

Evaluation of the Food Insecurity Cash Transfer Programme (Malawi)



Cash Distribution in Nsanje District 2016. Photo courtesy: John Muhia (IFRC).

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Abbreviations/Acronyms

ADRA	-	The Adventist Development and Relief Agency
BSS	-	Beneficiary Satisfaction Survey
CBHFA	-	Community Based Health and First Aid
CTP	-	Cash Transfer Programme
DEC	-	District Executive Committee
DCPC	-	District Civil Protection Committee
DM	-	Disaster Management
EA	-	Emergency Appeal
EPoA	-	Emergency Plan of Action
HQ	-	Headquarters
IEC	-	Information Education and Communication
IFRC	-	International Federation of Red Cross and Red Crescent Societies
MRCS	-	Malawi Red Cross Society
MK	-	Malawi Kwacha
MoAIWD	-	Ministry of Agriculture, Irrigation and Water Development)
MVAC	-	Malawi Vulnerability Assessment Committee
MT	-	Metric Tonne
NS	-	National Society
PMER	-	Planning, Monitoring Evaluation and Reporting
RDRT	-	Regional Disaster Response Team
PNS	-	Partner National Society
SARO	-	South Africa Regional Office
SGBV	-	Sexual and Gender Based Violence
SRC	-	Swiss Red Cross
UNHCR	-	United Nation High Commission for Refugees
WASH	-	Water, Sanitation and Hygiene

Executive Summary

Malawi, typically a self-sufficient maize producer, has suffered poor crop performance this year due to a late and erratic start to the rainy season, followed by damage from severe flooding in the southern half of the country, and periods of prolonged dry spells across most of the country for the latter half of the season. The Malawi Vulnerability Assessment Committee (MVAC) report of July 2015 estimates that maize production has seen a 30% reduction from 2014. The national consumption requirement for 2015/16 is 3,000,000 MT of maize. The estimated maize deficit is 223,723 MT.

The prolonged dry spells and floods not only affected maize production, but other crops were also affected –groundnut harvests are down by 21 percent, rice 13 percent, cotton and tobacco cash crop reduction is also down by 31% and 5% respectively. This will leave more than 2.8 million people in Malawi food insecure for a period of between 3 to 8 months between October 2015 to March 2016. 25 out of the 28 Districts in Malawi have been affected. Of the 2.8 million people affected 886,204 are living in the hard-hit flooded districts and 1,947,008 are in Districts affected by poor rainfall. An estimated 20 to 40 percent of Malawi's population are in need of humanitarian assistance to help them cope with this acute food shortage.

The Malawi Vulnerability Assessment Committee (MVAC) conducted its scheduled annual assessment for 2015 from 3-19 June 2015. The assessment results showed that the total number of people who will not be able to meet their annual food requirements during the 2015/2016 consumption period was 2,833,212 (representing 17% of the National total population of 16,310,431). The affected districts have annual food deficits ranging from 3 to 8 months. The total humanitarian staple food needs to support the affected population is estimated at 124,183 metric tonnes of maize with a cash equivalent of MK18.6 billion (if sourced locally). Out of the 28 districts, 25 districts were reported to be affected

The MRCS through the food security cluster and the district executive committee (DEC) proposed to support 2 districts namely Phalombe and Nsanje through cash transfer interventions for a period of 5 months. The MRCS launched an Emergency Appeal operation with support from the International Federation of Red Cross and Red Crescent Societies (IFRC) with a focus on 3 broad outcomes as summarised below:

Outcome 1: 10,000 beneficiaries (2000 households) receive food assistance over 5 months through cash transfer (direct cash or vouchers)

Outcome 2: Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions:

Outcome 3: The management of the operation is informed by a comprehensive assessment, monitoring and evaluation system

Distribution of agricultural inputs (cassava cuttings and sweet potato vines) was part of the intervention. However, due to low funding levels of the food appeal, this outcome was not implemented.

In order to support, the emergency appeal MDRMW012 was launched which focussed on providing support, mainly in the areas of health and care and WASH. The appeal was finalised in January 2016. A review was performed in order to capture the key learn lessons for future operations. The main objective was to assess (according to a common methodology) the appeals: relevance and appropriateness; efficiency; effectiveness; coverage; coordination; sustainability and connectedness.

The joint evaluation of the Malawi Drought operation identified the challenges, ways to overcome them, key recommendations and lessons learned.

The review showed that an intervention in Malawi to counter the drought proved to be highly relevant: effects of the dry spells have affected lives of Malawians both by diminished yields and by higher market prices for food. It also highlighted that cash transfers via mobile phone agents were both efficient and effective. The cash transfer programme (CTP) was highly welcomed by affected communities as it offered flexibility to the extent that beneficiaries were able to address their dearest

needs. Furthermore, evaluation indicated that the targeting and selecting of beneficiaries was perceived as transparent and fair, as it was based on a participatory process.

Main challenges were found to be (1) timing issues due to underfunding, (2) the lack of inclusion of market components, (3) insufficient communication and (4) the unavailability of mobile phones. In particular and in encountering the challenges materialized in this CTP, this evaluation recommends to (a.) raise awareness pro-actively on imminent funding gaps and at an early stage and using different channels (IFRC, PNS's), (b.) include more comprehensive market surveys, (c.) ensure efficient and continuous communication (e.g. status, progress and challenges) and (d.) assure availability of mobile phones and ownership of beneficiaries by partially including them in the procurement of the devices.

The CTP was well received by MRCS, with support from the IFRC Operations Manager, as well as by communities and individuals. Operationally, transferring the cash on mobile phones using an external operator proved to be fast, efficient and accountable. Due to underfunding of the EA however, activities planned and mentioned in Outcome 2 (distribution of seeds and fertiliser) could not be implemented. The funding constraints also affected the quality of the response (e.g. inadequate PMER and communication services).

Based on the experiences of the Malawi emergency drought intervention, the review had the aim to improve future interventions using cash transfers in the future and thus to contribute to organisational learning within the IFRC and the RC Movement. In the light of this, the review collected key lessons learned from Malawi (see chapter 4) and developed a series of concrete recommendations (see chapter 5) that are applicable to potential other contexts.

Chapter 1: Introduction

This document includes a review and an evaluation of the MDRMW012 Malawi Drought Operation. This chapter starts by setting the context, identifying the objectives of the review and by explaining the methodology of the evaluation and the limitations.

1.1 Background

Malawi experienced a number of weather related hazards during the 2014/15 agricultural production season. The start of the season delayed by about 30 to 40 days due to late onset of rains. The delayed onset of rains was followed by heavy rains in January 2015 resulting in widespread floods and wash-aways. As a result of the floods, properties such as shelter, crops, livestock and sadly lives were lost. The heavy rains also caused wash-away of soil nutrients and affected farming activities such as planting, weeding, and ridging as well as fertilizer application.

The country also experienced dry spells in most districts for a period of about 4 to 6 weeks, between February and March 2015, which resulted in early tail-off rains. This affected crop development resulting in low yields/production of most crops. National crop production was severely affected by a combination of these hazards ranging from late on-set of rains, prolonged dry spells, floods to early cessation of rains. The Northern and Central Region were largely affected by dry spells and early cessation of rains.

The third-round crop assessment from the Ministry of Agriculture, Irrigation and Water Development (MoAIWD) showed that staple maize production for the 2014/15 agricultural season was estimated at 2,776,277 metric tonnes compared to 3,978,123 metric tonnes during the previous season.

The Malawi Vulnerability Assessment Committee (MVAC) conducted its scheduled annual assessment for 2015 from 3-19 June 2015. The assessment results showed that the total number of people who will not be able to meet their annual food requirements during the 2015/2016 consumption period was 2,833,212 (representing 17% of National total population of 16,310,431). The affected districts have annual food deficits ranging from 3 to 8 months. The total humanitarian staple food needs to support the affected population is estimated at 124,183 metric tonnes of maize with a cash equivalent of MK18.6 billion (if sourced locally). Out of the 28 districts, 25 districts were reported to be affected including: Balaka, Blantyre, Chikwawa, Chiradzulu, Chitipa, Dedza, Dowa, Karonga, Kasungu, Lilongwe, Machinga, Mangochi, Mchinji, Mulanje, Mwanza, Mzimba, Neno, Nkhonkhotakota, Nsanje, Ntcheu, Phalombe, Rumphu, Salima, Thyolo and Zomba.

The MRCS through the food security cluster and the district executive committee (DEC) proposed to support 2 districts namely Phalombe and Nsanje through cash transfer interventions for a period of 5 months. The MRCS launched an Emergency Appeal operation with support from the International Federation of Red Cross and Red Crescent Societies (IFRC) with a focus on 3 broad outcomes as summarised below:

Planned Interventions

Quality Programming/Areas common to all sectors

Outcome 1: 10,000 beneficiaries (2,000 households) receive food assistance over 5 months through cash transfer (direct cash or vouchers)

- 2000 phones were procured to ease and fasten the process of cash transfers
- 2000 households received a value transfer of approximately MWK14,000 – 18,000 for the 5 months' period
- 15 NS staff including the Director of Finance, Head of PMER and Field Level staff were trained on CTP

Outcome 2: Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions:

- Specific assessment for livelihoods support was conducted in the 2 targeted districts (Nsanje and Phalombe) including all livelihoods activities and market assessments

Outcome 3: The management of the operation is informed by a comprehensive assessment, monitoring and evaluation system

The overall purpose of this evaluation was to measure the outcomes of the operation and to find out if there have been any positive or negative changes to the lives and livelihoods of the drought-affected communities and to learn how in the future, delivery of appropriate aid can be done more effectively covering the most affected populations. The evaluation should also inform on how accountable IFRC/NS have been to both the beneficiaries and to the donors. The main audience for the results of the evaluation will be the MRCS, IFRC Southern Africa Regional Office (SARO) and zone senior management as well as the Disaster Management department at the IFRC Secretariat in Geneva.

Objectives

More particularly the objectives of the evaluation of Malawi Cash Transfer operation in response to the drought was as follows:

- To review the effectiveness of the Emergency Appeal operation in meeting the planned objectives and outputs in the EPoA, and expenditure against the agreed budget.
- To provide a means of identifying key results achieved/successes, challenges, lessons learned from the operation in order to inform recommendations for future DREF/EA operations, specifically those related to drought and cash transfer programmes.
- To assess the extent to which lessons learned from previous operations were incorporated within the MDRMW012 operation.
- To make recommendations for sustainability and the ownership by National Societies

Geographical Scope

The EA review was carried out in the Southern region of Malawi in the two targeted districts of the project, i.e. Nsanje and Phalombe.

1.3 Methodology

The different data collection methods included the following:

Desk Review of Secondary Data

- MDRMW012 Malawi Drought - Operations Updates
- Key reports from external partners (E.g. MVAC, food security cluster committee)
- Lessons learned reports from previous operations
- UN-WFP/DoDMA situational reports

Key Informant Interviews (KII)

- MRCS Volunteers
- MRCS staff representatives from relevant technical areas (PMER, DM and Communication)
- IFRC Operation Delegate
- In-country NGOs: Goal Malawi
- PNS: Finnish Red Cross and Swiss Red Cross
- In-country government Officers: DCPC Members, District Executive Committee

Key Informant Interviews were carried out with MRCS volunteers, 3 MRCS staff at the HQ, 1 project staff at Phalombe, 2 PNS at the MRCS HQs, 1 IFRC Ops delegate and 1 Goal Malawi representative and in country Government officials with the purpose of understanding the entire appeal process, to draw lessons learnt and come up with recommendations to improve future appeals.

Household Survey with Beneficiaries:

The household (HH) survey was a collaboration between MRCS and the IFRC Operations Manager based on the standards recommended by key sectorial stakeholders (i.e. MVAC, IFRC and WFP) which is being used as part of an Africa Zone-wide initiative to enable analysis of emergency appeals related to cash transfer according to a common methodology.

The Food Insecurity Cash Transfer Project, as described in the introduction section of the report, targeted 2,000 vulnerable households in Phalombe and Nsanje. The evaluation household survey was conducted with heads or alternate heads of households or the eldest resident member of the household above 17 years of age. A total of 468 households were interviewed during this evaluation.

36.1% of respondents were male and 63.9% were female. 52.8% of the households visited were male headed and 47.2% were female headed.

Table 1: Beneficiary sampled in both districts

District	Location	# HHs beneficiaries	# HHs targeted by survey
Nsanje	Ngabu	350	183
	Tengani	650	65
Phalombe	Mkhumba	539	16
	Kaduya	461	204
Total			468

As part of the IFRC Africa Zone intention of promoting the use of innovation and technology in disaster response, the House Hold (HH) survey was carried out using the Open Data Kit (ODK) software, which enabled data collection via Android Operating System mobile devices (cell phones). The IFRC Operations Manager in Malawi shared the HH survey with the MRCS PMER officer who converted for ODK and uploaded them onto the server and downloaded them in to the mobile devices.

During data collection activity in the field, fourteen (14) MRCS volunteers (1 per phone), who were not involved in the Emergency Appeal (EA), were selected and then orientated for 3 hours on the use of the ODK software/cell phones as well as the data collection tools. All volunteers had prior knowledge in previous surveys using mobile phone. The volunteers were then divided into pairs (to provide peer support). During 3 days (25 – 27 February 2016) they then went from house to house to interview people who had received assistance through the cash transfer. Each interview took approximately 45 min per household. Respondents were asked questions, which used “Yes / no”, “Select one”, “Select multiple options”, or used “Filter or contingency” logic, as well as provided ratings of “Excellent”, “Good”, “Average” or “Poor”. At the end of this exercise all completed surveys were downloaded into the server and then analysed by the IFRC Ops Manager in collaboration with the MRCS PMER (please refer to “Chapter 2 – Key findings” for a breakdown of the results).

Focus Group Discussions

Multiple focus group discussions with different stakeholders were held on the 26th and 27th of February 2016 in Nsanje and Phalombe targeting beneficiaries, traders and MRCS volunteers. To ensure that all participate in a friendly environment, we had to split the groups in two groups—one group with males, a second with females—and regroup later. This was brought about by one of the question on the challenges they were facing.

Village	Date	Beneficiaries	Traders
Phalombe	27/02/2016	2 men and 8 women	2 women and 1 man
Phalombe	26/02/2016	8 men and 7 women	3 women
MRCS volunteers	25/02/2016	8 men and 3 women	

1.4 Team Composition

The cash transfer review team comprised the following: IFRC Africa Zone PMER Officer, Swiss Red Cross officer, the IFRC Operations Delegate, the MRCS Assistant Disaster Management Officer and the MRCS PMER Officer. Following a briefing at MRCS HQ level, the review team was divided into 2 teams (Nsanje and Phalombe) and dispatched to Blantyre to conduct centralised enumerators training. The team were divided into the 2 districts so as to cover both locations in the time frame, before reconvening in Blantyre for draft report writing. However due to spill over of activities the team only met for one day as opposed to the initial 2 days. On completion of the cash transfer review, the

report was compiled by the review team prior to sending it to the MRCS management and the PNS for their comments and inputs.

1.5 Limitations

- The evaluation took place during the third month of the project (the duration: 5 months). Some analysis could only be analysed at the completion of the operations e.g. cost effective analysis
- Emergency Response Coordinator, PNS and Representatives from partner organisations were not available to participate in Key Informant Interviews. This was either due to other engagement or late schedule of the interviews.
- For the FGDs with beneficiaries, efforts were made to ensure that there was representation from malnourished people, chronically ill persons, persons with disabilities, child-headed households, female-headed households, pregnant and lactating women. However due to the time constraints the sessions were mainly attended by male-female and child-headed households. The sessions were mixed, which mean that some of the most vulnerable people within these groups might not have been able to give their views on this cash transfer operation. Also the view of other vulnerable groups may not have been captured e.g. disable and chronically ill.
- The team were not able to get all the documents required during the review e.g. budget.

Chapter 2: Analysis of Programme Quality Assurance

The following chapter reviews the quality of the operation. It presents the findings on 6 key areas of interest. This includes exploring the perceived levels of:

1.) Relevance and Appropriateness of the operation, 2.) Efficiency, 3.) Effectiveness, 4.) Coordination, 5.) Coverage and 6.) Sustainability and Connectedness. The chapter concludes by presenting various key recommendations, based on the 6 key areas of programme quality assurance.

2.1 Stakeholder Involvement in the Cash Transfer Programme (CTP)

The stakeholders interviewed during the Key Informant Interviews were from the following organisations, MRCS, PNS, DCPC, DEC and Goal Malawi.

The MRCS staff and volunteers both at the field and at HQ-level cited their role and involvement in: (1) the planning of the emergency appeal, (2) the proposal development, (3) the budget preparation, (4) the review of the appeal, (5) the planning, monitoring, evaluation and reporting, (6) the training and sensitization, (7) the participation in joint assessments, (8) the media engagement and (9) as focal point person.

The Government officials interviewed were the district information officer, assistant district officer and district emergency officer. Their role was mainly the disaster coordination at the district level. They are all sub-committee members of the District Executive Committee (DEC).

The PNS, the IFRC Ops Manager and Goal Malawi officials cited their involvement as in: (1) provision of technical support to MRCS on the on-going operation, (2) involvement in budget planning and revision, (3) raising the appeal, (4) coordinating the appeal, (5) supervision, (6) resource mobilization, (7) feedback and (8) reporting.

It is worth mentioning that the appeal resources were little. Only 3 cash transfers were implemented as opposed to the earlier planned 5 disbursements. The Finnish and Swiss Red Cross funded the cash transfer for the remaining 2 months (4th and 5th disbursement).

2.2 ERCS Coordination with other Stakeholders

The Government of Malawi leads the overall coordination of disaster response through its Department of Disaster Management Affairs (DoDMA) in the Office of the Vice President. MRCS participates in the coordination meetings held by the DoDMA Technical Group, as part of monitoring and information sharing at National level to ensure effective support for government-led coordination mechanisms. During the Key Informant Interviews, the respondents had limited or no information regarding the progress or status of the appeal apart from the PNS who were informed through the Ops delegate. The Ops Manager also shares information with the IFRC Zone office and the Regional office.

Several clusters are in place, MRCS is a member of the Food Security Cluster chaired by the Ministry of Agriculture and WFP as co-chair. At District level in Nsanje and Phalombe, MRCS participates in monthly District Executive Committee (DEC) meetings which provide policy guidelines as well as having general oversight and management of districts. The DEC meetings provide a platform for information sharing by humanitarian actors on Food Security and Disaster Risk Reduction programmes and activities which they are implementing. Although the information sharing sessions were planned, this was not the case: the interviewees mentioned that MRCS has not been updating them on what is happening during their meetings. This lack of information on the programme updates led the organisation being featured negatively in the press by the beneficiaries. The MRCS cited that they have been attending the meetings at the district level, but documentation had not been there to support it. The Government sees MRCS as strong and reliable partner and did incorporate Red Cross team/volunteers as members of the Village Civil Protection Committee in the last DEC.

MRCS also receives technical support from in-country Partner National Societies (PNS) including Danish, Finnish, Swiss and Icelandic Red Cross and IFRC. Monthly coordination meetings were to be held with PNSs and other MRCS staff at the HQ, they have however been irregular as the last meeting was held in December 2015. However, the IFRC Operations manager made efforts to meet with PNS's separately and briefed them on the ongoing progress with cash transfer programme.

During the Key Informant Interviews 50% of the respondents mentioned that the extent to which MRCS involved them in planning was good. However, other departments within MRCS (e.g.

communication) were not involved or consulted during planning. Others were involved in planning, but involved only to a limited extent due to funding constraints.

During the desk review it became clear that communication activities were planned for, but due to shortage of funds they were dropped. This was corroborated with the communication team during the Key Informant Interviews that they had not participated on this appeal since the planning stage and it had become difficult to respond to the media. It came out clearly that the units were not communicating and that the operation was seen more of a DM affairs and not all-inclusive.

A close collaboration with Goal Malawi was cited in that both organisations operate in the same area and also that Goal Malawi shared with MRCS the market assessment report that they had been collecting.

During the Key Informant Interviews, MRCS staff indicated that IFRC should consult them on every step as they were unhappy that the Federation dropped Outcome 2 (Provision of farm inputs) as part of the intervention without consultation. This could be interpreted as lack of trust and perception that IFRC does not trust MRCS in implementing the activity.

Challenges

- Poor Communication: No updates about the programme to the districts and beneficiaries, e.g. when is the next transactions, etc. Accordingly, the RC branch and beneficiaries lacked information.
- Underfunding: Dwindling financial support from the partners.
- Lack of Staff: Managing more than one operation at the same time by the same staff can lead to fatigue and burnout. It may cause also danger of losing focus in the drought appeal.

Lessons learned

- Lack of communication affects the smooth running of the project and causes tension at the beneficiary and district level.

2.3 Relevance and Appropriateness

Malawi, typically a self-sufficient maize producer, has suffered poor crop performance in 2015 due to a late and erratic start to the rainy season, followed by damage from severe flooding in the southern half of the country, and periods of prolonged dry spells across most of the country for the latter half of the season. According to the Malawi Vulnerability Assessment Committee (MVAC) report of July 2015, it is estimated that maize production has reduced by 30% from last year. The National consumption requirement for 2015/16 is 3,000,000 Metric Tonne (MT) of maize. The estimated maize deficit is 223,723 MT.

The National market assessment conducted by WFP in July 2015 indicates that 40 percent of markets have the capacity to support cash interventions, whilst 60 percent of markets will not and therefore would benefit from in-kind/food distribution interventions. The peak price of maize on the markets during the lean period (October – March) will depend on the Government response to the crisis and levels of maize imported. National average maize prices were already 61 percent above the three-year average at a period when prices are normally at their lowest. Price projections, based on month-to-month price trends, estimate that average national maize prices will likely be about 50 percent above the 3-year average between July and September, possibly rising to levels that are 55 percent above the three-year average between October and December.

As part of the immediate intervention: the MRCS assisted 10,000 people: (2,000 households) that were food insecure in the Nsanje and Phalombe districts through: Disbursement of monthly cash transfer of 43 Swiss Franc per household per month over 5 months. The transfer was to be sufficient to meet the immediate food needs of a household of 5 individuals. The cash transfer value was calculated based on the current prices of a standard food basket (50kg bag of maize, 5kg beans, 2 litres of cooking oil).

The FGD with the traders corroborated the national market assessment conducted by WFP in July 2015 and in particular the therein indicated increase of prizes of maize. The traders mentioned a decrease in trades during the last 5 months due to the high cost of maize and other grains. As of February 2016 a bag of 50 kg maize is retailing at MK15, 500 as opposed to MK13, 500 last autumn

2015 (when the cash transfer program started). The types of goods in terms of variety and quality have remained the same, yet are being sold at a higher price.

The traders indicated that the kind of food they provided to the project beneficiaries were maize, rice, beans, vegetables, other nutritional food for their children and cooking oil. The traders in Phalombe cited Zambia as the source of the maize, whereas the traders in Nsanje sourced their maize from districts in the East of Blantyre. The traders (whole sellers) will then go buy the grains in Lilongwe.

As for food, the beneficiaries indicated that they purchased maize, beans, mix soya corn blend, cooking oil and rice from the local market. The beneficiaries mentioned that they were not able to meet all of their needs at the local market since the food prices had increased and that the cash transfers had not been adjusted sufficiently to reflect this.

The beneficiaries indicated that they were able to access all essential items at the local market, except of rice, which was not available at the local market at some point. They were still able to access it from other markets/shops within the district. This was corroborated by the BSS where the interviewees indicated that the top three unavailable items from their local market in terms of, food, agricultural inputs and stock for their business.

When asked about their thoughts on how the programme should be implemented differently, the beneficiaries requested that the programme should factor in market survey components: On the one hand the cost of food has increased significantly since the inception of the programme. On the other hand the cash provided to the beneficiaries has not been adjusted accordingly and has remained the same.

The community felt that cash transfer is the best interventions as it is not conditional and they are able to use it for the most pressing needs (flexibility). The flexibility in using the cash provided through the Red Cross Cash Transfer Program was one particular aspect mentioned by the beneficiaries. In both districts the beneficiaries highly welcomed the unconditional cash grants. It allowed them to use the cash individually and according to their dearest needs. However, 63.7% of beneficiaries reported that they would, given a choice, opt for food rather than cash. A variety of reasons were given including: Community leaders were asking or forcefully taking a share of the money, something which would not easily happen with actual food, the price of food was increasing almost on a daily basis and the cash was not covering the promised food basket and there were deductions made at the cash distribution points without explaining what the deductions were for.

Recommendations

- Regular adjustments should be part of a cash transfer programme, depending on the prevailing market situation.

Lessons learned

- The MRCS should not expect 100% budgetary support and should only inform stakeholders once they receive cash in their accounts on the interventions to be undertaken.

2.4 Efficiency

The selection of service providers for the CTP operation was done in an open tender procedure. Two service providers namely TNM and Airtel Malawi, were to bid for the unconditional cash transfer services. The tender looked at (1) the capacity of service providers to provide effective, reliable and timely cash transfer services to 2,000 households for a period of 5 months, (2) provision of technical support to the recipients (beneficiaries), (3) connectivity and strength of the network coverage, (4) details of pricing matrix on transactions and (5) the capacity to expand with increased household numbers.

After receipt of the tenders an analysis was done to determine the company to be awarded for the services based on the requirements detailed in the tender document. After the analysis, Airtel emerged to be the preferred company based on a number of factors including: (1) its capacity to cover a vast area, (2) its provision of free sim cards as proposed, (3) its wide and vast experience in cash transfer programming with other agencies and (4) it's already existing structures in the field, i.e. agents stationed across the district.

A contract was drafted between Airtel and MRCS and duly signed as a binding document for the two parties to engage in a cash transfer programme. MRCS began its distribution of the first cash transfer through Airtel to beneficiaries in Nsanje and Phalombe during the last week of December 2015.

The location of the programme remains ideal, however in some cases the beneficiaries had to walk long distance or even use public transport to access the cash. Even though the mobile phone operator sent text messages (SMS) to inform them on upcoming transactions, this did not indicate when exactly the Airtel team would come to distribute the cash. Also, when they came, they had few staff available to issue the distributions. This resulted in a slow process and at times beneficiaries ended up going back home late, thus compromising their safety. The amount indicated in the SMS was not the same as the cash they received by the agents. This is contrary to what the beneficiaries were told at the beginning of the project, i.e. that there would be no transaction fees charged on their money indicated in the SMS, but that the fees would be deducted beforehand.

The majority (98%) of the beneficiaries either walked and or used a bicycle to access the distribution point. 51.5% mentioned that it took less than an hour, whereas for 31.2% it took a maximum of 3 hours to walk to and from the cash distribution point. About 3% of respondents reported to have spent between MK800 and MK1, 500 to pay for their transport to and from the distribution point. It can be concluded that cash distribution points were properly sited within their own communities. The proper location of these cash distribution point may also explain why over 98% felt safe at the distribution point. Another extra amount shouldered by the beneficiaries was during the first transfer, when MRCS deducted MK 2,450 to cover the cost of an extra 1000 phones which had to be purchased.

2.5 Effectiveness

When asked during household survey how much the last cash transfer amount was, about 47.9% correctly mentioned MK17, 500. The rest mentioned an amount which was either close to MK14, 000 or MK33, 000. During the FGD and BSS the beneficiaries indicated that they received the following amounts: first (MK 14,000-18,000), second (MK 16,500) and third transfer (MK 17,500). The EA also considered a targeted contribution of MK 3,000 to cater for the needs of under-fives and pregnant and lactating women. Unfortunately, during implementation however, the payment was flat rate, regardless of special needs. 100% of the sampled households reported that they had received cash as one of the type of assistance given. Other assistance received from Malawi Red Cross Society was mentioned by at least 99% of the respondents and included: kitchen sets, shelter toolkits, tarpaulins and blankets. The majority also mentioned that hygiene promotion activities were conducted by MRCS. While this project focused on distributing cash only, an Emergency Appeal operation which was responding to floods was still fresh in the minds of the beneficiaries; this explains why almost all households in the sample could remember well what assistance they had received from MRCS.

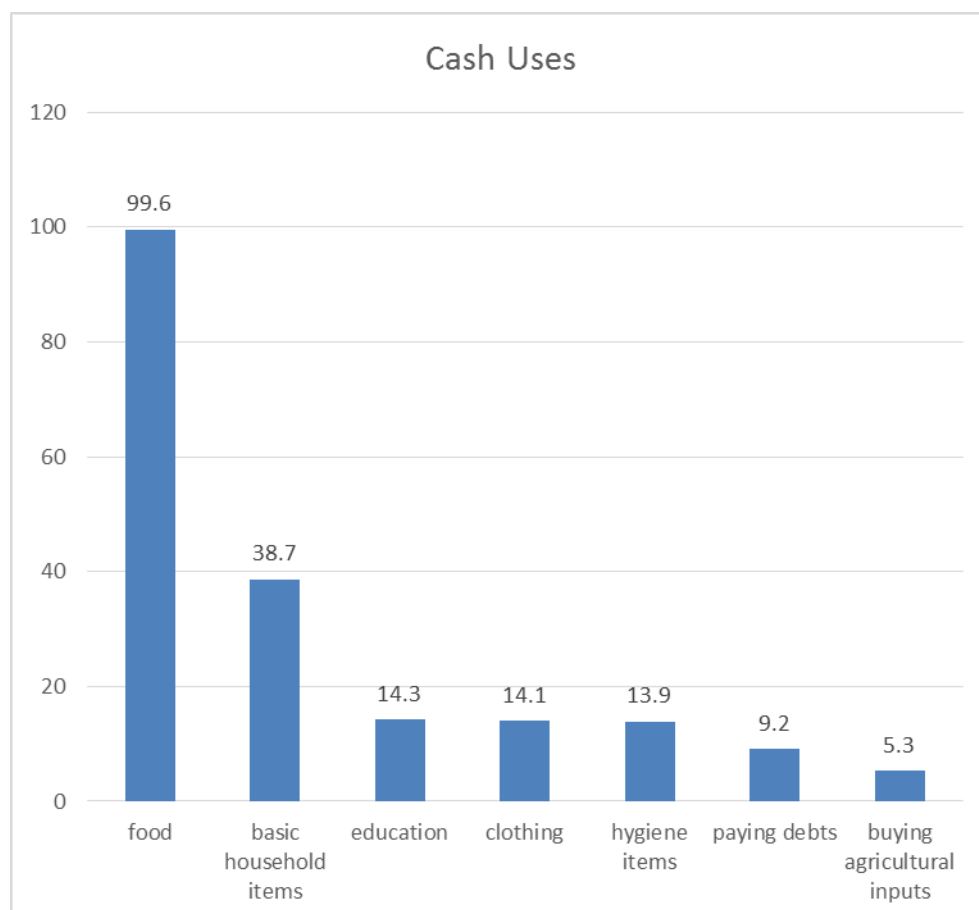
The scheduling of the CTP was insufficient as the program started at least one month late and which caused the community to become nervous. Furthermore, the cash transfer frequency was not timely as the first transfer was delayed for at least a month and the fourth and fifth disbursement were scheduled for February 2016 and were to be effected in March only. During the FGD, the beneficiaries were unaware when the next cash transfer would be and also were unsure about the total length of the project (3, 5 or 6 months). Also, the feedback mechanism was not considered to be effective, as the beneficiaries were unsure who to communicate with at branch level. The lack of information on the status of the program became evident particularly during the Key Informant Interviews: 25% of the interviewees cited that the extent to which mechanisms were put in place to provide and receive information from beneficiaries was average.

When asked on improvements on the implementation of the CTP, the beneficiaries mentioned that they would like (1) the program to operate within the disbursement schedule (monthly) as the payment had not been consistent, and (2) the money to be increased to MK 30,000 from the current MK 17,000 to meet their needs. Even though the beneficiaries knew the purpose of the cash transfer some information remained unclear to them, e.g. the timing of the disbursements and also the length of the programme (3 months, 5 months or 6 months). In both districts the feedback mechanisms were unclear for the beneficiaries.

The emergency appeal did not receive adequate funding, thus affecting the implementation of Outcome 2 (The livelihoods of 1,000 households are reinforced to build community resilience in targeted regions) Thus, 25% of the interviewees felt the extent to which the agreed budget was appropriate to meet the needs of the beneficiaries was good, while 75% said it was not good. This is evident in that the budget was not able to meet the needs of the beneficiaries. During the Key Informant Interviews, 25% cited the extent to which the activities planned were adapted to meet the needs of the most vulnerable (culture, disability, gender) as good.

The delays in payments and the lack of information on the program status led the beneficiaries to becoming nervous and heading to the press and local politicians. This led to a situation where MRCS was featured in the newspaper for wrong reasons, which were later clarified by MRCS' communication team. The delay was attributed to IFRC funding procedure during the Key Informant Interviews, e.g. the NS had to liquidate funds before requesting for another disbursement. At the moment, MRCS is implementing 2 activities at the same time (Emergency Appeal for Floods Response and Cash Transfer). Delay in receiving funds from IFRC was attributed to late liquidation of the floods funds to IFRC. During the BSS, MRCS would like IFRC to be flexible with its funding procedures especially during multiple / simultaneous interventions.

During the FGDs the beneficiaries cited that they used the cash for the following purposes: Meeting basic needs (food, shelter, and clothing), purchase of school uniform, medical services, purchase of farm inputs, purchase of reconstruction materials, loans repayments, among others. Similar findings were found in the BSS. By the time of the evaluation 50% of beneficiaries had spent about MK30, 000 from the three cash transfer on the items listed below:



From the figure above it becomes clear beneficiaries mainly used the cash for food, basic household items and education.

79% of respondents reported that the goods they wanted to buy from their local market were generally available.

Cash was delivered and spent safely (no security-related concerns were raised during the FGDs. The beneficiary preferred the cash transfer as opposed to carrying food stuff which might expose them to thieves.

At the initial stage in Phalombe, the beneficiaries were told to share their money with members of the village committees. This was later resolved by the assistant project officer. However, the beneficiaries were not able to get a refund of said money. Similar findings were also found in BSS, where 9% of the respondents said they had been asked/forced to pay/surrender something or give a favour to “remain” on the project as a beneficiary. Some explained that it was their village’s arrangement that those who were on the project as beneficiaries should be surrendering a portion of their money to a pool to support other equally deserving but not targeted households. A few others mentioned village chiefs and committee members of VCPC and ADC as those demanding a cut from the cash received (this was clearly mentioned in the FGD with the beneficiary). The majority (78%) of beneficiaries stated that they think that not all the people affected by the drought were included as beneficiaries of the CTP.

Upon receiving the SMS from Airtel, beneficiaries had to wait for 2 or 3 days in order to be able to cash out. Subsequently some moved to local Airtel agents to access the funds instantly. This however led to repeated deduction of MK750 which had to be borne by them.

The community felt that cash transfer was the best intervention as it was not conditional and they are able to use it for the most pressing needs (flexibility). In general, the community had no issues with women receiving the cash transfers. However, there were allegations of some men taking the cash from them. As reasons was stated that the women were using their husbands’ names to get the cash. Some of the men interviewed felt that by empowering the woman it deprives them the power to control them.

According to 25% of the interviewees during the Key Informant Interviews, the extent to which the mobilization of IFRC disaster response tools (RDRT) supported the implementation of the emergency appeal was good. It was also noted that the extent to which processes were put in place to monitor activities informed the revision of activities planned in the emergency appeal were poor according to 25% of the interviewees.

During the Key Informant Interviews, the PMER officer stated that he faced several challenges, in particular: (1) shortage of staff and (2) other staff members’ attitude/perception towards M&E. According to him, M&E should be treated with the same importance as other departments, e.g. finance. He cited that typically M&E would feature strongly during the planning phase, but that they were afterwards not involved in the implementation. The serious shortage of staff undertaking the M&E activities led to an absence and non-use of monitoring tools during the implementation of the CTP. There were however joint monitoring sessions during distribution of cash to beneficiaries. The M&E programme was not linked to the program as the indicator tracking table ITT and the M&E plan was not made available/ no evidence was given to the evaluators of its existence.

Recommendations

- Enhance institutional capacity of the M&E office through recruiting an additional PMER staff and encourage use of monitoring tools during project implementation.
- Involve PMER at all stages of the programme i.e. from the beginning to the end.

Lessons learned

- Failure to implement activities and delay in relaying timely information to the beneficiaries can dent the image of an organisation.

2.6 Coverage

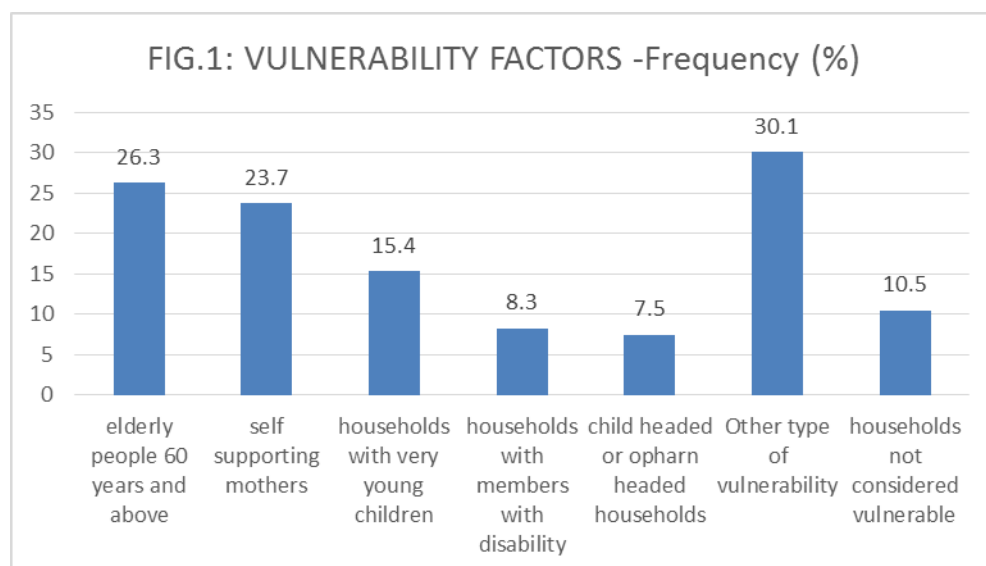
Beneficiary Selection and Targeting

With support and guidance from the MRCS and DCPC, the beneficiary selection criteria were determined by the community and the extent of vulnerability at different household levels. The agenda of the exercise was explained to the community. In particular, they were advised that participants (those who will receive food aid/cash assistance) are those that are food insecure. To facilitate community participation, MRCS presented its proposed selection criteria to the community.

The community were given the MRCs selection criteria that reflect village-specific factors, rather than having rigid criteria imposed on them. As a starting point/guideline for discussions, the following criteria were identified as key factors affecting household food insecurity in Malawi: (1) No cattle/livestock owned, or less than a defined small number, (2) less than a defined small acreage of farmland (e.g. < 5 acres), (3) very large families, (4) HIV-affected families, (5) no or low food/cash crop harvest, (6) animals not producing milk, (7) no food stocks held, (8) no petty trading or no small business, (9) widows and widowers, (10) orphans, (11) aged, (12) disabled, (13) single-headed households and (14) women-headed households.

Once listed, the community was then put in group villages to list down names of the people deemed as food insecure. A verification and re-verification exercise followed to ascertain and validate the names. At the end of the exercise, a total of 2,000 households were enrolled into the CTP/FS operation to benefit for a period of 5 months.

When asked about the beneficiary criteria during BSS the following were answers provided:



The above figure shows that only about 11% of the cash transfer food response beneficiaries did not consider themselves as vulnerable. It may be concluded that the process which was used to identify and register the beneficiaries was effective and that the right people were targeted. When asked whether they knew why they were selected into the project, almost all (99.8%) affirmed to know the selection criteria. Among the commonest criteria for inclusion in the project were: household with young children (27.8%); household headed by a female (23.3%); household headed by an elderly person (26.5%); household member has a disability or chronic illness (12.8%) and the household is very poor (13.0%). These selection criteria agree very well with factors of vulnerability mentioned by beneficiaries. It can be concluded that the project used appropriate selection criteria in identifying and selecting beneficiaries.

The beneficiary interviewed during the FGD agreed that the selection/targeting selection was done in a fair and transparent way. The beneficiaries were all assembled at a central place and instructed on the selection criteria (elderly, orphans care takers, disabled, chronically ill, HIV positive etc.). The community were able to choose amongst themselves those who met the above selection criteria.

The beneficiaries were all aware of households that had difficulties in accessing the programme. The reason for the difficulty in accessing the programme was that the quota allocated to each village was

low. During the FGD beneficiaries did indicated that in Phalombe they were forced to part with a small percentage of the cash to share with the village elders.

Household composition and Vulnerability

The table below summarises the household composition for the communities in the target areas.

Sex	Age group				Total
	Children under 5	Children between 5 and 17 years	Adults between 18 and 59 years	Elderly 60 years and above	
Male	214	602	339	104	1259
Female	297	645	594	189	1725
Total	511	1247	933	293	2984

From the above, the dependency ratio is 1:3 but is much higher as not all adults contribute significantly to household earnings. High dependency ratio is itself a factor of vulnerability. With 6.38, the average size of the household is much higher than the national average which is generally considered to be 5.

Single parenthood, especially of females is another source of vulnerability as generally economic opportunities for female heads of households are considered to be lower compared to those of male-headed households. As many as 47.2% of households were headed by self-supporting mothers or grandmothers.

The use of cash transfer was less cumbersome. The logistics that went with cash transfer compared to material distributions was less. The material distributions would need heavy trucks, storage, and labour for off-loading and guarding which were not in CTP. In terms of security the risk is on Airtel not MRCS.

The use of cash transfer was easily done all u need to know is the beneficiary telephone number. The only challenge was procuring of additional phones as beneficiary knew from other similar programs mobile phones are provided for free. This might be the reasons as to why (1000) volunteers who during the assessment indicated they had phones changed the story to phones not available during implementation.

2.7 Coherence

The Malawi Vulnerability Assessment Committee (MVAC) conducted its scheduled annual assessment for 2015 from June 3rd to 19th 2015. The assessment results showed that the total number of people who will not be able to meet their annual food requirements during the 2015/2016 consumption period was 2,833,212 (representing 17% of the total population of 16,310,431). The affected districts included Nsanje and Phalombe according to 50% of the KII interviewees said the extent to which the geographic selection criteria was used when planning the emergency appeal was good as the 2 districts among the areas requiring assistance. The Geographic area was agreed between MRCS, DEC and the MVAC.

The emergency appeal has contributed to the Malawi Growth and Development Strategy (MGDS), the poverty reduction strategy paper (2006 and 2011) and the MVAC report by targeting 0.071% affected people in Nsanje and Phalombe out of the overall 2,833,212 people affected in the country. Gender related issues were considered during targeting and beneficiary selection. With this support there has been an improvement in (1) household meals consumption at household's level to three meals per day from two meals a day, (2) household meeting dietary and diversity needs, (3) start-up of small businesses and (4) households investing in village and savings loans associations.

The MRCS used guidelines of the World Food Programme (WFP) and the IFRC in order to execute its activities. The program also used the opportunity to train 50 volunteers and 10 staff on assessment and targeting processes. This was done at the initial phase of the operation using the standard

beneficiary selection and targeting guidelines. Planned activities according to 50% of the interviewees during KII was good and done in accordance with the agreed budget (>10% per variances). 50% of the interviewees agreed that application of international standards (Sphere, RCRC etc.) was good. The planned activities were informed through consultation with and agreed on by beneficiaries according to agreed standards. The MRCS team was not content in that IFRC did not consult them when dropping the second outcome (provision of farm inputs). Furthermore, the MRCS had to compromise the cash transfer guidelines and abandon market assessment, as the funds received were not enough and thus not equivalent to market values. When the beneficiaries were asked if they were satisfied with the way the program was being implemented in meeting their needs, 77% of respondents reported that they were satisfied with the project.

During the KII MRCs came out as a strong and reliable partner. However, MRCS was also seen as holding too much of information regarding the appeal and that information flow needs to be improved. They also perceive MRCS as holding so much in to information regarding the appeal and should share with them as oppose to the current situation where one gets information through personal connection.

Regarding the planned activities/interventions, stakeholders thought was that they were too ambitious, especially outcome 2. Farm inputs require technical expertise which the stakeholder did not believe in the capacity of MRCS to handle it alone. Instead MRCS should have left this outcome to the Government and other agencies who are more specialized in this field. MRCS is also running two appeals at the same time (CTP and the floods) overstretching the thin resources available.

2.8 Impact

The beneficiaries mentioned during the FGD and Key Informant Interviews that their lives changed due to the CTP. They were now able to: (1) have 3 meals a day, (2) invest in business (poultry and goat rearing), (3) reconstruct their houses after the floods, it is important to note that the 2 appeals (flood and the food insecurity) were running concurrently (4) be able to get better medical treatment, (5) save through village loans and savings associations and (6) were able to take children back to school. However, the beneficiaries also cited that they will need additional support after the cash transfer program has ended, for example in rebuilding their houses which were destroyed during the floods. In terms of social recognition, other beneficiaries were able to change their lifestyles: e.g. wood collection, charcoal production and washing of clothes as income generation was no longer needed.

When asked on what they have invested with the additional income, the traders cited the high cost of food which prevented them from reinvesting/saving the money in their business. A kilo of maize now retails at MK 300 per cup as compared to MK280 per cup when the cash transfer started. However, during the Key Informant Interviews it was indicated that the market turned out to be volatile and the MRCS did not conduct market surveys, hence the amount disbursed to the beneficiary was not reflecting the market realities.

In most cases, where women received the cash, they were the ones taking the decision on how to spend the cash. After getting the cash, some proceeded straight to the market to purchase what was needed and clear the pending bills before returning home. Others however, preferred to sit down with their husbands and plan on how to use the money best. This, they said, helped reducing potential tensions and frictions. No security related threat has been reported regarding the cash transfers.

During the FGD with the beneficiaries, they indicated that tensions have occurred between them and beneficiaries from other cash transfer programmes. They cited greed as the main reason for this, as those other members of the community who were benefitting from other cash transfer programs would have wished to benefit from both sides. The relationship with the other community members who did not receive cash transfers was good however the same cannot be said regarding community members receiving cash from other agencies (Government and Goal Malawi) who are jealous of them.

When asked about the negative side of the programme, the beneficiaries cited the following: (1) other members of the community being jealous, (2) one case was reported of the husband taking the money from the wife who was the actual beneficiary. Here the reason was given that the wife was using the husband's name in accessing the support. Other challenges were: (3) children stealing the money and (4) increased cost of food.

According to the traders, the project has not affected the number of traders in the market system, and has not led to reduced activities or running out of business. The traders also said that no trader had comparative advantages over others and that they did not offer credit facility and that the prices are non-negotiable, also, no infrastructure changes were noted in the area and their ability to access financial institution for credit remained on a very limited. As for the beneficiaries, the market and environment remained the same. Also the beneficiaries were still unable to access credit from the local traders.

Moreover, multiplier effects were visible during the project implementation through the purchase of goods and services (including transport of goods) which were produced locally. Beneficiary spending on local foods benefited also local traders and producers: Producers were motivated to increase their production, traders were able to sell more, which allowed both groups to feed their families and thus contributing to a local multiplier effect (all three parties benefiting). This was evident in Phalombe among the local retailers and petty traders.

2.9 Sustainability and Connectedness

The beneficiaries informed the review team that other similar programmes are implemented in their area. They include the following: (1) CAMFED supporting vulnerable girls and their access to education (2) ADRA and (3) the Government offering maize and cash transfers and (4) GOAL Malawi implementing a cash transfer project in Nsanje. In both districts, other organisations were implementing similar interventions but were targeting different households.

Just very few respondents (below 3%) reported to have received some assistance from other organisations. This finding does not mean it was only the MRCS which has been assisting these communities, but rather that these specific households were not beneficiaries of other interventions being implemented in their communities.

When asked about how they will sustain themselves after the project ends, the majority cited that they will not be able to sustain themselves in that the money they were receiving was and will be too little to cover their basic needs. Some beneficiaries indicated that they would start saving once they receive the last transaction. A few of the beneficiaries were reinvesting the money in small businesses and save a small portion at the Village Loans and Savings.

In partnership with the IFRC, the MRCS provided mobile phones to be used during the cash transfer to beneficiaries. These mobile phones may be used in turn as tools for early warning in case of future disasters. Different agencies can also use the already established platform to communicate warnings and coordinate preparation activities, particularly SMS alerts for disseminating mass messages. The mobile phones may also be used by the beneficiaries as information (e.g. market prices) and communication tool. It may thus empower the beneficiaries.

The Capacity of the MRCS in CTP has been enhanced by Airtel Malawi and IFRC through trainings. The course covered issues on (1) assessments and (2) analysis of suitability for CTPs, (3) gave participants practice at planning, designing and monitoring a cash transfer program, and (4) addressed common fears and concerns associated with the use of cash in emergencies. As a consequence, MRCS is now more confident to handle future cash transfers and with fewer external assistance.

Chapter 3: Case Study

3.1 Food Insecurity due to Drought in Malawi

3.1.1 Overview

Traditionally, Malawians have relied predominantly on rain-fed farming. This agricultural technique has been stressed significantly due to a number of weather related hazards. The start of the 2014/2015 agricultural season delayed due to late onset of rains, which postponed the planting of all major crops across the country. The delayed onset of rains was followed by heavy rains in January 2015 which resulted in widespread floods and wash-aways. As a result, lives, property, houses, crops, and livestock were lost. The heavy rains also caused wash-away of soil nutrients and affected farming activities such as planting, weeding, ridging as well as fertiliser application.

The country also experienced dry spells in most districts for a period of about 4 to 6 weeks, between February and March 2015, which resulted in early tail-off of the rains. This early tail-off affected crop development resulting in low yields/production of crops. Last but not least, new drought periods were forecasted for the 2015/2016 agricultural season, as a result of the global El-Niño weather phenomena.

3.1.2 Relevance of a Red Cross Intervention

In response to the said reduction of agricultural outputs and in anticipation of the food insecurity in 2015/2016, a Red Cross intervention came to the forefront. In order to assess the current situation on the ground, a consultant from the International Federation of Red Cross and Red Crescent Societies (IFRC) was sent to affected districts in August/September 2015. On the basis of this mission, the issue of food insecurity was proven highly relevant. Accordingly, an intervention by the Red Cross Movement was drafted and an Emergency Appeal (EA) operation was launched by the Malawi Red Cross Society (MRCS) with support from the IFRC.

3.1.3 Identification of the Food Insecurity

The third round crop assessment from the Ministry of Agriculture, Irrigation and Water Development (MoAIWD) showed that staple maize production for the 2014/15 agricultural season was estimated at 2,776,277 metric tons as compared to 3,978,123 metric tons during the previous season. Furthermore, the Malawi Vulnerability Assessment Committee (MVAC) in June 2015 showed that the total number of 2,833,212 Malawians would not be able to meet their annual food requirements during the 2015/2016 consumption period (representing 17% of the total population of 16,310,431). 25 districts (out of a total of 28) were reported to be with annual food deficits ranging from 3 to 8 months and a reduced maize production by 30% as compared to last year. The total humanitarian staple food needs to support the affected population was estimated at 124,183 metric tons of maize, equivalent to Malawi Kwacha (MK) 18.6 billion (if sourced locally).

3.1.4 Effectiveness of the Problem Identification



Fig. 1: Reminder of 2015's floods (Copyright: SRC, Thomas Knobel).



Fig. 2: Dried up maize field as a consequence of the dry spells (Copyright: SRC, Thomas Knobel).

In general, the combined problem identification, incorporating governmental assessments and an external consultancy, proved both effective and relevant. It allowed both national coverage of the vulnerability on the one hand and detailed information from the ground.

3.1.5 Addressing the Food Insecurity due to Drought

Following the assessments, the MRCS (through the food security cluster and the district executive committee, DEC) proposed to support two districts namely Phalombe and Nsanje through cash transfer interventions for a period of 5 months. The MRCS launched an Emergency Appeal operation with support from the IFRC with a focus on the following outcomes:

(1) 10,000 beneficiaries (2,000 households) receive food assistance over 5 months through unconditional cash transfer (direct cash or vouchers).

(2) Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions and (3) the management of the operation is informed by a comprehensive assessment, monitoring and evaluation system.

Thus, a two-pronged approach was proposed to respond to the acute food insecurity and to enhance the beneficiaries' potential to recover as a mid-term strategy. The immediate needs were to be met through the provision of food through a Cash Transfer Project (CTP). Markets were found to be functioning in the districts targeted by the programme. As a medium term intervention, the provision of seeds and fertiliser was envisioned. The farming starter packs were to be received by a proportion of the same beneficiaries who received cash transfers and who had the capacity to plant for the upcoming season. Beneficiaries' selection for the seed distribution were focused on vulnerability; however, the farmers chosen also needed to have the labour capacity and land to allow for successful utilisation of seeds and fertilisers provided.

3.2 Results

3.2.1 Outcome 1

After the needs assessment has been carried out, the beneficiaries were selected. The CTP targeted a total of 2,000 households in Nsanje and Phalombe, two districts hardest hit by the drought. To select the beneficiaries, they were assembled at a central place and instructed on the selection criteria (elderly, orphans care takers, disabled, chronically ill, HIV-positive etc.). In a participatory, fair and transparent process, the community was able to choose amongst themselves those who met the above selection criteria. The following stakeholders were involved in the selection process: (i.) Area Development Committee (ADC), (ii.) District Civil Protection Committee (DCPC), (iii.) Village Civil Protection Committee (VCP), (iv.) International NGOs (e.g. Goal), (v.) Village chiefs and (vi.) Beneficiaries.

Upon the period of the evaluation, three out of five cash transfers had been implemented successfully and all 2,000 targeted households were reached. Responses from the beneficiaries indicate that the cash transfers were highly relevant and welcome. In particular, the respondents were content regarding the un-conditionality of the CTP, which allowed them to use the cash and according to their individual needs. Whereas most of the beneficiaries used the cash to buy food from the market, some of them used it also to purchase agricultural inputs e.g. fertilisers, to pay school fees and buy school uniforms for their children, to use it for medical purposes, for reconstruction of their homes after the floods and for loans repayments.

3.2.1 Outcome 2

Investing in Disaster Risk Reduction through recovery activities was thought to be more meaningful than a stand-alone relief provision. Therefore, the emergency appeal ought to provide support farmers to produce their own food. However, due to underfunding of the EA Malawi Drought operation, activities planned and mentioned in Outcome 2 could not be implemented.

As for monitoring, an IFRC cash delegate provided regular operations updates from the field. A joint evaluation by the IFRC and the Swiss Red Cross took place in Malawi at end of February 2015. The goal of this joint evaluation was to get an overview of the CTP, its impact, its challenges and recommendations, as well as to draw lessons learned to inform other CTP's and to possibly replicate similar operations in other countries.

3.4 Challenges and Ways to overcome them

3.4.1 Timing due to Underfunding

One major challenge to the Cash Transfer (CT) operation was the timing. In order to respond to the dry spells, the first disbursement was scheduled between November 2015 and February 2016. The actual disbursement however started as of December 2015, and had to be extended until March 2016.

The single major reason for the delays was underfunding of the EA operation. For similar operations in the future, both national RC societies and IFRC should issue underfunding alerts more pro-actively and more vigorously. In order to ensure well-timed emergency relief, also partner national RC societies should pledge their support in a timely manner.

3.4.2 Lack of Including Market Components

The prices of agricultural products have increased significantly since the inception of the programme. However, the cash provided to the beneficiaries has been adjusted only to a limited extent. Even more, the amounts distributed were calculated based on the prices of a food basket in October 2015. This posed to be a particular challenge, since the programme was delayed by at least one month. Accordingly, the amount of cash distributed was not sufficient in order for the beneficiaries to meet all of their basic needs.

In order to better include market components, yet more funds (a lump sum) should be made available to cover market and price fluctuations, already at the planning stage of the operation.

3.4.3 Communication

Both communication between IFRC and MRCS as well as between MRCS headquarter (HQ) and field proved to be challenging. Limited consultation was reported between IFRC and MRCS, particular regarding the planning of activities. This affected also the internal flow of information, i.e. between the MRCS HQ (DM and other units) as well as between the HQ and MRCS managers at the district level and the beneficiaries.

A way to overcome this gap is to implement and ensure efficient, clear and honest two-way communication and feedback mechanisms. Since the project relied on mobile phones for the cash payments, the same phones could be used to spread information on programme activities, but would also allow beneficiaries to provide regular feedback.

3.4.4 Availability of Mobile Phones

This CTP included mobile phones as means to distribute and safely access the money. Initially, the CTP was to provide mobile phones on request to those beneficiaries, which did not own a device.

Therefore, the CTP calculated for 1,000 mobile phones. After the beneficiary selection however, it became clear that more beneficiaries than expected requested a phone.

In order to partially cover for the purchase of the additional 1,000 mobile phones, the amount of the first cash distribution was reduced by about MK 2,000. Thus yet another funding gap could be prevented on the one hand. On the other hand, ownership of the beneficiaries was increased, since they were to keep the mobile phone at the end of the project. In general, this approach ensures continued empowerment of the beneficiaries even after the end of the CPT, since they may use as early warning tool in case of floods or as means to communication and to access information (e.g. on market prices).

3.5 Beyond Results / Recommendations

Ensure comprehensive CTP planning	1. Market surveys to reflect the fluctuating food prices and sufficient means to cover this potentially higher cash transfer. Lump sum in order to facilitate market fluctuations.
	In order to better include market components, yet more funds should be made available to cover market and price fluctuations, already at the planning stage of the operation.
	2. Integrate capacity building of the NS on national and district level.
	In most countries CTP has yet to be introduced. To ensure efficient and timely implementation, capacity building on national and district level should be a vital component of CTP's, especially for NS with limited resources.
	3. Customize the generic IFRC cash transfer guidelines to country specificities.
	The National society should customize the IFRC cash transfer tool kit to suit the needs and context of CTP in Malawi considering the guiding principles of CTP.
Introduce efficient, two-way communication	4. Strengthen the beneficiary feedback mechanism (toll free numbers, suggestion box, volunteers etc.).
	The issuing of accessible and easy-to-use feedback mechanisms can help detecting and overcoming potential challenges at an early stage.
	5. Ensure efficient and continuous communication with the beneficiaries (e.g. status, progress and challenges)
	Efficient, clear, honest and continuous communication is a vital aspect within CTP's. It enhances satisfaction with and impact of the programme. For example, if beneficiaries are well informed on the status of the payments, they can plan the spending of the cash received accordingly.
	6. Use information, education and communication (IEC) tools to raise awareness of the CTP (e.g. advertisements, brochures, leaflets).
	IEC help raising awareness and provide useful tools to explain the CTP and its aims, but also information regarding support and feedback possibilities.
M&E	7. Link the monitoring and evaluation (M&) activities with the program implementation.

	Monitoring and evaluation facilitate examining, if the CTP is still on-track and allow to implement potential amendments already at an early stage.
Emphasize sustainability	8. Include sustainability component (e.g. re-investing cash) in future CTP.
	A few beneficiaries reinvest the money in to business and save a small portion at the Village Loans and Savings. However, the majority cited that they were not be able to invest, since the money they received was considered too little. Other beneficiaries indicated that they would start saving once they receive the last (5 th) transaction.
	9. Better connect and enforce emergency with medium/long-term recovery.
	The project envisioned a two-pronged approached: (1) short-term emergency CT and (2) medium-term recovery by distributing seeds and fertilizer. Due to shortage of funding the second component was not implement. Also, dry spell (drought) continued even until end February 2015. Both aspects combined will turn most beneficiaries yet again vulnerable to food insecurity after the project ends.
	10. For recurring climatic-related hazards, opt for different medium-/long-term modalities (e.g. cash for asset, e.g. irrigation, or small livestock schemes).
	Farm inputs (e.g. seeds, fertilisers) offers one strategy to help beneficiaries cope with weather-related hazards on the medium-term. It pre-supposes and requires however, adequate weather conditions. As for recurring hazards, different medium- to long-term modalities should be emphasized. Cash for work or asset is one possibility: construction of boreholes or irrigation schemes could improve the availability of sufficient water. Another option is to engage in small livestock schemes, which leave farmers less vulnerable to drought-related hazards and at the same time enables them to diversify their income.

3.6 Lessons Learned

CT as efficient tool in emergency food insecurity operations	1. The needs for an intervention to counter the drought were proven to be highly relevant.
	As a consequence of the weather-related hazards, agricultural production in the two districts was found to be either significantly reduced or delayed. Additionally, market prices for major food items started increasing as of October 2015. Both factors posed serious challenges to former self-reliant farming households.
	2. CT proved to be both efficient and effective as compared to in-kind food aid.
	The often-cited rationale for in-kind transfers are to encourage consumption of particular goods or to induce less needy individuals to self-select out of the program. These potential benefits of in-kind transfers are weighed against the fact that cash transfers typically have lower administrative costs and give recipients greater freedom over their consumption. This drought appeal spent close to CHF 350,000 for five something that in-kind assistance could not support.
	Moreover, multiplier effects were visible during the project implementation through the purchase of goods and services (including transport of goods) which were produced locally. Beneficiary spending on local foods benefited also local traders and producers: Producers were motivated to increase their production, traders were able to sell more, which allowed both groups to feed their families and thus contributing to a local multiplier effect (all three parties benefiting). This was evident in Phalombe among the local retailers and petty traders.
	3. Even with funding constraints, successes can be realised, but may compromise the quality (e.g. inadequate PMER and communication services).
	Despite the funding constraints, cash was distributed to all 2,000 targeted households. The lack of sufficient resources, however, compromised the quality of the programme. In particular, PMER and communication services were found to be affected.
Elaborate Planning as Key to Success	4. The use of unconditional CT as a modality, offers flexibility to the beneficiaries to the extent that they can address their dearest needs.
	Responses from the beneficiaries indicated high satisfaction with the provision of unconditional cash. It allowed them to use the cash according to their own, personal needs, which included food, medical services, school fees and shelter.
	5. Failure to follow the CT principles (adjustment to market prices), makes it difficult for the beneficiaries to satisfy their needs.
	Due to the drought, market prices varied significantly. Sufficient funds to cover such price volatility should be ensured upon planning stage of CTP's. Without sufficient funds to adjust the amount to be distributed, the beneficiaries are not able to fulfil their dearest needs.
	6. Transparent and participatory targeting and selection criteria ensure that the right beneficiaries are incorporated in the programme.
A transparent and participatory targeting and selection ensures credibility and fairness on which beneficiaries are to be supported. Distinct criteria allow focusing on the most vulnerable and help preventing mis-targeting (inclusion and exclusion errors).	
7. During EA's, National Societies should be pro-active in resource mobilisation in order to	

	ensure timely and sufficient reception of funding.
	Funding is a key aspect with EA. In order to ensure timely implementation, imminent funding gaps should be mentioned pro-actively, at an early stage and using different channels (IFRC, PNS's). The NS concerned with the implementation should not communicate planned activities to the beneficiaries until the funding has been secured.

Communication	8. The use of an external mobile phone operator proved to be efficient and offers the opportunity to be more transparent and accountable.
	The distribution of cash via mobile phone operators was timely and efficient. This modality furthermore strengthens security, transparency and accountability, since mobile phone operators are obliged to verify the beneficiaries and provide evidence of successful transactions.
	9. Contribution towards the procurement of mobile phones by the beneficiaries ensures ownership of their phones, empowers them and provides freedom to information and communication.
	Beneficiaries should be given the choice to either use their own mobile phones (if available) or to be provided with a device, but with a contribution towards the procurement. The beneficiaries may then retain the phone, which ensures ownership, empowerment (e.g. use as early warning tool in case of floods) and provides them with means for information (e.g. on market prices) and communication.
Sustainability	10. Including sustainability in the programme design ensures continued benefits even after phasing out of the programme.
	Sustainability components and linking relief with recovery and development (LRRD) help ensuring that benefits from CTP's remain noticeable even after the last cash disbursement.

Chapter 4: Lessons Learned

1. The need for an intervention to counter the drought were proven to be highly relevant.
2. Even with funding constraints, successes can be realised (e.g. cash was distributed to all 2,000 targeted households), but may compromise the quality (e.g. inadequate PMER and communication services).
3. The use of unconditional CT as a modality, offers flexibility to the beneficiaries to the extent that they can address their dearest needs.
4. CT proved to be both efficient and effective as compared to in-kind food aid.
5. Failure to follow the CT principles (adjustment to market prices), makes it difficult for the beneficiaries to satisfy their needs.
6. The use of an external mobile phone operator proved to be efficient and offers the opportunity to be more transparent and accountable.
7. Transparent and participatory targeting and selection criteria ensure that the right beneficiaries are incorporated in the programme.
8. Contribution towards the procurement of mobile phones by the beneficiaries ensures ownership of their phones, empowers them (e.g. use as early warning tool) and provides freedom to information and communication (e.g. market information).
9. Including sustainability in the programme design ensures continued benefits even after phasing out of the programme.
10. During EA's, National Societies should be pro-active in resource mobilisation in order to ensure timely and sufficient reception of funding.

Chapter 5: Recommendations

1. Market survey to reflect the fluctuating food prices and sufficient means to cover this potentially higher cash transfer. Lump sum in order to facilitate market fluctuations.
2. SMS informing the beneficiaries about the pending cash out. This message should be sent the day before such service will be offered. It should be clearly communicated that with the official Airtel cash out mechanism, no transaction fees will be charged to the beneficiaries. If, in any case, should choose to go for local agents, fees will have to be covered by the beneficiaries.
3. Strengthen the beneficiary feedback mechanism (toll free numbers, suggestion box, volunteers etc.)
4. Link the monitoring and evaluation (M&E) activities with the program implementation.
5. Customize the generic IFRC cash transfer guidelines to country specificities.
6. Include sustainability components (e.g. re-investing cash) in future CTP.
7. Integrate capacity building of the NS on national and district level.
8. Better connect and enforce emergency with medium/long-term recovery.
9. For recurring climatic-related hazards, opt for new medium-/long-term modalities (e.g. cash for asset, e.g. irrigation or small livestock schemes).
10. Use information, education and communication (IEC) tools to raise awareness of the CTP (e.g. advertisements, brochures, leaflets)
11. Ensure efficient and continuous communication with the beneficiaries (e.g. status, progress and challenges).

Chapter 6: Conclusion

Looking back at the Malawi Drought Emergency Appeal operation reveals that five cash transfers have been implemented successfully and all 2,000 targeted households were reached. Pre-conditions to choose CT using mobile phones as modality were given: Markets were functioning, mobile network reception was given and mobile phone agents were available even in rural areas.

The CTP was well received by MRCS, with support from the IFRC Operations Manager, as well as by communities and individuals. Operationally, transferring the cash on mobile phones using an external operator proved to be fast, efficient and accountable. Due to underfunding of the EA however, activities planned and mentioned in Outcome 2 (distribution of seeds and fertiliser) could not be implemented. The funding constraints also affected the quality of the response (e.g. inadequate PMER and communication services).

In the view of the needs of the communities, facing both failing crop yields and increasing market prices for food, an intervention using cash transfers using mobile phones proved to be relevant, efficient, effective and accountable measure. CTPs give dignity, flexibility and self-determination to the affected population, are more cost efficient for agencies and participant and support local markets and trade mechanisms.

With even more focus on communication (e.g. efficient and clear feedback mechanism) and sustainability aspects (e.g. connecting and enforcing emergency with medium-/long term components) the advantages of CT as compared to in-kind distributions may become yet more prominent.

Annexes

Annex 1: Terms of Reference (TOR)

Terms of Reference (TOR) for: **MDRMW011: Malawi Drought Final Evaluation**

1. Summary

Purpose: The objective of the Malawi Drought evaluation is to:

- Review the effectiveness of the EA operation in meeting the planned objectives; and outputs in the EPoA; and expenditure against the agreed budget.
- Provide a means of identifying key results achieved/successes, challenges, lessons learned from the operation in order to inform recommendations for future DREF/EA operations, specifically those related to drought (cash transfer programmes).
- Assess the extent to which lessons learned from previous operations were incorporated within the MDRMW011 operation.
- Understanding IFRC's DMU support to Malawi
- Understanding collaboration between the SRC and the Malawi Red Cross Society (MRCS)
- Assess the impact of five months Cash Transfer Programme (CTP)
- Field visits; meeting with community, government officials, local leaders
- Draw lessons learnt to inform other cash transfer programs and possibly replicate in other countries.
- Make recommendations for sustainability and the ownership by National Societies (NS).
- Audience: The target audiences for the Malawi Drought evaluation are NS and the IFRC's Secretariat and zonal and regional offices (primary), as well as donor representatives and the broader international public (secondary).
- Commissioners: This evaluation is being commissioned by IFRC in compliance with its evaluation framework.
- Duration: 7 days
- Timeframe: The evaluation process is scheduled to start on 21st – 27th February 2016 with field work beginning 22nd – 27th February 2016.
- Methodology summary: Through this ToR, there will be an evaluation team constituted with the team leader being the zone PMER representative and other team members being representatives from: Malawi Red Cross Society; IFRC Southern Africa Regional Office (SARO);
- It is expected that a mixed approach which will include desk review and review of secondary data, key informant interviews, focus group discussions and household surveys will be used.

Location: The EA review will be carried out in the Southern region of Malawi in two Districts i.e. Nsanje and Phalombe.

2. Background

The country experienced a number of weather related hazards during the 2014/15 agricultural production season. The start of season delayed by about 30 to 40 days due to late onset of rains. This delayed planting of all major crops across the country. The delayed onset of rains was followed by heavy rains that the country received in January 2015 resulting in widespread floods and wash-aways. As a result of the floods, property, houses, crops animals and lives were lost.

The heavy rains also caused wash-away of soil nutrients and affected farming activities such as planting, weeding, ridging as well as fertilizer application. The country also experienced dry spells in most districts for a period of about 4 to 6 weeks, between February and March 2015, which resulted in early tail-off of the rains. This early tail-off affected crop development resulting in low yields/production of most crops. Third round crop assessment from the Ministry of Agriculture, Irrigation and Water Development (MoAIWD) showed that staple maize production for the 2014/15 agricultural season was estimated at 2,776,277 metric tonnes compared to 3,978,123 metric tonnes during the previous season. The Malawi Vulnerability Assessment Committee (MVAC) conducted its scheduled annual assessment for 2015 from 3 to 19 June 2015. The assessment results showed that the total number of people that will not be able to meet their annual food requirements during the 2015/2016 consumption period was 2,833,212 (representing 17% of national total population of 16,310,431).

The affected districts have annual food deficits ranging from 3 to 8 months. The total humanitarian staple food needs to support the affected population is estimated at 124,183 metric tonnes of maize equivalent with a cash equivalent of MK18.6 billion (if sourced locally). Out of the 28 districts, 25 districts were reported to be affected including: Balaka, Blantyre, Chikwawa, Chiradzulu, Chitipa, Dedza, Dowa, Karonga, Kasungu, Lilongwe, Machinga, Mangochi, Mchinji, Mulanje, Mwanza, Mzimba, Neno, Nkhoskhota, Nsanje, Ntcheu, Phalombe, Rumphu, Salima, Thyolo and Zomba. National crop production was severely affected by a combination of hazards ranging from late on-set of rains, prolonged dry spells, floods to early cessation of rains. The Northern and Central Region were largely affected by dry spells and early cessation of rains while the Southern Region experienced will efficiently move maize from source markets to deficit areas. The MRCS through the food security cluster and the district executive committee (DEC) proposed to support two districts namely Phalombe and Nsanje though cash transfer interventions for a period of 5 months.

The MRCS launched an Emergency Appeal operation with support from the International Federation of Red Cross and Red Crescent Societies (IFRC) with a focus on three broad outcomes: (1). 10,000 beneficiaries (2000 households) receive food assistance over 5 months through cash transfer (direct cash or vouchers), (2). Livelihoods of 1,000 households are reinforced to build community resilience in targeted regions and (3) the management of the operation is informed by a comprehensive assessment, monitoring and evaluation system.

As part of the IFRC's efforts to improve the quality of operations and level of accountability to all of its stakeholders, it is recommended that a review is carried out of the MDRMW011 Malawi drought to assess its effectiveness; and capture lessons learnt. In Malawi, there has been a number of operations in response to drought through cash transfer programme, and as such reference to these should be made, especially in terms of establishing if/how lessons learned were applied, or previous challenges overcome, within the operation. It is also anticipated that the review will provide an opportunity to develop a case study, which can be used to demonstrate to key partners/donors of the efforts that are undertaken by the MRCS to respond to the drought through the EA.

3. Evaluation Purpose & Scope

Purpose

The overall purpose of this evaluation is to measure the outcomes of the operation to find out if there have been any positive or negative changes to the lives and livelihoods of the drought affected communities and to learn how in the future, delivery of appropriate aid can be done more effectively covering the most affected populations. The evaluation should also inform on how accountable IFRC/NS have been to both the beneficiaries and to the donors. The main audience for the results of the evaluation will be the national societies involved in the programme, IFRC SARO and zone senior management as well as the DM department at the Secretariat in Geneva

Scope:

The EA review will be carried out in the Southern Region of Malawi in the two targeted districts i.e. Nsanje and Phalombe.

4. Evaluation Criteria – Objectives - Questions

4.1 Objectives

The objective of the Malawi drought evaluation is to:

- Review the effectiveness of the EA operation in meeting the planned objectives; and outputs in the EPoA; and expenditure against the agreed budget.
- Provide a means of identifying key results achieved/successes, challenges, lessons learned from the operation in order to inform recommendations for future DREF/EA operations, specifically those related to drought (cash transfer programmes).
- Assess the extent to which lessons learned from previous operations were incorporated within the MDRMW011 operation.
- Make recommendations for sustainability and the ownership by National Societies (NS).

4.2 Evaluation criteria and Questions

The evaluation will be based on the IFRC CTP Evaluation guidelines and cash in emergencies tool kit. The evaluation team is required to review relevant programme documents and generate evaluable questions including those in reference boxes under each of the 5 evaluation criteria below.

Relevance and appropriateness – the extent to which interventions suited the priorities of those affected by the drought, if other interventions would have been more suitable; how they were revised based on the needs assessments carried out, and complimented those of other actors. The following questions should be answered by the evaluation:

Box 1: Relevant evaluation questions

- Were sufficient food and other essential goods available to be purchased locally?
- Were markets able to deliver affordable food and other essential items?
- Were markets accessible?
- Did recipients prefer cash over other types of assistance?

Efficiency and cost-effectiveness – The evaluation team will assess how the outputs of the operation have been delivered in the least costly manner possible, i.e. if planned expenditures were as expected; as well as assess how expenditures could have been reduced, or if other more cost effective approaches could be taken. Efficiency evaluation should answer the following questions:

Box 2: Efficiency evaluation questions

- How efficient and appropriate were the delivery systems used for disbursements?
- Did the agency have sufficient skills to manage the project effectively?
- What were the management costs/requirements in implementing the project?
- What was the total cost of the project per beneficiary?
- What were the external costs borne by the beneficiary?
- What was the total cost of comparable in-kind projects per beneficiary?

Effectiveness – the extent to which the operation was able to meet its intended objectives and outputs (by sector) in accordance with recognized international standards (SPHERE), and of/how NS/IFRC systems and processes supported the operation

The evaluation team should clearly point out what the success factors were for the program, key external influences/factors that could have contributed to the achievement of the results and

ultimately, what proportion of the results could be attributed to the intervention. Effectiveness under this evaluation should be measured at outcome and impact levels and should focus on the extent to which the objectives have been achieved and the extent to which the change caused can be attributed to the programme intervention or external factors. The following questions can be used by the evaluation team in addition to others:

Box 3: Effectiveness evaluation questions

- Did people receive the correct amount of cash?
- Were distributions timely and efficient?
- What did people spend the cash on?
- Was cash delivered and spent safely?
- What costs were borne by the beneficiary in receiving and using the cash?
- Did beneficiaries see payment levels as fair and adequate?
- Was there any corrupt abuse by agency staff, local elites or authorities involved in targeting or distribution?
- Is there any evidence of anti-social use? Acknowledged or unacknowledged ways?
What monitoring tools were in place to feedback into implementation? Were there any gaps for further improvement?

Coverage – the extent to which the operation was able to reach the populations/areas at affected by the flooding; how the criteria for this was identified/implemented.

Box 4: Coverage evaluation questions

- How were beneficiaries targeted?
- Was targeting perceived as fair?
- Did the use of cash make targeting more difficult?
Was cash shared with households that were not targeted?

Coherence – the extent to which the operation was in accordance with the policies and strategies agreed by key stakeholders for the response, including the government of Mozambique; and the RCRC Movement.

Box 5: Coherence evaluation questions

- To what extent did the operation respond to local, national and international development priorities?
- Was the operation design appropriate for the geographic area targeted?
- What is the stakeholders' perception related to the performance of the operation and its results?
Has the operation been consistent with the needs and priorities of the intended beneficiaries (most vulnerable in the communities)?

Impact- this will address the overall impact of the operation towards the livelihoods of the community

Box 6: Impact evaluation questions

- What was the effect of the income on people's livelihoods?
- What multiplier effects may have occurred due to the cash?
- What effect did the project have on local markets for key goods and services?

-
- Where and how accessible were the markets where cash was spent?
 - How did households decide on how to use the cash and were there tensions between men and women or between different generations?
 - How has the cash project affected traditional community self-help systems?
 - How has the cash project influenced local debt and credit markets?

Sector-specific objectives-

Box 7: sector- specific questions

-Did cash meet specific objectives such as shelter, livelihoods recovery or food security?

Sustainability & connectedness – the extent to which the outcomes of the operation will be sustained; particularly in relation to capacity and learning gained through the interventions; and how they can be integrated within contingency planning activities being carried out by the MRCS in preparation for drought in the future.

The evaluation team should clearly identify key results of the operation that are likely to continue after the operation is completed and give reasons why. The evaluation team's focus here should be on the effects of the operation and not the operation itself. For example, the likely extent to which beneficiaries who have had a house constructed will continue to have safe shelter beyond the life of the operation. Sustainability assessment should look at continuation of financial, institutional and technical results at NS (headquarter and branch) and community/household levels.

Box 8: Sustainability evaluation questions

- How did the cash transfers interact with other forms of assistance?

4.1. Evaluating multiplier effects on markets

4.1.1 Which market systems have been most affected by the project? The answer to this question revolves around issues such as expenditure, income and investment that the project has generated.

Checklist for interviews with beneficiaries

Commodities and services purchased using transfers or income from labour.

- What commodities and services have households purchased/invested in? Did this vary according to gender, ethnicity and livelihood group?
- How much have households spent on main commodities or services?
- From whom (market actor) have households purchased the commodities or services?
- What was the origin of the products purchased by the households?

Commodities or services sold for income

- What commodities or services have households sold?
- How much have households earned from each of the main commodities or services sold?
- To whom (market actor) have households sold the commodities or services? Did this vary according to gender, ethnicity and livelihood group?
- What was the destination (local or not) of the commodities or services sold?

Commodities or services procured by the project

- What commodities or services have been provided by the project?
- What is the relative importance of the commodities or services purchased by the project in the respective market system?
- From whom (market actor) did the project procure the main commodities or services delivered?
- What was the origin of the commodities/services provided?

4.1.2. Which actors have been affected by the project? This question is aimed at identifying how the project has changed beneficiary market access market and what further changes can be expected in the near future. It is also related to how beneficiaries have used the additional and tangible income generated by the project. When reviewing the questions below, a reflection on gender / ethnicity, livelihoods and environment is needed to add more substance, learning and understanding to the evaluation.

Market mapping

Question 1: Who are the actors involved with the commodity and what do they do?

Name the actors according to the activity they undertake. Limit yourself to the most important actors (try not to exceed 6-8).

Question 2: How does the commodity move in the market chain?

The answer to this question should allow you to identify the direction in which a commodity flows from the producer to the final consumer. A commodity can flow in different directions and into parallel chains, depending on the size, specialization and location of the actors, among other factors.

Question 3: How many actors of each type are there?

The answer to this question should allow you to know how many actors of each type are in the chain and how big the target group (consumers and/ or producers) is.

Question 3: What is the volume of commodities in the market chain?

The answer to this question should allow you to identify the volume of commodities that each actor handles and the changes after the emergency.

Question 5: How does the monetary value change throughout the chain?

The monetary value can be shown as the price at which the commodity is sold.

It can also be shown as the value that is added at every step throughout the chain. Deducting the difference will lead to an overview of the margins at the different steps.

Question 6: What types of relationships and linkages exist?

Relationships or linkages between market actors generally fit into one of three basic typologies:

- Spot market relations are created 'on the spot', i.e. actors make a transaction (including negotiations on price, volume and other requirements) with a specific duration and scope.
- Persistent network relations happen when actors have a preference for transacting with each other time and time again. These relations require a higher level of trust and some level of interdependence, and can be formalized by contracts.
- Horizontal integration goes beyond the definition of a 'relationship'. It happens when the actors involved share the same (legal) ownership, and the same organization (a company a cooperative, etc.) deals with different processes throughout the market chain.

4.1.3. What has been the impact of the project on the primary beneficiaries and their access to the market? This question is aimed at identifying how the project has changed beneficiary market access market and what further changes can be expected in the near future. It is also related to how beneficiaries have used the additional and tangible income generated by the project. When reviewing the questions below, a reflection on gender / ethnicity, livelihoods and environment is needed to add more substance, learning and understanding to the evaluation.

Checklist for FGDs with beneficiaries and non-beneficiaries

How did you manage the income generated by the project?

- What did you purchase in the market?
- Were you able to meet your immediate needs in the market?
- Have you been able to invest in productive assets?
- Have you been able to increase your savings?
- What other expenses were you able to afford thanks to this income?
- Would you have done something else if the income was different?

Where did you buy/sell the commodities?

- Are these the marketplaces you normally access?
- If not, why did you change marketplace?
- Has your capacity to access the marketplaces (distance, costs, physical access, security and protection issues, ethnicity and gender etc.) changed because of the project?
- How did you choose the trader to buy from?
- Did you choose a trader that is different from the one you usually buy from? If yes, why?

How have commodity prices changed?

- How did you find the prices compared with before the project or the same period of time last year?
- If prices were different, what could have been the causes?

How do you think the market has changed compared to before the project?

- Has the number and/or size of local traders changed?
- Were they offering different products (type/quality)?
- Were they displaying the prices normally?
- Has the project changed your capacity to negotiate prices and access credit?

How sustainable is the impact of the project?

- How has the project changed the way you generate income and meet your needs?
- How will you be able to maintain your income and meet your needs once the project comes to an end?
- Do you think that the project has generated any opportunity or risks regarding this?

How do you think the project has impacted your community?

- Has the income generated by the project benefited other people in the community?
- Do you think someone has been negatively affected? (consider issues of protection, security, gender and ethnicity) Can you tell who and how?

4.1.4. What has been the general impact of the project on the traders? This question helps you understand how the cash flow generated by the project has affected the local traders, either positively or negatively. When reflecting on the questions below, consider gender, ethnicity and type of trader (including the services provided by the trader).

Checklist for FGDs and interviews with traders

- What commodities did local traders provide to the project's participants?
- Where did traders purchase these commodities?
- By how much did local trader business increase/decrease in terms of number of clients and/or volume?
- Has the type/ variety of goods traded and services provided changed?
- How did traders spend/invest the additional income (generated by the project)?
- Has the variety and the quality of the commodities/services provided changed?
- How has the level of employment and wages paid to employees changed due to the project?
- How have the selling prices of commodities and services changed?
- Has the project affected the number of traders in the market system?
- Has the number and type of trader increased?
- Has any trader reduced their activities or run out of business because of the project?
 - Has any trader or a group of traders gained power in the market compared to others? Has this change levelled or increased existing differences?
 - Has the project influenced traders' selling/purchasing behaviours? (Transparency on prices, credit, etc.)

- Has the project improved infrastructure and services (roads, storage capacity, communications, etc.)?
- Has the project facilitated the traders' access to trading licenses, financial services?

5. Evaluation Methodology

- Desk review and review of secondary data.
 - MDRMW011 Malawi Drought - Operations Updates
 - MDRMW011 Malawi Drought – Budget
 - Key reports from external partners (E.g. MVAC, food security cluster committee)
 - Operations lessons learned reports from previous operations
 - Insert list available on IFRC evaluations site
 - UNWFP/DoDMA situational reports
- Key informant interviews (consider representation from respective regions of the operation), i.e.
 - a. populations reached through the operation
 - b. MRCS staff representatives from relevant technical areas and respective regions
 - c. IFRC SARO
 - d. In-country NGOs: WORLD Concern, Goal etc.
 - e. PNS, including Finnish Red Cross, Swiss Red Cross,
 - f. In-country government partners: DCPC Members, District Executive Committee
- Focus Group Discussions:
 - a. with beneficiaries
 - b. MRCS volunteers/staff involved in the operation
- Development of a case study (maximum four pages), providing a description of the operation, including successes, lessons learned, inter agency/volunteer/staff testimonials and photographs) to be shared with key partners/donors.

Please refer to Annex 1 and 2 for a proposed tool for key informant interviews; an agenda for the lessons learned workshop.

6. Deliverables (or Outputs)

The following outputs are expected to be delivered by the evaluation team:

- a) Review report – including executive summary, findings, key conclusions and recommendations.
- b) Case study, which can be used by the MRCS/IFRC to demonstrate the results of the EA operation for communication purposes to key partners/donors.

Proposed report format:

1. Summary of findings
2. Context
3. Methodology
 - Surveys
 - Focus group discussions
 - Key stakeholder interviews
 - Market data review
4. Impact: beneficiaries
 - On beneficiary families
 - Analysis of changes in household expenditures
 - Analysis of use of cash/voucher
 - Analysis of change in coping mechanisms
5. Impact: local market and economy
 - Vendors/shops that participated in the program

- Analysis of impact or unintended consequences for non-participating shops/vendors
 - Amount of cash injected into the local economy. Amount of commodities purchased and their value
 - Changes in supply chains
 - Restoration of market functions
6. Appropriateness
- Did the project meet its own objectives?
 - Was the transfer mechanism convenient for beneficiaries?
 - Did beneficiaries prefer other forms of assistance?
 - Was the value of cash/voucher sufficient to meet project objectives and beneficiary needs?
 - Was the frequency of payment conducive to meeting the project goals?
7. Efficiency
- Overall cost-efficiency
 - Compared to in-kind distributions
 - Compared to other cash transfer programmes
 - Compared to other mechanisms of transfer (i.e. paper vouchers to electronic cards)
8. Monitoring
- Did the monitoring system produce the desired information?
 - What actions were corrected due to strong monitoring?
 - Were monitoring teams different from implementation teams?
 - Did beneficiaries meet the project's criteria?
 - Was the monitoring sufficient in coverage and scope?
9. Targeting
- Review of targeting criteria and geographic targeting
 - Exclusion error issues and causes
 - Inclusion error issues and causes
 - Review of tools used in targeting to identify revisions needed
 - Community perceptions of targeting (did communities understand the selection criteria?)
10. Accountability
- Participation of community
 - Information sharing and dissemination
 - Feedback/complaint mechanisms
 - Lessons learned
11. Capacity of partners
- Did the transfer agency manage the increased transactions effectively?
 - Did the organization use partnerships to understand better vulnerability and financial systems in the urban communities?
12. Consideration of future need and approaches
- Recommendations for transfer systems
 - Recommendations for unmet needs
 - Next steps

7. Proposed Timeline

The EA review will take place from 22nd - 27 February 2016 with the following schedule (including drafting and finalization of report):

Activity plan	Date
Share key documents	
Remote Key informant interviews to guide review (SARO, Zone, others) – list to be developed by review team	
Secondary data review completed	
In-country field visit plan confirmed by review team	
Arrival	
Briefing with NS leadership, review team finalize plans, methodologies/tools, of review.	
Train 2 branch staff on tools and methodologies and pilot test of survey other branch staff. Discussion on pilot (what worked well, what didn't). Tweaking of survey, and training on data analysis, and next steps.	
Field visits to two Nsanje and Phalombe Districts	
EA review team carries out field visits to most affected areas two selected districts and compiles and analyse data	
Interviews with NS, and other partners, and PNS as relevant.	
Debrief with MRCS management	
Departure	
Compilation of field notes and draft analysis completed by review team	
Submission of draft report	
Feedback on draft reports	
Case study	
Final report	
Management response from MRCS	

Please note that the draft report will be submitted 14 days after the conclusion of the review (with seven days allowed for feedback), and the final report submitted no later than four weeks after the review

8. Evaluation Quality & Ethical Standards

The evaluators should take all reasonable steps to ensure that the evaluation is designed and conducted to respect and protect the rights and welfare of people and the communities of which they are members, and to ensure that the evaluation is technically accurate, reliable, and legitimate, conducted in a transparent and impartial manner, and contributes to organizational learning and accountability. Therefore, the evaluation team should adhere to the evaluation standards and specific, applicable process outlined in the IFRC Framework for Evaluation. The **IFRC Evaluation Standards** are:

1. **Utility:** Evaluations must be useful and used.
2. **Feasibility:** Evaluations must be realistic, diplomatic, and managed in a sensible, cost effective manner.
3. **Ethics & Legality:** Evaluations must be conducted in an ethical and legal manner, with particular regard for the welfare of those involved in and affected by the evaluation.

4. **Impartiality & Independence:** Evaluations should be impartial, providing a comprehensive and unbiased assessment that takes into account the views of all stakeholders.
5. **Transparency:** Evaluation activities should reflect an attitude of openness and transparency.
6. **Accuracy:** Evaluations should be technical accurate, providing sufficient information about the data collection, analysis, and interpretation methods so that its worth or merit can be determined.
7. **Participation:** Stakeholders should be consulted and meaningfully involved in the evaluation process when feasible and appropriate.
8. **Collaboration:** Collaboration between key operating partners in the evaluation process improves the legitimacy and utility of the evaluation.

*It is also expected that the evaluation will respect the seven **Fundamental Principles of the Red Cross and Red Crescent**: 1) humanity, 2) impartiality, 3) neutrality, 4) independence, 5) voluntary service, 6) unity, and 7) universality. Further information can be obtained about these principles at:*

www.ifrc.org/what/values/principles/index.asp

9. Resources

Please note that CHF 2,500 has been budgeted for the EA review, and this will be utilized for both the in country costs of organising the exercise (MRCS). Representatives from the IFRC Zone PMER, will be expected to cover their costs of participation.

10. Team Composition

Representatives from the Zone PMER and Swiss Red Cross will be responsible for guiding the review, drafting report with inputs from team members, and finalising the report and case study. The Malawi Operations Manager is responsible for communicating with MRCS leadership on plans for review, and to support preparation and provision of relevant documentation, planning and liaison with key informants, organising logistics for the team, as well as participating in secondary data review, primary data collection, analysis and finalisation of review findings and recommendations (including facilitating inputs/feedback from MRCS management).

Key contacts and team members:

Yusuf Ibrahim	yusuf.ibrahim@ifrc.org – Team leader
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Annex 2: Areas of Quality Operational Response for Lessons Learned

Consider whether the below were effective and discuss what worked well, what didn't work well, and what could be done to improve in the future.

Operational decision making, communication and coordination among national, regional and zonal actors

1. Use of Disaster Response resources: CBDRT, NDRT, RDRT,
2. Use of Disaster Response mechanisms: early warning systems, SOPs, Contingency plans, etc.

3. Participation in National coordination mechanisms (EOCs)
4. Needs Assessment
5. Logistics (warehousing, transportation and supply chain) and procurement¹
6. Working with media (in-country and international)
7. Response Reporting
8. HR in emergencies process and procedures
9. Finance in emergencies process and procedures

Proposed questions to be addressed to staff and volunteers to assess above thematic areas:

- What was the extent to which the operation was able to reach the populations/areas affected by the flooding?
- How effective were the NS/IFRC systems and processes in supporting the operation (e.g. management decision making and approval, preparation of EPoA document, process of the approval and disbursement process, logistics system, financial system, etc.).
- How were decisions about the content of the EA operation taken and by whom?
- What NS/IFRC mechanisms and tools were used to promote good practice, i.e. was SPHERE used? Better Programme initiative, emergency assessment tools, Vulnerability and Capacity Assessment etc.?
- How effective were the operation's processes for planning, priority setting, and monitoring, reporting and quality management? What tools were used to systematically monitor the operation? i.e. excel sheets, Log frame matrixes, tables, finance programmes etc.?
- How well was the operation planned in regards to finance? Costs and expenditures as planned and expected? Were there new or other needs that the NS would have wanted to use resources for?
- Was there adequate integration across the different programmes? (e.g. Emergency health, relief, WATSAN, etc.)
- How well did the country (if applicable)/regional/zone/Geneva Secretariat support the operation – from preparation of EPoA documentation and approval, throughout the operation until the end of the operation?
- How were the volunteers managed? Where they insured? Where the volunteers provided with relevant training and equipment for their activities performed during the operation?
- Was there effective coordination with Movement partners / other actors?
- How appropriate and effective were the inputs of partner organizations in the implementation of the operation, including how roles and responsibilities were defined.
- Where there any gaps in capacity of the National Society to implement the operation that needs to be addressed? Are there any plans in the National Society to address the gaps? Have these plans been incorporated in the National Society's long term/yearly planning?
- What changes in capacity, capability, understanding and learning have occurred within the National Society as a result of the ongoing operation? Are these appropriate?
- What important lessons have been learned which can improve future disasters response? What would the National Society do differently in future operations?

¹Consider handling of domestic donation