December 2008

Direct Cash Transfer to Post Election Violence affected Host Population

Nakuru, South Rift Valley, Kenya

Internal Evaluation

By Mark Henderson and Silke Pietzsch

EUROPEAN COMMISSION

Humanitarian Aid

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Abbreviations and Acronyms

ACF	Action Contre la Faim - Action Against Hunger
CBI	Cash Based Intervention
EB	Equity Bank
ECHO	European Commission Humanitarian Office
FDG	Focus Group Discussion
FSL	Food Security and Livelihoods
IDP	Internally Displaced Person
KRCS	Kenyan Red Cross Society
MoYS	Ministry of Youth and Sport
MoT	Ministry of Trade
NFI	Non-Food Item
PEV	Post election violence
PDM	Post Distribution Monitoring
SCUK	Save the Children United Kingdom
WASH	Water Sanitation and Hygiene

1. Executive Summary

Post-election violence in Kenya started in late December 2007 and led to a large-scale destruction of property, disruption of transportation and labour markets, and displacement of an estimated 250.000 to 300.000[1] people throughout the country. Homes and shops were burnt or looted; farms were affected as they did not have available labour to harvest or process crops, or the transportation system to move crops to markets. Families had to abandon their homes to live in police-protected camps or with family and friends. The whole situation resulted in a large scale loss of livelihoods for thousands of people.

Rift Valley Province was one of the hardest hit areas in Kenya, and still hosts just over 100,000[2] Internally Displaced Persons (IDPs). In addition to the large population which has been displaced and has been accommodated in organised camps, the local host population has stretched their resources to accommodate those who have been displaced. The overall NGO response was good, and the government has been able to provide compensation to the majority of those who lost their livelihoods and were displaced. However this assistance has only been offered to IDPs who were living in camps. IDPs living in host communities have received minimal assistance from both humanitarian organisations and the Government.

After the detailed assessment of the food security and livelihood (FSL) situation of the displaced and local host communities in Nakuru in March 2008, ACF received funding from ECHO to implement a direct cash transfer programme supporting the local host population.

1000 households were rigorously selected amongst the local population, and received 100 Euros through a direct transfer into a personal bank account. The money was transferred in two instalments; 20% and 80% assuming that the first transfer would cover immediate needs, and the second would allow families to invest in their needs for livelihood recovery. Households also received training and mobilisation on small business management as to reinforce the investment of the cash that was received.

The cash transfer was facilitated in collaboration with *Equity Bank*, where all benefiting households had or opened an account. The allocated cash was transferred in October and in November. Monitoring was facilitated in the beginning and throughout the programme (Oct and Dec 08) as to ensure good baseline information and follow up datasets. In December 2008, an internal evaluation was conducted and is documented in this report.

Summary key findings

> Programme implementation

▪ The chosen and implemented intervention was very appropriate in response to the local context and initial needs after the post-election violence. Timeframe of implementation and targeted households were appropriate.

▪ Targeting process and verification were heavy but resulted in strong mobilisation of the community and high quality impact on the participating groups and households. However, the review of targeting areas and criteria due to significant time between initial assessment and final project set up in this fast moving context was extremely relevant.

▪ Coverage of the programme in terms of consideration of geographical spread in the town of Nakuru was good. However the overall coverage of needs within the population affected by PEV was low, due to different limitations, e.g. unknown innovative approach, available funding and donor policy, etc.

▪ Available time for the overall implementation of the programme with appropriate mobilisation, training, monitoring and follow up was insufficient. Hence additional follow up is recommended.

[1] ACF Assessment Report April 2008
[2] OCHA November – December 2008 Kenya Humanitarian Update

> Partners

▪ The chosen transfer mechanism of bank accounts with *Equity Bank* was innovative and has immensely facilitated key aspects of security and outreach in a timely and cost effective manner. Cash transfer through the banks has been extremely time efficient.

▪ Negotiations with the bank for the implementation of the programme have been successful. Nevertheless, stronger negotiations for the most frequent withdrawal method (over the counter) and further waving of fees should have been facilitated.

▪ Coordination with other stakeholders and government efforts during PEV recovery and ongoing programmes has been very successful. This aspect will as well ensure sustainability in the future, e.g. through collaboration with the MoYS.

▪ Innovation and creativity of the programme participants has been encouraged through flexibility of supported business ideas and additional trainings provided, e.g. protection training for child care group.

> Programme Indicator Results

▪ 25% of the households stated, that they have spent the first instalment purely on short term needs, and nearly half (47%) employed a mixed spending. After the second distribution, only 1 % of the households spent their cash on short term needs, basically all of them spent their cash on long term investment.

▪ 92.4% of the households are considered to have used the cash appropriately. Different utilisation of the cash is documented and details are shown in part 6.1. Total amounts of Euros spent on the various items are available too. 54% of households have indicated that they have saved an average of 24 Euros (2412 KSh).

▪ Savings have been encouraged through established bank accounts. The choice for Equity Bank will facilitate access to micro loans and credits in the future to programme participants.

▪ Transfer of cash has significant impact on people's dignity, ownership and empowerment, through active decision making and application of personal choices

▪ Utilisation of bank accounts had an overwhelming positive impact on participant's psychosocial wellbeing. This has affected participants' motivation, energy and vision to recover from the traumatic experience of PEV.

▪ Visibility of ACF and ECHO during the programme implementation was weak, and could have facilitated an easier access to the community and participants. However, the participants' knowledge on the implementing organisation and the donor were very good.

Key lessons learned

> Financial partner institution

▪ Make use of locally existing financial institutions, for knowledge of the zone, recognition within the community and potential future access to loans and credits. In the Nakuru case, this was facilitated by a commercial bank, but similar can be done by a microfinance institution, local NGO or village bank if existing and having sufficient financial systems and liquidity.

▪ A clear written agreement on expectations and contributions from the bank are essential to facilitate later follow up with the bank and avoid misunderstandings, e.g. complete anonymous bank statements for final monitoring. Consideration as to what documentation is needed by donor and internal accountability is recommended

> Targeting process

▪ Keep targeting formats as light as possible, not to delay the activities unnecessarily. Ensure a thorough review of targeting criteria and geographical areas before starting the programme, as compared to proposal stage, due to often fast changing context, especially after an acute shock.

▪ Ensure strong community and participant's involvement in the targeting process, programme implementation and the definition of the use of inputs/cash to nurture ownership and sustainability of the programme and made investments. Working through existing working groups and existing structures like an MoYS programme, can be very beneficial, given they have appropriate credibility.

▪ Define clear and transparent programme guidelines, agreed with the participants and the community, and do not hesitate to enforce them, even if exclusion of participants is necessary due to non compliance. This creates more credibility and respect to the programme and ACF team.

> Programme implementation

▪ Strengthen the training component, on business management but as well leadership, group management and marketing to support the sustainability and ownership of the cash investment. Ensure sufficient time to roll out the training during the programme and allow more possibilities to follow up at later stages of the programme.

▪ Ensure stronger visibility and possible radio shows from the beginning of the programme to improve on community access and trust into the programme. This includes timely delivery of visibility materials, e.g. t-shirt, caps, etc. However, information needs to be carefully balanced not to expose participants or ACF teams to additional security risks. The radio show which was facilitated towards the end of the programme increased ACF visibility a lot, just too late.

> Monitoring

▪ Programmes with possible delay in impact need to ensure good follow up monitoring. Hence programmes like cash transfers for livelihood recovery, must ensure that sufficient time is allocated after the final distribution to facilitate monitoring and follow up on training, spending of the transferred cash and created returns. A minimum of 3-4 months after the final distribution, or an additional round of monitoring 6 months after the programme end are indicated to obtain good data on the sustainability, productivity and impact of the cash transfer.

> General

▪ From the programme implementation, it is clear that mobilization is a key programme component that must be ensured. The process of getting to know the affected population and interacting with it, is essential and lays the foundation of a successful programme. Importance of significant mobilization and monitoring needs to be recognized for any programme, but especially for cash transfer programs.

▪ The timing of any programme implementation after a shock is crucial for its success. Though initial thoughts were that the programme had started too late to facilitate rehabilitation and livelihood recovery, the vast majority of participants confirmed that an earlier start of the programme would not have been wishful to them. It is hence of utmost important to as well listen to the affected population and not make decisions and plans on their behalves for the timing of rehabilitation programmes.

Key Recommendations

- Facilitate an additional round of monitoring with key groups and individuals in Nakuru in June 2009 to follow up and define quantitatively measurable impact, e.g. calculation of returns, incomes, etc. This round of monitoring would provide good additional information on impact, sustainability and further possibilities to calculate cost efficiency.

- Due to donor restrictions, the coverage of the programme was limited. Advocacy and lobby should be facilitated with donors to review policies and restrictions of budgets for direct cash transfers, given a transparent and accountable system is available to support implementation of the programme. An analysis of the cash amount needed to facilitate a particular objective of the programme needs to be ensured in every case.

- Given this current positive experience in Nakuru with direct cash transfer through financial institutions, while ensuring good security and active participation for programme participants, this could be an excellent approach to venture into further urban programming. The programme has been operating in slum areas, and hence replication in other cities would open an opportunity to work on urban poverty, while ensuring teams' security and access to the population. This should be taken up in discussions with donors, promoting opportunities to work in urban centres, like Nairobi, Kampala, Kinshasa, etc.

- The Nakuru programme was set in an urban area, with genuine impact on the rehabilitation of livelihoods while empowering the programme participants. Similar direct transfer approaches could be used in rehabilitation or chronic contexts in rural areas too, e.g. post conflict returning population in Uganda, drought-affected population, linked to safety nets etc. Local financial systems can be available through local microfinance institutions or cooperative bigger financial institutions. Similar to the urban areas, good mobilisation and intensive training will be the key to a successful programme outcome.

2. Background

The post-election violence in Kenya in December 2007, led to large-scale destruction of property, disruptions of transportation and labour markets, and displacement of an estimated 250.000 to 300.000[3] people throughout the country. Western Province and Rift Valley Province were the most affected areas. Homes and livelihoods were burned or looted; families had to abandon their homes to live in police-protected camps and urban centres, with friends, family and with help of the original host population.

Rift Valley Province was one of the hardest hit areas in Kenya, and still hosts just over 100,000[4] Internally Displaced Persons (IDPs). Along with the large scale displacement within the province, the displacement has also had and affect on the already vulnerable populations living in inner city slum areas, accommodating the displaced population.

Action Against Hunger has been working in Nakuru right after the PEV, to support the displaced population in 4 main and 11 transitional camps with an emergency response programme, primarily only covering:

- **Sanitation**: 250 latrines, 130 showers, 20 soak pits have been constructed, by the sanitation teams in Nakuru in coordination with KRC.

- **Water:** 2 large water tanks systems, repairing connections, management of water points, and multiplication of water point access.

[3] ACF assessment report April 2008
[4] OCHA November – December 2008 Kenya Humanitarian Update

- **Hygiene:** training of KRC volunteers and other key player in appropriate hygiene behaviour and management in camps.

- **NFIs:** over 5000 family kit distributed in Nairobi and Rift Valley in coordination with the KRC.

- **Nutrition:** Management of acute malnutrition and training of MoH staff in Nakuru/ Molo and Mbagati Hospital in Nairobi have been conducted successfully. In Nakuru camps ACF ensured adequate screening and treatment of moderate and severe acute malnutrition together with the MoH and Unicef. Wet supplementary feeding and Out Patient Treatment were available in major camps, and stabilisation centre developed in the provincial hospital.

For more details on the immediate emergency response by ACF, please see the attached programme flyer in Annex 1.

Following the initial emergency stage, the need arose to conduct a food security and livelihoods assessment to obtain detailed information on the impact of the post election violence on the food security and livelihood status at household level. General ACF strategy comprises the support from emergency relief to re-establishing self sufficiency, and hence identification of the existing needs was crucial to define the next steps.

A detailed assessment was conducted (Annex 2: Assessment report) and led to the recommendation for a cash based intervention to support the local displaced and host population. These two groups had either been affected by local displacement within Nakuru town or from hosting IDPs within their households, which put great pressure on their already weak livelihoods and general poor situation in the slums of Nakuru.

The assessment recommendations focused on the following key points for programme implementation:

- Develop a cash based intervention aimed at supporting PEV affected households providing immediate needs of targeted beneficiaries but also longer term livelihood needs
- Distribute cash through financial institutions to avoid direct distributions and avoid the association between ACF marked persons/vehicles and the cash
- Distribute cash in two instalments - the first instalment only making 10 – 20% of the total amount
- Link project beneficiaries to micro-scale saving systems
- Develop precise and clear targeting criteria for project beneficiaries
- Target project beneficiaries through community institutions and organizations

A project proposal was developed and submitted to ECHO, who funded a project to support 1000 households with a direct cash transfer. At the end of the project in December 2008, an internal evaluation was planned, to evaluate the aspects of the programme.

Evaluation Purpose

The purpose of this evaluation is to appraise the implementation process and impact of the cash based intervention, benefiting the food security and livelihood situation of the targeted population in Nakuru district. The comparison and evaluation of the achieved results and impacts as planned in the ECHO project proposal will be established.

Lessons learned and recommendations for the implementation of similar interventions will support the improvement of cash transfers for ACF programmes and other humanitarian and finance institutions in the future. The evaluation report will be widely shared.

A publication is intended to be prepared with the content and results from this evaluation.

Objective
To evaluate the cash transfer programme component of the ECHO funded ACF Post Election Violence emergency programme in Nakuru, Kenya according to ECHO proposal indicators and additional evaluation criteria. (Annex 3: Evaluation Terms of Reference)

3. Evaluation Methodology

Throughout preparations and execution of the cash transfer project in Nakuru, key information on the food security and livelihoods (FSL) situation of the participating households was gathered. The initial FSL assessment, beneficiary baseline information and follow up, as well as ongoing monitoring (Post distribution/PDM) have created plenty of quantitative data and information. This evaluation uses the majority of the existing information for the quantitative aspects of the evaluation, through comparative data analysis of the baseline and follow-up. The monitoring formats that were used are attached in Annex 4.

Additional qualitative information was collected through interviews and focus group discussions (FGDs) with project participants, EQUITY Bank and government officials linked to the project. Open ended questions have been used to facilitate discussions. In FGDs gender balanced representation of the programme participants was considered and respected. Additional discussions with various ACF team members were held, to establish an understanding of the appreciation and complexity of the programme for internal management aspects. A list of interviewees and the interview checklists are attached in Annex 5 and 6.

The choice for the geographical areas and participants to be represented in the FGDs in Nakuru was according to the below listed criteria.

- Represent the geographical areas of programme implementation, e.g. south, east, west and north Nakuru (see Annex 7)
- Represent the different social groups within the participants, e.g. disabled, HIV-Self Help Groups, women groups, etc.
- Represent both cash disbursement mechanisms, e.g. direct and bank transfer
- Represent groups which have formed to use the cash for particular activities reinforcing their livelihoods, e.g. child care centre, weaving, piggery, etc.
- Represent the biggest market area which has been benefiting from the programme and where a cross section of participants is available, e.g. Ponda Mali
- Represent particular problem areas, e.g. Masonic discussions in Rhonda

Based on the criteria the specific locations chosen were the neighbourhoods of Lakeview, Rhonda, Hilton, London, Kiratina, Manyani and Ponda Mali.

Some limitations and problems were experienced during the monitoring data collection:

- Not all participants were found for the second round of the PDM; this could be due to multiple reasons such as moving away. However 944 households participated in the PDM 2, accounting for 94.4% of all participants.
- Time between the first and the second cash disbursement was very limited (4-5weeks) to ensure monitoring with appropriate timing and depth. A rapid monitoring (PDM 1) of first spending took place right after the first disbursement in October 2008 with around 20% of formal in depth monitoring. The second PDM 2 accounted for both disbursements of cash and was facilitated in December 2008.

- Difficulty to gather information on expenditure on alcohol, etc. during the first PDM posed a security issue. In one instance a member of staff was threatened, that if they reported that the person had mis-spent the first amount of money, the households were taken off the participants list.

- Remaining tensions after violence, especially on inquiries and information about the household demanded during the baseline and monitoring. Some households did not feel comfortable in the beginning; clear explanations were given and households felt more at ease.

The findings of the evaluation are presented and structured in two parts in this report:

1. **Project results against established ECHO proposal indicators**

Result 4: Emergency livelihoods assistance for vulnerable host community in Nakuru affected by post-election violence

- At least 50% of targeted 1000 households will report improved livelihoods conditions as measured against post-election violence levels.

- Percentage of cash spent on short term needs compared with percentage invested or used on longer term needs

- Cash is appropriately used by 75% of targeted households.

- Different utilisation of cash for each of the target households.

2. **Additional project implementation aspects:**
   - Appropriateness
   - Coverage
   - Coherence and coordination
   - Efficiency
   - Cost effectiveness
   - Sustainability
   - Accountability and Transparency
   - Culture, dignity, psychosocial impacts
   - Flexibility

Cross cutting aspects of gender equality, environment, protection, partnership and HIV/AIDS are considered throughout the documents designed boxes.

4. Project Area

4.1 Area of implementation

The project was implemented in the urban areas of Nakuru Town, which had been badly affected by the PEV. Programme activities were assessed and implemented in the low income areas, with vulnerable host population and integrated displaced persons.

Abongoloya	6	Kiratina	37	Mugunga stem	2
Bondeni	12	Kisulisuli	2	Mwariki	46
Flamingo	64	Kivumbini	41	Nakuru West	68
Free Area	95	Lake View	173	Nyamarutu	30
Nakuru	7	Langalanga	1	Pangani	2
Hilton	29	London	25	Ponda Mali	37
Kaptembwo	44	Lumumba	16	Rhonda	172
Kenya meat	6	Machanga	3	Shabab	3
Kimathi	3	Manyani	53	Wa-magata	7
Kipanga	13	Mawanga	3	**TOTAL**	**1000**

Table 1: Neighbourhoods of Nakuru and according participants numbers

A map of the different livelihood zones in the Rift Valley is attached in Annex 8, indicating that Nakuru town is part of the informal and formal employment and trade livelihood zone.

The hardest hit areas by the PEV in Kenya were the Western and Rift Valley Provinces. Not only had homes and shops been burned or looted, but farms have not had the workers to harvest or process crops, or the transportation system to move crops to markets. Moreover, families had to abandon their homes to live in police-protected camps. This led to large scale loss of livelihoods for thousands of people. Nakuru experienced considerable violence resulting in the direct loss of livelihoods for the urban population. Due to its geographical location and its multi-tribal nature, Nakuru saw a large number of displaced Kenyans accommodated in IDP camps as well as in host families.

The initial ACF assessment indicated that despite lack of political stability, daily life restarted relatively quickly to a certain degree after the PEV, despite in cases of loss of economic opportunities (e.g. business being burnt down). Food price increases due to the local PEV weakened markets and disruption of national agriculture and transportation, as well as the global food price crisis, put additional pressure on vulnerable groups and host families.

The Central Bank of Kenya (CBK) warned in May 2008[5] that Kenyans would face a further rise in the cost of living, and that higher prices for basic food and energy are driving up the overall inflation rate. The bank stated that the rising prices of food, fuel and power threatened price stability and the cost of living. Merchants prepared themselves against higher costs of inputs and rising costs of living that had been compounded by political uncertainties as a result of the post-election violence.

[5] Press release of the Central Bank of Kenya, September 2008

The proposed ACF programme activities were aimed to assist vulnerable families affected by the post-election violence to cover basic and immediate needs through direct financial assistance.

4.2 Livelihoods of project area

During the March FSL assessment, the past and present livelihood sources of IDPs residing in both camps and slums were analysed. The key findings are presented below:

- Immediate needs (e.g. food, clothing, rent/housing) for IDPs in slums and for supporting host communities were not being met, and hence these people were the neediest in terms of assistance.
- Income sources for the IDPs within slum areas changed away from diversified livelihoods. Informal/causal work had the biggest increase from 8% to 68% for IDPs in slums and 18% to 32% for the host community respectively.
- Though host families/communities mentioned less loss of assets (53%) than IDPs in slums (81%), they faced increased pressure on the remaining ressources due to the presence of IDPs.
- IDPs residing in the slums lived in rented accommodation using 55% of their household expenditure to cover the rent. 43% households were unable to pay their rent and failure to do threatened the eviction of these families, and transition back to IDP camps.
- Significant requirements to support also longer term livelihood needs existed, with 84% of households wanting to rehabilitate their livelihoods with hope for grants (42%) and other external support (24%)

The majority of small businesses assessed were able to recover their livelihoods to a certain degree following the PEV. But the level of recovery was fairly low, and with a lack of capital and/or funds, recovery to a pre-election violence state was difficult to impossible.

Rebuilding back to a level as before the PEV would mean the same vulnerability to possible livelihood shocks as before. And even before the violence, the level of competition and scale of business made profit extremely difficult in town areas. As typical for an urban setting, Nakuru's local markets sell the main types of produce such as vegetables, meat and fish through hundreds of stalls selling the same items. It was the smaller markets within the inner-city areas where the majority of the violence occurred and the population was affected. Wholesale and retail markets were in different areas of town and better protected.

As an urban setting, Nakuru's populations are used to cash handling, being reliant on the purchase of needs on the local markets, as compared to local and own production which is more relevant in the rural areas.

4.3 Population of the project area

As stated earlier, Nakuru itself has a high mix of different tribes, these predominantly being Kikuyu, Kalenjin, Kisi and Luo. This is due to Nakuru being a large market centre and the 4th largest town in Kenya. The population is hence a mix of locals and migrants from around the country, and even neighbouring countries. The main income for this area is small business/petty trading, daily and casual labour, and income is sometimes supplemented through informal street selling (hawking). Nakuru has had recurring ethnic clashes in the past, which are often related to political disagreement.

4.4 Institutional responses in the project area

Assistance from other organisations in Nakuru at the time of this intervention included water and sanitation (Kenya Red Cross, ACF), Medical Assistance (MSF Spain, Merlin, Kenya Red Cross), Nutrition (ACF, Merlin, Kenya Red Cross, Unicef), NFIs (Kenya Red Cross, Unicef, ACF), Protection (UNHCR, Save The Children, Unicef), Education (Save The Children, Unicef), Psycho-social Support (Save The Children, DRC) and Food Distribution (WFP, Kenya Red

Cross). The majority of this assistance was only offered to IDPs living in camps, not within the host community.

The Government offered a compensation of initially 10,000KSh (approx. 100 Euros) to IDPs with an intended follow up payment of 25,000KSh (approx. 250 Euros). Again this was only offered to registered IDPs living in camps. Due to financial restrictions of the government, the money was distributed as and when available, leading to less than 100% coverage in some camps especially for the follow up 25,000KSh distribution.
Observation were made that some of the IDPs who were living in the low income areas, kept tents within the IDP camps to be able to access aid during the day, but returned to their places of residence in Nakuru during the night.

5. Project implementation process

5.1 Programme Strategy

In accordance with the original proposal, 1000 households were selected to receive €100 (approx. 10,000 Kenyan Shillings) as a cash transfer. The main objective of the programme was the response to immediate needs and support to livelihood recovery of PEV affected IDPs in host communities and host households.

The cash transfer, using a local bank system, was chosen as the most convenient and appropriate system (see details below). Out of the 1000 households, 74 had already a bank account (and paid a reactivation fee).Approximately half of the remaining households without pre-existing bank account opened during the visit of a mobile *Equity Bank* staff team who came to the field to work with ACF programme participants, and half have came to the local branch to open a bank account[6].

The amount of €100 was defined in discussions with the FSL team, but no further market analysis, or prices of sample assets or equipment needed for livelihood rehabilitation, had been conducted. Following the definition of a €100, the total amount available for cash transfer programmes by ECHO policy (€100,000) had been divided and the number of 1000 beneficiaries had been defined.

The initial discussions with the donor were more focused on supporting immediate needs with 100% of the cash grant. But during the assessment, the participants stated that they wished to invest in small scale businesses and enterprises, to be able to recover their livelihoods.

After continuous discussions with the donor, the total amount of the €100 was split into two instalments as according to recommendations in the April Assessment report, aiming to cover immediate needs and livelihood recovery in two stages.
The first distribution was 20% of the total amount and aimed at meeting immediate and basic needs, while recovering households from some outstanding payments and debts if possible. The second distribution happened 4-5 weeks after the initial distribution, included 80% of the total grant, and was aimed at longer term livelihood support for recovery and investment.

Between the first and the second instalment, during the 4-5 weeks, post distribution monitoring was facilitated by the ACF FSL team in Nakuru. This was used to define and detect cheating and misuse of the first transfer of money, with the objective to exclude households who did not respond to the programme rules and regulations. 114 households were discarded, and were replaced by households which had already been on the initial list, but had not been found or had difficulties to be present at the initial verification. These replacement households did not receive the full amount of €100, due to 20% havening been paid to their predecessors already. Hence they only received 80% of the total grant during the second distribution.

[6] Information from personal conversation with Equity Bank accountant

The second instalment was followed by business training, including book keeping and management, as well as a second round of post distribution monitoring in December 2008 to establish use of money and future investment.

A team of 10 ACF staff (2 supervisors and 8 mobilisers) were employed for the implementation of the programme. Targeting assessment, targeting process, bank transfer support, monitoring and training were facilitated by the same team.

5.2 Targeting

The targeting process had already been suggested during the initial assessment phase. A focused targeting assessment was conducted in August 2008. The targeting process of IDPs and members of the host communities, and different groups was facilitated with the help of the Ministry of Youth and Sport, Self Help groups and Community Based Organisations (CBOs) including organisations like the *Women in crisis centre*. Households who had been initially chosen had to go through a targeting process; to meet eligibility criteria, and verification at the household level.

> **Box1: Gender Equality**
>
> The project targeted around 80% women due to them being most vulnerable after PEV, to empower women within their local society and as generally accepted women will use money to a higher and more responsible degree to support the household.
>
> ACF team recruitment ensured a gender and ethnical balanced team.

The ECHO proposal states the defined and suggested targeting criteria from the first assessment. These are mainly based on the socio-economic situation of the household using two main groups of criteria:

- **Household Vulnerability Criteria**
  1. Single parent head of household
  2. Elderly head of household
  3. Disabled head of household
  4. Chronically ill (e.g. HIV infected) head of household
  5. Woman head of household
  6. Family member of the family in an emergency feeding program
  7. Hosting an IDP family

- **Livelihoods Vulnerability Criteria**
  1. Have current assets of less than USD 1000
  2. Have lost productive assets – e.g. shop, farm, work opportunities, etc. – due to the post election violence.
  3. Have the capacity to restart a livelihood (e.g. access to land, security…)

Given a household on the targeting list did not respond to the initially indicated criteria during the versification at household level, the household was expelled and replaced by another household. Throughout the process, additional households and families were suggested by the local population, and were hence considered for targeting and verification.

The targeting was a very strict process for CBOs and SHGs too, clarifying that if people within the group lie and/or exaggerate their status, the entire group would be expelled from the project. This led to the removal of one entire group as a number of the potential participants within this particular group lied to the ACF team. This case provided a good example of the seriousness of the project, but as well helped to raise the auto-control within the groups and the community, as many participants did not want to be expelled due to a member's insincerity.

The group targeting process was supported by the Youth Officer of the MoYS. During the decision making process, the majority of these suggested groups appeared to be women groups. They were considered to be better managing their funds, with more priority on supporting their families and were representing single mothers, widows and women headed households, which counted as the most eligible for the support according to defined criteria. 80% of the beneficiaries were women.

For details on geographical targeting and choice please see 4.1 above. For more details on targeting rational and criteria see Annex 9a and b.

5.3 Cash Transfer mechanism

5.3.1 The choice

Various systems of money transfer are available in Kenya. Different conditions, services and degree of security are attached to the different options. The following systems were considered before making the final decision on the collaboration with *Equity Bank*.

Posta Pay
A money transfer system through the local post office network, which had already been used for another ACF programme in Garissa, and had proven to be slow and with the post office not being very responsive. The request for quotations was treated very slowly and it took long to get any feedback. Costs were reasonable, and are mentioned in Annex 10. Online tracking from the ACF office would have been possible and money can be withdrawn without opening an account. Nevertheless only one withdrawal for the total amount would have been possible.

m-Pesa (Safaricom)
m-Pesa transmits money through the Safaricom mobile phone network, and hence offers a big network of registered traders. This obviously needs the availability of a mobile telephone with each costumer or potential programme participant. A new development since November 2008 enables as well withdrawal at an ATM machine; given additional PIN codes are available. The cost system is very complex; depending on the sender and receiver being registered with Safaricom or not. No monitoring and assurance that the money has been transferred and received is possible. The total amount would need to be taken out at once. With a 1000 participants, the sending of 1000 text messages would be needed to transfer one distribution of cash. Details on cost are available in Annex 10.

Direct payment
Direct payments have been considered, with involvement of the ACF team to facilitate the payment within the community. This would have been free of fees and with direct monitoring, ensuring that the according households have received the money. Distribution to 1000 participants would have taken several days for each round of distribution, e.g. 7-10 days (100-150 HH per distribution day) per round of distribution. The money would have been transferred as one total amount at once. Security in the local slums and areas of interventions is still critical hence an additional security company would have been needed.

EQUITY Bank
Equity Bank (EB), a commercial bank in Kenya, was very responsive and interested to work with ACF to promote recovery after the post election violence. Negotiations on the cost and fees were positive and changes were achieved, details see Annex 10. Account transfer monitoring was offered as to improve analysis on the transfers and withdrawal by the programme participants. Transferred money t could remain in the account as long as necessary, and several times withdrawal would be possible with a little transaction fee. Participants needed a bank account to be able to receive money, but support was offered for the opening. EB's microfinance policy could facilitate future access to grants and credits to the programme participants.

5.3.2 The decision

After careful consideration of the various options, the choice was made to work with *Equity Bank* for this cash transfer programme. The two main reasons were: a) the fact of a secure and safe transfer of money to the programme participants, and b) the move away from direct distribution and the difficulty of a donor-receiver relationship. The security and safety of participants during the distribution and later at their home, and reduced exposure through money kept in the house, was an additional key decision aspect.

> **Box 2: Environment**
>
> Through the use of electronic bank transfer, paper use was reduced to the monitoring activities only.
>
> Support to a Recycling Working Group was given to support environmental and sanitation conditions in Nakuru neighbourhoods.

The reduction of transaction fees per transfer or withdrawal, the ability to follow money transfers and withdrawals through the bank database, and the transparency to all parties offered additional important advantages to work with EB. Added value of sustainability through available bank accounts and remaining money in the account, as well as the possibility to access micro credits through the banks development policy and the encouragement of savings, were positively influencing the choice of the transfer mechanism. Some few participants (74) had already existing bank accounts and hence were able to continue their usual way of handling money. There was no need to handle money for ACF it was possible to directly transfer the money with the list of names and matching bank account numbers. *Equity Bank* dedicated one accountant to the programme, to ensure sufficient and appropriate support, and direct contact with the ACF team.

5.3.3 The process

To facilitate the bank account opening for programme participants without a bank account (926), EB representatives joined the ACF team to field location sites to register some of the new account openings. The remaining participants opened their bank accounts at the banks local branch in Nakuru Town centre. Those participants who replaced discarded households after the PDM1, had to go to the EB branch in Nakuru Town centre to open their accounts. Thereinafter, all names of targeted households were matched with the bank account numbers and a list was submitted by ACF to the bank to execute the transferral of the money.

The EB database on the transferrals has been shared with ACF, but the database is not complete. Hence some information will be used for indications and discussion here, but this particular information will not be representative.

The first payment included the application fee for an ATM card and the first withdrawal fee, hence mounted to 2.150 KSh, for details see Annex 11. Participants who had previous accounts, but had not used their account for more than 6 months had to pay a reactivation fee of 200 KSh. According to the EB data base this mounted to exact 74 accounts, which were charged with 200KSh *dormant account charge*.

The first transfer was facilitated through the bank's automated system, which simply used the submitted ACF name and account number list. This first transfer was facilitated on the 13th October 2008. Some 70 accounts were charged after the initial date, due to mistakes in the submitted list and not matching names and account numbers. Hence the ACF team had to re-verify the initial information provided to the bank to facilitate the transfer to the correct programme participants. From the provided EB data bank it appears that transmission fees were paid for all first transfer accounts, but not in a coherent manner, with some accounts not being charged, and some being over charged debited with 100KSh and not with the negotiated amount of 50KSh. Similar counts for the ATM Card application fee, some households were charged 300KSh some were charged 500KSh, though the negotiated amount was 300KSh.

Between the first and the second transfer, in October/November 2008, the first round of PDM was facilitated. 114 participants were excluded from the programme, due to disrespect to the initially agreed programme rules and conditions, and detected misuse of the money (see table 2 below).

Reasons	No of HH	Percentage
Untraceable	38	33.3%
Misuse of money	21	18.4%
Lied in initial targeting or monitoring	29	25.4%
Moved	14	12.3%
Double registration	1	0.9%
Spread rumors on origin of money	6	5.3%
Deception of cash from other beneficiaries	1	0.9%
Does not want anymore assistance	4	3.5%
TOTAL	**114**	**100%**

Table 2: Reasons for exclusion after first cash transfer

Replacement households were chosen from the initial participant list, with additional verification at household level. The replacing households only received the total of 8,050 KSh, due to that fact that the expelled households had already received 2,150KSh.

During the second transfer in November, was a total of 8050KSh as calculate din Annex 10. 16 accounts were not or wrongly charged due to not matching account numbers and names. This needed re-verification by the ACF team, to clarify the numbers provided by participants and their names. Two bank accounts were doubly charged and hence 16,100KSh was transferred. At the same time, two accounts were not charged, and hence a gap of 2 x 8.050KSh was created. The beneficiaries who received the 16,100KSh refused to pay the money back, and hence the additional two participants, who had not received the payment, were paid in cash by ACF to ensure they received their full transfer amount.

10 participants requested from the beginning of the programme, to receive the money in cash. All of these women are members of the *women in crisis centre*. The money was paid to them directly by the ACF team at the women in crisis centre. The crisis centre is generally offering an option of savings to the member women, as to facilitate their savings and reduce their personal risk to crime and violation due to cash money being present in their households. This is a very informal system and services are open to the members of the crisis centre only. The facilitation and flexibility on this aspect has been important as to ensure trust and confidence in a system these women are familiar and content with.

5.4 Training

Box 3: Protection

No minors were targeted in the project due to fear of cash input for livelihood support could reduce attendance to schools or promote child labour.

The group starting a child care centre was given a child protection training facilitated by Save the Children and their local partners.

Two levels of trainings were facilitated. The first level was training and introduction to this type of cash transfer programming to the newly recruited ACF team in Nakuru.

Training on the ACF food security and livelihoods (FSL) programme was given to the implementing team to ensure comprehension, mandate and a common understanding throughout the implementation period. An additional participatory rapid appraisal (PRA) training of 2 days with field exercises was facilitated as introduction to community mobilisation. Business management and financial training was facilitated, as a training of trainers, with the vision of the ACF team rolling the training out to the programme participants.

On participant level, two roll outs were facilitated: training on the above business management for those participants (groups and individuals) interested in this training; and an on-the-job follow up for those planning bigger investment and needing additional support. Time was very restricted to provide more support.

One group of women received an additional training, as they chose the investment into a baby/child care centre. Hence, a 2 day training on child protection was facilitated through a local partner of Save the Children UK.

5.5 Time frame

The time frame initially planned had to be amended due to the late signature of the donor contract. Hence activities which were supposed to be undertaken between June and December had to be fitted into a time span between August and December 2008, which is for such a short programme an additional challenge. See Annex 12 for initial and implemented timeline.

The time frame for the transfer of money, in two instalments and with 4 weeks in between the instalments, was pushed to the very end of the programme. Hence monitoring time was reduced to instant post distribution monitoring, and without further follow up monitoring possibilities for e.g. more impact of economic return related aspects.

5.6 Security strategy (for beneficiaries, partners and project staff)

Given the already tensed context in urban slum areas and after the PEV, security was one of the main concerns for the programme implementation. The choice of geographical areas to work in was based on the security that could be assured for the national and expatriate team to move and work with the population in the particular areas.

The exposure of participants and the ACF team to additional insecurity due to the presence of cash has been successfully averted through the choice of the banking system with EB. The transfer of money was possible without direct handling of money, and participants were able to withdraw money based on their personal need. Future savings and depositing of money in the bank will support the security of the various households.

Information was provided to the communities and the project participants that the programme would be facilitated through a bank system as to avoid a direct distribution for security reasons. Hence it was made clear that no large amounts of money would be directly distributed within the communities by neither national nor expatriate staff members.

5.7 Collaboration

Close collaboration was facilitated with the Ministry of Youth and Sport (MoYS). The district officer dedicated one staff member to support the ACF initiative. The youth officer supported the ACF team to assess and target different already existing and registered groups. Her support throughout the programme implementation was much appreciated and ensured the connectedness and trust of the programme participants. The ACF programme set up, with the provision of financial support in different instalments, was similar to an ongoing MoYS programme on microfinance. Though, in the ministry's programme, a loan is given and needs to be paid back once the group creates an income. Hence, clarifications to the groups on the difference of the programme providing cash and not demanding repayment due to the PEV emergency situation, was necessary. The choice of EB was very well received by the Ministry, due to its links to microfinance opportunities. Training components to reinforce the groups' business management and group dynamics were very welcome by the MoYS.

> **Box 4: Partnerships**
>
> The programme cherished partnerships and local coordination where possible:
>
> - Working with CBOs/SHGs
> - Collaboration with the Ministry of Youth and Sport
> - Coordination with other NGOs and UN

Reluctance was expressed in the beginning as too often NGOs come and talk to the various groups, but no further action is taken. Hence the assessment and action taken by ACF was very appreciated and positive for people's motivation and lives. The MoYS staff members acknowledged that the needs were enormous after the PEV, but that a response to support all of the needy households was impossible. Hence the MoYS team was available to extend the support to choose the most vulnerable amongst those affected. The definition of targeting criteria after the initial group discussions was positively taken and supported. The inclusion of HIV positive, disabled and hearing impaired participants was welcomed. Decisions were made similar to a recruitment process with MoYS and ACF committee, after presentation of the group and judgement of their needs and motivation towards a positive change in their lives and willingness to take responsible decisions on a financial investment.

All proposed activities and businesses according to municipality council rules were eligible to be supported. These imply all legal and social activities, but exclude illegal and discriminatory activities and services.

5.8 Exit strategy

The purpose of the programme was to support immediate needs and the recovery of livelihoods of households affected by the post election violence and hence to support the households to return to their pre-election state.

It was clearly communicated from the beginning of the programme that this would be a one off cash support, and hence that participants must be willing to spend the money wisely and responsibly as part of the programme guidelines.

The training and mobilisation on business management, and the promotion of bank accounts will support the ACF activities, and continue even after the project has pulled out. Savings have been encouraged for those creating a regular surplus income. In addition, EB's credit and development policy will support those participants who would like to access additional investments to expand their businesses and activities.

Closer collaboration with the Ministry of Youth and Sport, and the ongoing supervision of some of the participating groups will ensure a continuation of support and advice needed to those groups. Remaining within the rules and regulations of the Ministries programme supports as well their credibility and contributes to the achievement of the District Development Plan.

5.9 Humanitarian Standards

The Sphere Project for humanitarian emergencies does not define any standards for cash transfer programmes. The general standards on analysis, targeting, distribution and human resource capacity and training were followed and promoted.

The amount of money transferred has been defined in discussions with the technical team on the ground and according to the donors' regulation on cash transfer.

The Do no harm approach has been followed and promoted, trying to link to existing programmes, and ensuring participatory targeting and programme activities, as well as risk minimisation for the programme participants.

6. Findings and results

This chapter will present the overall results according to the different aspects mentioned above. The proposed results in the ECHO proposal and additional DAC criteria aspects will be evaluated for the success of this programme.

6.1 Project results against ECHO proposal indicators

This part will evaluate the initially agreed results mentioned in the ECHO proposal (for LFA see Annex 13). The overall indicators for the programme will be evaluated according to the programme implementation and its performance.

Result 4: Emergency livelihoods assistance for vulnerable host community in Nakuru affected by post-election violence

a) At least 50% of targeted 1000 households will report improved livelihoods conditions as measured against post-election violence levels.

As mentioned above, the April assessment report provides details on the effects of PEV on the livelihoods of the local population. Especially the destruction of small businesses was a key impact, resulting in an increase in petty trading and casual work, and reduced incomes.

During the baseline survey, the overriding need of households was food, clothing and rent. This is important as an improved livelihood condition should see needs move away from immediate to longer term needs. During baseline discussions, it was as well frequent that households would intend to spend their cash on their livelihoods instead of on immediate needs, stating that they could support their immediate needs through their livelihood investment and returns. After 25% households spending the first instalment on immediate needs, only 1% of the households reported the same after the second instalment (see data shown below). This could conclude that now 99% of the households have regained stable and improved livelihood conditions.
The ability and amount of money saved is as well an indicator which can be interpreted towards improved living conditions. Only if all needs are catered for would a household save money for later investments and needs. 54% of the households have confirmed that they have saved some of the transferred cash during PDM 2 (see data below), which again can be interpreted as improved livelihood conditions.

During the initial assessment, the sustainable livelihoods framework[7] with its household capitals (human, social, financial, natural and physical assets) was used as an analytical framework (see Annex 14). Accordingly, the assessment information and the current situation have been compared and balanced to establish another degree of measuring the improved living conditions (see Annex 15). Key aspects to be considered are the social and psycho-social aspects of the previous and current situation. Tensions have calmed down and people feel safer again, trust has started to re-establish itself between members of the same community. Participants reported more vision and encouragement to restart their lives, clearly indicating that the programme has supported this development. This process of healing has been facilitated through multiple facets: the encouragement to take up lives again through mobilisation, the encouragement through opening a bank account and being socially recognised. These result in more energy, less lethargy and certainly more time, vision and care for the family.

Overall, even though qualitatively measured, multiple aspects of these improved living conditions have been reported by all of the programme participants. Hence the indicator of improved living conditions can be defined as achieved.

[7] DfiD – Sustainable Livelihoods Framework (1996),

b) Percentage of cash spent on short term needs compared with percentage invested or used on longer term needs

This indicator wants to observe the spending pattern for both cash distributions. A difference was made between short/immediate term and long term use of spending, and the following usages were classified accordingly:

Short term	Long term
Food Clothes Transport Health care Household/NFI Rent Fuel Construction materials Outstanding debts	Productive Assets Business establishment Stock for business Farming Small livestock Savings or revolving funds Rented land

Table 3: Short and long term spending

Some categories have been recurrent in both spending, as different timing is applying them to different aspects, e.g. construction materials in the immediate phase was more for family shelter, and in the long term was then used for business building and expansion. Food expenditure will remain in both spendings but with changes in percentages. Hence, a clear cut line between the two spending will not be possible, as similar named expenditure are indicating potentially different spending on the ground.

The graph below explains the use of the cash according to the households' responses: either purely used for short term, purely used for long term, purely used for saving, and a mixed use of all three options, namely short and long term, as well as saving.

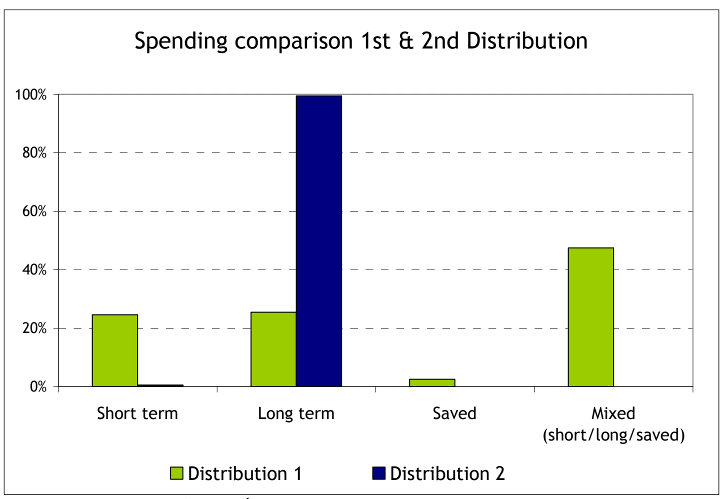

Figure 1: Spending comparison 1st & 2nd Distribution

The graph clearly shows that households during the first distribution were much more diverse in their spending over various different uses, whereas the second distribution was clearly focused on longer term livelihood usage. Spending on livelihoods during the first distribution was less than what was indicated during the baseline assessment, where less than 5% of households intended to spend money on immediate needs (data not shown). In PDM 1, 25% of the households stated that they had spent the first instalment purely on short term needs, and nearly half (47%) employed a mixed spending.

After the second distribution, only 1 % of the households spent their cash on pure short term needs, basically all of them spent their cash on long term investment. 3 % of the households saved some of the cash of the first distribution, and it is likely that the first round's saving contributed to the second round's spending; hence the initial saving is now reflected in the longer term investment, which amounts to 99% for the second instalment.

c) Cash is appropriately used by 75% of targeted households.

During the PDM 1, 11.4% of the participating households were taken out of the programme, which was due to multiple reasons (see 5.3.3). Actual misuse was very minimal at around 2%, with the participants spending the money to buy locally produced alcohol. However a small number of people were untraceable or had moved since the first distribution. This could be due to them mis-spending money and not wanting to be monitored, but could be for a number of other legitimate reasons too.

A total sample of 944 households responded to the PDM 2 survey. The remaining 56 households could not be monitored due to difficulties with re-locating them, most likely due to moving away, etc. Without monitoring information it is hence possible that they could have mis-spent parts of the money of the second disbursement. Out of 944 monitored households, none reported to have spent its cash on illegal or unacceptable spending. Hence 94.4% of the households in the second round are considered to have used the cash appropriately. Considering the 2 % of the first round who were excluded due to confirmed bad spending, the total conservative percentage of households considered for appropriate spending could be 92.4 %.
This percentage of success is likely to be influenced by the effective targeting of programme participants, responsible and sincerely vulnerable programme participants and good mobilisation and training of the participants.

d) Different utilisation of cash for each of the target households.

The percentages of the below demonstrated utilisation of the cash are relative, allowing multiple answers for each household. The graph shows the deployed usages for each household for both distributions, it is clearly visible that spending is mixed between short and long term needs.

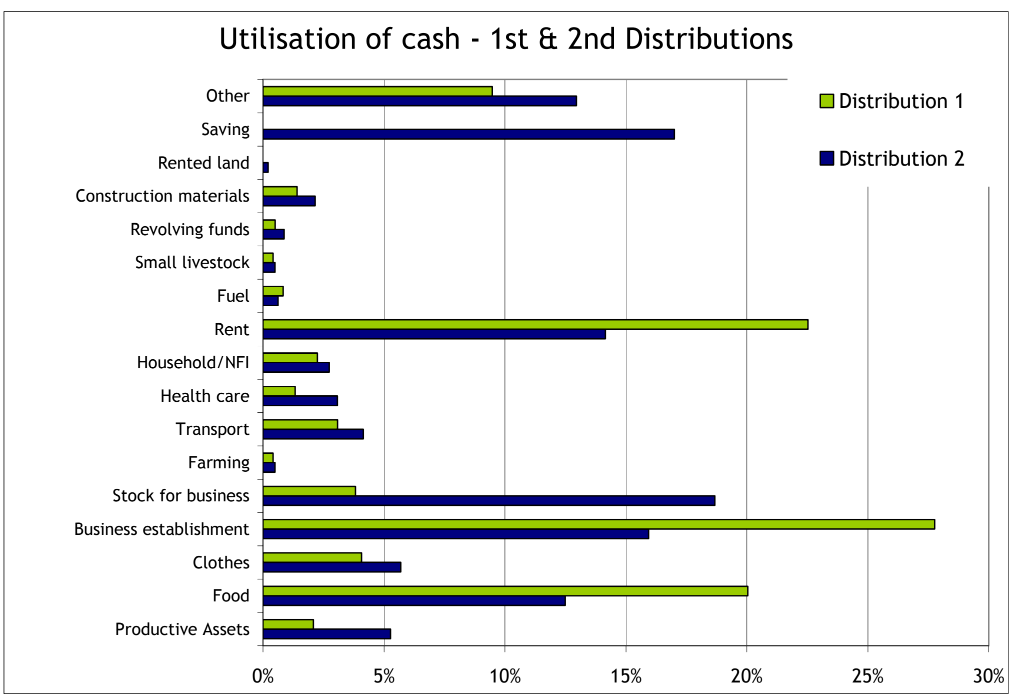

Figure 2: Utilisation of cash – 1st & 2nd Distribution

Spending mentioned under 'other' is mainly comprised of schools fees, medical care and related costs, e.g. school uniforms, etc. Clearly, rent, food and initial business re-establishment were the key aspects for spending after the first round. Savings, rent stock for and the establishment of businesses remain the main aspects of the second distribution too. But clearly, productive assets, business stocks and savings have taken the over hand indicating longer term vision of the programme participants.
To be clearer on the total amount used for each category the below graph shows more details on the amount of total spending (1st and 2nd distribution) on the particular category in Euro €, including the amount of money that has been saved.

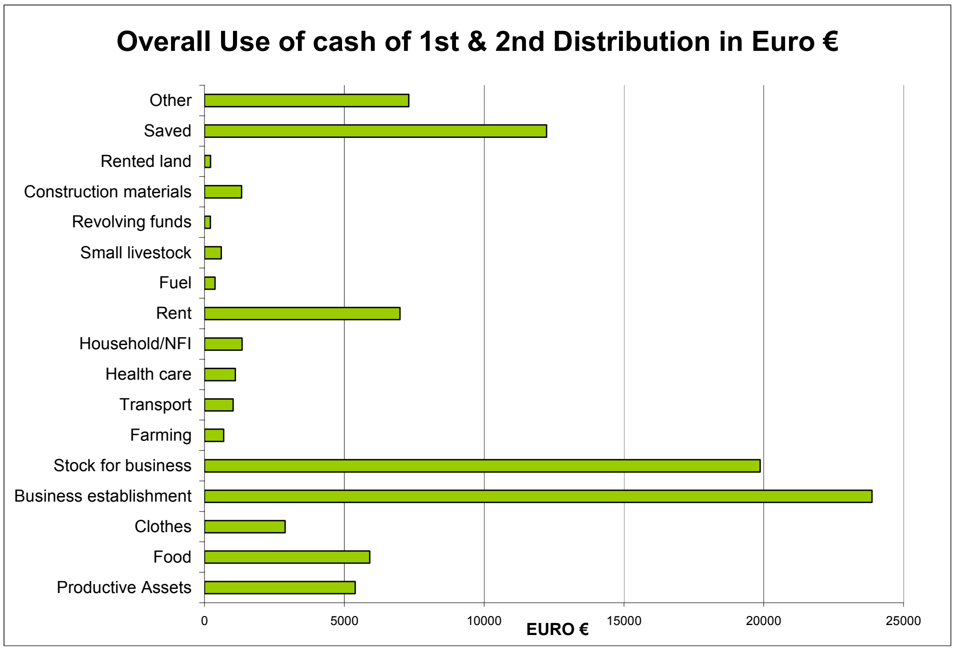

Figure 3: Overall use of money 1st & 2nd Distribution in Euro

Business investment for establishment and stocks are mounting to 43.7% of the total spending, which means 43,743€uro. Rent and food are important but can be classified as being on a generally acceptable level with about 12,900€uro spending, hence 12.9%.

54% of the households have indicated to have saved some money. An average of 24€uro (2412 KSh) was saved per household (data not shown). Around 12,000€uro of the total disbursed 100,000€uro have been saved. Several reasons have influenced the programme participants to save, e.g. future needs and investment, mistrust in the current security situation, etc. The intended use of savings is shown in the figure. The saving behaviour shows that the bank accounts provided the necessary confidence and security to the participants to leave money for future needs and savings. 67% of households (52% future business, 11% future

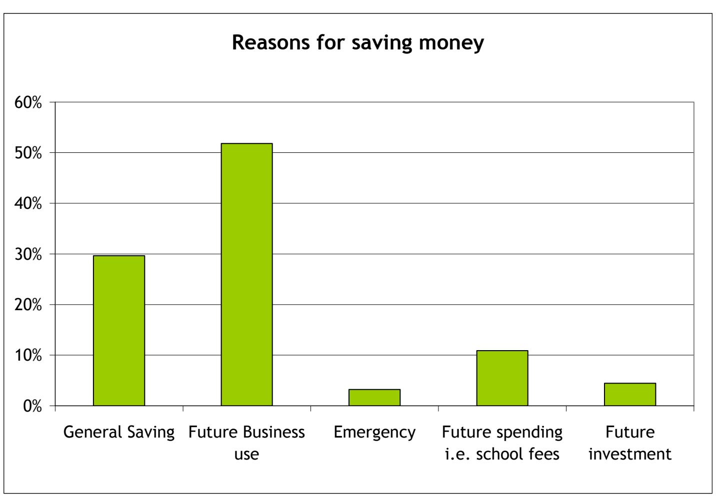

Figure 4: Reasons for saving money

spending, 4% future investment) clearly had a future vision and felt the necessity to save money at this point of time. This is important as it seems to capture a function of a local safety net which would be safe from, but available during, the next economic shock or disaster.

According to the proposal additional programme performance activities and special requirements by the donor had been fixed, e.g. on monitoring, targeting, security, etc, which have been fulfilled and are documented in Annex 16.

6.2 Additional programme evaluation indicators

To ensure that other areas than the direct proposal indicators and the general quantifiable impact of the programme are evaluated, the OECD DAC[8] criteria have been used to review additional aspects of the intervention.

This part of the evaluation report is mainly based on the collected qualitative information through focus group discussions and individual interviews during the evaluation in December 2008, as described in the methodology section above. Where necessary, different perspectives of participants, ACF or other partners have been presented separately for each subsection.

Appropriateness

Different levels and aspects of the programme implementation have to be reviewed in light of its appropriateness. The overall understanding is that the programme was very appropriate to the local context and needs, and has ensured the local participation and decision making process. The various steps taken in the programme implementation have been reviewed with more details.

a. Local context

The development of the programme, including needs assessment, targeting assessment, and project development have been very appropriate and according to local contextual needs. Every step followed the project cycle management, and ensured a participatory facilitation of the same. Inputs of the population, programme participants and partners were well received and considered in the definition of the programme planning and process.

According to the local context, the cash transfer system was and would still be the most appropriate to address the various needs and the complexity of an urban or semi-urban context. In addition, Nakuru had appropriate banking systems and sufficient markets in terms of number and volume to easily accommodate the amount of money injected. The local network and familiarity with financial institutions provided a great opportunity to support the PEV affected population. Even those participants who did not have a bank account were familiar with the general functioning and purpose of a bank.

b. Timeframe

The initial idea of the programme was to address immediate needs, which was in the later stages of the proposal changed to include livelihoods recovery support, too. This was a very important aspect, as the immediate needs only would not have been as relevant in August 2008. Given this would have been earmarked to immediate needs only, it would clearly have taken away the advantage of a direct cash transfer: flexibility and choice to the participants.

[8] These criteria were developed by the Development Assistance Committee (DAC) of OECD. DAC is the principal body through which the OECD study issues related to cooperation with developing countries. They are commonly known as the 'DAC criteria'.

Given the timeframe of starting the first real interaction with the programme participants in August 2008 (targeting assessment), the first notion might be that support should have been extended early to recover quicker from the shock.

In discussions with the participants, it showed that the timing was perceived as good, as they would not have been able to think about their future life and an investment during the earlier stages after the violence. Many programme participants voiced that the timing for the purpose of livelihood interventions was appropriate. An earlier programme start would maybe have interfered with the remaining violence and insecurity. In January/February, all money would have been spent on immediate needs, and no clarity about the future would have remained. The time until the programme beginning in August, had given the majority of the participants the possibility to think through their lives and what they would like to do. They were able and ready to take decisions and move on with their lives when the programme commenced.

Nevertheless, the delay in the signature of the donor contract reduced the time available for targeting, training, and monitoring and follow-up of the distribution and the investment of the money. Hence, even if the timing of the final disbursement of the money was acceptable, the time available after the final disbursement was not, as it is crucial to follow up and support. This was definitely cut short in this programme, and hence the total time available for implementation was judged insufficient for appropriate monitoring, training and follow up of programme participants and their activities.

c. Targeting process

The initial geographical targeting areas have been reviewed during the preparations of the project implementation, after funding had been received. This was of key importance due to the very fluctuating and complex situation, with ongoing population movements, from camps back to homesteads, and within neighbourhoods of refuge to original neighbourhoods, etc.

Box 5: HIV/AIDS

The project supported a number of people suffering from HIV/AIDS. Specifically people who are part of a HIV/AIDS support group, allowing these people to re- start their livelihood activities without any bias and stigma. The ability to save money in the bank facilitates as well payments for healthcare if needed.

Targeting procedures, through various local CBOs, churches and SHGs was very appreciated by the local community, participants as well as non-participants. This process facilitated an immediate closer link to the community itself, working through and with their own established and familiar structures. Generally, high needs were present at the time of project targeting, but the ACF team has been very strong on the targeting process. Initial visits to facilitate the choice of the various slums for the programme intervention were very important, as to ensure local host and IDPs who had been affected throughout the PEV were located.

The targeting criteria were clear, well understood and accepted by the community. Rules and regulations of the targeting approach were clear from the beginning, and exclusion of households who had given wrong information during the targeting survey or verification stages was understood and transparent. The strength and correctness of the ACF team was very much appreciated by the community and programme participants. The ACF team was strong and correct on the execution of this process.

Before the first distribution 12 repeated ID numbers and 32 repeated accounts were detected during verification of the beneficiary lists. This information was rectified and depending on the reason for the inclusion of this information action was taken. The hard copy of the provided information was checked and if it was a mistake of data entry the information was corrected accordingly. However, if this was because of lying by beneficiaries, they were excluded from the programme. Errors of targeting were detected after the first distribution and hence corrected through the exclusion of the according households. Generally, the targeted households and groups were well targeted, representing the most affected and vulnerable population after the post election violence.

Out of the 1000 households, 800 were women headed households or women as programme participants and hence the money receiver. This has been well received by all the involved parties, participants, communities and supporting institutions. Main reason being that women were often more affected by the PEV due to loss of family members and productive assets, but as well the fact that women are known to be better managers of financial investment.

Nevertheless some issues around the targeting could have been improved. Additional clarity and announcement of ACF activities, and the conditions and rules for the transfer of free cash could have reduced speculations of the population around the programme. Some people thought the programme was intended to recruit people for devil worshipping as it was unheard of people or institutions handing out free cash.

d. Transfer mechanism and amount

Participants perspective

Using a bank system was very much appreciated for many reasons. However, some fear and initial *bank phobia* was reported, which was eliminated throughout the programme implementation, thanks to the support by the ACF team and the EB staff members.

Opening the bank accounts has been perceived as a very important step in participants' life, and has reinforced their vision and empowerment towards their own society and future. For owners of existing bank accounts, it has facilitated and reinforced familiarity and confirmation of the existing structure, too.

The separation of the total sum into two instalments was very positively acknowledged by the programme participants. A direct transfer of the total sum would have lead to expenditure of the whole straight away and without consideration of future investment, many stated. Hence the instalments have supported to better manage and think through this investment and chance, to improve their livelihoods in the longer term. None of the participants stated that the provided amount was insufficient during the discussions.
Some additional key aspects of the **overall programme mechanism and procedures** of the cash transfer have been highlighted by the participants of the programme and are presented below:

Increased privacy - The way people were chosen and the programme was set up, was very positively perceived, because it ensured privacy and limited information going out to other community members. As compared to organised open distributions within the community, this facilitated less pressure on the receiving households due to lack of information to the rest of the population, hence increasing safety and security, and probably less pressurised sharing.

Security - Direct distribution of cash would have implied the stocking of the money within the household and its vicinity. At the time of project implementation, many participants preferred not to have cash in the house due to continued robbery, theft and attacks. The transfer of cash into the bank account enabled each individual to remain safe themselves, ensure safety for their cash and make the cash available at their disposal, at any given time and in any necessary amount.

Distance - The Equity Bank branch used for the opening and transferral of the cash is in Nakuru town centre. Even though many participants had a certain distance to overcome to reach to the branch (which never exceeded 2 km), all were happy to do so and did not complain. In contrary, they were able to connect other important business within the town centre when going to withdraw money from their account. In addition, it again added some sense of security, as they were not notably taking out money within their neighbourhood, hence the community and neighbours would not be aware.

Timeliness - Programme participants were very content with the way the money was transferred, and were very well informed about how the system functioned. The transfer of the money was facilitated in a very timely manner, once the list of bank accounts had been submitted money was transferred within 3 hours to all noted bank accounts. The average time between transfer and withdrawal was 3days.

Accountability and transparency - The transparency of the system was extremely appreciated by all participants. It stands for insurance that all participants receive the same amount of money and the reduced risk of corruption within the transferral system of the bank. The bank system is clear and visible, hence the most appropriate for the receiving household.

On the other hand, several constraints were mentioned by the participants, which were generally not seen as severe but need to be mentioned here. One of the main constraints was the understanding of the complex bank system. The majority of the participants did not have bank accounts before, and hence had to open them. The utilisation of ATM machines was said to be very complicated and only used by those who had already bank accounts and more familiarity with the banking system.

The ACF team spent significant amount of time at the bank to support the participants to learn and access their money through over the counter withdrawal or ATM machines. This is an important part of capacity building and empowerment, though needs time and patience to ensure everything works well. The bank counter staffs had been informed and were very helpful too. Generally participants preferred to withdraw money over the counter, even though the withdrawal fee was higher (KSH 50) than at the ATM machine (KSH 30). Hardly any of the respondents had used the cash back system, available at large shops and supermarkets. This is mainly due to the fact that the according facilitating shops and supermarkets are not the purchasing institution for the participants, as they rather shop from open air markets in their areas of living.

Organisational perspective

In the definition of the cash amount to be transferred, ACF was limited due to ECHO guidelines of a maximum of 100,000 Euro as cash transfer and grants. Hence, with a target of 100 Euro, were defined as the numbers to target. The real needs of cash to cover immediate needs and/or to rehabilitate or re-establish a livelihood were not evaluated and considered in the definition of the amount.

The decision on the disbursement in two instalments was already taken in the initial assessment, reinforced in the proposal and hence executed during the programme implementation. The first instalment was intended to cover immediate needs and balance the expenses and possible debts, as to ensure that the second instalment could purely be used for investment and rehabilitation of livelihoods.

From an ACF point of view and for practical application, the bank system was the easiest, least complicated and safest system to transfer the money. Extremely time and cost efficient, as compared to a direct cash distribution through ACF teams, and sure in terms of actual transfer, and possibilities to control and monitor the transfer to the individual bank accounts. The bank was very collaborative in many ways, as most important example they even liquidated the money from checks written to the bank within 3 hours and before the checks were actually cleared 3 days later.

Some minor hick ups were noted, when account numbers were double stated, and hence the automatic bank system transferred the money into the given account. Hence two accounts had received the double amount of money, as mentioned above.. This mistake was based on the list of names and account numbers submitted by ACF to the bank. It was an initial result of the wrong stating of the account number by the project participants or mistakes made during the data entry by the ACF programme team.

In general the collaboration and negotiation with the bank have been easy and professional, moving forward in an appropriate delay of time and service. Fee negotiations have been successful to wave some fees; but could probably have been even better due to the total number of accounts opened. Further reductions, especially on the most common withdrawal (over the counter) would have been appropriate.

The availability of a wide ATM machine network was an additional positive factor in the initial consideration to work with EB. After the final instalment had been transferred and monitoring and discussions had been held, it appears that the vast majority of the participants did not use the ATM services, mainly due to complexity. It would hence be important to ensure in a future programme that the most frequent way of accessing the money should be the one negotiated at the lowest price.

e. Training

Training support to the programme participants was very much appreciated. The general feeling was that extended business management and investment training was applicable and needed. The timing was referred to as too late, as it should have rather been before the second instalment, so participants would have been better prepared for application of the same. Additional special training components, e.g. child protection etc., have been greatly appreciated by the group, showing the commitment to support their ideas and investments. Further requests for follow up and training on leadership, forming and managing groups and marketing were made, and could have been considered in the initially planned timefame.

f. Visibility

Physical visibility was fairly light, especially during the beginning of the programme. Visibility material like t-shirts and caps arrived late, after the first and key important stages had already been overcome, e.g. targeting, mobilisation, bank account opening, etc.. Expatriate movements were not as frequent during the beginning stages due to security, which had as well influence on the credibility of the programme by the population. Hence, understanding and comprehension of the community was not always given and created space for speculations. This is certainly were the devil worshiping ideas came from too.

Later radio shows about the programme added value and transparency for all, and should have been taken used earlier, in the preparatory stages of the programme. This is an important aspect for urban programming, which need to ensure clear visibility and belonging.

In all group or individual discussions, the participants were able to cite the correct name or abstracts of the name of the organisation (Action against Hunger) and even the donor (ECHO/European Commission). Nowhere was the programme associated to the government compensation programme or any other political activities or organisations.

Coverage

As compared to the geographical spread of the violence, the worst hit areas were covered in the programme. Consideration of all affected areas during the programme targeting process was ensured, though final execution differed from the initial plan. Realisation of the same was not always possible due to limited security for staff members in some slum areas, and hence no programme activities were possible to be rolled out.

One key area which had been excluded was near the *Stadium* IDP camp due to lots of illegal action, robbery and alcoholism being practiced in this area. For the final geographical spread of programme activities see a map of Nakuru neighbourhoods in Annex 6 and Table 1 in section 4.1.

The initial need after the violence and during the phase of the targeting assessment were very big. There are no formal figures on the effect of the PEV on the host population in Nakuru or any other exact numbers of total affected populations. It would hence have been very difficult to establish entitled numbers of affect population but as well ensure appropriate targeting and roll out of the programme. Therefore, needs were much bigger than a potential response could have addressed, and 1000 households was a small percentage to support.

Restrictions on the number of programme participants were given through donor policy and procedures, limiting the amount of unconditional direct cash injections to 100,000 Euros. An option could have been the reduction of the amount transferred per household and hence an increase in numbers of participants. This was nevertheless not felt appropriate. The ACF programme team would have been capable to target and support more PEV affected households.

To establish clearer and additional understanding on the appropriateness of the amount of money transferred per household, an additional round of PDM (3) should be facilitated about 6 months after the finalisation of the programme (e.g. June 2009). Analysis around how much was and still is saved, and the income and return created from the initial investment can help defining a key amount, which could support making choices of amounts allocated per households in the future, in a similar context as the Nakuru PEV rehabilitation process.

Coherence and coordination

The ACF programme strategy for Nakuru was initially limited to the emergency programme and saving lives, ensuring minimum needs in the sectors of water, sanitation and nutrition within the IDP camps. After the first phase of displacement and emergency response, the food security and livelihood assessment provided necessary information to make decisions on the widening of the strategy, and hence implementation of a recovery phase programme, with limited timeframe. Therefore, the identified needs of the population and the implemented food security and livelihoods programme, reflect a coherent picture of the understanding of the situation and the response to the identified needs.

The general ACF programme approach of integrated programming, and hence internal coherence, was less applicable in this particular context, due to political and scoioi-economic difference. While still in the camps, the population had different needs, and access to their livelihoods was limited. After the population had returned, and when considerations concentrated around the host population too, livelihoods were stronger and more urgent needed than nutrition and access to water. Hence, based on the populations identified needs, WASH activities were implemented on school and camp level, livelihoods rather on households and community level.

The implementation of the programme through and with local structures, in terms of community CBOs and SHGs, but as well with an existing and recognised financial system through EB, has ensured a continuity and coherence in itself. This has been very important for the community, given more confidence, encouragement and empowerment about their own lives and familiar structures.

Coordination with local community structures (community leaders, elders, etc.) for the implementation of the programme has been facilitated, but nevertheless could be stronger to the advantage of the programme. The stronger inclusion and use of local chiefs and elders could have an additional positive impact on the mobilisation, targeting and follow up process of the programme.

The governments programme on compensation of the displaced population covered very much the *visibly* affected and displaced population of those living in IDP camps. The ACF programme was hence able complement the government programme and to support those who had *invisibly* suffered during the PEV. This was very much appreciated by the local administrative representatives.

Programme activities were very closely and well coordinated with development programmes and existing groups of the Ministry of Youth and Sport. The opportunity to support existing youth groups in the rehabilitation of their structures and livelihoods was a key result of coordination and willingness to encourage sustainability. Coordination on administrative level, with government representatives of the according line ministries, or emergency coordination bodies including other international NGOs working in the same context, was successful.

Regular coordination and exchange with the donor ECHO was positive and well appreciated.

Efficiency

Efficiency has been looked at different levels and for different steps within the programme implementation. Each of them shall be mentioned and evaluated here.

Targeting - the ACF team felt that the targeting process was slow and difficult due to formats that were too long. A quicker targeting process would have left more time for training and follow up monitoring after the last transfer of money.

Data entry – bank account numbers were not always correctly entered and hence some payments were delayed and needed additional re-verification and time.

Bank Transfer – the transfer of the money from the moment of submission of the account numbers list and the cheque for the total amount was about 3hrs. This has been much faster than any other distribution mechanism could be. Waiting time within the bank was reported to be very efficient with a maximum of 15-20 minutes.

Monitoring – a representative sample was taken for the PDM 1 questionnaires (200HH) and informal discussions with all HH. This was needed to move fast and establish a clear understanding of those who had misused the money from the first round. The second round was successfully facilitated, targeting 944 households. An additional third round would be recommendable, time and resources permitting.

Local partnership – together with the Ministry of Youth and Sport the targeting and mobilization of groups was very efficient. The ministry is generally in charge of this type of investment activities, in the development setting, and hence knew the most affected groups and was able to verify the correctness of information and members of the group as the most vulnerable.

Human resources – the number of programme monitors (10) was well defined, and necessary to implement the programme in its quality and ensure sufficient and efficient mobilisation, monitoring and follow up of the various groups and households. The mixed tribal background of the team facilitated not only the access to the various neighbourhoods, but was as well very appreciated by the participants, showing ACF's consideration and sensitivity for the underlying causes of the PEV.

Logistics – the cash transfer through the established bank system, has an extremely low need of logistics, hence it is very efficient and independent. No procurement and delivery is necessary, it is fast and effective. The logistics need for the programme included nevertheless the movement of the programme team, to mobilise, to monitor and follow up. Some problems were encountered due to limited availability of vehicles, especially during the rainy season.

Cost effectiveness

Cost effectiveness of programme activities can be measured in different ways. Different ideas will be reflected and discussed here.

Usually cost effectiveness is measured by cost per beneficiary. This can be calculated according to the initial budget allocated or final budget spent.

Budget -According to the initial proposal the overall amount of 229,977 Euro was allocated to the Nakuru Food Security and Livelihood programme. At the time of writing, final administrative accountability is not yet completed; hence the intermediary report and the budget follow up until the end of December have been used as comparison.

According to the initial budget allocate, the per-participant cost would be 229.98 Euro. Given the pure cash grant is of 100 Euro, 129.98 Euro are spent on the facilitation of the transfer and programme implementation, mounting the support cost to 56.52% of the allocated budget. This would however seem to be a bit unbalanced and maybe expensive according to the little input the programme participants receive. Main focus on the cost is certainly due to a big team to monitor and roll out this activity.

The allocated and used amount of money at the end of December, when programme activities resumed, has been of 145,433 Euro, which would calculate as 145.43 Euro per participant. Proceeding with the same calculation as above, the pure cash transfer would amount to 68.76%, and support cost to 31.24% of the budget. This calculation would make the programme more attractive in terms of cost effectiveness.

Return - Food security and livelihood activities, especially with cash transfers targeted at livelihood rehabilitation, are often judged upon their ability to create income or return with the initial investment. The amount of income created as compared to the investment done, can as well give an indication on the cost effectiveness of a programme. At the time of the evaluation, the real return was not possible to be established yet, as groups and households just started with their activities and investment. An additional evaluation at later point of time might support this aspect.

Distribution - The cash transfer through the banking system in comparison with physical distribution of the cash, has definitely been more cost effective. The basic cost to facilitate the pure "distribution" of the cash basically trickles down to the amount paid per transfer (50KSh per account) and the visit of an ACF member at the bank to submit the bank account list and cheque for the transfer. Minimal logistics, human ressources and other support cost have occurred. A physical distribution of cash in the community, would have probably taken 7-10 days (100-150 HH per distribution day) per round of distribution. A team of at least 5 staff members, plus additional administrative and logistical support would have been needed. Due to the security situation, an additional security company would have been needed to ensure a safe environment during the distribution. Precise costs are not available, but pure imaginable calculations show that the approach through bank accounts was the most cost-effective solution compared to cash distribution in the given context.

Cash or kind - The possibility to compare the cost of equipment/NFI inputs as compared to the cash input is another option, rather traditional way, of establishing cost effectiveness of a particular programme. Unfortunately it is impossible to establish a holistic list of items that were purchased by the participating households, and to then validate the exact amount of money it would have cost to procure, transport and distribute these. From the available PDM2 information, key investments were saving, rent and business investment (rehabilitation and stocks), from which some (business stock) could have been facilitated through in kind distributions. The other items could not have been supported by in kind distribution but maybe through a potentially complicated voucher system.

A definition and calculation based on a standard package of NFIs and immediate needs would obviously take away the main reason for a cash transfer, which is the choice and flexibility to the participants. Hence such a calculation would not be desirable, as having the choice and flexibility to respond to your own needs is quantitatively invaluable. Qualitatively a closer look could be taken at key aspects of the cash programme, which overpower the in-kind programme.

Here, clearly the chapter of flexibility, culture, dignity and psychosocial impact will be unbeatable through other types of distributions. The empowerment and psychosocial impact and influence on the wellbeing of the household after a traumatic experience or disaster are not easily measurable, e.g.:

- Social status and recognition
- Ability to have a business and create income
- Ability to provide for the family, and enable the children to go to school
- Ability to be in charge of the situation
- Recognition by a formal bank system and ownership of a bank account
- Creation of motivation and vision
- Giving a reason for live and future orientation

In addition, to the more qualitative aspects of the psychosocial impact of cash transfers even though immeasurable, some additional quantitative considerations towards the cost efficiency, return and balance between cash and kind distributions could be thought of:

- Economic loss due to shock and immobility after emergency/disaster
- Economic loss due to length of this above mentioned immobility
- Impact on social network and family well-being due to this economic loss or immobility, e.g. child education and health services
- Loss of future economic possibilities for the household and individuals due to lack of education and illness
- Economic needs/cost for prolonged treatment or delayed illness
- Economic needs/cost for prolonged humanitarian support due to slow recovery and rehabilitation
- Etc.

Reflecting about all of these aspects clearly shows that time is money. The sooner a population can dynamically and in dignity get back to an active and productive life, the better and more cost effective. Hence programmes with a significant psycho-social impact, providing boosts to dignity and self value to the disaster affected population, might be the most cost effective, never mind the real cost to be invested for e.g. a big team to ensure good mobilization, interaction, verification and follow up.

Sustainability

Many humanitarian interventions, especially post emergency programmes are not designed to be sustainable. Even recovery programmes intend to bring households back to their pre-emergency state, never evaluating if their livelihoods were sustainable and durable then, or not.
For this particular programme and its chosen approach, sustainability is important to evaluate as an impact is likely to continue after donor funding will be withdrawn. A connectedness with the intended livelihood recovery support and the continuing livelihood strategies of the households is visible.

Spending choices - some programme participants did not pay off their debts with the cash transfer but invested in their livelihood as a means to support themselves. They preferred not to spend all of the money at once in an attempt to become self sufficient in the future. Personal involvement and decision making create important ownership by the person, and hence contribute to better sustainability too.

Mobilisation - The reasonable spending and investing of the provided money has been an important part of the mobilisation for the programme. Good investment will revive and/or diversify the livelihoods and hence provide sufficient income to meet the needs of the family. Given a continuous positive management of the created funds and new investment, this activity should be long lasting and sustainable. Longer follow up and support by the ACF team would ensure better sustainability and re-investment of the created funds.

Resilience - The promotion and opening of bank accounts has added aspects of sustainability too. Only 7.4% of the participants had an account before, and for 93.6 % this has been a new development. The encouragement of saving in the bank and not "*under the mattress*" is an important step towards improved financial management. Formal savings will potentially have an impact on the resilience of the households to shocks, and hence support disaster risk reduction due to potentially reduced loss. Future possible linkages to micro credit systems through the EB's development policy add another degree of sustainability and future benefit to the financial capital of the targeted households.

Recovery of livelihoods and the creation of income by households are a key aspects for the rehabilitation of households after a shock and when supporting them to get back to their normal stages. Sustainability of recovery activities goes along with ownership of the same. NFI distributions would not be as efficient and not be as sustainable as cash transfers, as the whole ownership and decision-making of the programme participants is not encouraged. The involvement and participation of the households in the development of their plans, and actively taking back their lives, is an important factor to sustainable activities. Quantitative information on success of this aspect needs to be created during an additional follow up monitoring.

Groups - the forming or reinforcement of groups and support to the rehabilitation of the human and social capitals of households is a very important step in many ways. In the lens of sustainability, group dynamics are working very positively to support people to make the right choices, and encourage the group experience sharing and monitoring of the activities chosen. Group dynamics are supporting as well in the re-establishment of trust in other people after such a strong traumatic experience as the post election violence in Nakuru. Support to the formal registration of groups with the government system has been provided by the ACF team, which formalises groups and gives them an official status.

Capacity building - Additional training to the participants on business management supports their future decision making and application of new investments. The protection training for the child care group has a positive and sustainable impact not only on their programme activities, but probably a *trickle out* effect to their friends, families and neighbours as well.

Local structures - Working through and with the Ministry of Youth and Sport has added a strong notion of sustainability too. Due to their general activities being in line with the overall objective of building and strengthening livelihoods, the ministry programme staff will be able to follow up and support future questions and needs of the various groups. Similar for the *women in crisis group*, where the help centre is available to support on questions and guidance.

Accountability and Transparency

Two main aspects have been looked at under the heading of accountability and transparency: the targeting process and the money transfer mechanism.

The **targeting** was perceived as very transparent. The work through the CBOs and SHGs was promoting the initial idea of participation and equality. Targeting criteria's were discussed and defined together with the community. Cheating and misuse of money was denounced already during the targeting process, and hence action taken to eliminate non responding households was appreciated. This process shared the as well the accountability of programme participation with the all of targeted households. Everybody within the programme had to ensure her/his accountability to make the programme happen. Reliability of ACF staff and how the staff dealt with the different groups and programme participants was very transparent and accountable.

The **money transfer** mechanism used an established and known bank system, which was probably the most transparent and acceptable to all: participants, ACF and donor. The transfer is possible to be reviewed and ensured. Corruption and community sharing is reduced to a minimum, and most appreciated. Accountability is good through clear bank tracking possibilities. In addition, the bank was able to make anonymous account information available until the end of the project, as to analyse the withdrawal and expenditure pattern, though unfortunately it is incomplete.

ACF's accountability towards the programme participants is strong, as they have been involved all along the way to guide the process of analysis, targeting, training and follow up of the programme.

Participants have been able to present any reasons or aspects of lack of satisfaction and complaints to the ACF team and the bank. Needed action has been taken, e.g. reconfirmation of account number for those not paid, and additional transferral were made.

Culture, Dignity and Psycho-social impacts

Cultural aspects, dignity and psycho-social influences of humanitarian programmes are very often sidelined and neglected. Due to strong and recurring statements of the programme participants throughout the discussions and interviews, it was decided to dedicate an additional sub section towards these subjects.

Clear importance was given by the community, individuals and groups, towards the need to contribute to the programme definition. It was widely acknowledged that the possibility of contributing to the development of the programme, throughout the various steps of the programme, was possible. The community felt extremely considered and heard which was of particular importance, after the first emergency phase had only concentrated on the IDP camps and pre-defined NFI distributions. Several key aspects were strongly commented on during the discussions and will be presented and discussed separately:

Inter-ethnical ACF team was a key to success in such a tensed ethnical atmosphere. Lots of mistrust against other ethnical groups but even within the own group had a lot of impact on people's interest and openness to work with ACF. The participants very much appreciated the possibility to work with their own and/or other ethnical group representatives. It made them feel very much at ease and helped them to re-establish confidence and trust.

Household verification - after the first participant targeting list had been defined, the ACF team visited all households for physical verification. This visit was extremely appreciated as to clarify the real need of the chosen households, and enable the participation of those in genuine need. This procedure enabled the very important aspect of *sharing the suffering* and being able to show the way the household had been affected. Initial concerns that households might feel embarrassed about their state of living was not confirmed by interviewees.

Application of announced procedures throughout the targeting and after the PDM 1 was very much supported by the population. The exclusion of households not responding to initial targeting criteria or the agreed use of the money, was accepted and strongly defended by programme participants. This procedure gave the participants an additional feeling of being in charge of their programme, being taken serious and well taken care of.

Bank accounts were contributing in three ways to participants' psycho-social wellbeing:

- The reactivation of already existing bank accounts helped the feeling of getting back to normal and restarting a productive life, giving vision and hope.
- The opening of bank accounts for those who did not have a bank account, opened up a totally new world of empowerment and social importance. The facilitation of bank account opening's through EB staff members coming to the slum neighbourhoods, added an additional degree of dignity and social empowerment. The ability to have money in their bank account and withdraw at any given time, gave hope for improvement, joy and self esteem, and helped to forget the pas few months of distress.
- A number of groups also opened additional bank accounts in the name of their CBO or SHG to be used solely for their business. This as such has empowered these groups to plan larger businesses, for which in the past they may have not had the financial resources to do so. From FGDs it has been seen that this has had a very positive effect on people lives, giving them a positive outlook for their future.

Being in charge of your money and being able to decide what to do and how to invest was a positive aspect, supporting vulnerable households to be in control. Together with the business training the majority of the households felt more empowerment to make the right and wise decisions about their investment. Additional training has helped to learn more about budgeting and responsibilities of money management.

Group work for existing or newly established groups had a positive impact on psycho-social aspects of households affected by PEV. Having been affected at home and in their own vicinity, the majority of participants felt happy and safe in already existing groups, which supported their trust and psychological wellbeing.

Taking care of the family through the ability to pay school fees, medical bills and outstanding debts was a positive feeling described by the programme participants after the first disbursement. They felt very much in control, back to normal and able to provide a *normal* life to their families. This would clearly not have been able through the distribution of in kind. One of the newly established groups has also given a small amount of their money to other households that were not involved in the project, to assist them meet some immediate basic needs, e.g. medical care.

Cash vs kind has clearly an impact on the dignity of the participating households. In kind support to establish their livelihoods would have neither provided the control and flexibility to them to take care of other needs, nor the ability to make own decisions about investments and expand on new ideas. Using cash also benefited smaller *open air* markets as in the most cases these are the markets of choice for the project participants. An in-kind project could have only benefited a few larger suppliers within Nakuru or maybe even Nairobi. The smaller vendors were also very adversely affected by the PEV, and as such the cash based intervention can have a double positive affect – that of supporting the direct project beneficiaries and also injecting cash into existing markets and small scale businesses.

Masonic money was promoted due to traditional beliefs of free money being handed out to buy people's souls. This had only had impact on a very few individuals' confidence in the programme and could have been averted by more visibility and communication through community elders, radio campaigns etc.

Drug abuse – throughout the programme implementation youth and drug abuse have been flagged up. Initial geographical targeting was reduced to areas sufficiently secure for the ACF team. Targeted households were excluded after verification and after PDM 1, due to abuse of money spent. Alcohol and solvent abuse are a huge problem amongst the youth in Nakuru, who are commonly (by the population) being accused to be the main reason of the PEV. If the youth will not be assisted in the future to get out of a vicious circle of drugs, poverty and criminality, similar problems will reoccur. This should hence be a key focus for long term interventions and peace building measurements to avoid future tribalism- based violence.

Flexibility

The main strength of cash based interventions is indeed the choice and flexibility given to each participant. This core flexibility has enabled and facilitated encouragement, vision and motivation to the vast majority of the households, as they have been able to make decisions on their current needs and future investments and livelihood strategies.

The indicated choice of ten women of the *women in crisis centre*, to receive cash rather than needing to go to the bank, was a very important aspect of the ACF programme's flexibility. This shows clearly tailor-made response to the participants needs. Reasons for the women was mainly illiteracy and poor vision due to age, coupled with mistrust to anybody but themselves and the *women in crisis centre*. Despite the clear wish to receive direct cash, this group displayed still (at the time of the evaluation) a clear lack of vision and motivation about how to spend the money and how to get back to normal. This group of women was clearly more traumatised and affected by the violence. This might be accelerated due to the fact, that they are already women who had experienced violence and abuse before the PEV, and therefore are members of the *women in crisis centre*.

Groups with different ideas of expanding or setting up a business were supported and encouraged. The provision and arrangement of additional training for the child care group, to ensure knowledge and consideration of protection was very important.

Adjustments of programme activities and roll out to changing circumstances are generally necessary, but in this programme have been limited to aspects around targeting and monitoring. Quick replacement of expelled households after PDM 1 showed sufficient understanding of the situation, motivation and flexibility of the programme team.

7. Lessons learned

Future similar direct cash transfer programmes can learn several lessons and improve aspects from the Nakuru programme experience. Ideas are structured below following the steps of the programme implementation.

> Financial partner institution

- Make use of locally existing financial institutions, for knowledge of the zone, recognition within the community and potential future access to loans and credits. In the Nakuru case, this was facilitated by a commercial bank, but similar can be done by a microfinance institution, local NGO or village bank if existing and having sufficient financial systems and liquidity.

- Strong negotiations with the bank or financial institution are needed to ensure low fees on the potentially most common withdrawal (in the Nakuru programme: over the counter), and waving of the reactivation fee to minimise cost for the programme participants.

- A clear written agreement on expectations and contributions from the bank are essential to facilitate later follow up with the bank and avoid misunderstandings, e.g. complete anonymous bank statements for final monitoring. Consideration as to what documentation is needed by donor and internal accountability is recommended.

- Allocate sufficient time for the bank account opening process, the bank account information collection and verification. These are the key steps within the programme, and need to ensure transparency and correctness of the transfers. Once accounts exist and lists are correct, the time needed for each transfer is minimal.

> Targeting process

- Keep targeting formats as light as possible, not to delay the activities unnecessarily. Ensure a thorough review of targeting criteria and geographical areas before starting the programme, as compared to proposal stage, due to often fast changing context, especially after an acute shock.

- Base targeting criteria on a series of indicators, including livelihood related aspects as stemming from the Nakuru FSL assessment. However the targeting needs to be transparent and understandable for the communities, to avoid frustration and potential security threats.

- Ensure strong community and participant's involvement in the targeting process, programme implementation and the definition of the use of inputs/cash to nurture ownership and sustainability of the programme and made investments. Working through existing working groups and existing structures like an MoYS programme, can be very beneficial, given they have appropriate credibility.

- Allocate sufficient human ressources for targeting, mobilisation and monitoring activities. One programme mobiliser per 100HH can facilitate good mobilisation, monitoring and follow up in urban areas. Rural areas might need more due to longer distances.

- Define clear and transparent programme guidelines, agreed with the participants and the community, and do not hesitate to enforce them, even if exclusion of participants is necessary due to non compliance. This creates more credibility and respect to the programme and ACF team.

> Programme implementation

- Strengthen the training component, on business management but as well leadership, group management and marketing to support the sustainability and ownership of the cash investment. Ensure sufficient time to roll out the training during the programme and allow more possibilities to follow up at later stages of the programme.

- Ensure stronger visibility and possible radio shows from the beginning of the programme to improve on community access and trust into the programme. This includes timely delivery of visibility materials, e.g. t-shirt, caps, etc. However, information needs to be carefully balanced not to expose participants or ACF teams to additional security risks. The radio show which was facilitated towards the end of the programme increased ACF visibility a lot, just too late.

- Facilitate linkages with existing and ongoing programmes of ACF or other stakeholders to facilitate access to the population and sustainability of the programme. The MoYS group support programme was an excellent linkage to implement a rehabilitation programme.

> Monitoring

- Programmes with possible delay in impact need to ensure good follow up monitoring. Hence programmes like cash transfers for livelihood recovery, must ensure that sufficient time is allocated after the final distribution to facilitate monitoring and follow up on training, spending of the transferred cash and created returns. A minimum of 3-4 months after the final distribution, or an additional round of monitoring 6 months after the programme end are indicated to obtain good data on the sustainability, productivity and impact of the cash transfer.

> General

- From the programme implementation, it is clear that mobilization is a key programme component that must be ensured. The process of getting to know the affected population and interacting with it, is essential and lays the foundation of a successful programme. Importance of significant mobilization and monitoring needs to be recognized for any programme, but especially for cash transfer programs.

- The timing of any programme implementation after a shock is crucial for its success. Though initial thoughts were that the programme had started too late to facilitate rehabilitation and livelihood recovery, the vast majority of participants confirmed that an earlier start of the programme would not have been wishful to them. It is hence of utmost important to as well listen to the affected population and not make decisions and plans on their behalves for the timing of rehabilitation programmes.

8. Recommendations

> Facilitate an additional round of monitoring with key groups and individuals in Nakuru in June 2009 to follow up and define quantitatively measurable impact, e.g. calculation of returns, incomes, etc. This round of monitoring would provide good additional information on impact, sustainability and further possibilities to calculate cost efficiency.

> Due to donor restrictions, the coverage of the programme was limited. Advocacy and lobby should be facilitated with donors to review policies and restrictions of budgets for direct cash transfers, given a transparent and accountable system is available to support implementation of the programme. An analysis of the cash amount needed to facilitate a particular objective of the programme needs to be ensured in every case.

> Given the positive notion of psychosocial impact of this programme on the PEV affected population, these aspects should possibly be stronger considered in relief and rehabilitation programmes. Discussions and options to further evaluate activities and to take advantage of this aspect in other food security and livelihood programmes should be nurtured.

> Given this current positive experience in Nakuru with direct cash transfer through financial institutions, while ensuring good security and active participation for programme participants, this could be an excellent approach to venture into further urban programming. The programme has been operating in slum areas, and hence replication in other cities would open an opportunity to work on urban poverty, while ensuring teams' security and access to the population. This should be taken up in discussions with donors, promoting opportunities to work in urban centres, like Nairobi, Kampala, Kinshasa, etc.

> The Nakuru programme was set in an urban area, with genuine impact on the rehabilitation of livelihoods while empowering the programme participants. Similar direct transfer approaches could be used in rehabilitation or chronic contexts in rural areas too, e.g. post conflict returning population in Uganda, drought-affected population, linked to safety nets etc. Local financial systems can be available through local microfinance institutions or cooperative bigger financial institutions. Similar to the urban areas, good mobilisation and intensive training will be the key to a successful programme outcome.

9. Conclusion

Overall, the programme can be considered as very successful and responding to the needs of the local target population. It has been possible to use financial institutions to facilitate the transfer of cash to the households, which has proven not only to be the safest option, but provide additional benefits for the well being of the participating households. Additionally, the sustainability of the programme is potentially strong due to linkages to a local financial institution, which provides future opportunities for micro credits and loans to the households. The current programme experience opens multiple angles into future programmes but three should definitely be explored:

- Similar programmes in rural areas, addressing chronic and acute situations, e.g. returning populations or general rehabilitation programmes through cash transfer in collaboration with local finance institutions,
- Similar urban programmes to address general and chronic urban poverty and livelihoods, as experiences are now available to securely and responsibly work with the urban poor.
- Explore linkages to safety net programmes and potential parallel setup and development of programmes addressing reoccurring needs and shocks.

Close collaboration and consideration of locally already existing initiatives and programmes are of utmost importance to support the implementation of a programme, along all the steps of the programme cycle management, from assessment to evaluation.

The positive experience from Nakuru can be replicated in other contexts and could potentially make humanitarian assistance more participatory, more empowering, more cost-efficient and more sustainable.

The wider application of direct cash transfer programmes will need changes in donor policies and in NGO's and local financial institution's capacity. These are the main challenges, but nevertheless not the most difficult to overcome. With some serious engagement and commitment to recovery and rehabilitation of disaster affected populations, these challenges could be easily overcome.