

Saving Lives, Protecting Rights

Livelihoods guidelines

Guidelines on livelihoods
interventions in humanitarian
emergencies

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Chapter 1

Disasters and livelihoods

Based on its emphasis on ensuring self-reliance among vulnerable communities as part of its rights-based approach, ActionAid has identified the restoration and strengthening of livelihoods as a key component of its emergency response work. This chapter lays the foundation for ActionAid's rights-based approach to livelihoods programming in the aftermath of disasters.

1.1 Basic Emergency Concepts

Hazard

A physical or human-made event that can potentially trigger a disaster. Types of hazards include:

Conflict: Cross-border conflict among countries
Internal conflict based on ethnicity, religion and other identities
War on terror related conflict
Natural resource based conflict
State based conflict

Developmental: Displacement caused by large-scale development projects

Biological: Epidemic
Insect infestation

Climatological: Drought, Extreme temperature/snow, Wildfire

Geophysical: Earthquake, Mass movement dry/avalanches/landslides,
Volcano, Tsunami

Hydrological: Flood, Mass movement, Storm, cyclone

Technological: Industrial Accident, Transport Accident, Miscellaneous Accidents

Disaster

The occurrence of an extreme hazard that disrupts the functions of a community or a society causing widespread human, material, economic or environmental losses which exceeds the ability of the affected community or society to cope using its own resources.

Capacity

The resources of individuals, households and communities to cope with a threat or resist the impact of a hazard.

Human vulnerability

The degree to which people are susceptible to loss, damage, suffering and death, in the event of a disaster. It is a function of physical, economic, social, political, technical, ideological, cultural, educational, ecological and institutional conditions.

Risk

The probability or likelihood of a disaster happening

1.2 The Sustainable Livelihoods Framework

The sustainable livelihoods approach provides a comprehensive and practical framework for understanding and reducing poverty and vulnerability in both development and humanitarian contexts. It has emerged from the growing realisation that the poor, especially their means of earning income, should be at the centre of development and humanitarian work, while maintaining the sustainability of natural resources for present and future generations.

According to this framework, the livelihoods of a person, household or community depend on ownership of assets, which can be transformed by activities or strategies into outputs. This transformation takes place in the context of, and influenced by, the external environment (vulnerability context and policies, institutions and processes). At the same time, the actions of people, households and communities themselves also have an influence on these external factors.

The key elements of the framework are:

- I Livelihoods Assets
- II The Vulnerability Context
- III Policies, Institutions and Processes
- IV Livelihoods Strategies
- V Livelihoods Outcomes

I: Livelihoods Assets

Livelihoods assets are the resources people possess, control or have access to for earning an income. The shortage of such assets is one of the key factors that increase people's risks in the face of hazards. People with few or no assets, such as landless labourers, older people, women-headed households and disabled people, are among the groups most vulnerable to disasters. These people are often forced to migrate or sell and/or rent out their remaining livelihoods assets at unfavourable terms during emergencies as a coping strategy.

Livelihoods assets are generally categorised in the livelihoods frameworks as human, natural, financial, social, political and physical assets:

Human Capital: People's health and ability to work, coupled with their knowledge and skills, constitute their human capital. Education can help to improve people's capacity to use existing assets better and create new assets and opportunities. At a household level, human capital is a factor of the amount and quality of labour available.

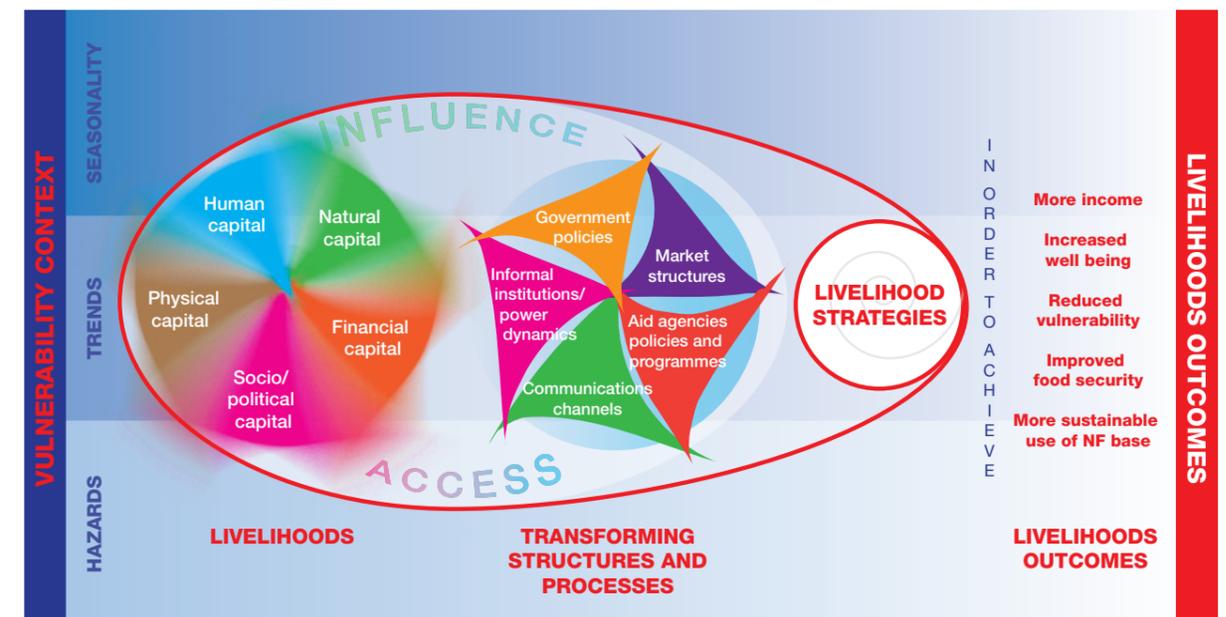
Natural capital: This includes natural resources such as farming and grazing land, forest resources, livestock, wildlife, and water. For people living in rural areas, natural capital is of key importance in the production of food and income. The way in which people access these resources (ownership, rental, common pool etc), as well as the condition of the resources themselves, their productivity, and how they may be changing over time, need to be considered in evaluating the natural capital base of any community.

Physical Capital: This includes physical infrastructure such as roads, ports, market facilities, transport, buildings, irrigation systems, and productive assets such as seeds, tools, livestock, fishing gear and other farm and processing equipment. Access to these as well as other forms of infrastructure will influence people's ability to earn adequate livelihoods.

Financial capital: This includes cash income and remittances, credit, savings in kind and cash. The financial capital available to rural households may come from the conversion of their physical assets into cash in order to cover periods when production is low. They may make use of formal and informal credit to supplement their own financial resources, often at very unfavourable terms and conditions.

Social/ Political Capital: In many communities, households and extended families are linked together by ties of social obligation, reciprocal exchange, trust and mutual support, all of which can play a critical support role in times of crisis. This is social capital, and it may also exist in membership of formal and informal institutions including markets, groups and associations. Political capital consists of relationships of power which give access to and influence over the political system and governmental processes at local and higher levels. This goes beyond social capital, as an individual's stock of political capital will determine his/her ability to influence policy and the process of government. It is important to include analysis of political capital as it determines the ability of households and individuals to claim their rights after a disaster.

Figure 1: The Sustainable Livelihoods Framework



II: The Vulnerability Context

The external dimensions of vulnerability, usually known as the vulnerability context, are a collection of external pressures that result in many of the hardships faced by poor people. These factors include:

Seasonal changes: Such as seasonal shifts in prices, production, food availability, employment opportunities and health.

Long-term or large-scale changes: These include trends in population; resource acquisition and use (including conflicts over resources); national and international economic policies, government and politics; technology; and the environment, including climate change.

Hazards: These might include natural hazards and the disasters they might induce; economic shocks such as rapid changes in exchange rates; violent conflict; episodes of ill health which may suddenly reduce households' resource base or their access to key livelihoods assets. Resilience to external shocks and stress is an important factor in protecting assets and sustaining livelihoods.

These three factors may cause households to become more or less vulnerable to poverty and can be thought of as the vulnerability context in which households operate.

Different components of the vulnerability context affect different people in different ways. Thus, natural shocks may have a more adverse effect on agriculture than on off-farm production, trading and wage earning options. One way of managing the vulnerability context is to help people to become more resilient, and better able to capitalise on any positive aspects. This is a core aim of the sustainable livelihoods approach. It can be achieved through supporting poor people to build up their assets and to help ensure that critical institutions and organisations are responsive to the needs of the poor.

III: Policies, Institutions and Processes

Policies, institutions and processes (PIPs), whether formal or informal, establish the opportunities or constraints for people to pursue different livelihoods strategies. They have a major influence over whether households and individuals can access, exercise their rights over, and use different livelihoods assets. They shape the context of vulnerability to shocks and livelihoods outcomes. Unlike the vulnerability context, policies, institutions and processes can be changed and influenced directly. Some of the different elements that make up this group are explained below:

Government Policies and Institutions: Policies decided upon at different levels of government affect the decisions households are able to take and the use they can make of the livelihoods assets at their disposal. The policy environment can be a source of resilience or of vulnerability for households. For example, decentralising policies may give local people more influence over the decisions that directly affect them. Formal institutions relate to the role of the state, for instance in setting and enforcing laws, regulating markets or extracting taxes. Important policy areas and institutions that affect the livelihoods of poor people are those relating to:

- Land ownership
- Access to capital and finance
- Sales and purchase of livelihood inputs and outputs
- Labour laws
- Water management
- Mobility of people and their assets

- The devolution of power
- The economy
- Social protection
- Disaster management
- Justice

Informal societal institutions and power relations: Institutions are not only the formal type discussed above, but a wide range of formal and informal 'arrangements' found in societies everywhere. There is a constant interplay between informal and formal institutions. Customary practices related to marriage, gender roles, inheritance, ownership, management of and access to resources such as land and water, and markets all fall within the sphere of informal institutions. These are dynamic and subject to continual re-negotiation and change depending on context and power. The power relations between different groups of people in society are often defined by the prevailing culture or religion, for example through:

- *Gender*, and what is considered acceptable behaviour for men and women;
- *Age*, and differences in how the old and young are regarded and treated;
- *Class*, how the social and economic status of different groups is understood;
- *Caste*, and the various restrictions that influence what people of different caste groups can and cannot do to change their livelihood situations.

Markets: There are various institutions, rules, structures and supporting functions that enable and shape transactions between producers, consumers, traders and intermediaries. Markets may be 'free', or regulated by governments, they may be controlled by interest groups or individuals or they may be equally accessible to anyone. In particular, local markets for land, labour, produce, water, transportation and financial capital play a major role in determining livelihoods outcomes.

Aid agencies policies and programmes: Non-governmental organisations (NGOs) and other civil society institutions are increasingly playing an important role in supporting the livelihoods systems of vulnerable communities. There are broad differences in the philosophy, mandate and approach of these groups and while generally their impact is positive for the most vulnerable, in some cases, such groups can end up having negative impacts too by deliberately or unconsciously supporting certain groups at the expense of other groups.

IV: Livelihoods Strategies

Households tend to develop and pursue the livelihoods strategy which is most likely to achieve their livelihood goals, taking into account the capital or assets at their disposal, the vulnerability context in which they operate, and the policies, institutions and processes around them. These strategies include short-term considerations such as ways of earning a living, coping with shocks and managing risk, as well as longer-term aspirations for their children's future and their old age. Livelihoods strategies can be positive, helping households become more resilient and less vulnerable, or negative when they result in the further erosion and decrease of the asset base.

Common livelihoods activities

Among poor communities, the most common livelihoods activities include:

- Agriculture
- Animal herding
- Fishing
- Casual labour locally or through migration
- Petty trade
- Non-agricultural production (e.g., handicrafts)

Many will take part in a combination of these activities.

The ability of households to carry out essential activities is also facilitated by the adoption of certain *organisational principles* which enhance the utility of assets and the efficacy of production activities. These principles include:

Diversification: By diversifying asset ownership and activities households can reduce the risk of losses. For example, households might choose to keep a number of different animal species with varying disease-resistance, mobility, and food requirements.

Synergy: Synergy among assets and activities, in the sense that they support each other, is an important aspect of diversification. For instance, oxen provide animal dung, which can be used to maintain the fertility of agricultural land, while the waste from crops provides food for oxen. On the other hand, when tractors replace oxen, households have to buy gasoline and fertiliser as there is little synergy between tractors and agricultural land.

Flexibility: Diversification goes hand in hand with flexibility in asset use, so that assets can be quickly marshalled across the spectrum of the diverse production activities.

Redistribution and reciprocity: These two principles are the basis for the generation of claims, and allow households to supplement their own resources through informal relationships with others. Redistribution ensures that wealth is not concentrated in few households. For instance, many communities have norms by which rich households share their stores with those less fortunate during crises without expectation of receiving anything in return. On the other hand, reciprocity is based on an expectation of return and consists of informal exchange of value among households and communities whenever one is in need.

Cooperation: Community cooperation in carrying out tasks or reaching decisions helps all households to derive benefits that may not be available through their own efforts alone. Thus, cooperative decision-making helps communities to conserve natural resources, such as forests and grazing lands, through establishing rules regarding their use which are willingly followed by the majority of the households and communities.

V: Livelihoods Outcomes

Livelihoods outcomes are what are achieved by a household by combining its assets and strategies within the existing vulnerability and PIP context. Positive livelihood outcomes could be more income, increased well being, reduced vulnerability, improved food security or more sustainable use of natural resources. Unstable or unsatisfactory livelihoods outcomes may be the result of factors which often interact, including low levels of household assets, a high degree of vulnerability to external shocks or insufficient livelihood support from surrounding institutions. It is therefore important to separate the importance of these various factors in explaining the impact of a disaster on livelihoods outcomes.

1.3 ALPS and Power Analysis

According to the Accountability, Learning, and Planning System (ALPS) of ActionAid International, at the heart of poverty and injustice lie power imbalances. Power refers to the degree of control over material, human, intellectual and financial resources, and decision making processes, exercised by different individuals, groups and institutions. Rights cannot be truly realised without changes in the structure and relationships of power. Thus, all strategies, appraisals, research initiatives, plans, reviews or reports must have an analysis of power and clear actions to address power imbalances. ALPS encourages us to create sustained spaces for poor people to do their own analysis of power dynamics at the local and regional levels. These guidelines integrate power analysis with the Sustainable Livelihoods Framework in planning livelihoods interventions in emergency situations.

1.4 Impacts of Disaster on Livelihoods

In a disaster, the entire population may have been exposed to the same shock, but the impact it has on people's lives and livelihoods will vary depending on the social, geographic, economic and political processes influencing and interfacing with the particular event. Key variables explaining differences in impact include people's class, occupation, caste, ethnicity, gender, health status, age, the nature and extent of their social networks, their asset base prior to the hazard or their power relative to other groups. Poverty and vulnerability to natural and man-made hazards are closely linked and mutually reinforcing. All poor people are vulnerable but not all vulnerable people are poor. In policy terms this means that poverty reduction can help reduce disaster risk.

Disasters generally result in the loss of lives, homes and assets, disruption of livelihoods and social services provision, sometimes with long-term consequences. Disasters can disrupt ongoing poverty reduction activities and force a diversion of related financial resources into disaster response. Disasters also have the potential to further skew power relations against the most vulnerable people as they lose their assets and income opportunities and further sink into poverty and debt. In rare cases, with appropriate assistance and policy change, disasters provide an opportunity to establish sustainable livelihoods options for the most vulnerable people, based on substantial changes in the pre-disaster power dynamics. It is this last possibility which is the goal of all livelihoods interventions in the post-disaster context.

Chapter 2

Livelihoods appraisals

Further Reading

There are several frameworks which build on the work of different agencies develop sustainable livelihoods approaches to disasters and emergencies. These include:

- *DFID Sustainable Livelihoods Guidance Sheets* <http://tiny.cc/LP1JL>
- *IFAD Sustainable Livelihoods Approach* <http://www.ifad.org/sla/index.htm>
- ILO and FAO *Livelihood Assessment Toolkit: Analysing and Responding to the Impact of Disaster on the Livelihoods of People*, 2008. <http://tiny.cc/cCQrG>
- *Rapid guide for missions: analysing local institutions and livelihoods*. FAO, 2005 <http://tiny.cc/77ZuP>
- *Building livelihoods: a field manual for practitioners in humanitarian settings* Women's Commission for Refugee Women and Children, 2009 <http://www.womensrefugeecommission.org/protection/livelihoods>
- *Livelihoods perspectives and rural development: A review of the core challenges to livelihoods approaches*. Scoones 2009 <http://tiny.cc/0JyWe>

Useful websites with these and more information and readings include:

- The Eldis website *Livelihoods Connect*: <http://www.eldis.org/go/livelihoods/>, an online repository of materials and resources on livelihoods approaches.
- IFAD: www.ifad.org/sla
- 'Livelihoods': <http://www.livelihood.wur.nl/>

Based on its emphasis on ensuring self-reliance among vulnerable communities as part of its rights-based approach, ActionAid has identified the restoration and strengthening of livelihoods as a key component of its emergency response work. This chapter lays the foundation for ActionAid's rights-based approach to livelihoods programming in the aftermath of disasters.

These appraisals can be done in two or three stages:

1. The first is a rapid multisectoral appraisal conducted immediately after the disaster. While this appraisal may not focus specifically on livelihoods issues, it can still provide useful general information for subsequent livelihoods appraisals.
2. Following this appraisal, and incorporating the learning gained from the immediate life-saving relief response, it is important to conduct in-depth, theme-specific appraisals to feed into the design of thematic programmes. This may be for the recovery and reconstruction of people's livelihoods.

These guidelines focus on the second appraisal stage. Further information on how to conduct these appraisals is available in ActionAid's general emergency response guidelines.

Why conduct a livelihoods appraisal?

The main purposes of a livelihoods appraisal are to identify:

- The most common hazards in the area, and the sections of the population most vulnerable to them;
- The root causes of their vulnerability, including institutional constraints, and the power relationships underlying them;
- Their pre-disaster livelihoods systems, and the strengths and weaknesses of these in ensuring sustainable livelihoods;

Based on this understanding of the weaknesses of pre-disaster livelihoods systems and emerging opportunities in the post-disaster context, strategies can be developed to support the establishment of sustainable livelihoods.

For a livelihoods appraisal it is necessary to analyse the pre-disaster status of each of the main elements of the Sustainable Livelihoods Framework: how they have been affected by the disaster; what is their post-disaster status; and what opportunities exist or changes are needed in each of them to help establish sustainable livelihoods for the most vulnerable sections of the population. Power analysis is a constant feature of all these different coordinates. ActionAid staff may already have collected some of this information during their development and emergency preparedness activities.

2.1 Livelihoods Appraisal Methodology

There are several stages to conducting a livelihoods appraisal:

- I Identifying the Most Excluded
- II Identifying the Causes of Exclusion
- III Mapping Livelihoods Assets
- IV Understanding Policy, Institutions and Processes
- V Market Analysis
- VI Informal Social Institutions
- VII Analysis of Aid Interventions
- VIII Livelihoods Strategies and Outcomes

I: Identifying the Most Excluded

Given the limited availability of resources, it is crucial for us to identify and focus on the people who are most excluded, and as such likely to be the poorest as well as the most vulnerable in the disaster-hit area. Exclusion is not randomly distributed among households but concentrated in certain strata of the community, based on ethnic, racial, religious, gender, class and other identity factors. In some cases, such households may live in separate places, concentrated in certain parts of the geographical region, or they may live interspersed with the rest of the community, making it more difficult to identify them. Generally, the following are the main characteristics of the most excluded households:

- Limited access to assets;
- Limited income;
- Limited access to social and political networks;
- Exposed to social and cultural discrimination;
- Most frequently and heavily affected by disasters.

The first level of targeting is geographical: determining the area in which the programme will be implemented, based on information gathered during the first stage appraisal on levels of need and vulnerability, the activities of other organisations, discussions with relevant authorities etc. The next step would be the identification of specific households in this area. The three main choices for targeting people for livelihoods support are:

- To target people based on poverty or vulnerability, and giving grants only to the poorest;
- To target based purely on whether people were affected by the disaster, giving the same amount to everyone;
- To target based either on pre-disaster livelihoods, or on the livelihoods that people want to engage in after the disaster, and providing cash assistance at levels that enable particular types of businesses to resume.

A wide variety of stakeholders should be involved in establishing the criteria, selection and identification of potential recipients, including local people (particularly poor and excluded people), partner agencies where available, government structures and external organisations. It is also very important to ensure that recipient communities understand how targeting works and agree with decisions to exclude certain categories of people. Identifying the most vulnerable can be an exercise of power, as it determines who will be included and who will not. Therefore, a high-level of awareness about local power dynamics is important.

This decision will also have implications for the number of staff required, and the skills, knowledge and time needed to deliver assistance. This will depend on whether grants are to be given at a flat rate or for variable amounts, in a series of payments or as a one-off payment, for example.

There is no such thing as a perfect targeting mechanism. No matter what system is applied, some people who are not in need will receive assistance and some of those who are in need will be left out. It is important to include a grievance process in the programme, and a risk management strategy if we foresee conflict as a result of our targeting process. Moreover, having in place a rigorous monitoring mechanism will help to watch for targeting errors and adjust programmes as necessary where they are found. It is crucial that our livelihoods work does not exacerbate conflict. Please see ActionAid's Conflict Sensitivity tools included in the International Emergency and Conflict Team (IECT) Emergency Response Guidelines for further discussion on this issue.

Sources of information

Information on which groups and households exhibit these characteristics can be collected through the following means:

Key informants: It is useful to start by collecting information from key informants, such as local leaders, government officials, social scientists and AA and other NGO staff. However, some of these people may belong to elite groups and may not provide accurate or balanced information. Thus, it is important to look beyond them.

Community meetings: Group discussions in community meetings provide a chance to validate the information collected from key informants. However, it is possible that the most excluded groups are unable to participate in such meetings, or to speak up in public, due to economic and political constraints.

Transect walk/drive: It is important to collect primary information, especially if it is a new area of operation. Moving through a locality or across localities and speaking to people who look more excluded based on their appearance, clothes, asset ownership, or the condition or location of their housing, will provide additional insights into which groups and households constitute the most excluded in an area.

II: Identifying the Causes of Exclusion

Once the most excluded groups and households have been identified based on the above characteristics, the next step is to understand the causes for their exclusion and develop strategies for overcoming them. The following questions might help facilitate reflection on the causes and roots of their exclusion:

- Is their exclusion of recent origin or stretching back several decades or even generations?
- Is it based on ethnic, caste, religious or other identity-based factors, requiring fundamental changes to the values of others? Or is it based on their lack of access to economic and political power or their confinement to certain professions, requiring changes to political and economic access?
- To what extent do they understand the underlying causes of their exclusion and are motivated to change the factors?
- What strategies are necessary to increase the power of the most excluded?
- Which interest groups might oppose strategies to overcome their exclusion and how could they be made to change their views?

Sources of information

Key informants: Again, it would be useful to start by collecting information from key informants, such as local leaders, government officials, social scientists and AA and other NGO staff, while keeping in mind the danger identified above.

Group meeting with the most excluded: Group discussions in meetings with members of the most excluded groups will be the best way of understanding these dynamics.

III: Mapping Livelihoods Assets

Once the most excluded groups and the cause of their exclusion is identified, the next step is to get more information about their livelihood systems, starting with their assets. It is important to understand the threats people in the disaster affected areas are facing. Analysis of this will impact on the various interventions an agency can make to support the disaster affected people. The table below gives some examples of questions to facilitate analysis of the state and strength of each of the different types of assets:

Types of assets	Specific examples:
<p>Natural assets</p> <ul style="list-style-type: none"> • Asset use before the disaster: What access did they have to agricultural and pastoral land, water, forests and fishing resources? • Impact of the disaster: What has been the impact on access to these natural resources? What do these changes mean for the ability of the household to make a living? • What strategies exist to cope with the impact? Are these strategies sustainable? Why/ why not? 	<p>Crops:</p> <ul style="list-style-type: none"> • Types of crops grown, size of land planted, types of seed and fertiliser used, land tenure status (ownership, rental, share arrangements, etc); • If disaster after the harvest: size of harvest this year and impact of disaster on harvested produce (stock, access to market, price changes); • If disaster before the harvest: expected impact on different crop harvests and reasons why; <p>Livestock:</p> <ul style="list-style-type: none"> • Livestock owned before the disaster: the type, number, and uses (e.g. draught power, milk, meat, sales); • Sale of livestock before the disaster: how regular, which ones, how many, what price, who to and where? • Feeding of livestock: how were they fed before the disaster and do they still have access to fodder? • Impact of the disaster: loss of animals, buildings and equipment, access to feed etc. <p>Fishing:</p> <ul style="list-style-type: none"> • Typical catch: types and amounts of fish throughout the year, Equipment used; • Impact of the disaster on equipment; fish stocks; access to market; prices and expected incomes.
<p>Human assets</p> <ul style="list-style-type: none"> • Household composition before the disaster: how many people, what ages? How many men, women, children? Did any of the household migrate for seasons to work? • Skills and education: what level of education did the head of household have? What skills did household members have? How many of the children were in school? • Health: was anyone in the household ill or disabled? • Impact of the disaster: has anyone left the household as a result of the disaster? Have there been any illnesses, injuries or deaths? What strategies are being used to cope with these impacts? Are these strategies sustainable? 	<p>Casual labour:</p> <ul style="list-style-type: none"> • What sort of casual labour is carried out by each household member? Where (do they migrate)? For who? At what time of the year was the work available? How much were they paid? • Has this work been affected by the disaster, if so how? • Will this work be affected by the disaster, if so how? <p>Formal employment:</p> <ul style="list-style-type: none"> • Are any household members formally employed? What job are they doing? Where do they work? Do they come home every day, or migrate? • Has this work been affected by the disaster, if so how? • Will this work be affected by the disaster, if so how?

Types of assets	Specific examples:
<p>Physical assets</p> <ul style="list-style-type: none"> • Before the disaster: What kinds and levels of productive assets were accessed by the household? • Impact of the disaster: has there been a change in access to these assets? What do these changes mean for the ability of the household to make a living? • What strategies are being used to cope with the impact? Are these strategies sustainable? 	
<p>Financial assets</p> <ul style="list-style-type: none"> • Access to finance before the disaster: What were the main sources of finance for the household? What sources, types and amounts of formal credit were available? What about informal credit and savings in cash or kind? • Impact of the disaster: Has there been a change in access to financial assets? What do these changes mean for the ability of the household to make a living? • What strategies are being used to cope with the impact? Are these strategies sustainable? 	

Types of assets	Specific examples:
<p>Social/ Political assets</p> <p>Under normal circumstances:</p> <ul style="list-style-type: none"> • What are the sources of support (clan or family members, self-help/ credit and savings / church groups, community leaders etc) that households expect to be able to call on for assistance in hard times? What kinds of support (cash, food, seed, labour or other resources) would these be expected to provide? • What are the obligations of the household to provide support for others? To whom, how much and in what forms? <p>The impact of the disaster:</p> <ul style="list-style-type: none"> • Has there been a change in access to these social/ political assets? What do these changes mean for the ability of the household to make a living? • What strategies are being used to cope with the impact? Are these strategies sustainable? 	<p>Among others, during its queries at different levels, the team will look at:</p> <ul style="list-style-type: none"> • Local leadership and authority; • Ethnic groups; • Formal and informal social networks; • Political systems; • Personal security. <p>Remittances</p> <ul style="list-style-type: none"> • Are there any relatives or family members who live elsewhere and send back money? Where is that person working, and what are they doing? • Has this work been affected by the disaster, if so how? • Will this work be affected by the disaster, if so how?

Sources of information

This information can be collected at group meetings with the most excluded, and through individual household surveys.

IV: Understanding Policy, Institutions and Processes

In analysing the policy and institutional context, and relevant processes, the following questions can be of use:

- Which of the government policy sectors mentioned in section 1.2 are relevant to the core livelihoods and disaster risk management strategies of the most excluded groups? Which of them are affecting the most excluded groups positively and negatively?
- What are the government's policies, commitments and current practice in each of these key sectors? Who makes policy in these sectors?
- What measures have been put in place to implement each policy? For example, what is the relevant legislation relating to buildings and land use? Through what institutions and organisations are these measures channelled? In what shape do these institutions and organisations exist locally?
- What opportunities exist for poor people to influence policy directly? And indirectly? What resources can poor people draw on to influence policy?
- Have any of these policies and institutions changed as a result of the disaster and is the impact likely to be positive or negative for the most excluded groups?

V: Market Analysis

Following the 1st stage of appraisal, it is imperative to conduct an in-depth market analysis using specialised experts (internal and external) to determine viable livelihoods options that can strengthen people's resilience to disaster. Market analysis seeks to understand:

- The nature of markets before the disaster and the power dynamics therein;
- The impact of the disaster on the market system; and
- How the market system will react to various relief responses, recovery and build up of people's livelihoods.

The appraisal needs to explore how different types of markets are functioning, and their impact on people's livelihood options and strategies, including markets for critical food and non-food items people need to buy, markets for selling their produce and assets, such as labour, crops, livestock etc, and the services, such as transport and finance, as well as infrastructure such as roads, and price and market information, which support the functioning of those markets. Furthermore, it is important to assess the institutional environment, including laws and formal or informal regulations and norms, which determines behaviour and practices, shapes relationships, and generates and provides information, knowledge and incentives. It is also important to note that village and local markets are a critical arena for information, political exchange and socialising.

Some of the key questions for conducting market analysis are presented in the following table.

Analysis questions	Desirable market information
Which markets are critical to meeting people's emergency needs?	<ul style="list-style-type: none"> • Identification of markets which are, or were, most relevant in meeting people's basic needs or mitigating their vulnerabilities. • Identification of markets on which people's livelihoods were most dependent in the longer-term (for inputs and outputs).
Was this specific market working well before the emergency arose?	<ul style="list-style-type: none"> • A mapping of the market structure: the actors and their roles in the market system before the emergency. • Information about supporting functions, rules and institutions that were important factors in this market's performance. • Data on volumes and prices at different points in the supply chain, and times of year. Also indications of how integrated they were with neighbouring markets. • An appraisal of how competitive price-setting behaviour is. • An analysis of how affected households interacted with this critical market before the emergency. For example: accessibility, percentage of their needs met, substitution options, seasonal factors and financial relationships.
Is this specific market likely to respond well to higher demand now?	<ul style="list-style-type: none"> • An appraisal of how the emergency has disrupted the structure, institutions and supporting functions of this market. • An appraisal of how the emergency has impacted on the way households interact with this market, including accessibility. • Data about volumes and prices, compared to before, or compared to spatially distant areas. • An analysis of the expectations, incentives and capabilities of traders, suppliers and importers to bring in sufficient food, goods, etc from neighbouring markets. • Estimates of how steeply prices are likely to rise if demand is stimulated (the shape of the local market supply curve). • Identification of key market indicators that can be readily monitored to detect market responses to changes in demand.
Can the specific causes of market failure be rapidly resolved?	<ul style="list-style-type: none"> • A description of the most significant bottlenecks, constraints or other factors underlying the market's inability to respond well to higher demand. • Proposals about what interventions would be effective in tackling these market constraints, and practicable for ActionAid to implement. • Estimates of how quickly and thoroughly these solutions would work. • Identification of key market indicators that can be readily monitored to detect market responses to interventions.

Sources of information

Relevant information and views on the capacity and structure of the markets can be obtained through:

- Group meetings with the most excluded; and
- Meetings with key markets suppliers and intermediaries, government officials, researchers and aid agency staff.

VI: Informal Social Institutions

The livelihoods strategies and options available to people will be influenced, conditioned, restricted or supported by cultural and social norms and institutions. The following questions can help to assess and analyse these factors:

- What cultural values and practices determine the livelihood choices of different groups within the community?
- What community groups or organisations are functioning? What do they do? How long have they been established? How active are they?
- Who participates in the different groups? How many members do they have?
- How is power dispersed within the group/ community?
- How has the disaster affected the different groups? What role could they play in the immediate post-disaster recovery and longer-term rehabilitation?
- Have any new groups been created since the disaster? By who? To do what? For example, are they self-help groups set up by the community? Distribution committees set up by external agencies?
- Which organisations, laws and regulations (formal or informal) at different levels, are important to livelihoods?
- Which civil society organisations or institutions are active in disaster-related concerns and activities.
- To what extent do different institutions interact, relate and collaborate?

Sources of information

The information for this analysis can be gathered through:

- Group meetings with the most excluded
- Meetings with community leaders, government officials, researchers and aid agency staff.

VII: Analysis of Aid Interventions

A final stage of the analysis is to explore how other aid actors and interventions might impact on livelihoods options and strategies for the most vulnerable and excluded. Questions for analysis include:

- Which aid groups were working in the area before the disaster? What services were they providing? To which sections of the population?
- Which aid groups have been working in the area since the disaster? What services are they providing? To which sections of the population? For how long?
- What impact will the programmes of aid agencies have on the livelihood prospects of the most vulnerable sections of the population?

Sources of information

The information for this analysis can be gathered through:

- Group meetings with the most excluded
- Meetings with community leaders, government officials, researchers and aid agency staff.

VIII: Livelihoods Strategies and Outcomes

This involves an identification of the most important livelihoods strategies and activities adopted by the poorest excluded people and communities to reduce their vulnerability to hazards, and to recover from hazard events. Questions to help understand the types of coping mechanisms and livelihood strategies that different people adopt, and their potential positive or negative impact, include:

- Have many people left the area? How many are likely to do so soon?
- What is the likelihood of people over-exploiting some natural resource in order to survive? Why? Is there any evidence of this happening already?
- Is it likely that people will liquidate their assets in order to cope? Which will be liquidated first? Is there any evidence that this is already happening?
- Is it likely that people may have to reduce food intake now or in the future as a result of the events? What are the precise reasons? Is this happening already?
- Which activities can be considered adaptive, in other words long-term responses to gradual negative trends?
- What impacts can we observe from the required activities and their outcomes?

Based on this, further information and analysis can be done to feed into strategies which support men and women to get back on their feet so that they can earn a livelihood and feed themselves and their dependents. Questions would include:

- What are the short-term priority actions to protect and support people's livelihoods capacity?
- What are the opportunities and capacities for livelihoods recovery within the local economy?
- What can be expected from governmental and non-governmental agencies operating in the area?
- What is the feasibility of using local labour and services for initial work, such as rubble removal, road repair, house construction etc? What is the availability of unskilled and skilled workers? Should payment be in cash or kind or both? Why?

- What changes are required for longer-term recovery of affected populations and reducing vulnerability to similar events in future? How do we “build back better”, including the diversification of livelihoods bases and policy on migration, housing, and other key issues.

Sources of information

The information for this analysis can be gathered through:

- Group meetings with the most excluded
- Meetings with community leaders, government officials, researchers and aid agency staff.

2.2 The Sampling and Interviewing Process

The information for this appraisal will come from a wide variety of sources, including:

District or provincial level: This can be done through interviews and discussions with key informants, or semi-structured interviewing using checklists and selected tools. Key informants at this level might be:

- Administration offices;
- Government agencies created to deal with the crisis;
- Traditional leaders;
- Business leaders;
- International and national NGOs, groups and civil society organisations; relevant private sector groups including transporters;
- Religious organisations and groups;
- Community-based organisations, women’s organisations, youth organisations and other organisations formed on the basis of specialised needs and interest.

Community level: Discussion and interviews, including focus group discussions. It is recommended that where possible a group of women and a group of men are interviewed separately in each community visited. Selection of the groups can be done randomly or through the key informants at community level.

Household level: Interviews can be conducted with households to ask about their pre-disaster situation, the impact of the disaster on assets and coping strategies, the underlying causes of their vulnerability, their capacities and the types of external support they may look for their recovery and disaster reduction work. Household enquiry should be biased to women, girls and members of excluded and vulnerable groups.

Secondary information: This might be information available from the FAOSTAT database, USAID’s FEWSNET, the WFP/ FAO appraisal report, NGO surveys or country statistics reports such as the consumer price index. These sources can be helpful in validating trends and facts, but are also key to establish pre-disaster baseline information to support analysis of the impact of the disaster.

It is important to note that this type of information may be available within ActionAid if a rapid appraisal was made during the immediate phase of the disaster for a rapid emergency live saving response.

The sampling process for conducting the appraisal will be determined by a combination of the nature of the disaster and human, financial and logistical resources available for the exercise. It is important to strike a balance between a focus on the most vulnerable areas or persons and getting an overview of the entire population affected by the crisis. In all cases, the aim is to gain a holistic picture of the extent and underlying causes of the damage to people’s livelihoods, and the capacities and opportunities for recovery and increased resilience, at the household, community and local area levels.

The key phases of the sampling and data collection processes are:

- I Selection of Areas
- II Selection of Households
- III Coordination, Team Composition and Training
- IV Selecting Tools for the Appraisal
- V Practical Considerations

I: Selection of Areas

The starting point for sampling is to divide up the affected areas into livelihoods zones, within which people share broad common livelihoods-sustaining activities and goals. In general terms, once a zoning scheme has been worked out the next step is to choose representative settlements within each zone. In order to do that the team first need to define an overall sampling framework for the poorest settlements within a zone affected by the disaster. Once the list has been drawn up then sample settlements will need to be selected. The number of sample settlements selected for the appraisal will depend on the geographic magnitude and severity of the problem, accessibility, human resources and time available.

After these factors have been taken into account and an overall sample size decided upon, one way of proceeding is to select settlements at random within each zone and then to use local knowledge to ensure that obvious biases are avoided. In addition to this kind of exercise, it is important to consider the post-disaster dispersion of internally displaced people, as they have evolving patterns of livelihoods. They should be treated as distinct areas within a broader geographical zoning.

II: Selection of Households

Within a given settlement, selection of specific households to interview may follow various rules depending on circumstances, and the availability of personnel and time. The overall goal is to select a sample of households which gives a good spread of the range of situations faced in communities. Some sampling procedures could follow:

Wealth group stratification: Through discussions with community-level key informants, ascertain the percentage of households who they would classify in distinct socio-economic groups. An interviewee can be randomly chosen from each group. The number could be lower among the better-off and somewhat higher among the poor.

Selection of the most affected: In a similar manner to the wealth group stratification, through discussions with key informants divide up the community according to the degree by which they have been affected by the disaster. These groupings may be related to a number of other criteria such as wealth, gender, proximity to natural hazard, etc. Then interview people who are randomly chosen from each group. The number could be lower among the least affected and somewhat higher among the most affected.

Geographical dispersion: Together with the community key informants take a map or sketch of the settlement, divide it into sections, and select a random sample of households so that all parts of the settlement are covered.

III: Coordination, Team Composition and Training

ActionAid programme thematic staff and partners and, when appropriate, consultants for specialised advice will take part in the appraisal. The size, technical composition and gender balance of the team will be determined by the country programme reflecting the nature of the disaster and the livelihoods sources of the affected community. Ideally, a multi-disciplinary team with the following skills should undertake the appraisal:

- knowledge of the affected population;
- Emergency food security and livelihoods appraisal skills;
- Market analysis skills;
- Programme design and management skills;
- Finance and administration knowledge; and
- Knowledge of cash programming and women's issues.

It is advisable to include finance, logistics and communications staff in the team, as well as programme staff.

The team should receive a good briefing and training, including on security. Whether the training takes place as part of pre-disaster preparedness programme or after a shock, at least two to three days will be needed to prepare the team for conducting the appraisal. A further one or two days may be necessary in the case of an inexperienced team and/ or if certain PRA tools are to be used in the appraisal itself. All training after the emergency event should take place at or near the disaster site.

It is always better to coordinate the appraisal with other agencies, government and non-government, as this can improve the quality of information, avoid duplication and improve ActionAid's analysis and recommendations for action. ActionAid should also share its appraisal report with others.

IV: Selecting Tools for the Appraisal

Participatory Vulnerability Analysis (PVA) uses various participatory tools in the context of focus group discussions, including matrices, Venn diagrams, timelines, vulnerability maps, seasonal calendar to map out when most vulnerability occur during the year, livelihoods analysis, problem trees, objective analysis, policy mapping, social maps, institutional analysis and concept mapping. The PVA handbook gives more detail on how to use these tools.

V: Practical Considerations:

We need to note that in the context of a civil war, analysis of underlying causes can be extremely sensitive with possible security implications, and often raises as many questions as answers. Conducting participatory exercises and discussions will also raise a number of practical considerations, including issues of access, and the risks posed not only to agency staff but also to participants or informants. Therefore, proper planning and consultation with all actors in the ground will need to be given sufficient time before conducting the field appraisal. Please see ActionAid's Emergency Response Guidelines for further details and readings.

Further Reading

ActionAid Emergency Response Guidelines

ActionAid Participatory Vulnerability Analysis field guide: <http://tiny.cc/N6BWx>

- CARE: *Decision Tree Tool for Food Markets* <http://tiny.cc/SJhmv>
- Helvetas: *Clients First! A Rapid Market Appraisal Toolkit* <http://tiny.cc/KeR4M>
- Practical Action: *Mapping the market - A framework for rural development policy and practice* http://practicalaction.org/docs/ia2/mapping_the_market.pdf
- Practical Action: *Mapping the market - Assessing market systems for and with the poor - presentation* http://practicalaction.org/docs/ia2/mapping_the_market_presentation.ppt
- SCF UK: *Household Economy Approach* <http://tiny.cc/dHr9Z>
- WFP: *Strengthening Emergency Needs Appraisal Capacity* (SENAC) programme
- Manchester University: *Using mixed methods to assess social capital in low income countries: a practical guide* <http://tiny.cc/6kdDX>

Chapter 3

Implementing livelihoods programmes

This chapter provides information to facilitate the selection of programme options. The lists of options are compiled from experiences of ActionAid and other actors working in different countries and disaster contexts. They can only serve as examples. Selection of programme options will always be based on a thorough understanding of the vulnerability and capacity, the outcomes of the appraisal and analysis outlines in Chapter Two, as well as clear programme objectives and analysis of response options and associated risks.

3.1 Appraising Livelihoods Options

The following criteria, along with our programming principles and basic premise, provide useful guidance for ActionAid and partners to assess the various livelihoods options to support women and excluded and vulnerable people during disaster situations. The information needed to appraise different livelihoods options against these criteria will come from the appraisal methodology described in Chapter 2.

Social feasibility: The proposed livelihoods options will need to be compatible with the needs and aspirations, culture, work ethic and livelihoods strategies, the economic and social structure and gender differences of the affected households and communities. Livelihoods options should improve the independence, innovative capacity and adaptability of the community and not increase their vulnerability. Livelihoods that are sustainable tend to evolve in response to local skills, market demand, comparative advantage and available resources.

Technical feasibility: The choice of the technology associated with the livelihoods options will be dependent upon four factors: its associated management intensity, technological complexity, risk level and cost. A labour-intensive operation is better suited for communities where labour is abundant; wage rates are low and capital relatively scarce. Livelihoods with a low-gain, low-risk strategy, in which the burden of risk is shared by others, are likely to be more attractive than ones which offer high gain and high risk. The long-term benefits of introducing livelihoods that may be simple but can guarantee early success with low risk may outweigh livelihoods that offer high profits but are more complex and expensive. Livelihoods must be at a level that can be maintained by the target group and can generate cash-flow over the long-term.

Institutional sustainability: The best approaches to rehabilitate livelihoods are those which can be sustained by the beneficiaries after external organisations, with their human, technical and financial resources, phase out their assistance to the community. Successful efforts to enhance existing livelihoods, diversify or adopt alternative livelihoods typically stem from participatory decision-making, bearing in mind people's capacity and incentives to engage in the livelihoods strategy. Rarely are livelihoods imposed from outside the community sustained. In the long-term, conditions in a dynamic environment will change and people will need to be provided with the skills and ability to innovate new strategies and adapt to change. Approaches to rehabilitating people's livelihoods must acknowledge that change to their environment is an ongoing process.

A viable livelihood today will only be sustainable if it incorporates the capacity to evolve with the changes around.

Supporting policy environment and infrastructure: The sustainability, and therefore choice, of a livelihoods option will depend on the availability of supporting infrastructure and the enabling environment. Government support and interventions, such as the establishment of production cooperatives, may be necessary to support the marketing system. Policy reform may be needed to create an enabling environment for the livelihoods options. For example, one of the most pervasive problems for many livelihoods options using natural resources is the lack of legal property rights to land, water and species. The strength of property rights will influence the nature of use and management of the resources, and the economic returns from the resource.

Market feasibility: The supply of necessary inputs to support a livelihoods option must be identified and secured, including credit, inputs, markets and technical assistance. Available credit at reasonable rates, training in business and financial management and credit supervision will be required. The marketing system should be examined to identify opportunities and constraints, such as product requirements, price, physical infrastructure improvements, marketing channels, and the role of market intermediaries. Effective technical assistance, such as extension services, that can provide specialised training and technical assistance on a continuing basis should also be explored. So should the availability and space of private sector support as actors that have the potential to provide, or help to provide, credit, markets and technical assistance.

3.2 Livelihoods Options during Emergencies

The following table lists some possible options for different types of communities during the relief and recovery phase. These must just be viewed as indicative and actual choices must be made on the basis of detailed appraisals as outlined in Chapter 2.

Livelihood Group	Livelihood Options
All groups (relief phase)	<ul style="list-style-type: none"> • Distribution of food and water. • Distribution of cash
All groups (recovery phase)	<ul style="list-style-type: none"> • Cash for work to build community assets such as roads, wells and ponds. • Cash grants to help replace lost assets such as livestock, boats, shops etc., rebuild livelihoods and protect remaining assets. • Adult literacy and training in interpersonal skills. • Vocational training, such as in handicrafts and construction work. • Setting up or strengthening savings, credit and mutual support groups. • Awareness-raising to break social stereotypes.

Livelihood Group	Livelihood Options
Fishing/ Coastal communities	<ul style="list-style-type: none"> • Protection work for coastal ecosystems (wetlands, mangroves, coral reefs, sea grass beds and sand dunes). • Provision of nets and boats. • Diversification of fishing, for example fish and prawn farming to use the flood water. • Support to design and supply of appropriate copra dryer with the involvement of communities and research institutions. • Coconut plantation and copra production linked with good marketing support scheme as livelihoods options with environmental benefits.
Agricultural producers (livestock and farming)	<ul style="list-style-type: none"> • Provision of improved seeds, tools, environmentally friendly fertilisers and pesticides and farming equipment. • Training on improved agricultural practices. • Small-scale irrigation schemes to encourage off-season cultivation. • Improving market access and power. • Setting up storage and marketing physical infrastructure. • Setting up producer cooperatives. • Land reclamation from water-logged saline agricultural lands. • Provision of cash and credit for agricultural activities. • Diversification of crops and varieties.
People engaged in trade and other income generating activities	<ul style="list-style-type: none"> • Vocational training. • Small-scale group enterprise (e.g. machinery, rented facilities, garments, paper, processing fish into pickles). • Household enterprise development through revolving fund or grant. For example, fish vending, shops, fruit vending, brick making, tea kiosks, food preparation, dress making, curd manufacturing, sweet making etc.

Livelihood Group	Livelihood Options
For Pastoralists:	<ul style="list-style-type: none"> • De-stocking and distribution of fresh meat to affected people during the emergency period. • Provision of feed and/or feed concentrates. • Restocking of livestock when situation allows for recovery. • Transport subsidy for traders for the restocking programme managed by community organisation to avoid fraud. • Animal health component by community-based animal health workers with support from relevant veterinary extension services. • Advocate and encourage for easing the pastoralist movement and migration, including cross-border utilisation of water, pasture and markets, as the key to their survival. • Support restoration of community water system. • Irrigable crop farming as an alternative livelihoods source. • Support and lobby for easing the constraints of livestock marketing. • Major animal diseases prevention through vaccination and prophylactic treatment. • Curative treatment against infectious diseases. • Strengthen disease monitoring and surveillance systems of strengthening community-based animal health services.
For people affected by violent conflict emergencies:	<ul style="list-style-type: none"> • Provide alternative formal education for ex-combatants and displaced youth. • Conduct market analysis and provide needs-based opportunity training. • Address short-term income needs through public work. • Provide funding for traditional ceremonies that promote restorative justice and the reintegration of ex-combatants. • Promote community peer education for youth ex-combatants. Encourage ex-combatants' involvement in civic community structures and groups. • Reconstruction of infrastructure and livelihoods including diversification. • Back-to-school programmes for children especially adolescent girls.

3.3 Policy and Advocacy for Livelihoods

While the impact of an emergency or conflict is felt locally, there are well-defined national and international dimensions to both their causes and their consequences. Undertaking policy and advocacy work to address these national and international factors is an important part of ActionAid’s human security work. ActionAid’s policy and advocacy work in human security is informed by its regular Participatory Vulnerability Analysis and its programme work on the ground. More specifically, it is important to identify:

Purpose and duration of advocacy: Immediate relief or longer-term impact.

Issues: The table below provides some possible issues to target during emergencies related to livelihoods work.

Advocacy beneficiaries: Usually the most vulnerable groups.

Advocacy targets: From village leaders to international actors.

Tools: Such as media, coordination meetings, local mobilisations, policy papers, public campaigns, street action etc.

Allies: These may be community-based groups, civil society organisations, or constituency groups for example.

Risks: The risks which such work may expose people, Action Aid staff and partners to, and strategies for minimising them.

The following table shows some indicative policy advocacy areas relevant to the different livelihoods groups affected by different forms of disaster. These issues are just examples of the types of issues that ActionAid could address during emergencies to help facilitate restoration of livelihoods. The specific issues in each emergency will depend on the findings of the PVA and livelihoods assessment described in Chapter 2.

Livelihood Group	Livelihood Options
Local issues	<ul style="list-style-type: none"> • Advocacy with community leaders for equitable access to community resources for vulnerable groups. • Advocacy with local service providers to ensure access for the most vulnerable groups. • Advocacy with whole community on resource conservation.
National issues	<ul style="list-style-type: none"> • Advocacy with the government for access to information, aid, goods and services for the most vulnerable. • Advocacy for provision of livelihoods inputs, support and infrastructure from government. • Advocacy with the government for land reform and redistribution.
International issues	<ul style="list-style-type: none"> • Advocacy with the G8 against elimination of non-tariff and tariff trade barriers against poor countries. • Advocacy with the G8 on climate change. • Advocacy on the removal of agricultural subsidies in rich countries.

3.4 Participatory Review and Reflection Processes in Livelihoods Work

Participatory review and reflection processes (PRRP) are a core commitment under ALPS and are to be undertaken in all programmes. The processes involve the affected people, ActionAid staff, peer organisations and partners. They can be undertaken for a range of purposes, including:

- To measure the impact, relevance, sustainability, coverage, coherence, efficiency, and effectiveness of a programme;
- To enable change and strengthen accountability;
- To establish evidence of the fulfilment and violation of rights so that work can be done to put pressure on duty bearers to meet their obligations to respect, protect and fulfil human rights;
- To get poor and excluded people’s feedback on and reactions to our work;
- To facilitate organisational learning;
- To strengthen partnerships and team building;
- To support advocacy efforts; and
- To influence an organisation’s culture.

I: Stages of Rights Based Monitoring and Evaluation

Thus, rights-based monitoring and evaluation, and specifically the PRRP mechanism, must be an inherent component of all emergency livelihoods programming.

A participatory review and reflection process should include the following stages:

1. Baseline data collection (preferably as part of participatory appraisals)
2. Participatory monitoring over the life of the project
3. Periodic (including end of project) evaluations

Baseline data collection: The baseline provides information about the status of the community at the start of the project, which is likely to be after a major disaster. This data is generally collected as part of the participatory appraisals done to feed into the programme design. Part of the focus in chapter 2 has been to analyse the situation of the community before the disaster so that we can improve upon that. Thus, the baseline information collected should focus not only on the status of the community at the start of the project but also its status before the disaster.

Monitoring throughout the life of the project: Monitoring focuses on analysing whether project activities, approaches and processes are going as planned, and identifying actual and potential problems and possible solutions. Thus, on the one hand, monitoring focuses on analysing satisfactory progress on the ‘hardware’ of the project, i.e. completion of planned activities. For this side, the work plan should be the basis for monitoring. On the other hand monitoring focuses on the ‘software’ side, on key approaches and processes, such as whether there is sufficient community participation, focus on women and other excluded groups, conflict sensitivity, coordination with other actors, and accountability and transparency to all key stakeholders, especially communities.

Monitoring should be conducted by the field and senior staff from the partner organisation and ActionAid, as well as programme, financial and audit staff from ActionAid at field, head office and regional levels. It should also involve IECT advisors and senior management team members. Each of these will be involved at different times and with different focus depending on their function. It is useful to develop a monitoring framework at the start of the project specifying the aspects to be monitored and who will monitor what and with what frequency.

Periodic Evaluations: While monitoring focuses on activities and processes, evaluation focuses on the outcomes and impact of the project on the basis of certain key criteria. Evaluations are generally led by people who have not been directly involved in the implementation of the project, such as external consultants or national or international thematic and impact assessment staff. It is important to budget for evaluations at the start for all major emergency responses.

II: Key Criteria for PRRP

It is necessary to have a well identified list of criteria for which data will be collected for the purposes of the PRRP. This list of criteria should be developed at the start of the project for all phases of the PRRP. While the complete list will be used for the evaluation stage, some of the same criteria should be used at baseline (those related to the status of the community) and monitoring (those related to activities and key processes). The following is a list of suggested criteria for evaluations:

1. Speed of response.
2. Achievement of project objectives.
3. Focus on most vulnerable people and their most priority needs.
4. Impact on the socioeconomic status of the most excluded.
5. Increase in the power and access of the most excluded.
6. Integration of women's rights.
7. Community participation.
8. Capacity building of communities and partners.
9. Transparency and accountability.
10. Technical standards.
11. Impact on root causes / sustainability.
12. Integration of advocacy and policy work.
13. Disaster risk reduction achieved.
14. Conflict sensitivity.
15. Quality of project management.
16. Grant and donor relationship management.
17. Areas of best practices and processes.
18. Lessons for future programming options and next steps.

III: Approaches to Data Collection for PRRP

Some data will need to be collected for each of the stages of the PRRP. This data could be collected through the following approaches:

Quantitative approaches: This involves collecting numerical data at the household and community level on key socio-economic dimensions, such as income, assets and demographic variables and then recollecting them periodically to analyse whether there is any improvement over the life of the project. While this method is rigorous, it has the following disadvantages:

- It is costly and time consuming and requires advanced technical skills for data collection and analysis. It is difficult to meet these prerequisites during emergency programming.
- The reliability of data may not be high as people are generally reluctant to share such information with outsiders, especially during emergencies.
- Quantitative approaches do not yield in-depth information about complex phenomenon, especially power dynamics, vulnerability and discrimination.

Qualitative approaches: This involves collecting information about people's opinions and perceptions through open-ended individual or group discussions. While these approaches may lack the vigour of quantitative methods, they do have several advantages:

- They allow analysis of complex social and political phenomena, such as power relations, that may not be possible with quantitative approaches.
- Data is easier to collect and analyse and requires skills that are more commonly available within ActionAid.
- Data is generally collected from rights-holders, agency and partner staff, government officials, market actors etc. about the major changes that have happened within the community as a result of, or alongside, the project.

Some of the common qualitative approaches include individual and group discussions, focus group interviews, individual family case studies, public tribunals and citizen's commissions. For a detailed discussion of the main qualitative approaches, please see the ActionAid Emergency Response Guidelines.

Involvement of the community in PRRP is mandatory. Community involvement can take the following progressively higher forms:

- Collecting opinions from right holders.
- Setting the objectives and methodology of PRRP in discussion with the community.
- Involving the community in data collection and analysis.

IV: Useful Tips

- Set-up simple, practical monitoring and evaluation systems.
- Focus on key questions such as "Is our assistance delivered? Who received what?"
- Collect only relevant information related to the programme which we will use.
- Discuss the monitoring results with the recipients and get them validate results.
- Include recipients and staff in setting monitoring indicators and collecting and analysing data.

- Remember that someone has to be tasked with compiling all of the information gathered and interpreting the changes noted in the data, how they link to the programme, its impact and its closure.
- Gathering information over the life of the programme allows for different observations to be made. When gathering data directly from recipients and other stakeholders, remember that the later monitoring is undertaken, the more dependent it is on memory.
- Managing a review and reflection process can be time-consuming, so it is necessary to keep an eye on its impact on existing workloads in the context of disaster. It may be useful to explore ways of integrating review and reflection processes into ongoing activities such as monitoring visits, field visits, staff retreats, annual audit, reporting, etc.

Further Reading

- AA Emergency Response Guidelines - available on the Hive at https://hive.actionaid.org/Human_Security_Theme/Human%20Security%20key%20documents/Forms/AllItems.aspx
- ALPS <http://tinyurl.com/mfe78s>
- Feinstein International Centre: *Handbook for Participatory Impact Assessments of livelihoods interventions in the humanitarian sector* <http://tiny.cc/gAlqC>
- Practical Action: *Mapping the market - Participatory market-chain development in practice* http://practicalaction.org/docs/ia2/mapping_the_market_albu_griffith_sedj-june2006.pdf
- Report on Livelihoods Programme in Andaman & Nicobar Islands - contact IECT Communications & Support Officer for a copy

Chapter 4 Cash transfer programming

People affected by disasters may need external assistance in order to survive and recover. Such assistance can be in the form of cash or in kind. Cash transfer can be used in pre-disaster situations in preparation for a predictable shock or as part of a disaster risk reduction programme; to meet immediate food and non-food needs after a disaster; or to help the recovery process and contribute to poverty alleviation.

Targeted properly, cash can:

- support productive investments,
- provide a better bargaining base for poor households,
- improve access to social services such as health and education,
- enable people to repay debts and increase their creditworthiness to protect their livelihoods (although conversely, some people prefer food as cash can be demanded by the lenders),
- acknowledge people's dignity,
- enable host families to support displaced people as an alternative to camp-based help.

Thus, cash programming is increasingly seen as a flexible, empowering intervention that can immediately facilitate recovery among disaster-affected people. However, a cash-based response works best when the following conditions are in place:

- A functioning market.
- No excessive taxation of goods that affect supply and prices.
- A reliable recipient identification system that allows targeting of the most vulnerable.
- A functioning and reliable system through which payments can be made to traders (voucher programme) and/ or beneficiaries.
- Traders willing to participate in such a programme.
- Political acceptance among key stakeholders.
- Acceptable security levels and awareness of possible threats to staff and beneficiaries.
- Sufficient institutional capacity within the agency.

Moreover, the provision of cash alone is not always sufficient. To meet these conditions, and other needs, cash transfer programmes often need to be linked with others that focus on improving infrastructure, market support and the availability of services. Cash programmes can also include the distribution of in-kind commodities. However, this requires on-going dialogue with other organisations and with local and national level authorities.

In all cases, cash-based programming needs to be sensitive to possible forms of gender based discrimination. Experience suggests that cash transfer programmes that target women increase the likelihood that the wider household will benefit. Targeting women may not be culturally appropriate in some societies but it may be possible to target women and men together, i.e. both husband and wife are required to sign for the cash transfer.

4.1 Types of Cash Programming

Cash programming can serve as an instrument of assistance in pre-disaster chronic food insecurity or as a social safety net for disadvantaged groups. It can also be used as a relief and recovery/ reconstruction/ development response for those people affected by a specific disaster.

I: Social Transfers

Social transfers are regular and predictable grants – in the form of cash, in-kind or as vouchers – that are provided to vulnerable households or individuals. They would normally be provided to those citizens regarded as living in conditions of long-term extreme poverty or vulnerability. Social transfers can:

- Give households with some productive capacity greater confidence to undertake more risky activities, knowing they will have a minimum income to fall back on. When they hit by crisis, they have less need to sell their productive assets. They are also more able to delay sales of produce, thereby obtaining a better price; Help beneficiaries to invest in small-scale productive activities and assets, thereby setting in motion a potential multiplier effect;
- Stimulate local markets and, therefore, generate a significant ‘multiplier’ effect that benefits the whole community and the local economy;
- Address the needs of disadvantaged groups (people living with HIV, elderly, women and girls);
- Enable households to gain greater independence and control over their lives. It also restores dignity for those people considered as economic burden.
- Promote the strengthening of the state’s relationship with its citizens.

II: Unconditional Cash Transfer for Disaster Relief

Where local markets are undeveloped or destroyed by a disaster and purchases are difficult to make, in-kind assistance may be the preferred option for an immediate relief response. However, in the subsequent period or when there is a functioning market, the evidence suggests that traders (sometimes with the help of others) are able to respond to influxes of cash even in remote or conflict affected areas. In some cases, it may also be appropriate to provide a mix of cash and food, perhaps to ensure that young children or older people receive adequate nutrition. Cash transfer in the form of direct grant could be an appropriate relief response:

- For those vulnerable disaster-affected people who are physically not able to work, such as elderly, disabled and pregnant. However, cash grants may not always be appropriate. You need to explore with affected people the possibilities of engaging them in some form of meaningful cash for work (e.g. handing out water, preparing food or taking registers) that are more suitable for people who are less able to do hard physical labour. In this way they will get full cash-for-work wage and feel more dignified.

- When disaster affected people are engaged in their livelihoods recovery work (e.g. working on their farm) and they have little time to spare for public cash-for-work activities.
- In a conflict situation where the security of the disaster-affected people is compromised by working in public or individual work programmes.

In a cash grant scheme, deciding what constitutes an appropriate amount to support basic needs is crucial for both emergencies and social protection programming. It is recommended that a social minimum should be calculated that guarantees a constant entitlement to basic food and non-food items, and the cash transfer should never drop below this floor amount even if prices fall, so that essential goods and services are affordable. This will require discussion with the affected people, other actors working in the area and also a market price analysis (including forecasts) of those identified commodity baskets that households need.

Inflation may erode the value of a cash transfer over time. It may, therefore, be necessary to adjust the value of a grant in response to rising prices (making the cash transfer index-linked) or to develop contingency plans in the event of prices rising above a certain level. It may also be possible to address the market constraints that have caused a price increase (e.g. repair roads, support traders to restock).

Provision of cash grants and food aid at the same time needs also to be considered. This option may be appropriate when there are concerns about the availability of food, access and market weakness. However, the additional advantages need to be balanced against the additional administration and logistical complexity of providing both food and cash. Size and timing of cash grants need to be carefully determined.

III: Cash for Public Work

Cash-for-work programmes are a form of humanitarian response that can help disaster affected people to meet their basic needs as well as rebuild their community assets. This might be clearing the road of debris, repairing water sources or rehabilitating farm lands for cultivation. In some cases, cash-for-work can also help disaster affected communities to mobilise the community to leave their homes, helping them to overcome the psychosocial impact caused by the disaster and participate in and make decisions about plans to rebuild the community.

The key issue in cash-for-work projects is the setting of the wage rate. Wage rates will be set at a level that helps disaster-affected vulnerable people to meet their basic needs. However, the payment rate will be set slightly below the market wage rates to avoid competing with the labour market.

Often, depending on the type of work, cash-for-work programmes can exclude women and at best they are paid lower wages than men. ActionAid will always provide equal opportunity to both men and women. This may require addressing some of the impediments women are facing, for example by supporting childcare at project sites and compulsory break times for all so that women can feed their children without feeling marginalised. All these will add to the empowerment of women and help to challenge social attitudes.

Gender balanced village level committees need to be formed by the community to:

- identify the most vulnerable family and community members;
- prepare lists of suitable employees;
- draw up lists of proposed work to be carried out;
- monitor the work done on the chosen sites;

- conduct village meetings for planning and problem solving;
- ensure payments are made correctly and recorded efficiently; and
- encourage people to take part in collective activities.

IV: Cash for Individual or Household Recovery Work

This is cash transfer for vulnerable individuals, households or groups of households with a condition for taking part in their own recovery work (e.g. rebuild their house, plant seeds, provide labour or re-establish their livelihoods). This form of cash-for-work is more meaningful in a context where it is not recommended to provide a blanket cash grant for all disaster affected vulnerable communities.

Cash grants may provide useful support to people rebuilding their livelihoods, but they should certainly not be seen as sufficient. People may still need technical assistance to develop and sustain small-scale business and enterprises. This could involve a wide range of complementary interventions, such as help with developing and implementing business plans, vocational training, support in developing and accessing markets, or assistance in procuring key assets. One strategy is to establish community livelihoods committees to enable people to discuss how they might make the most productive use of the cash, share ideas and encourage one another towards investment rather than consumption spending.

It is important that cash and grants are understood within a long-term strategic approach, such as introducing the rights-based approach and lobbying for entitlements. For example, this may mean assisting through policy advocacy work to secure ownership of assets created by the cash grant and cash for work programmes. Conscious steps need to be taken to mainstream women's rights across the programme, providing support for organisation, and space for discussing and solving problems, issues and challenges facing them.

4.2 Planning Cash Programming

Cash programming will be based on some of the same underlying appraisal work described in Chapter 2, in particular the assessment and identification of the most vulnerable households and groups.

The key steps in planning a cash or grants programme are:

- I Appraisal
- II Setting Objectives
- III Establishing the Value
- IV Identifying the Recipients
- V Disbursement Mechanisms
- VI Distribution Timeframe
- VII Risks in Distribution and Delivery
- VIII Monitoring and Evaluation

I: Appraisal

An initial appraisal of the needs and rights which are to be fulfilled or supported by a cash programme will help to decide on the appropriate strategy. The following aspects need to be taken into consideration:

Issues	Quick questions
Needs and rights	<ul style="list-style-type: none"> • What has been the impact of the shock on people's livelihoods and ability to access sufficient food and income? • What are people likely to spend cash on? • Is there a preference for cash or in-kind support? • What are the government and other agencies providing?
Markets	<ul style="list-style-type: none"> • Can the market supply what people need at prices they can afford? • What impact is a cash injection likely to have on the local economy?
Security and delivery options	<ul style="list-style-type: none"> • What is the most appropriate option for delivering cash to people? • What are the relative security risks of a cash transfer compared to in-kind distributions?

Issues	Key questions
Social and power relations in the household and community	<ul style="list-style-type: none"> • Should cash be distributed specifically to women or to men, or to both? Do men and women have different priorities? • Do men and women currently earn and spend income? • Are there risks of exclusion of particular groups? • What impact might cash distributions have on existing social and political divisions within the communities?
Cost-effectiveness	<ul style="list-style-type: none"> • What are the likely costs of a cash or voucher programme, and how do these compare to in-kind alternatives?
Corruption	<ul style="list-style-type: none"> • What are the risks of diversion of cash by local elites, compared to in-kind alternatives?
Coordination and political feasibility	<ul style="list-style-type: none"> • How would a cash project complement other forms of assistance that are being provided or planned? • What permission would be required to implement the cash project?
Skills and capacity	<ul style="list-style-type: none"> • Does the agency have, or have access to, the skills and capacity to implement a cash transfer project and distribute the cash? • Are there sufficient funds for building capacity for the management and administration of cash, accounting, supervision, etc.?

II: Setting the Objectives and Strategy

The team will need to be clear about the objectives of a cash transfer programme: what is it trying to achieve? How will people's situation change as a result? The objectives might be asset recovery, avoiding destitution, restoration of people's livelihood sources, debt repayment, poverty alleviation, shelter reconstruction, etc.

Based on the appraisal, and depending on the problem being addressed, the intervention's objectives and the targeted groups, the most appropriate response to the identified need and rights can be chosen: a cash transfer, an in-kind transfer or a combination of cash and in-kind assistance and support to microfinance institutions. Different forms of cash transfer can complement each other and a combination of approaches may be the most appropriate. Find out what beneficiaries themselves consider the most appropriate forms of assistance.

III: Establishing the Value

The value of the cash transfer, the amount to be given, is linked to the programme objectives. For example, if the objective is to cover food needs, the transfer should equal the gap between people's food needs and how far they can cover these needs themselves without resorting to damaging coping strategies. Larger payments, especially if they are regular, allow people to invest in health, education and livelihoods support, which provide longer-term benefits. Such payments must be delivered in time. When setting the value of the cash transfer, take the following issues into account:

- What is the cash intended to cover? For example, food, other basic needs, recovery or diversification of livelihoods, etc.
- How much do those items cost? Are the prices likely to increase during the duration of the programme?
- Will there be any additional costs for taxes/ licenses?
- Do the intended recipients have any debts from before the disaster? Is there any possibility of these being deferred or written off? Will repayment costs need to be factored into cash grants to allow people to buy essential items?
- Are other programmes necessary? Do beneficiaries require technical support, advice or in-kind assistance?
- Do beneficiaries receive assistance from other programmes? If so, some coordination will be necessary.
- Should payments vary according to household size and vulnerability? Will they fluctuate over time according to price changes?
- How should payments be implemented? Should they be one-off or in tranches?

IV: Identifying the Recipients

The criteria and groundwork for identifying the target groups will have been established during the appraisal described in Chapter 2. However, it is important to establish a secure list of recipients, and to engage the wider community in this process to avoid, or deal with, conflict of interests and opinions.

V: Disbursement Mechanisms

Methods for delivering and distributing cash transfers will be different depending on the context, the programme type and its duration. It is not possible to make hard and fast recommendations about which mechanisms is likely to be most appropriate. Choosing which mechanisms to use for transferring cash clearly has to be a context specific judgment, assessed on a case by case basis. It is, however, important to explicitly assess the costs, strengths and weakness of a wide range of options, ideally as part of a pre-disaster contingency planning exercise. These options include:

Method	Factors to take into account
<p>Transfer cash into bank accounts.</p> <p>Payments can be made into individual accounts, or the bank can make payments to people without requiring them to open accounts, on production of identification.</p> <p>The advantages are security, allowing people to access funds as convenient, and helping people to link with the formal financial sector for other goods and services, such as credit and savings.</p>	<ul style="list-style-type: none"> • Beneficiaries may need help to set up an account. • Computerised banking systems are necessary for accountability. • The capacity of local banks to be involved and their willingness to accept responsibility. • Proximity of recipients to banks. • Resource requirements for verification of all phases of fund transfer. • Funds may be required to enable recipients to open an account. Agree a minimum cash level with the bank. • A separate account for the programme funds needed. • A document proving identity is generally required to open a bank account.
<p>Transfer cash to local remittance and money transfer companies</p> <p>This can be a very good form of delivery in conflict situations. However, this system may require greater monitoring for accountability, effectiveness, timely delivery and auditing purposes.</p>	
<p>Direct payment to recipient:</p> <p>Direct distribution of vouchers or cash by an implementing agency to beneficiaries, either individually or in groups entails considerable input from administrative, management and financial staff and requires the development of cash transfer systems, procedures and guidelines.</p>	<ul style="list-style-type: none"> • Cash needs to be ordered in advance. • Cash in small denominations should be provided for use in local markets. • Safe storage facilities are needed. • Spreadsheets listing each recipient need to be prepared to track distribution. • Receipts should be prepared. • Distribution sites need to be set up with appropriate facilities such as chairs. • Security issues need to be considered. • In some rural environments people may not have personal documents or photographs, so observer verification during distribution will be necessary. • Transport and logistics.

Method	Factors to take into account
<p>Mobile phone</p> <p>Though still in their infancy, and available only in a few countries, mobile banking applications and services are becoming increasingly available and popular. This means people transferring money from one mobile phone to another, using services provided by the mobile phone operators, such as Kenya's M-Pesa. The recipient receives a message on their mobile phone, which they can convert to cash from one of the local service operators without need for a bank account. Cash transfer via mobile in emergencies has been piloted, and in some cases recipients were provided with mobile phones and SIM cards to enable them to join the scheme, which had a further positive impact on livelihoods.</p>	<ul style="list-style-type: none"> • It requires a mobile banking service to be in place in the country. • It requires network coverage. • Recipients need to be registered and have access to mobile phones. • It requires working closely with the mobile banking service agents, local police and others, to ensure that they have sufficient capacity and security to increase their cash flow and distribution
<p>Direct cheque distribution to recipient</p>	<ul style="list-style-type: none"> • Recipients need bank accounts.
<p>Mobile ATMs (automated teller machines) for cash withdrawals</p> <p>Recipients are given a card, which can be used to withdraw a specified amount of cash from a vehicle equipped with an ATM. Unlike smart cards, these can only be used to withdraw cash in an ATM vehicle.</p>	<ul style="list-style-type: none"> • It requires road access and secure and technically appropriate vehicle.

Method	Factors to take into account
<p>Smart cards</p> <p>Smart cards store and record the type and value of assistance per recipient. Bio-metric data such as a fingerprint can be registered, converted and stored on the chip of the card for on-site identification. During payment, people with disabilities, older beneficiaries etc can be given fast track processing.</p>	<ul style="list-style-type: none"> • The system is expensive and technologically complicated to establish. • It takes time to set up and is better suited to long-term distribution processes, such as government supported grant and benefit schemes.
<p>Money orders</p>	<ul style="list-style-type: none"> • The service centre needs to be within a reasonable distance of recipients' community.
<p>Local businesses</p> <p>Funds are sourced from local businesses for delivery to beneficiaries and businesses are then reimbursed.</p>	<ul style="list-style-type: none"> • Some of the same concerns as regards security and distribution persist. • There need to be strong accountability and auditing systems.
<p>Community-based organisation (CBO):</p> <p>Funds are provided to a CBO for onward distribution to beneficiaries.</p>	<ul style="list-style-type: none"> • This system may be more feasible in situations where the social welfare ministry can provide recipient bank data.

The first step will be to map out the alternatives (e.g. formal banks, postal office, and remittance companies, etc.). Then, in weighing up the different options for disbursing cash, managers need to be clear about the different options available, how much travel each will require, how frequently payments will be required and the security and corruption risks involved. The risks of corruption often occur at the registration and targeting stage. Community targeting creates incentives for local committees and powerful elites to manipulate beneficiary lists through cronyism or by demanding bribes, and ghosts or duplicate names may be included on registration lists. There is also a risk of diversion during the distribution phase. One way to minimise the risk of corruption is by being as transparent as possible about the amounts people are entitled to. In situations of conflict it is important to monitor whether cash distribution could make conflicts worse.

It is also important to consult beneficiaries before making final decisions. Simply asking people how they ordinarily receive and transfer cash may suggest possibilities that have not been considered. Group discussions could be held involving different sections of the community to explore the advantage and disadvantage of different options. It is important to consider the mobility of groups such as the elderly and the disabled, and issues of literacy or familiarity with modern banking technology. In particular it is important to apply a gender analysis, to assess the best way to ensure that women have access to and control over at least some of the money transferred.

VI: Distribution Timeframe

Agencies should inform beneficiaries in advance what they will receive, when they will receive it, how many payments to expect and for how long. Seasonal factors need to be taken into consideration when defining the distribution time frame.

VII: Risks in Distribution and Delivery

The main threats to security are theft and diversion. Good programme design and planning should help to understand where the risks lie and act to minimise them. Apart from the corruption risks identified in section V above, there are also important security risks at different stages of the process. The choice of distribution site is critical in terms of reducing security risks. In direct cash distributions, people should know roughly when the distribution will take place, so they can make plans to be there. But to decrease security risks, it may be necessary to inform people of the exact time and place a day or less in advance.

Consider also taking out insurance against the risk of loss in transporting cash to projects in areas where there are no banks or sub-contract a company to deliver the cash by security vehicles accompanied by the police. Other security precautions include varying payment days and locations, minimising the number of people who know when cash is being withdrawn and transported and using different routes to reach distribution points. The need for openness should be balanced with the need, for security reasons, for confidentiality about the time and location of distribution and beneficiary lists. Some of the steps that can be taken to minimise risks to different actors are given in the table below:

Group at risk	Steps to reduce risk
AA and partners	<ul style="list-style-type: none"> • Inform stakeholders in advance about how payments will be made. • Take out insurance to cover the risk of loss while transporting cash. • Limit the number of people who have specific information. • Make payments on a random basis. • Vary the location of payments if possible. • Vary the routes of staff carrying money to and from the field. • Vary the individuals who make the payments. • If carrying money by car, hide the cash in different parts of the car. • Ensure that staff implementing the programme know the local area. • Avoid spending the previous night on site when distributing cash. • Print vouchers outside the area of operation. • Use local business executives to transport and distribute the money. • When distributing cash/vouchers directly, make sure local authorities and committees are present for transparency and accountability. • Validate the vouchers.

Group at risk	Steps to reduce risk
Beneficiaries	<ul style="list-style-type: none"> Decentralise distribution so that smaller amounts of money are transported to different locations and recipients have a shorter distance to walk home. Ensure that payments are completed in time for recipients to reach their homes in daylight. Establish safeguards for smart card activation such as biometric matching techniques. An abundance of weapons in war-torn and post-conflict societies may present increased risks. Carefully assess the risk associated with these situations.

VIII: Monitoring and Evaluation

Agencies should regularly monitor:

- What people are spending the cash on.
- Where people are buying key good, and the accessibility of markets.
- What is happening to prices.
- Whether people are receiving the right amount of cash, and are able to spend it safely.

The following table gives some key questions for monitoring, and suggests some methods and indicators for monitoring these.

Key questions	Methods	Indicators
<ul style="list-style-type: none"> Did people get the right amount of cash? Were distributions efficient? 	Post-distribution monitoring surveys.	<ul style="list-style-type: none"> Amount received. Time spent waiting at distribution sites.
<ul style="list-style-type: none"> Was cash delivered and spent safely? Were any security issues reported? 	Interviews, focus group discussions. Reporting and analysis of any security incidents.	<ul style="list-style-type: none"> Accessibility of transfer mechanisms. Distance to distribution point.
<ul style="list-style-type: none"> Was targeting effective? Were any beneficiaries disadvantaged by the transfer system chosen? 	Assess whether beneficiaries met targeting criteria and whether people who met the criteria were excluded. Ideally, make comparisons with targeting in other interventions.	<ul style="list-style-type: none"> Access to transfers by different groups.
<ul style="list-style-type: none"> Was there any abuse or corruption in targeting or distribution? Did the agency have sufficient skills to manage the cash programme effectively? 	Interviews, focus group discussions – ideally by an independent body. Interviews with project staff.	

Key questions	Methods	Indicators
<ul style="list-style-type: none"> What were beneficiary views on the use of cash/ in-kind assistance? Which option did they prefer? How cost effective was the cash compared to in-kind alternatives? 	Interviews and focus group discussions, with special attention to the reasons for any preferences. Cost-effectiveness analysis.	
<ul style="list-style-type: none"> How did the cash project coordinate with other interventions? 	Mapping of other interventions. Interviews with other aid agencies working in the area. Interviews with agency staff working on other projects. Interviews with the affected communities about the range of interventions.	
<ul style="list-style-type: none"> What did people spend the cash on? How did this affect livelihoods? 	Interviews, surveys, focus group discussions.	<ul style="list-style-type: none"> Significance of the transfer as a component of HH income.
<ul style="list-style-type: none"> Where and how accessible were the markets where cash was spent? Did any beneficiaries find it difficult to reach markets? 	Interviews, surveys, focus group discussions. Focus on potentially vulnerable people, such as the elderly.	<ul style="list-style-type: none"> Distance to market. Time taken to purchase goods.
<ul style="list-style-type: none"> What was the impact of cash transfer (positive or negative) on the local economy? Were prices influenced by the cash transfer? 	Market price monitoring. Interviews with traders and local business.	<ul style="list-style-type: none"> Prices of key food and non-food items.
<ul style="list-style-type: none"> How did households decide how to use the cash? Were there any tensions? 	Interviews, focus group discussions with key informants, grant recipients and non-beneficiaries. Separate discussions with women and men.	
<ul style="list-style-type: none"> Have women or marginalised groups been empowered as a result of the cash project? 	Interviews and focus groups.	<ul style="list-style-type: none"> Awareness of specific women's rights, such as equal pay for equal work

Key questions	Methods	Indicators
<ul style="list-style-type: none"> Did cash meet specific objectives? 		<p>indicators should be based on the objectives, for example:</p> <ul style="list-style-type: none"> The number of beneficiaries who start an income generating activity, The number of income generating activities going after x months; The number of houses built, The number of beneficiaries with savings.
<ul style="list-style-type: none"> Were there wider/unintended impacts? How has the cash project affected traditional systems of community self-help? How has the cash project influenced local debt and credit markets? 	Interviews with credit providers (both formal and informal)	<ul style="list-style-type: none"> Use of cash to repay existing debts. Influence of cash on willingness to repay debts.
<ul style="list-style-type: none"> Did cash-for-work projects build useful and sustainable community assets? 	Assess the quality of assets built and sustainability issues, such as arrangements for maintenance.	
<ul style="list-style-type: none"> Did cash-for-work projects affect local labour markets? 	Interviews and focus groups with labourers and employers.	<ul style="list-style-type: none"> Local casual labour rates before and after cash-for-work projects.
<ul style="list-style-type: none"> What is the level of employment for men and women? 	Analysis of data	<ul style="list-style-type: none"> Number of people who worked, disaggregated by gender, marital status, vulnerability and former occupation. Total number of work days provided. Average number of work days per household. Total number of work days for village and average across project area.
<ul style="list-style-type: none"> Did labour poor households and other vulnerable groups benefit sufficiently from the project? 		<ul style="list-style-type: none"> Policies in place to ensure support provided to these households. data on use of child labour, and mechanisms for addressing children's needs.

Further Reading

- Oxfam GB: *Cash for Work Programming practical guide*, <http://tinyurl.com/m6f4tz>
- Oxfam GB: *Cash Transfer Programming, 2003* <http://tinyurl.com/lt8718>
- Concern Kenya: *Evaluation of Kerio Valley Cash Transfer Pilot, 2008* <http://tinyurl.com/njnhhr>

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ActionAid is an international anti-poverty agency
working in over 40 countries, taking sides with poor
people to end poverty and injustice together.

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