher assistance.

**Cash for Work projects present another excellent opportunity to tackle recovery at the system or institutional level, via the work projects that recipients ultimately carry out.** For example, work projects can rehabilitate roads or market places that are key to local economic activity.

### Program Implementation

7. **Consider the impact of distribution timing and location on beneficiary livelihoods**

Cash and voucher distributions can be time consuming and costly affairs, not only for implementing agencies but for the recipients of assistance as well. Accessing distribution sites can involve considerable time and transportation costs, depending on the context, and even when there, beneficiaries sometimes have to wait many hours in order to receive their assistance. As implementers, we must recognize that there is an opportunity cost to our distributions. While traveling or waiting to receive CVA, beneficiaries could be doing something else with an associated livelihoods benefit, such as harvesting crops, performing daily labor, engaging in petty trade or gathering firewood to sell. **If we want to facilitate livelihoods recovery, it is crucial to schedule CVA distributions so as to minimize disruptions to livelihoods activities.** This means getting input from a cross-section of the target population to understand their current livelihoods strategies and associated demands on their time, and to ask for their preferences for distribution timing and location. Further, when CVA is intended to support a specific and seasonal livelihoods activity, such as crop production, distributions should be

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timed to allow beneficiaries to purchase what is needed – in this case, agricultural inputs such as seeds and fertilizer – in time to engage in that activity.

8. Communicate clearly with beneficiaries

One of the simplest practices in this list is also one that arose most consistently in conversations with key informants: providing transparent, timely information to beneficiaries about the amount, duration, frequency and timing of CVA assistance. At the same time, it is clear that such communication is often lacking in programming, for various reasons. In some cases, agencies may be wary of being the bearers of bad news, i.e. that CVA will be coming to an end.xviii

In reality, information is crucial for allowing beneficiaries to plan appropriately. CVA recipients make major life decisions based on the frequency, duration and value of transfers as well as on the timing of assistance. A group of people who know that they will only be receiving a one-time transfer that covers 80% of the MEB may make very different choices than a group who is counting on six months of transfers that cover 50% of the MEB. The frequency, duration and value of assistance, as well as its timing, may determine whether people focus simply on their immediate survival needs or whether they invest in longer-term endeavors such as borrowing money, investing in a business, enrolling a child in school, or signing a housing contract, for example. Without this information, beneficiaries may make decisions that could impede their recovery, for example by taking on debt that they will not be in a position to repay.

Relatedly, if cash assistance is intended to support livelihoods recovery, the implementing organization should communicate this to program beneficiaries. An increasing body of evidence suggests that “labelling” of cash – essentially telling people how it should be used without restricting how it is actually spent – can be an effective way to influence beneficiaries’ spending.xxx However agencies should take care to formulate this messaging carefully, in order to allow each beneficiary to pursue the livelihoods strategy that is most appropriate for his or her unique circumstance.

9. Be a reliable implementer

While clear information sharing is crucial, it is of limited value if the program is not implemented as communicated. A review of the evidence from hundreds of social cash transfer programs (from non-emergency contexts) in Africa concluded that providing regular payments on a predictable schedule was hugely important in allowing recipients to draw maximum benefit from the assistance they receive. Specifically, predictability was shown to facilitate increased investment, steady consumption, planning and access to credit and to reduce reliance on negative coping strategies among program beneficiaries.xxx Conversely, late or otherwise irregular delivery of cash can pose serious problems for beneficiaries who may be planning to use these funds in specific ways.
While it can be difficult to implement all programmatic activities exactly according to plan in humanitarian contexts, practitioners should strive to be as reliable as possible, particularly in the timing of the delivery of MPCA. For programs with recurring distributions, certain types of digital payment mechanisms (if appropriate to and feasible in the context) may make it easier to deliver assistance efficiently and on schedule. Agencies should let beneficiaries know about any changes to the planned assistance as quickly as possible so that they can adapt accordingly and take steps to mitigate any negative consequences.

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### When is MPCA “enough” to support recovery on its own?

In complex crises (i.e., those involving political and/or violent conflict), there is a general feeling among practitioners that cash on its own is often not enough to support livelihoods recovery. In such cases, multiple factors often combine to make it difficult for those affected to return to their original livelihoods. For example, displaced people may lack necessary work documentation or even the legal right to work; ethnic or other socio-cultural tensions may render the work environment unacceptably risky; and the work opportunities that existed prior to the crisis may no longer be available. Cash or voucher assistance alone may not be enough to help disaster-affected people to overcome these kinds of barriers. Indeed, UNHCR's 2018 evidence and learning review, *Multi-Purpose Cash and Sectoral Outcomes*, indicated that while MPCA can make numerous important contributions towards outcomes in the livelihoods sector, it cannot on its own address policy constraints or skill gaps or ensure the long-term sustainability of livelihoods. Depending on the specific needs identified in a given context, complementary interventions and/or sustained advocacy may be needed alongside cash.\(^{xxx}\)

However, there may be some cases where MPCA alone may be sufficient to facilitate the livelihoods recovery of disaster-affected people. For example, after Typhoon Haiyan devastated parts of the Philippines in 2013, humanitarian actors largely responded by implementing Cash for Work programming, without additional complementary interventions. In this context, unrestricted cash (through the Cash for Work approach) proved largely effective because of the context (a relatively stable, middle income country) and the type of crisis (a natural disaster), and because people had access to their pre-disaster social networks, the resource/livelihoods base remained familiar (though not necessarily viable in the immediate aftermath of the typhoon) and there was a clear trajectory for the recovery process (clean up, rebuilding, livelihoods recovery).\(^{xxx}\)

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### 10. Strengthen referrals!

Even for humanitarian actors whose assistance is limited to the provision of CVA, strengthening information exchange and referrals can be a light-touch way to better facilitate livelihoods recovery. CVA distributions offer an excellent opportunity to exchange information with beneficiaries; cash assistance is of high value, and beneficiaries will generally prioritize getting to distribution sites. CVA is also often distributed in a secure and relatively private setting, which can allow for the safe exchange of sensitive information. Recurring distributions can serve as a touch point for information flows throughout program implementation. This is potentially true even for digital payments which are “topped up” remotely, when the normal means of informing beneficiaries that a payment has been made, such as text messages or phone calls, can be used to convey additional information as well. Distributions provide a forum for beneficiaries to share information about their specific needs, concerns and questions, and agencies may respond with information about other services available, relevant regulations and the target population’s rights, and/or
by actively referring people with specific needs to external actors who may be able to provide relevant assistance. For example, when it became clear that a lack of legal documentation was posing huge challenges for many CVA beneficiaries in Iraq, the CCI developed a system to refer any CVA beneficiary of any CCI partner to one of the two member organizations that offered legal assistance. \(\text{xxxiii}\)

Obviously, effectively providing referrals requires excellent communication and coordination among humanitarian, development and government actors through mapping of available services and deliberate efforts towards formal and information coordination. Humanitarians should not overlook development-oriented programs that have been in place prior to the onset of a crisis but that may offer infrastructure and services – such as Village Savings and Loan (VSLA) groups or market development programs – that could be adapted for or even directly utilized by disaster-affected people.\(\text{xxxiv}\)

### AREAS FOR FURTHER RESEARCH

While this brief consolidates the existing thinking on how CVA can best be used to support the transition from emergency survival to livelihoods recovery, there is still plenty of room to build on this knowledge base through evidence generation. Most glaringly, there is still much to learn about how MPCA on its own can support livelihoods-related outcomes in different contexts, as well as the pathways through which this might be realized. Additional evidence gaps include the following:

- The effect of the frequency and duration of CVA on livelihoods recovery, including whether CVA is delivered as a lump sum or in smaller, recurring increments.
- The effect of the relative value of CVA on livelihoods recovery.
- The impact of MPCA alone versus MPCA with other complementary activities, such as small business support.
Case Study: Multi-Sector Support to the Displaced in Nigeria’s Adamawa and Borno States

INTRODUCTION

In 2016 IRC Nigeria launched a two-year, multi-sector project in Northeast Nigeria funded by the European Union Trust Fund (EUTF) to help strengthen the resilience of conflict-afflicted populations impacted by the Boko Haram insurgency. The crisis, which reached a tipping point in 2014, had displaced an estimated 2.2 million people hailing primarily from the northeastern states of Borno, Adamawa and Yobe. In a region known for chronic vulnerabilities, a weak infrastructure had nearly collapsed, with limited services available to meet the urgent needs of internally displaced persons (IDPs) and host communities alike. Although most areas affected by the insurgency, especially in Borno State, were not safe for return, displaced populations had started returning to their places of origin, only to find their villages and homes destroyed and all means of livelihoods shattered. Project beneficiaries needed extensive support to not only to survive the return but also to begin rebuilding their lives.

IRC’s intervention was designed with the dual aims of restoring basic services while also providing longer-term solutions for IDPs, host communities and returnee populations. To meet this objective, the team used a holistic approach aimed at both meeting basic needs and promoting livelihoods activities to support recovery and reinforce resilience to future shocks. The project had several cash and voucher components. Unconditional cash transfers (UCTs) were delivered to over 3,200 households to help meet food and other basic needs. IRC implemented 81 Cash for Work (CfW) schemes across 30 communities, reaching 800 beneficiaries. Business grants, coupled with business and finance skills training, were delivered to 500 beneficiaries. One thousand five hundred beneficiaries received vouchers for seeds and livestock, paired with agricultural training through Farmer Field Schools (FFS).

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<th>Overall Objective</th>
<th>Strengthen the resilience of conflict-afflicted populations</th>
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<tr>
<td>Specific Objectives</td>
<td>1 IDPs, host communities, and returnees access basic needs and improved livelihoods opportunities</td>
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<td>Expected Results</td>
<td>1.1. The basic needs of the targeted vulnerable households are addressed</td>
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<td>1.2 Vulnerable individuals, including young people and women, have access to livelihood opportunities</td>
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<td>Program Activities</td>
<td>• Unconditional Cash Transfers (UCTs)</td>
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<td></td>
<td>• Cash for Work (CfW)</td>
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<td>• Business grants/skills trainings</td>
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<td>• Seed and livestock vouchers + Farmer Field Schools (FFS)</td>
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<td>• Village Savings and Loans Associations (VSLAs)</td>
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IRC interviewed project stakeholders in January 2019 to assess their perception of how the program had contributed to the recovery of both individual beneficiaries and the community at large. Focus Group Discussions (FGDs) and Key Informant Interviews (KII s) were conducted with beneficiaries and other stakeholders in two locations: Askira Uba, in Borno State, and Michika, in Adamawa State. In total, six FGDs were conducted with a total of 53 beneficiaries, representing host and IDP communities. Individual interviews were also conducted with 12 beneficiaries and 6 other stakeholders including local community leaders, market vendors, and IRC Nigeria program staff.

This program demonstrates several ways in which cash and voucher assistance (CVA) can help facilitate the transition between basic survival and livelihoods recovery. While the program reflects many of the best practices described in the first half of this paper, it illustrates three especially well: **good communications, support of institutions and systems involved in recovery, and strategic use of conditionality and restrictions**. In this case study, we focus on these three practices but also touch on several additional good practices.

Target beneficiaries for this project represented a broad range of groups, including host communities, IDPs, and returnees. Their needs were diverse. They represented a range of vulnerabilities. But across the board, and regardless of the type of cash assistance received, beneficiaries highlighted how important cash was in providing the flexibility to meet a wide range of needs. Cash “helped solve a lot of issues,” one UCT beneficiary noted. “Everyone has different problems,” another stated. “Cash is preferred, because the immediate needs are different for everyone.” A community leader in Askira Uba noted that while all the program interventions were important for the community’s recovery, the cash assistance produced some of the biggest impact because of the “variety of benefits it provided,” both for individual beneficiaries and for the market overall. Uses of the cash were diverse. IDPs without access to land reported using the money to rent farmland and housing. Others, who had returned to find their homes destroyed, prioritized the most basic household items, such as dishes and clothing. Many highlighted that cash was particularly useful for unexpected shocks. One beneficiary noted that even if someone planned to buy food with the money they received, in the event of illness, or some other unexpected event, the flexibility of cash allowed them to manage their money to address that need instead. Beneficiaries mentioned that if they had received food or other items in kind, they would have faced an uncomfortable decision of whether to sell the items in order to purchase the items they prioritized, which they saw as “inappropriate.” These responses show that even those who received cash to meet basic needs were able to leverage its flexibility with an eye towards recovery.

**FINDINGS: GOOD PRACTICES IN ACTION**

**Good Practice in Action: Communicate clearly with beneficiaries**

Beneficiaries cited cash for its flexibility to meet both immediate and longer-term needs. Their stories show how good communications and reliable implementation can help maximize that flexibility. From the start of the program, IRC Nigeria put an emphasis on clearly communicating the details of the cash assistance. Before beneficiary selection even began, IRC Nigeria informed the community about the value and duration of the cash assistance. The program team co-led sensitization sessions with community leaders to help beneficiaries think of how they might spend their money, using visual aids such as charts to help map out upcoming expenditures.
Across the board, beneficiaries reported that they knew how much cash they were going to receive, as well as when the cash assistance would end. Each household received three installments of cash over three months for a total of approximately $177.50 USD, a figure that was calculated based on the cost of food in the national cash working group’s minimum expenditure basket (MEB). Equipped with this information, beneficiaries made plans for how to use the money to continue to sustain themselves even after the assistance. One CFW participant credited the CFW team leaders for “helping us think through what to do with the money” and noted that many people made plans to start a business as a result of these conversations. The strategies for how to extend the life of the cash assistance were diverse. Yakubu, an IDP recipient of UCT, described using the cash to buy food and send her children to school. With the little that she saved, Yakubu began farming beans, which she now harvests to make beancakes for sale. Another woman described buying up all the wood planks she could find, which she now rents out for use in scaffolding for local construction projects, using the profit to sustain her family. When asked how he planned for the end of the cash assistance, Sani, an IDP from the farming village of Pumbum, described separating his money into two parts; one for buying grains and other food for the family’s immediate consumption, and the other to keep on reserve for buying items such as fertilizer and inputs for the upcoming farming season. Several men echoed this approach, noting that they prepared for the end of assistance by purchasing farm inputs that would allow them to improve food access for their households.

Many female beneficiaries, host and IDP alike, have started buying and reselling nuts and grains in the market using the money they received from IRC. Aishatu, an IDP from Gwoza in Borno State, described how she made plans to start a small business after she learned the UCTs would end in three months. Although Aishatu is a tailor by trade, she fled home without her tools and needed to find a way to make a living that was easy to penetrate as an
IDP and required low start-up costs. Using the first two cash transfers for food and other household needs, Aishatu saved the final installment to start buying groundnuts in the market, which she shells for resale. She now buys, processes, and sells approximately 20 bags of groundnuts each month, making roughly $5 USD profit on each bag. Another woman described how she used the money to invest in both livestock and grains. She is now in the business of buying and selling grains but plans to sell some of her animals if she ever needs a larger influx of cash.

Good communication alone is not enough to help beneficiaries plan for the end of assistance. They also need to trust that the information they’ve received is reliable. IRC Nigeria earned this confidence by including beneficiaries in key decision-making activities and making sure the program followed through on those decisions. Beneficiaries were involved in deciding where and when the cash distributions would take place. In Askira Uba, beneficiaries debated between several locations for the cash distribution before settling on the primary schoolyard, which was secure and centrally located and provided enough shade for breastfeeding mothers. Beneficiaries reported that the cash was delivered according to schedule, allowing them to spend the money as planned. IRC’s reliability went a long way with beneficiaries, who recounted experiences with other organizations that promised cash assistance, only to extract money to register beneficiaries in the program and never return. “IRC was the only organization that came here and did exactly what they said they were going to do,” one beneficiary noted.

**Good Practice in Action: Use cash to support institutions and systems linked to recovery**

Cash for Work (CfW) schemes played an important role in helping beneficiaries meet their basic needs while also promoting overall recovery for the community. The insurgency had destroyed pre-existing infrastructure, and poor roads and drainage systems had made movement difficult. The CfW projects were designed to address these issues, including activities such as road rehabilitation, filling potholes, clearing blocked drainages, and erosion control.

Each target community was responsible for selecting the projects that would be most meaningful to its recovery. Alongside community leaders, IRC Nigeria led a needs assessment where each community prioritized the most-needed CfW projects. As a result, beneficiaries were emphatic that the projects benefited not only those who received temporary income from them, but also the community at large. Beneficiaries and local vendors alike said that road rehabilitation had boosted the market, allowing people to transport produce from their farms for sale. They testified that the road improvements also increased access to schools, clinics, and hospitals. Taxis, which had previously avoided the area due to poor roads and heavy flooding, were now able to access it. One beneficiary recounted how, due to heavy flooding in the area, he once woke up in the middle of the night to find himself floating in several feet of water. Several beneficiaries noted that they were able to return to their homes once the drainages were cleared and flooding was brought under control. In some cases, the CfW projects not only restored infrastructure to its pre-crisis state, but also brought new enhancements to make markets function better than they had before. In Kala’a, located in the Hong local government, the local market had never had a toilet, which encouraged open defecation by visitors. The CfW committee decided to construct a ventilated improved pit latrine (VIP) in the market, which has curbed open defecation and helped fend off diseases such as cholera, which has broken out in nearby areas.
These sentiments were shared by those who did not participate in the CfW projects, with one beneficiary stating that “receiving cash was for our own benefit, but the projects were good for the community.” Others highlighted the benefits of CfW beyond infrastructure improvements, emphasizing how it helped foster unity among the youth participants. According to one beneficiary, the CfW projects helped in many aspects, including “markets, homes, and even how we interact with each other.”

IRC worked through community-based structures in all aspects of the program in order to ensure long-term impact within the targeted communities. With input from local leaders, including youth and women representatives, IRC established CfW committees to help direct project activities. In many communities, these committees continue to work even after the IRC project has ended. In Askira Uba, CfW participants still go out daily to pick up garbage and fill potholes, citing pride in their work and support from the community as a key motivator. Some CfW committees have successfully lobbied local stakeholders to continue providing financial support; In Laka, a community in Michika, a local leader has donated money and sand to help the group continue to fill potholes in the road. During program design, community structures were seen as the first port of call for individuals in need of assistance, and IRC Nigeria invested in helping to build their capacity not only to provide services but also take part in referral mechanisms in order to improve access to services for the community.
IRC also invested in capacity building of local actors who supported complementary activities to the cash assistance. For example, IRC trained community-based facilitators to deliver finance and business skills training for the recipients of business grants. Farmers who received seed and livestock vouchers were enrolled in Farmer Field Schools (FFS) to help improve their knowledge of agricultural practices and management. The FFS were co-led by members of the community as well as government agriculture extension workers, who were also trained in the good practices. By training the extension workers, IRC amplified the reach of the project and helped facilitate stronger relationships between farmers and their local workers.

IRC contracted local vendors to supply seeds and livestock and held voucher fairs to allow beneficiaries to select their preferred goods in a central location. By using vouchers for agriculture inputs, the program team was able to ensure product quality and provide a boost to local market actors, who had also been impacted by the crisis. Livestock vendors testified that the voucher program had several direct and indirect benefits, not only injecting capital into the market but also creating short-term employment opportunities for those hired to procure, unload and care for the animals. They also credited the voucher fairs for “creating good relationships between vendors and beneficiaries.” Because of the precarious security situation, some vendors noted that they preferred vouchers because they were able to exchange goods within the local communities but did not have to carry cash throughout insecure areas, instead redeeming the vouchers later with the IRC. The voucher program shows the importance of integrating the needs of market actors themselves in order to amplify recovery for the larger community. When asked how IRC could improve the program in the future, livestock vendors noted that small grants to help re-build the cattle market would go a long way towards recovery. The insurgency destroyed all the sheds that had provided shade, and the animals were now sitting in the hot sun with no protection. Seed vendors also suggested more advance notice and emphasized the importance of on-time payment, citing the significant resources needed to source large amounts of quality product in a short period using their own capital.

**Good Practice in Action: Support institutions and systems linked to recovery**
- Beneficiaries selected Cash for Work (CfW) projects based on their communities’ priorities, boosting market function and access.
- CfW activities were implemented through community-based structures to ensure sustainability.
- Seed and livestock voucher fairs helped stimulate local vendors, who were also impacted by the crisis.

**Good Practice in Action: Strengthen referrals**
- Community structures leveraged to provide referrals and improve access to services.
- Referral pathways established between economic development, health and protection portfolios.
- Cash distribution used as a touch-point for additional services. UCT beneficiaries where instructed to bring children under age 5 to distribution site to be screened for malnutrition and to refer those malnourished to health facilities for treatment.
Good Practice in Action: Use conditionality and restrictions strategically, but with restraint

IRC Nigeria leveraged a range of conditional, unconditional, and restricted CVA in order to meet the program’s dual aims of meeting basic needs and supporting livelihoods recovery. Beneficiaries struggling to meet their basic needs received UCTs, but also participated in conditional CfW projects that helped support the communities’ overall recovery. Pre-displacement, agriculture was a primary means of livelihoods for the target communities, so a top priority was getting farms back up and running. Farmers who urgently needed to re-establish their livelihoods received unconditional vouchers for seed and livestock inputs. Although voucher recipients were eligible to participate in Farmer Field Schools (FFS) and learn improved farming practices, they did not have to participate as a condition to receive the vouchers. This allowed farmers to return to their fields immediately, in line with the growing season, and to benefit from additional training only once they had re-established themselves. By using vouchers to restrict spending to seed and livestock inputs, IRC Nigeria was able to ensure that an essential means of livelihoods was re-established for farmers in need.

For the program’s income generating activities (IGA), IRC Nigeria targeted beneficiaries who had previously owned businesses to receive business grants in addition to business skills training. In order to receive the cash grant, beneficiaries were required to attend three months of business and financial skills training and to develop a business plan. While beneficiaries were not new to entrepreneurship, they learned additional skills during the training that allowed them to grow their businesses. “We had businesses before, but they weren’t high-functioning,” one female beneficiary noted. “When we got the business grants, we were able to boost our business.” Martina, a business grant recipient in Michika, credited the training with teaching her how to manage her business and keep good financial records. With her new skills, Martina is now able to attract more customers and has used the profits from her business to start selling vegetables outside of her tailoring shop.

Good Practice in Action: Understand wants and needs of different population sub-groups

Targeting for each type of cash assistance based on beneficiary need. Business grants were given only to returnees and members of the host community who had previously owned businesses.

Good Practice in Action: Use conditionality and restrictions strategically, but with restraint

CfW projects addressed pressing infrastructure needs that were linked to the recovery of the community. Farmers received unconditional vouchers in order to quickly re-start an essential livelihoods activity. Business skills training helped ensure sustainability of businesses and encouraged good financial management practices, such as saving for unexpected events.
When asked if they would have preferred to receive the business grants alone, or the business grants plus training, beneficiaries were almost unanimous in their preference to receive the additional skills training. Many noted that if they were to be displaced again, they would use the skills they had learned to start up their businesses in a new location. “Knowledge is something I will never forget,” noted Linus Titus, who used his business grant to re-establish his barber shop that had been destroyed by Boko Haram. “No matter where I go, I can take this knowledge with me.” Others had started saving money for the first time and said they would rely on these savings if an unexpected shock arose. Linus Titus described how he used to keep his money in a jar, which the insurgents stole when they destroyed his shop. With guidance from IRC, he has opened a bank account to protect his savings. By making receipt of the cash grants conditional on complementary activities such as business and financial skills training, IRC Nigeria encouraged longer-term recovery by teaching transferable skills to help beneficiaries navigate changing markets and identify employment and self-employment opportunities in a volatile environment.

**CONCLUSION**

IRC’s project in Northeast Nigeria was not a typical emergency program. While some of the targeted communities continue to be impacted by the insurgency to this day, others were well-positioned for recovery once the program began. And though the project had a focus on meeting the basic needs of beneficiaries, it also had the luxury of advance time and enough resources to implement longer-term livelihoods activities. However, defining recovery as an explicit goal of the project meant that all activities, small and large, were designed with an eye towards recovery. In fact, some of the strongest findings from the program come from its practices used in its emergency-driven components. These practices happen to be some of the simplest to enact,
regardless of context. By clearly communicating the value and duration of the cash assistance, IRC Nigeria allowed beneficiaries to plan and prepare for the end of the cash assistance. Whether by investing in their farms or starting small businesses, beneficiaries leveraged the flexibility of cash to extend the assistance beyond the program period. Support to institutions and systems involved in recovery, such as CfW projects that addressed pressing infrastructure needs, provided a crucial first step to overall recovery for the targeted communities. The program tailored conditionality and restrictions of the cash assistance based on the targeted outcomes for those who received it. For those beneficiaries struggling to meet their basic needs, a mixture of unconditional (UCTs) and conditional (CfW) cash assistance helped meet needs at the household level, while also supporting needs of the community at large. For those beneficiaries that were well-placed for recovery, conditions such as skills training for business grants helped to improve their resiliency in the event of future shocks. The good practices demonstrated in IRC Nigeria’s program offer simple ways to make CVA more effective in fostering livelihoods recovery and could be applied to any emergency program without requiring major design modifications.
5 Ibid
8 For example, CaLP’s Operational Guidance and Toolkit for Multipurpose Cash Grants. http://www.cashlearning.org/mpg-toolkit/
12 Dragicevic, Hilary, personal communication, November 13, 2018; Tewani, Manish, personal communication, November 8, 2018; Cash Learning Partnership, Training Module: Cash and Livelihoods Programming - an introduction for practitioners, 2015.
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27 Tewani, Manish, personal communication, November 8, 2018.


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