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Review of Livelihoods and Economic Recovery in Northern Uganda (LEARN) – a cash transfer programme in support of the IDP return and recovery process

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Review of Livelihoods and Economic Recovery in Northern Uganda (LEARN)

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NORDIC CONSULTING GROUP
ECONOMICS · FINANCE · SOCIOLOGY · RESOURCE · MANAGEMENT

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Acronyms

ACF	Action Against Hunger
ACTED	Agency for Technical Cooperation and Development
CFW	Cash for Work
EVI	Extremely Vulnerable Individuals
FH	Food for the Hungry
IGAs	Income generating activities
LEARN	Livelihood and Economic Recovery Programme
LRA	Lord’s Resistance Army
M&E	Monitoring and evaluation
MTR	Mid Term Review
MISR	Makerere Institute of Social Research
NGO	Non-governmental Organization
PRDP	Peace Recovery and Development Plan
PLWD	People Living with Disabilities
PLWHA	People Living with HIV and AIDS
RNE	Royal Norwegian Embassy
IDP	Internally Displaced Person
PAF	Poverty Alleviation Fund
GoU	Government of Uganda
SACCO	Saving and Credit Cooperative Society
MISR	Makerere Institute for Social Research
VSLA	Village Savings and Loan Associations
UNOCHA	United Nations Office for the Coordination of Humanitarian Assistance
UNDP	United Nations Development Programme

Executive Summary

The Norwegian Embassy launched in 2008 a programme for "Cash Transfer in Support of the IDP Return and Recovery Process in Northern Uganda" to be implemented through three international NGOs – the Agency for Technical Cooperation and Development (ACTED), Food for the Hungry (FH) and Action Against Hunger (ACF). Duration of the programme was 12 months with a total budget of 25 million NOK. The mid-term review has assessed issues of relevance, efficiency and initial progress and achievements and been primarily based on data and information from documents, interviews and selected site visits in Northern Uganda.

- **Usefulness of cash**

The programme has demonstrated the usefulness of cash and transfer of cash instead of in-kind contributions. The three organisations, government representatives and beneficiaries confirmed all that cash was more flexible, cost efficient in delivery and with a potential multiplier effect on local markets. Cash transfer was welcomed and found to be appropriate because local markets in Northern Uganda were functioning and transfer of cash feasible and relatively safe. Cash transfers should be used in the future as the default option unless items that people need are not on the market or security risks are deemed unacceptable.

- **Impact still to be measured**

It is too early to measure the effects of cash transfer on household income and welfare and determine what mechanism best contributes to recovery and rehabilitation of IDPs. The design of the programme was not optimal for such an experiment. The alternative options were too similar and more categorical unconditional transfer option was not tried out.

- **Importance of timing and context**

The transfer mechanism is a means to an end and should be decided based on analysis of context, situation of the target group and where they are in the recovery process. LEARN was designed to assist IDPs with short term support to overcome a "transient shock" when returning home after years in a camp, but most of the beneficiaries had been home for two years and moved beyond the first "shock". The beneficiaries are still in need of support and LEARN contributes in the area of health, education, basic infrastructure and income generation more than immediate recovery.

- **Choice of transfer mechanism depends on context**

Unconditional grants are not appropriate for rehabilitation and more long term development except for extremely vulnerable individuals (safety net for chronically ill, elderly, etc.). Cash for work is relevant when public works are required, if people have the capacity to undertake the work and capacity to maintain assets created. Conditional cash transfers are most effective when specific needs are to be met or local entrepreneurship and income generating activities encouraged. The team did not see active use of alternative approaches within the same geographic area – on the one hand maintaining and building public goods while on the other encouraging and stimulating economic recovery.

- **Lengthy but uncontroversial targeting**

The targeting process and criteria varied between the organisations and for the different activities, but with important similarities. All the organisations went through three phases: (a) Geographical targeting, (b) community selection of beneficiaries based on certain criteria and (c) screening of all participants. The selection of extremely vulnerable individuals and households were handled through separate processes. The organisations targeted a majority of women and managed to avoid serious community frictions and conflicts.

- **Small but important amounts**

The amount of cash transferred has varied with most to vulnerable groups and IGA groups and much less in cash for work schemes. The amounts have been large enough to establish a broad range of IGA groups in agricultural and service related areas. Although cash for work injects cash into a community and raises household incomes in the short term, the amounts are small and too marginal to expect larger investments and major savings.

- **Building links to local banks and stimulating a saving culture**

Most payments are made through local banks and SACCOs – making poor people more familiar with financial processes and institutions. By inciting beneficiaries to open savings accounts, the development of a saving culture is also encouraged. People will have more opportunities in the future to access credit. Small community based saving and credit mechanisms are also introduced and strengthened.

- **No major risks and sufficient security measures**

The organisations have not experienced any major problems with corruption, insecurity or robbery of cash. The arrangement to disburse funds through banks and SACCOS and taking insurance for the same combined with routine monitoring of the disbursements has ensured adequate security.

- **Questionable value of external M&E function**

An external M&E function was established for the programme. In principle, it was a good idea to have an external agency for an experimental project with learning as an important objective – someone with resources to collect and analyse data, reflect on performance, provide feedback and support. The good intention of building an effective learning mechanism into the programme has not been fully realised.

- **Sufficient organisational capacity but questionable efficiency**

No in depth analysis of organisational capacity and competence has been carried out, but the organisations appear as professional organisations with the required expertise and skills to implement the LEARN programme.

There have been delays in disbursement and implementation of income generating activities, but marginal. The decision to implement the programme through three organisations has increased overhead and support cost. LEARN has documented several achievements, but it has not been a cost efficient programme for transferring cash to a large number of people.

- **First level of results: Rate of implementation very good**

The three organisations have done what they said they would do and demonstrated a high level of professionalism in management and implementation. The small delays are small, not systemic and to a large extent beyond the control of each organisation.

- **Next level of results: Relevant and productive utilisation of cash**

The overwhelming impression is that the large majority of beneficiaries spend cash on basic items and what was planned and expected. IGA groups were established successfully and several of them have already been able to generate profit. There was evidence that beneficiaries regularly save even small amounts of money.

- **Marginal cases of anti-social use and male domination**

Marginal examples were found of “anti-social” and in-appropriate use of cash. More than half of the total beneficiaries are women, but all three organisations transfer money to both men and women. Interviews did not support the frequently raised concern that men within a household, are less likely to wisely spend cash than in-kind assistance – even if no systematic data have been collected and systematised to answer such questions,

- **No inflationary effects on local markets**

There is no evidence that the injection of such small amounts from the three organisations had any measurable and negative inflationary impact on local markets.

- **Variable but positive future sustainability**

The individual and collective benefits in IGA groups are visible, significant and recognised by participants. A majority of the groups will most likely continue and be able to sustain their activities without external technical and financial support. Measures are taken to secure maintenance of new community roads, but their sustainability is the most questionable. The credit element introduced by some of the organisations represents an important booster of sustainability. All the organisations have placed emphasis on capacity building in selection of viable income generating activities, starting up a businesses, budgeting, and quality control.

CHAPTER 1: INTRODUCTION

1.1. Background

The Royal Norwegian Embassy (RNE) has been involved in Northern Uganda through the funding of humanitarian programmes, support to the peace process, and most lately to return and recovery. Through its budget support through the Poverty Alleviation Fund (PAF) and its relationship with the Government of Uganda (GoU) and other development partners, the RNE has also consistently pressed for increased Government attention and funding for Northern Uganda.

In 2006, the RNE began investigating the feasibility of supporting the return and resettlement of internally displaced people (IDPs) through the provision of cash transfers. A consultant concluded that cash based programming in the socio-political and economic environment in Northern Uganda was both possible and could play a useful role in the recovery process (Levin 2006). He recommended that a number of alternative interventions should be tried out as a means of both supporting the recovery process and learning from alternative approaches.

In late 2007, Acacia Consultants were contracted to make a further assessment of cash based programmes in Northern Uganda. The assessment identified programme principles and objectives, defined operational approaches and potential implementing partners, and suggested monitoring and evaluation principles and mechanisms.

In 2008, RNE launched a Call for Proposals for “Cash Transfer in Support of the IDP Return and Recovery Process in Northern Uganda”. Contracts were subsequently signed with three international NGOs – the Agency for Technical Cooperation and Development (ACTED), Food for the Hungry (FH) and Action Against Hunger (ACF). Duration of the programme was 12 months with a total budget of 25 million NOK.

1.2. Review Objectives and Questions

As an integral part of the programme, it was decided to carry out a mid-term review with four objectives:

(a) Assess relevance, efficiency, effectiveness and progress towards achieving the purpose of LEARN.
(b) Identify challenges in implementation, successes, operational experiences and as far as possible lessons learned by the three organisations to inform future cash transfer programmes in Uganda and elsewhere.
(c) Provide advice to implementing partners and contractor for M&E, particularly concerning tracking project indicators at output level.

The specific issues and questions to be addressed in the review are included in the attached Terms of Reference[1].

1.3. Methods

This assessment is primarily based on a review of documents, interviews and selected site visits. There are gaps in the documentation, but review of documents has still played an important role

[1] See Annex 1: Terms of Reference

because much of the output of the programme is contained in writing and many of the processes that lead to the production of an output are described verbally[2].

Even though intentions are accessible in documents and even though rates of progress in implementation can be analysed statistically, there is a lot of qualitative information concerning how and why things are done that can only be made available from interviews[3].

We have used semi-structured questions for most interviews[4]. To make the interviews flexible and responsive to local conditions, open ended questions were also included. There have been four main types of interviews:

- With RNE in Kampala and project management for ACTED, FH and ACF in Gulu, Kitgum and Lira Districts.
- With district and sub district government officials and representatives from NGOs in Northern Uganda.
- With project beneficiaries in selected sub counties involved in cash for work, income generating activities and unconditional cash transfer.

Preliminary findings and conclusions were presented to and discussed with development partners and government representatives in Kampala at the end of the review. A draft report was shared with RNE and the three partner organisations and based on their feedback the report was finalised.

1.4. Limitations

There are threats to the validity and reliability of findings in a review like this:

- The assessment of outcomes and impacts depends to a large extent on the availability and quality of data and information. The team was not able to collect primary data and compensate for eventual gaps in existing data during the short assignment. However, the team has sought to check and verify information in progress reports through spot checks during field visits and assess the quality and adequacy of the existing M&E systems.
- The programme is still being implemented so it is too early to expect objectives to be achieved and impact to be documented. There are also certain questions in Terms of Reference that are not possible to answer fully at this early stage. The purpose of the mid term review is also more to assess problems of implementation than results.
- Not all sub counties were visited, so findings cannot be generalised to the entire programme area.
- Several of the findings are based on interviews with a few beneficiaries and their perceptions and not systematically collected evidence from a representative sample of beneficiaries.
- A large number of complex issues were reviewed in a short period of time with visits to three organisations spread over a large geographic area. The site visits have been used to illustrate generic issues. The team has not carried out any in depth financial analysis.
- Just before the work started one of the cash transfer experts on the team could not join so the team missed certain expertise in this area.

[2] See Annex 3: References
[3] See Annex 2: People Met
[4] An overall interview guide was prepared based on Terms of Reference.

CHAPTER 2: PROGRAMME AND CONTEXT

The following chapter provides a brief overview of LEARN, but describes also the current situation in Northern Uganda when it comes to return and recovery for IDPs and presents lastly a summary of relevant issues in cash transfer programming as a background for the analysis in chapter 3.

2.1. Overview of the Programme

Purpose and Objectives

According to the call for proposals, the intended goal of the programme is *"to underpin livelihood and broader economic recovery in areas of northern Uganda affected by the LRA insurgency through the funding of a range of cash transfer programmes to communities who have returned to, or near, their places of origin"*.

The more specific objectives were:

(a) Provide cash to conflict affected households in return areas to enable them to increase agricultural production, purchase essential household assets and/or engage in other economic activity as part of the recovery process.

(b) Reduce the vulnerability of conflict affected households in return areas by supporting cash for work interventions to reconstruct or develop community level infrastructure (e.g. community roads, latrines in public institutions, valley dams etc).

(c) Capture and disseminate best practice and lessons learned from these interventions to both inform future programming in northern Uganda and the wider use of cash transfer instruments in post conflict/disaster recovery situations.

Based on the call for proposals, the three international NGOs ACTED, ACF and Food for the Hungry (FH) were selected based on their previous experience and quality of their proposals.

ACTED's project has three main pillars:

(a) Rehabilitation and construction of key infrastructure on a cash for work basis including 200km of community access roads and fourteen facilities within schools and health centres.

(b) Delivery of cash grants to income generating activity groups (IGA) - 59 IGA groups, including twelve Extremely Vulnerable Individuals (EVI) groups, with each grant being a maximum of $5,000 USD.

(c) Capacity building of Saving and Credit Cooperative Societies (SACCOs). All cash transfer to be channelled through SACCOs. ACTED would also provide technical training to IGA groups as well as business management, record keeping and ongoing monitoring.

The overall purpose of ACF's project is to strengthen livelihoods for returnee households and food security in Otuke county of Lira district through:

(a) Increased access to cash for 1,500 vulnerable households through unconditional cash transfer.

(b) Increased knowledge and awareness about livelihood diversification, investment, marketing, and small business management.

(c) Documented and disseminated research into process and impact of cash transfer programming in Lira district.

FH's overall purpose is to build household and community assets in Pader and improve livelihoods through cash grants for income generating activities in Kitgum:

(a) Increase access to cash for 4500 conflict affected households in return areas of Kitgum and Pader through income generating activities.
(b) Through cash for work improve community level infrastructure through 90 kilometres road construction and rehabilitation.

The following provides a brief overview of the selection of transfer mechanisms, number of beneficiaries and budgets. The direct beneficiaries are 11122 and indirect beneficiaries more than 55 thousands with an estimated five members in each household.

Overview of LEARN project interventions in Northern Uganda

Partner	Transfer Mechanism	Beneficiaries			Target areas	Budget
		Planned	Actual direct	Indirect (households)[5]		
ACTED	(a) Cash for work	8500	4668	23340	Amuru, Gulu and Oyam District	$ 1.999.236 (8.3 mill NOK)
	(b) Income generating activities	50 groups	1085	5425		
	(c) Capacity building of SACCOs[6]	1 SACCO per sub county	8 SACCOS			
FH	(a) Cash for work	2000	1372	6860	Pader and Kitgum District	$ 1.537.000 (10.5 mill. NOK)
	(b) Income generating activities	2500	2500	12500		
ACF	(b) Unconditional cash transfer	1500	1499	8994	Lira District	$ 1.054.588 (6.7 mill NOK)
Total			11122	57119		

Role of the M&E Consortium

A consortium of Acacia Consultants and Makerere Institute of Social Research (MISR) was selected and asked to develop and manage an independent monitoring and evaluation system for the programme.

The scope of work was defined to:

(c) Development of an M&E plan including key indicators and providing technical support to each organisation.
(d) Ongoing project monitoring with two visits to each project, review of progress reports, preparation of two synthesis reports for RNE and opening of a website/blog for sharing of information.
(e) Carrying out a mid-term and final evaluation.

The M&E consultant organised a workshop in February 2009, to develop an overall log-frame for the programme with shared goals, objectives and indicators for all the three organisations.

[5] Number of persons in a household is estimated to five according to Uganda Household Survey.
[6] Direct and indirect beneficiaries are households and individuals – not SACCOs.

The broad strategic goals became “To contribute to peace building and reconstruction” and “underpin livelihood and broader economic recovery of communities in Northern Uganda”. On such a basis, the workshop developed a programme purpose and a programme goal. The goals, objectives and indicators can be found in Annex 4.

2.2. Situation in Northern Uganda

In Northern Uganda, 90 percent of the population (approx. 1.7 million people) was displaced by the conflict between the Lord’s Resistance Army (LRA) and the Government of Uganda. Following the peace agreement in 2007, the security situation has improved motivating IDPs who have been living in camps to start returning to their homesteads. Almost 1.3 million people have now either returned, or are living in smaller settlements close to their land and have begun to resume productive activity.

While 100% of the IDPs in Lango have left the camps, in Acholi there are many, remaining in the camps. These figures vary from district to district, in Amuru 36% are still in the camps, Kitgum 16%, Pader 12% and Gulu 9%. By July 2009, it was estimated that more than 850 000 people—almost 80% of the population in Acholiland—had left the camps and resettled in transit sites or in their areas of origin (UNOCHA, 2009). Not all households have made a complete break with the camps, as is a trend in the rest of the region, some households commute on a daily basis between their homes in the transit camps. The distance between a household’s original home and the location of the camp is often just 5km to 10km[7]. The figures are summarised in the table below.

IDP Return in Acholi Sub-region

DISTRICT	**Population in**			**District Population 2002 Census**
	Villages	**Transit Sites**	**IDP Camps**	
Gulu	150,558	19,563	45,013	479,496
Amuru	150,306	44,131	75,990	177,783
Kitgum	142,764	68,970	98,495	286,122
Pader	235,947	89,328	42,224	270,720
TOTAL	**679,575**	**221,992**	**261,722**	**1,214,121**

Source: July 2009, UNOCHA

There are significant constraints to the successful return of IDP’s. The situation in the return areas is critical - access to basic services is poor (health and education), infrastructure (roads and markets) is absent or weak and in many return locations the availability of safe water is minimal. People also lack start up capital for purchasing agricultural inputs and essential household items.

The peace process and relative security in northern Uganda has led to significant changes in the aid environment, particularly a move towards recovery and development after years of emergency relief assistance. Humanitarian agencies began shifting their approaches towards recovery in 2006–07, but the scale of returns and basic service and infrastructure needs in return areas were far greater than humanitarian agencies had the capacity to meet. UNDP’s office of the Resident and Humanitarian Coordinator in Uganda developed an Early Recovery Strategic Framework in 2007 with the aim of laying the foundations for a successful implementation of the government led Peace Recovery and Development Plan (PRDP).

There has been little visible progress since the PRDP’s official launch in 2007. There has been widespread confusion as to the procedure for the operationalisation of the framework, little

[7]Ellen Martin, Celia Petty and James Acidri, Livelihoods in crisis: a longitudinal study in Pader, Uganda Overseas Development Institute, 2009 HPG Working Paper, October 2009

consultation with stakeholders at the district and local levels and a lack of prioritisation of activities (RLP, 2008). Whilst funding modalities for the PRDP are still under development, all major development partners in Uganda have signalled their support for the plan as a framework for coordination. LEARN is in support of objective 2 (rebuilding and empowering of communities) and 3 (the revitalisation of the northern economy).

2.3. Cash Transfer Principles and Practices

For the past several decades, emergency or recovery assistance has focused on providing goods and services needed by affected populations to meet their basic needs and rebuild livelihoods. Reduced access to food has usually been addressed by the distribution of food, destroyed or damaged houses are replaced with temporary shelters while building materials are distributed, and lost livelihood assets are made up for with a distribution of seeds, tools, animals and other items[8].

More recently agencies have begun exploring the use of cash as an alternative way of transferring resources, enabling people to purchase the goods and services that they most need. If the goods and services are available in local markets, but people have weak purchasing power, provision of cash can be more appropriate – enabling people to meet their needs at local markets. There is also growing interest in the potential of using cash transfers as part of safety nets as a response to chronic poverty and food insecurity.

However, such a shift has not happened without discussion. During the Acacia Consultants assessment, Government and NGOs operating in Northern Uganda expressed strong reservations of using unconditional transfers arguing that such schemes could increase dependency and make community targeting difficult. Similar sentiments were reflected in the first assessment carried out by Levin (2008).

The debate and arguments seem to have changed. Much of today's discussion focuses more on how to analyse the context adequately and to determine when, where, how and to what extent cash may be appropriate (Harvey, 2007: 4).

The stated advantages of cash transfer are:

- **Flexibility:** Cash enables beneficiaries to choose a more appropriate set of goods and services that better corresponds to their individual priorities than a 'one size fits all' in-kind assistance package.
- **Efficiency**: Delivering cash avoids the large shipping, storage, transport and distribution costs of in-kind assistance.
- **Economic impact:** Transfers inject cash into local markets, with multiplier effects that can stimulate the local economy and help it recover.
- **Dignity and choice:** Cash can provide assistance to beneficiaries in a manner that enables them to make decisions about their own welfare in ways that in-kind assistance does not.

The concerns raised about the use of cash transfers are:

- **Security:** Cash could present more security risks for staff and beneficiaries than in-kind assistance.
- **Anti-social use**: Cash is easier and more flexible to use than in-kind goods and may therefore be more readily 'wasted' or used in a manner that does not serve household welfare.

[8] This chapter is based on literature to be found in Annex 3.

- **Gender:** Because women typically have more control over food resources than cash in their households, cash could disempower women. Cash might provoke more household conflict regarding expenditure priorities than might be the case with in-kind assistance.
- **Inflation:** Inflation would diminish the value of a fixed cash transfer. The impact of the cash transfers themselves might cause local inflation, which erodes the value of the transfer and also disadvantages non-recipients.
- **Organisational capacity:** While organisations have systems, policies and staff in place for delivering in-kind assistance, these are not necessarily capable of or appropriate for implementing cash transfer projects.
- **Targeting:** Cash may be more attractive to people than in-kind assistance, increasing the chance of people undermining targeting systems through efforts to include those who do not meet the targeting criteria.

Cash transfer mechanisms
The term “cash transfers” cover a wide range of interventions. Cash transfer is a tool that can be applied to any sector that uses resource transfers or aims to increase access to basic services. In the literature, three forms of cash transfer systems are presented (World Vision, 2008):

(a) Unconditional cash grants
The provision of money to targeted households, either as emergency relief to meet their basic needs for food and non-food items, or as grants to buy assets essential for the recovery of their livelihoods. Cash grants for livelihood recovery differ from micro-finance in that beneficiaries are not expected to repay the grants, and the financial services provided are not expected to continue in the long term. Both cash grants and micro-finance may be accompanied by training to upgrade skills of beneficiaries.

(b) Cash for Work
Payment for work on public or community works programmes. The cash wages help people to meet their basic needs, and the community project helps to improve or rehabilitate community services or infrastructure. Cash for work differs from casual labour in that it is targeted at particular communities and target groups.

(c) Vouchers
Vouchers provide access to pre-defined commodities. They can be exchanged in a special shop or from traders in fairs and markets. The vouchers may have either a cash value or a commodity value. Vouchers have been most commonly used for the provision of seeds and livestock, but they can also be used to provide food.

Levin (2006) concluded in his report that it was not possible to argue that one mechanism was superior to another and that RNE should design a programme testing out several alternatives.

CHAPTER 3: FINDINGS

3.1. Cash Transfer Mechanisms

The three organisations adopted different mechanisms for transferring cash:

(a) Cash for work to build community infrastructure (ACTED and FH).
(b) Cash to start income generating activities in small groups (ACTED and FH).
(c) Unconditional cash transfer for extremely vulnerable individuals linked to income generating activities (ACF).

The two organisations FH and ACTED have followed similar strategies with small variations – cash for work to construct and maintain community infrastructure and provide seed capital and training to income generating activities in groups. Both are examples of conditional cash transfer – in the first case as payment for work and in the other as a response to an IGA proposal. It is only ACF which is practising unconditional cash transfer – providing cash to vulnerable beneficiaries without any formal conditions. ACF is also targeting individuals and not groups. On the other hand, ACF interacts closely with all the beneficiaries – so even if business ideas and plans are not formal conditions for participation – the beneficiaries are not left alone to decide how to spend the money and expectations are clearly articulated. In practice, there is not so much difference between how the three organisations work with income generating activities – except that FH and ACTED work with groups and ACF with individuals.

All the organisations value the transfer of cash as compared to providing food aid and commodities. Several organisations provide still aid in kind to Northern Uganda. The introduction of cash transfer does not break any new ground, but is still a relatively new phenomenon. The shift from in kind support to cash transfer was welcomed by government representatives because cash offers more flexibility for recipients, is more cost efficient to deliver, has a positive effect on the local economy and is seen as a more dignified way to receive external support. Whether it has a higher long-term impact on household income and welfare, is still an open question.

The transfer mechanisms are tools - not ends in themselves. The comparative question is therefore important and difficult. What best contributes to recovery and rehabilitation of people returning home after living in camps for many years? LEARN was originally designed to test out and find the most efficient and effective approach to overcome the "transient shock" of IDPs. Is it now possible to establish whether one mechanism is better than the others?

The original intention was to support a range of different approaches to cash transfer and capture best practices as well as drawing lessons from these. However, the range of alternatives was quite limited. Vouchers as one of the cash transfer instruments were for instance missing, but more important - the chosen mechanisms became too similar. There are differences between how FH and ACTED practice cash for work and IGAs, but they are marginal – so including both does not broaden the scope for learning about alternatives. We are also of the opinion that ACF may offer "unconditional grants" in principle while in practice there are conditions attached[9]. What is missing is a more radical unconditional grant mechanism - making it possible to assess what would have happened if households and/or individuals had received free cash with much less hands on "monitoring" and "supervision" from NGOs.

[9] ACF disagrees with this statement and defines their type of support as "unconditional with monitoring".

In an exploratory process, it is also necessary to clarify when and under what conditions the different mechanisms should be used and how to evaluate the relative benefits of each of them. The indicators in the monitoring plan are exclusively linked to outcomes and impact at household and community level and not to process variables, like for instance amounts of money received, gender issues, utilisation of funds – on consumption, household assets, savings, alcohol, etc. Hence, it was difficult for the MTR team to assess if any of the mechanisms are doing "better" than the others. It will be useful for ACACIA/MSR to consider the inclusion of process indicators in the end evaluation in order to capture differences in the implementation mechanisms. This inclusion should not pose a problem given that the NGOs have also been involved in monitoring of process indicators alongside ACACIA/MSR's M&E efforts at outcome and impact levels.

The Embassy designed a broad framework for the programme, invited organisations to present proposals – which they did and three organisations were accepted. Then the ACACIA Consortium was invited to work with the three organisations, develop a shared log frame with objectives and indicators for the programme and harmonise proposals[10]. The added value of the external M&E function will be discussed later, but the learning potential and mechanisms in the programme have not been fully realised. RNE would need to discuss the implications – whether to extend LEARN as originally designed and /or to scale up one or two of the approaches with one or all the organisations.

The discussion of timing and context should also be emphasised. The choice of transfer mechanism should have been more informed by where the beneficiaries are on the continuum from camp residence to relocation in their original home. The team is of the view that unconditional cash transfer is suited in an emergency and immediate recovery situation to overcome "the transient shock" as an IDP, but less in a long term recovery and rehabilitation process. Conditional cash transfer would be a more suitable approach. Unconditional cash transfer schemes could also be part of broader social security systems for Northern Uganda as for instance planned with support from DFID.

Most of the IDPs met in Gulu, Oyam and Kitgum had lived in their homes for two years while slightly less in Pader – where the transition from camps to homes started later. In other words, people had already re-established themselves and also showed a remarkable resilience and ability to cope with "the transient shock" with little external support. It seems that the Learn Programme came too late to address the first and dramatic shock. The beneficiaries are still in need of support, but more in the area of health, education and basic infrastructure than immediate recovery.

For NGOs to provide unconditional grants to rehabilitation and development could create problems and compete with other organisations in the same areas – requesting active participation and contribution from beneficiaries. ACF is providing grants to extremely vulnerable individuals – building a social safety net for a small group of individuals without or with much less ability to contribute. IGA's were clearly perceived as more "popular" in communities than cash for work and road construction. Receiving a free grant for starting an IGA is both more profitable and comfortable than working on dusty roads.

The three organisations could possibly have been more inventive and geared towards learning – by testing out cash for work and IGAs in different combinations in order to find more efficient and effective strategies for recovery and rehabilitation. Cash for work provides for instance

[10] The objectives and indicators are listed in Annex 4.

households with small amounts of money for meeting urgent needs, but contributes to building community infrastructure. IGAs do not provide members and households with cash immediately and only few households in a community are selected – to some extent creating jealousy and conflicts in communities. The individual incentives and benefits are also potentially larger than for cash for work programmes.

The team did not see active use of the two approaches within the same geographical area – on the one hand maintaining and building public goods while on the other encouraging and stimulating entrepreneurship – both required in the process of recovery. The target areas – sub counties were to a large extent selected by local governments – and less on the basis of an analysis of what the people in that sub county would need and what mix of interventions would have been most effective. A major lesson is that there is no single formula leading to success – only a number of instruments to be used depending on the timing, context and target group.

3.2. Targeting

Limited resources were available. It was clear from the beginning that the programme could not cover all households in even a small geographic area. Hence, there was a need for targeting – selecting beneficiaries based on certain criteria – which meant to include some members of a community and exclude others and tackle the potential problems and conflicts.

The targeting process and criteria varied between the organisations and for the different activities, but with important similarities. It seems that all the organisations went through three phases: (a) Geographical targeting, (b) community selection of beneficiaries based on certain criteria and (c) screening by the organisations of all participants. All started with geographic criteria and sub-counties acted as entry points. The identification of sub counties was carried out in consultation with District Local Governments. In each of the sub counties, a number of parishes were then selected and it was in those parishes where beneficiaries were targeted. [11]

Location Targeting

The major criterion that drove geographical targeting was the presence of returnee households. Other considerations included experience of the partners in the location in question; the avoidance of duplication with organisations operating similar programmes such as cash vouchers or other cash for work programme in the same location; and established linkages with local governments. In other instances, the partners employed distinct approaches such as ACF in Lira where geographical targeting is based on ACF nutrition admission data of malnourished children under the age of five in nutrition feeding centres.

Beyond the village, households were targeted with returnees being given priority in the ACTED and FH programs while ACF exclusively targeted returnees only. Data from the baseline survey conducted for monitoring and of evaluation of this program shows[12], five out of every six (84%) of the households targeted by the LEARN programme are located on their original land. This implies that they are returnees in their areas of origin.

With the exception of Oyam and Lira which fall in Lango region, where IDP return is currently stated at 100% (return having taken place between 2005 and 2007), the other areas of operation of the programme have varied return levels within the Acholi region, where Amuru still has 36% of its population in camps, Kitgum has 16%, Pader has 12% and Gulu has 9%. Given the time lag

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[11] A summary of targeting and gender issues is to be found in Annex 6.
[12] By ACACIA/MISR Consortium

between return from IDP camps and start of the program, it would best suit the programme objectives if focus were primarily on Acholi region, which still exhibits elements of households in transit to their areas of origin from IDP camps.

Partners selected separate areas of operation for IGAs and CFW, thus spreading across the sub-counties, parishes and villages. ACTED, however combined IGAs and CFW in some locations of their program area. This seems to diminish the potential impacts and create tension especially as regards IGAs, as the recipient households are resented in the wider community. One of the possibilities that partners might consider to stem the resentment is the combination of IGAs to cater for the individual household interests and CFW interventions in the same location to cater for the wider community needs and curtail tensions that might arise within communities. However, partners indicated, that this mode of operation can be extremely challenging in actual implementation and may not have the desired effects and may actually create further tensions, thus its application needs more careful consideration before being adopted in practice. On the other hand. impact or outcome levels would also be enhanced if operations were concentrated in a consolidated geographical location.

Selection of beneficiaries

The next step - selection of beneficiaries was rather protracted and complex. First, the organisations started campaigns to sensitise potential beneficiaries and local leaders about the project goals and objectives – mainly in the form of village meetings, while ACTED held talk shows on two local radio stations in Gulu. The campaigns were followed by registration of all potential beneficiaries. After registration, varied eligibility criteria were employed to select the required number of beneficiaries. Verification visits and community approval were also applied in other instances.

Household Selection (IGAs)

The selection of beneficiary individuals or groups for Income Generating Activities (IGAs) was varied and distinct amongst the partners. ACTED preferred pre-existing groups with already established activities, evidence of resources and asset ownership, in addition to preparation of sound and viable proposals, vetted and verified through site visits. ACTED specified a minimum of 40% group members to be women. The selected beneficiaries were between eight to 25 members within a group. Currently ACTED has 59 IGA groups with twelve of them comprising Extremely Vulnerable Individuals (EVIs).

FH Uganda selected both pre-existing and newly formed groups, aiming to have at least 10% EVIs integrated within selected groups rather than them forming their own separate groups. Priority was given to female-headed household. Willingness and interest to participate in Village Savings and Loan Association were considered important in the selection. All groups were required to have a minimum of 20 members to a maximum of 25.

ACF on the other hand, targeted individuals within vulnerable households for the IGAs rather than groups, therefore all the beneficiaries are EVIs.[13] The targeting was based on vulnerability selection criteria developed by ACF that took into account chronic illnesses, disabilities, limited social networks, dependency ratio, reduced size and child meal frequency, limited access to potable water, high child morbidity and reduced productivity on household level due to e.g. elderly and sick household members.

[13] ACF describes is somewhat different: “ACF on the other hand, targeted households within communities vulnerable to food insecurity proven by highest malnutrition rates”.

For all the partners, only one member of a household participated as a beneficiary either within a group or as an individual for the case of ACF. Selection considered households that were non-beneficiaries of support from other agencies, resident of the selected villages, geographically targeted and willing/able to engage in income generating activity. Priority was given to returnees, specifically targeted percentage of EVIs within groups or individuals.

Households in CFW
In the selection of beneficiary households for CFW, consideration was given to a household's location within proximity of the infrastructure, membership in a household and interest to engage in cash for work by all the partners. Other criteria were EVI (such as PLWD, female headed household, PLWHA, child headed households) who were allowed labour substitution with their household members in the event that they were unable to physical participate. For EVIs, the partners recognize that labor- intensive activities need to be kept at a minimum, in addition, the implementation allows for substitution of labour within beneficiary households.

However, a few differences are noted in the eligibility criteria with regard to percentage of women targeted. ACTED in its CFW does not purposively target women, rather proximity to infrastructure is the driving factor. However, the beneficiary enrolment still shows a higher participation for women rather than men. FH Uganda makes purposive effort to enrol women and has attained 72% of their participation as beneficiaries.

Whilst the potential for cash transfers to provide an appropriate and affordable response to chronic and emergency food insecurity is acknowledged, there are concerns that cash transfer programmes may have significant negative gender impacts. At the heart of these concerns are assumptions that women are less likely to be able to control the use of cash within the household compared to certain types of in-kind assistance, and that men may use cash for anti-social expenditures – notably alcohol, cigarettes and women. The team found no clear and systematic evidence of such behaviour even if there were examples. Partners are not actively tracking the use of resources after their receipt by households. Hence, it is not possible within the scope of this review to state whether cash transfers in this particular programme has affected anti-social expenditures (alcohol and cigarettes), gender conflicts and tensions within households and to what extent.

Selection of Infrastructure for CFW
For both ACTED and FH Uganda who are involved in infrastructure rehabilitation or construction under cash for work modalities, choice and priority of roads to be repaired is determined in consultation with districts, sub-counties and Parish development committees. In addition to approvals by the districts, communities also participate in affirming the choices made by the districts. In addition, roads are also chosen based on whether they connect the community to a school, a health facility or a market in consultation with district and sub-counties, thus community access to social services and markets is a major determinant of choice.

Infrastructure for rehabilitation by ACTED was selected in consultation with the Ministry of Education and Health Department based on sub-county priorities. Labour both skilled and unskilled is from community members, EVIs are specifically considered in such processes and undertake minor tasks such as distributing tools or fetching water, that do not require huge physical input.

It is clear, that targeting approaches were varied for the different organisations, having a combination of standards approaches and verification processes for each partner organisation. This varied approach produced a combination of beneficiaries that allows for understanding how the programme impacts on various groups and households in the varied environments. The most fundamental perhaps is the effect on EVIs, their integration and isolation from wider groups and at individual level and how this has enhanced their abilities to cope, with varying success level.

3.3. Implementation Modalities

Size of transfer

The amount of cash transferred to each individual and household is important because it determines to what extent households are able to increase agricultural production, purchase essential household assets and/or engage in other economic activities. A too small amount will most likely disappear in daily consumption without any lasting impact while larger amounts could stimulate investments and savings. Such questions will be discussed further in the results section, but it is too early to expect any clear answers.

Amounts of cash and frequency of payments

Organisation	Mechanism	Size (in UGX)	Frequency
ACTED	IGA	Between 9 -10 million per group depending on IGA group budget	Three instalments
	CFW	3,000 per task (6,000*) per day	Fortnightly (in reality this is happening monthly
FH	IGA	225,000 per beneficiary in the group	Two instalments
	CFW	3,500 per task	Fortnightly
ACF		594,000 (250,000 first instalment and 344,000 second instalment due to appreciation in the NOK	Two instalments

The text box above provides an overview of the size of cash transferred and its frequency. For cash for work, ACTED used the rate set by UN organisations and INGOs involved in cash for work and cash transfers within the region for purposes of uniformity – 3000 UGX per day for unskilled and 6000 for skilled labour. Where possible ACTED uses a task rate instead of daily rate. The average income for CFW beneficiaries have so far been approx. 72 000 UGX. The cash grant to an IGA groups is maximum 5000 USD, but range from 4500 to 5000 USD depending on the type of IGA.

The amounts earned in cash for work in Pader in Food for the Hungry programmes are much higher – in average 300 000 UGX (170 USD). The task rate is 3,500 UGX. There is no upper limit for how much each household can earn. The IGA grants by FH are somewhat smaller than for ACTED based on the number of member in the group at 225,000 UGX per member. For ACF all the 1500 participants received 125 USD in the first disbursement and another 172 USD would be paid in the second - in total approx. 300 USD – an amount which was decided after an assessment study of household needs and average costs of starting an IGA in Otuke in 2008

Example of use of funds

Most beneficiaries interviewed among the ACTED IGA groups indicated that they had used funds mainly to invest in the proposed income generation activities. There have been no drawings made from the IGAs since they just started operations while others are still setting up. The disbursement, while substantial have not been used for overcoming transient shocks of the IDPs, instead they are being applied to help the beneficiaries rebuild their lives. One group – Chan mit Lorle of 12 members has been back to their original homes two years. They have invested all the money disbursed so far (4 million UGX) in construction of a modern pig pen where they had eleven piglets at the time of the review and hope to increase the number to twenty after the second disbursement. The pigs will take about six months to mature. In the meantime, the group has no plans to make any drawings until after selling the mature pigs and buying the next set. The story was similar for an EVI group based near Gulu town which has received nine million UGX and invested it all the construction of a chicken coup and made down payment for chicks. For members of these two groups, any income they receive will be invested in personal businesses and also used for paying school fees for their children.

FH opted for a group approach for the IGAs, but still made payments of 225,000 UGX based on the number of individual beneficiaries in the group. The groups range between 20 and 25 members – meaning that on average each group received a minimum of 4.5 million UGX to finance the IGAs of choice. The groups are involved in various income activities. From interviews, the investments are intended to help the beneficiaries rebuild their assets and diversify livelihoods. An additional innovation of the FH is the involvement of all its beneficiaries in the Village Savings and Loans Associations (VSLA). The VSLA groups have worked to build both social and financial capital among the beneficiaries in the communities one having already having saved 237,600 UGX before they made any incomes from the IGA. Members can borrow from these groups to meet various needs – such as food, sickness or school fees. The 100 groups have so far saved a total of 4.5 million UGX through the VSLAs. This is again an illustration more of not just meeting the transient shocks, but also rebuilding the lives and livelihoods of the returnees.

Village Saving and Loan Group (VSLA)
A VSLA is a self-selected group of people who agree to pool their money together into a fund from which members can access small welfare loans or loans to investments. When borrowing, there is an interest with a multiplier effect on fund growth. All operations take place around a ring-fenced cashbox with three padlocks. In most cases, VSLA's deposit large amount of cash in commercial bank, but in Pader for instance cash was kept in the villages – so far without any thefts.

The size of the cash-for-work disbursements was reportedly very low according to the beneficiaries although most of them were still happy to get a little cash for meeting daily needs. FHI has helped their roads beneficiaries also to form groups and participate in the VSLA.

For ACF while it is early to say for certain if the size of the disbursement will have a bearing in helping the beneficiaries, it appeared from discussions with ACF beneficiaries that some of their investments had been significant. Most ACF beneficiaries spent the money on goats or where they were able to; they pooled resources and bought bulls for animal traction. After the second disbursement of 344,000 UGX – an amount significantly higher than the first disbursement - it is estimated that the 1,500 beneficiary households will benefit over 9,000 people assuming five people per household.

Overall, it can be said that the cash disbursement was welcome to meet the cash needs of returnees. The need for support was more towards recovery, but the size of the disbursement was in most cases too small to meet these needs, hence the tendency by some of the beneficiaries to pool resources to acquire the desired assets. In the Lango region, ACF reports that 89% of the respondents in the PDM believe the money was sufficient while the remaining 11% that the money was not enough mostly due to price increase (expensive goats and bulls).

Mode of payments

The three main channels of cash transfer were the SACCOs – used mainly by ACTED, banks used by all three implementing partners, and the direct cash payment used exclusively by FH. SACCOs are often the only savings/credit institution present in Uganda's rural areas. They have further been identified as a priority partner by the Ugandan government to implement its 2007 Prosperity for All Programme. For ACTED, the choice of SACCOs was further justified on two grounds: increased security of cash transfers and reinforcement of beneficiaries' familiarity with and therefore access to the local financial system. By encouraging beneficiaries to open savings accounts with SACCOs, it was further hoped that this would help them develop a savings culture.

ACTED recognized, however, that certain SACCOs lacked the institutional capacity to manage the expected tasks and included a capacity building component for SACCO staff and management boards. The SACCO training in Kampala ‘Effective management of SACCOs’ was attended by SACCO managers while micro-finance management and record keeping training was for managers and cashiers. All other trainings have included board members as well. ACTED has also offered training on governance and leadership strictly for board members.

The review team only had time to visit one SACCO in Gulu. The SACCO had members before the ACTED project started, but it so happens that they become involved in the ACTED project leaving the impression that all accounts are opened due to ACTED. The SACCO recently moved their office, lost a number of clients and has tried to build up a new client base. Although ACTED believes that the SACCO will not close once the project is over, the review team was not convinced that the staff and management board are doing enough to ensure that the SACCO remains operational after the ACTED project ends. The capacity building efforts by ACTED , are commendable, but limited and may not result in long term sustainability. This is one area where greater effect could be achieved through collaboration with other organisations and by bringing in a broader spectre of capacity building instruments. Three banks involved in the cash disbursement were Postbank, Centenary Bank and Equity Bank. The banks transport cash under escort to various localities to pay the beneficiaries. The only exception to this is Postbank serving ACTED beneficiaries where the beneficiaries collect their payments in Gulu and Lacor. Although the beneficiaries opened individual or group accounts with the banks, it cannot be said with certainty whether the accounts will remain operational after the project ends.

ACF considered using the SACCOS for the cash disbursement, but decided against it after a field assessment by ACF’s finance staff established that the SACCOS in Otuke were not prepared and did not have capacity to handle the large amounts of money the project was planning to disburse. To minimize risks and to maximize savings ACF chose to work with an official financial institution – Equity Bank – which promised to install an ATM machine in the village, but has since failed to do so. ACF is still in discussion with Equity Bank which has promised to work on a sustainable solution. In the meantime, the Bank has set up point of sales devices among business men in the four sub counties where participants can withdraw and deposit money.

Overall, the channels of disbursement were effective except for Equity Bank where the offer to install an ATM machine in Otuke and issue each beneficiary with ATM cards failed to materialise. Although ACTED believes otherwise, the review team is of the opinion that the credibility of the SACCOs among the beneficiaries has not improved despite the capacity building efforts. A number of beneficiaries felt that the costs charged by SACCOs were too high and services provided not commensurate with the charges. It can be said that the value that SACCOs were envisaged to add have not yet been seen. Partners need to evaluate the value addition of SACCOs and make an informed decision on their continued relevance, based not only on their convenience of service in delivery of cash to the beneficiaries, but the advantage they add to the programme from the view of beneficiaries who are end users of their services. It is difficult to identify a better alternative in Northern Uganda. One partner – FH indicated their interest in up scaling the Village Savings and Loans Associations (VSLA) and linking them to the banks. This is one option worth exploring further.

Risks and security

All the security measures chosen have been effective given that so far none of the partners have had any security incidents. FH’s payment on site using police escort is a high risk measure and exposes the staff and beneficiaries to danger. The fact that the organisation did not take out insurance for cash in transit is further a very high risk.

Equity Bank's last minute change to police escort was an anti-climax to the earlier plan where the beneficiaries would have had the chance to draw their cash at any time. The Bank used the police escorts and armoured vehicles to get the money to the local government office from where the money was disbursed to the participants. ACF did not get involved with the police as the organization's principles from its charter do not allow this. Beneficiaries still have access to their money at any time, although at this point in time the beneficiaries need to travel farther than was envisioned earlier.

The new procedure of one-time pay off while cushioned from the risks of violent theft by the presence of police, certainly compromised some of the anticipated lessons such as the amounts of drawings and balances left in the bank that ACF had hoped to monitor as a proxy indicator for the growth of a saving culture among the beneficiaries; although ACF knows the amounts withdrawn and left in the bank account of the participants.

The security measures taken by ACTED are the most elaborate and expensive although these are based on the organisation's experience as well as the channels of transfer. These measures have served the programme well so far and ensured the massive sums of money paid out are safe in the hands of the beneficiaries.

Overall, security measures taken by the implementing partners have been commendable and it is good to note that there have been no major security incidents in the ten months of implementation of the activities.

3.4. Linkages and Partnerships

The review team's site visits revealed a friendly and constructive dialogue and working relationship between the three organisations and local communities. Progress reports describe extensive coordination between government, local leaders and the implementing partners, but the partners seem to take the initiatives and the government representatives are more passive and respond mostly to external initiatives. There have been cases of mistrust in some parishes and villages where some of the local government officials had attempted to enlist themselves or their relatives and when this was rebuffed by the programme staff.

The communities appeared to have a great sense of ownership of the programme from successful sensitization during the planning and preparation, but all three organisations have also strong involvement in all groups and communities. Some put their mark on groups and activities – in one sub country all households receiving support had a visible sign stating that support had been received from the Royal Norwegian Embassy and the implementing organisation. In another area, all the IGA's supported by the project were clearly marked with signs while beneficiaries and staff all had T-shirts bearing the logos of the implementing organisation and the embassy.

All the partners coordinate their activities through the local government structures from the District Local Government level down to sub counties. The level of engagement varied across partners. A joint Monitoring Committee of sub country chiefs, parish chief, LC3 secretary for production, some councillors and livelihood supervisors was made part of the MoU between FH and sub counties. Coordination meetings involved NGOs, Kitgum Private Sector Development Company and government representatives.

ACTED coordinates with various agencies, depending on the programme component. For income generating activities, ACTED works closely with Community Development Officers (CDOs) at sub country level while District Commercial officers were involved in the selection of SACCOs.

ACTED also signs MOUs with district, sub-county and local community representatives on all its CFW programs. In addition, ACTED also signs contracts with each IGA group, each SACCO and labour contracts with each community doing CFW activities. ACF signed MoUs with the District Chief Administrative Officer on programme implementation. The coordination with other NGOs and donors happens through district cluster meetings, but the review team was not able to establish how efficient and effective these meetings are. The quality of cooperation with the government varies significantly – to a large extent depending on the interest and attitude of individual officers at government level.

Overall, the review team felt that there is a good level of buy-in by both the community and the local leadership. Engagement with other NGOs and agencies working in the same areas was not clearly demonstrated except through the regular coordination (cluster group) meetings.

3.5. Monitoring and Reporting

The three organisations

All the organisations collect regularly data on financial expenditures, activities and outputs. Such data and information are so far collated, analysed and presented in two quarterly reports from May and September 2009. In addition, the review team was provided with comprehensive updated progress reports. The ACACIA Consortium has also analysed and synthesised the two sets of progress report for presentation to RNE.

The reports from the organisations are reliable, detailed and in general of high quality. The reader gets a clear sense of what they set out to do and what has been achieved so far – mostly at input, activity and output level. The reports from May 2009 describe the preparatory phase and introductory phase while the September report explains the first disbursements and implementation of activities. Progress beyond outputs will come in the next and final report next year and through the expected survey.

Acacia/MISR Consortium

It was decided to establish an external M&E function for the programme and a contract was entered with the ACACIA/MISR Consortium. The scope of work was as follows:

(b) Preparation and implementation of an M&E plan:
  - Suggest key indicators to be measured.
  - Carry out baseline survey.
  - Provide M&E support to each organisation.
  - Review the M&E system of other comparable projects to provide a basis for comparison.

(c) Ongoing project monitoring – activity to output level:
  - Visits to each project.
  - Review progress reports and prepare synthesis for RNE.
  - Open a website/blog for sharing of information.

(d) Mid-term term review and end of project evaluation

What has been achieved so far?

- A workshop was organised in February 2009 to develop a shared log frame with agreed and harmonised objectives and indicators for all the three organisations.
- A Performance Monitoring Plan with outcome and impact indicators and tools for collecting data for all the indicators.
- Synthesis of the two sets of quarterly reports for RNE.

- A website/blog for sharing of information.
- One field visit in July this year.
- Technical assistance was reduced to providing advice during field visits due to budgetary constraints,
- Participation in the mid-term review.

In other words, most of the outputs have been delivered. The following will provide some comments to their usefulness and quality and finally to what extent it has been a good idea to establish an external M&E function:

- The baseline survey has a high quality and provides a lot of interesting and useful data and information. The original intention was to repeat the survey next year – collecting similar information from the same informants in order to measure change. This might be a good idea – in order to get a sense of general development after one year, but it will be challenging from a methodological point of view to measure programme change and effects and in particular the relative merits of the different cash transfer instruments. Such a survey and impact assessment may not be sufficient for evaluating the programme. It will be important to think through how "control groups" can be introduced for making comparisons with recipient households in the follow-up survey.
- The Project Monitoring Plan is a document of 186 pages including annexes with a detailed data collection plan for more than sixty indicators with the intention to collect comparable data after 3, 6, 12 and 13 months. There is no evidence that the organisations have used the PMP and collected the outcome data. The plan is a work shop product with far too many indicators and no links to a realistic plan for data collection[14]. What such a programme needs is a small number of core performance indicators that the organisations realistically can use.
- The blog exists, but we have not met anyone using the blog or even opening the website – except for one. Some did not even have the password. ACACIA mentions that the Consortium designated a full time officer to manage the blog and that the initial response on background information was good. However, even after frequent reminders inputs were not forth coming from the NGOs.
- The technical support offered to the organisations was marginal.[15]
- The synthesis reports to RNE provides useful summaries of the progress reports, but it is more questionable whether summarising three well written progress reports adds sufficient value. A much more analytical approach would have been required of implementation issues and lessons learned. It is somewhat unnecessary to conclude that "Programming requires planning in advance and adequate coordination" as a lesson learnt. However, ACACIA underlines that if adequate planning was done, perhaps there would be no need for extension of the project.
- The organisations complained that communication with ACCACIA and MISR had been poor with no or weak response to mails, but ACACIA also underlines that the organisations had not been cooperative in the collection of baseline data.

In principle, it was a good idea to have an external agency to carry out the monitoring and evaluation of a programme with learning as an important objective – someone with additional

[14] ACACIA makes the comment that the organisations worked out the indicators themselves in a workshop.
[15] ACACIA states that the revision of the work plan scaled down technical assistance to field visits only. The field visit provided some technical guidance to NGOs and these were discussed at a workshop in Kampala.

resources to collect and analyse data, reflect on performance, provide feedback and support, but this has not been successfully achieved. Some of the reasons could be:

- Combining technical support with review and evaluation functions create conflict of interests. It would have been better to separate the two – offering the organisations hands on M&E support while maintaining independent evaluations.
- Technical support to organisations in Northern Uganda should not be provided by a company based in Nairobi.
- The agency would have required substantial time and resources to work regularly with the organisations.
- The consortium could have made more efforts to avoid an overly complex and unrealistic monitoring and data collection plans.

3.6. Management and Efficiency

Experience and skills

Cash transfer programming requires not only managerial experience, but also technical skills in analysis of markets, financial management, etc. To what extent did the organisations have sufficient quality managerial and technical capacity? The programme has been implemented by all three under the established management structures. They recruited existing staff as heads of the new programme, but additional staff at both headquarters and field level with relevant experience and expertise. All partners, except ACTED appointed Community Based Mobilisers selected by the beneficiary communities at parish level. FH has a coordinator at district level for the IGA component. Similarly, Small Business Advisors assisted by four Grant Officers are responsible for the IGA component. The review team has not carried out any in depth analysis of organisational capacity and competence, but they all appear as professional organisations with the required expertise and skills to implement the LEARN programme.

Cost efficiency

Questions about efficiency are technically demanding since analysis of financial efficiency involves studies of costs compared to the value of benefits. Existing data do not allow such analysis. The progress reports have no financial section with a break down on major categories of expenditure. Neither is benefits sufficiently measured yet, so the following address selected efficiency issues.

There have been delays in disbursement of funds which have led to delays in implementation of income generating activities. Road construction lags behind target, but delays and problems of implementation are relatively small and not systemic. The overall conclusion is that this programme is well implemented by all the organisations.

However, there is a broader and more important question about efficiency. The decision to implement the programme through three organisations has increased overhead and support cost significantly. The total grant to LEARN was 25 mill NOK. Overhead and support costs have been approx 35% or 9 mill NOK[16] – a relatively high figure for a programme like this. It could be justified as additional cost for learning, but on the other hand it has not been an optimal learning experience.

If overhead, support costs and training are deducted, roughly 60% or 15 million NOK will be transferred to the beneficiaries. With 11 122 direct participants for all three organisations, each

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[16] This is an average figure based on information about overhead and support costs from each organisation and will be different from the overhead costs for the individual organisation.

beneficiary will receive an average of 245 USD or 441 000 UGX[17]. Indirect beneficiaries (55610) will receive slightly less than 50 USD or approx. 90 000 UGX. The cost of transferring cash to one individual will in average be approx. 16 USD or 30 000 UGX[18]. If the programme is to be continued and scaled up, it would be more cost effective to use one or two organisations.

3.7. Progress and Achievements

Overall progress

The second synthesis report concludes that the programme has shifted from a preparatory to an implementation phase. Cash for work activities proceed as planned, but there are some delays in construction of roads and all the organisations will not be able to complete work plans within the duration of the project and may request for an extension. Most IGA groups are established and operational. Groups working in the service sector seem to make faster progress while farming groups lag more behind. Overall, the programme has moved successfully from design and preparation to implementation, but it is too early to measure contributions towards programme achievements in any detail.

First level of results: Completion of activities and delivery of outputs

The first level of results is the successful completion of activities and delivery of planned outputs. As can be seen from the table in Annex 5, rate of implementation has been very good. The three organisations have done what they said they would do and demonstrated a high level of professionalism in managing and implementing this programme. The small delays are insignificant and to a large extent beyond the control of each organisation. The achievements for each organisation are as follows:

ACTED

- **Progress on building activities:** The rehabilitation of class rooms and schools has been completed and the handover taken place. Eight ecosan latrines completed. Ecosan training on the correct operation and maintenance of these new infrastructures also completed. All of the CFW payments have now been made, with the total cash transfer standing at UGX 32,350,006 for fourteen facilities. Unskilled workers were paid on a task rate basis of 3,000UGX and skilled workers 6,000 UGX.
- **Progress on community access roads:** The total number of kilometres complete has reached 78.6 km of a total of 199.7km. The relative poor progress of the roads in Oyam district is due to the fact that it's been necessary to complete the building work of ecosans and classroom blocks before the site supervisors could switch to road supervision. However, in Oyam there is an immense amount of support and interest in the project, which can be seen in the large numbers of beneficiaries who have been registered for work.
  The cash-for-work payments have suffered some delays recently due to a temporary cash shortfall, but many payments have been made recently bringing the total cash transfer for beneficiaries working on community access roads to UGX 147,841,000. The average income of CFW beneficiaries is currently 71,419 UGX per beneficiary.
- **IGA groups:** 1085 beneficiaries in total are part of the 59 IGA groups receiving cash grants to implement their chosen IGA. This includes twelve EVI groups. Each grant is a maximum of $5,000 but range approximately from $4,500 to $5,000 depending on the IGA selected. The 2nd instalment of the cash grant for 59 groups is done. The percentage of 2^{nd} phase was increased to 25-45% depending on the individual to allow for major remaining purchases to be made. This brings the total amount of cash grants disbursed to 445,801,431 UGX.

[17] The figures are not exact since they are based on current exchange rates, but give some indications.
[18] This is an average for the entire programme and different from what each organisation may have of costs.

Food for the Hungry

- **Income generating activities:** All the planned 2500 beneficiaries have received 50% of the grant for IGAs (281 million UGX). Hundred group enterprises are established involved in sixteen different types of enterprises. All trained in business skills training.
- Group selected enterprise (through vote when disagreement occurs.)
- **Cash for work:** 67.6. km out of 90 km or roads are constructed.1372 out of 2000 (67%) have received cash. 182 community leaders trained in road works.
- **Savings groups:** 163 Kalulu/Saving groups have been created out of the expected 81created saving 45.7 million UGX.

ACF

- **Cash grants:** 1499 households received grants and all have started IGAs. All have saving accounts and saved significant amounts.

All the organisations have also carried out different types of capacity building for IGAs, VSLAs and SACCOs to improve on the choice of income generating activities, financial management and use of banking services.

Budget Spending in US Dollars

Figures for expenditures are only available for first and second quarter (until August 2009) – meaning that second disbursements are not included in the table below. The actual disbursement per today (November 2009) is much higher.

Budget and expenditures for organisations second quarter (in USD)

Partners	Total Budget	First Quarter spending	Second Quarter Spending	Balance
ACTED	958,484	128, 288 (11%)	498,512 (52%)	459,972 (48%)
FH	1,536,890	94,151 (6%)	446,910(29%)	1, 089, 980 (71%)
ACF	1,054,588	92,525 (8.8%)	405,987 (38%);	477,337(45%).

CFW and Grants Budget Disbursement - Second Quarter

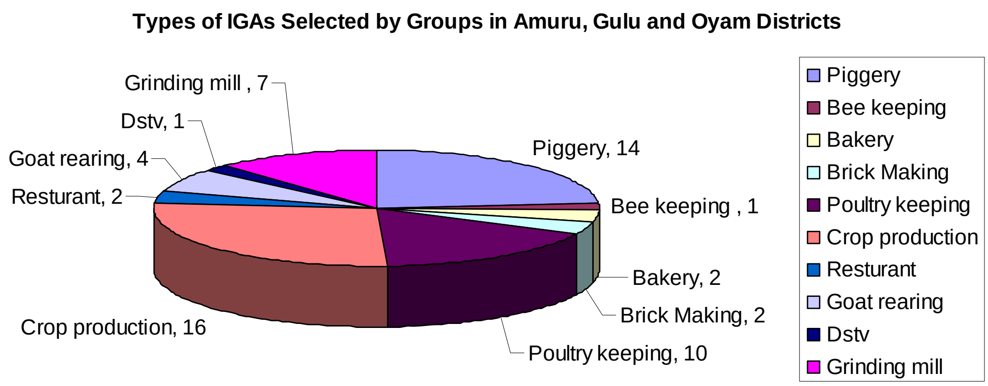
Partners	Budgeted		Expenditure		Exp. As % of total		Remarks
	CFW	Grant	CFW	Grant	CFW	Grant	
FH	393,750	312,500	23,009.50 (UGX 43,773,500)	112,500,000 (UGX 59,366.75)	5.8%	20%	Initial disburse-ment for grants and CFW
ACTED	274,580	250,000	26,490 (UGX 50,198,500)	129,575 (UGX 245,544,135)	9.65%	50%	1st disburse-ment for grants and CFW
ACF	N/A	375,000	N/A	187,500	N/A	50%	1st disburse-ment was 50% of the total cash grant.

Next level of results: Utilisation of cash
The programme has been successfully implemented. Another and more difficult question is to what extent the interventions can show any effects at household and community level. However, it is not only long-term effects on household income that matters and should be measured as results of cash transfer. Impact is also about how people spend their cash - what they purchase with the money they receive and/or how they are invested. The lack of control over what cash is spent is one of the reasons for caution in the use of cash-based approaches. Part of the concern is that the funds could be used for anti-social or inappropriate purposes.

As already mentioned, the overwhelming impression is that the large majority spend cash on basic items and what was expected in household and IGA plans. Since the grants are conditional – the three organisations have also tightly monitored that funds are spend prudently.

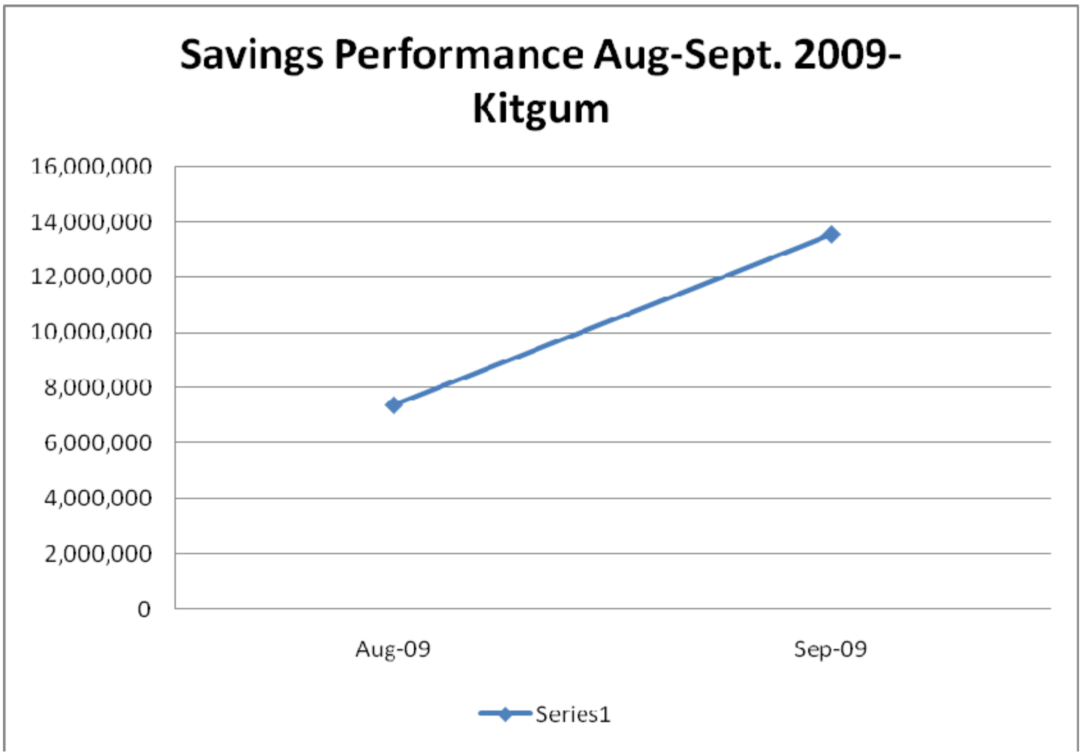
Our assumption was that small amounts earned in cash for work (70-100 000 UGX) would be used for immediate consumption. However, there is evidence that a large number of beneficiaries regularly save even small amounts through VSLAs. Additional cash is marginally spent on basic needs like food – health and education was much more commonly mentioned.

The following figure from ACTED shows the type of IGAs selected in the three districts they operate. The team was able to confirm that groups were established successfully and several of them have already been able to generate profit. So far bakeries and restaurants provide the quickest returns. In addition, the crop production groups have struggled due to unpredictable weather. The animal rearing groups are progressing well although due to the gestation period of their animals they are yet to receive any significant income. Of the animal rearing groups, poultry keeping and in particular layers seem to be highly profitable.



The other organisations can show similar achievements.

FH reports that 18 million UGX was borrowed and invested in three sub countries in Kitgum. The cumulative savings in Pader and Kitgum is UGX 45,747,900. The Savings in Kitgum alone grew by over 83% as shown in graph below.



Inflationary market effects
All the organisations report significant increase in market prices. ACF states that prices for staple food, livestock and general household have been on an upward trend in rural and urban markets. ACTED reports that prices of staple food such as beans, millet, maize, cassava remained high, but stable and FH that market survey results indicate an upward trend for all major crops grown like simsim, groundnuts and beans except for millet, cassava and maize whose prices have remained stable.

An inflationary effect on markets is often mentioned as a negative consequence of cash transfer programmes. The team has not been able to study this question in any detail, but there are no objective reasons to assume that the injection of such small amounts will have any measurable and negative inflationary impact on local markets.

Future sustainability
Future prospects for sustaining activities vary, but are for some quite positive. The individual and collective benefits from most of the IGA groups are visible, significant and recognised by participants. A majority of the groups will most likely continue and be able to sustain their activities without external technical and financial support – unless a disease kills all the chicken, weather is extremely unfavourable or security becomes worse. Markets are functioning with high demand for most services and products. The organisations have also been able to assist in selecting viable IGAs. Cash transfer from cash for work, do not necessarily need to be sustained. They are meant to have a short term value. Measures are taken to secure maintenance of community roads, but their sustainability is the most questionable in the programme.

The credit element introduced by FH represents an important sustainability element. A total of hundred groups have been enrolled in VSLAs and started up savings and lending. It is envisaged that such groups will provide additional funding for expansion of businesses and promote a new savings culture in the community. All the organisations have placed emphasis on capacity building in selection of viable income generating activities, starting up a businesses, budgeting and quality control.

CHAPTER 4: CONCLUSIONS AND RECOMMENDATIONS

4.1. Conclusions

The following are some of the most important conclusions from the review:

- **Usefulness of cash**

The programme has demonstrated the usefulness of cash and transfer of cash instead of in-kind contributions. The three organisations, government representatives and beneficiaries confirmed all that cash was more flexible, cost efficient in delivery and with a potential multiplier effect on local markets. Cash transfer was welcomed and found to be appropriate because local markets in Northern Uganda were functioning and transfer of cash feasible and relatively safe. Cash transfers should be used in the future as the default option unless items that people need are not on the market or security risks are deemed unacceptable.

- **Impact still to be measured**

It is too early to measure the effects of cash transfer on household income and welfare and determine what mechanism best contributes to recovery and rehabilitation of IDPs. The design of the programme was also not optimal for an experiment. The alternative options were too similar.. A more categorical unconditional transfer option was not tried out.

- **Importance of timing and context**

The transfer mechanism is a means to an end and should be decided based on analysis of context, situation of the target group and where they are in the recovery process. LEARN was designed to assist IDPs with short term support to overcome a “transient shock” when returning home after years in a camp, but most of the beneficiaries had been home for two years and moved beyond the first “shock”. The beneficiaries are still in need of support and LEARN contributes in the area of health, education, basic infrastructure and income generation more than immediate recovery.

- **Choice of transfer mechanism depends on context**

Unconditional grants are not appropriate for rehabilitation and more long term development except for extremely vulnerable individuals (safety net for chronically ill, elderly, etc.). Cash for work is relevant when public works are required, if people have the capacity to undertake the work and capacity to maintain assets created. Conditional cash transfers are most effective when specific needs are to be met or local entrepreneurship and income generating activities encouraged. The team did not see active use of alternative approaches within the same geographic area – on the one hand maintaining and building public goods while on the other encouraging and stimulating economic recovery.

- **Lengthy but uncontroversial targeting**

The targeting process and criteria varied between the organisations and for the different activities, but with important similarities. All the organisations went through three phases: (a) Geographical targeting, (b) community selection of beneficiaries based on certain criteria and (c) screening of all participants. The selection of extremely vulnerable individuals (EVI) and households were handled through separate processes – 10-15 % of the IGA groups should be EVIs – people living with AIDS, representatives of female and child headed households, etc. The organisations targeted a majority of women and managed to avoid serious community frictions and conflicts.

- **Small but important amounts**

The amount of cash transferred has varied with most to EVIs and IGA groups and much less in cash for work schemes. The amounts have been large enough to establish a broad range of IGA groups in agricultural and service related areas. Although cash for work injects cash into a community and raises household incomes in the short term, the amounts are small and too marginal to expect larger investments and major savings.

- **Building links to local banks and stimulating a saving culture**

Most payments are made through local banks and SACCOs – making poor people more familiar with financial processes and institutions. By inciting beneficiaries to open savings accounts, the development of a saving culture is also encouraged. People will have more opportunities in the future to access credit. Small community based saving and credit mechanisms are also introduced and strengthened.

- **No major risks and sufficient security measures**

The organisations have not experienced any major problems with corruption, insecurity or robbery of cash. The arrangement to disburse funds through banks and SACCOS and taking insurance for the same combined with routine monitoring of the disbursements has ensured adequate security.

- **Close but not always active linkages and partnerships**

There is a friendly and constructive dialogue between the three organisations and local communities. The implementing partners play an active role in mobilisation, planning, monitoring and supervision with the potential danger of becoming too dominant. All the organisations coordinate their activities through the local government structures from the District Local Government level down to sub counties – in which government plays largely a more responsive than proactive role.

- **Adequate monitoring and reporting**

Progress reports are reliable, detailed and in general of high quality. The reader gets a clear sense of what they set out to do and what has been achieved so far – mostly at input, activity and output level. Impact assessment was expected done by the M&E consortium.

- **Questionable value of external M&E function**

An external M&E function was established for the programme. In principle, it was a good idea to have an external agency for an experimental project with learning as an important objective – someone with resources to collect and analyse data, reflect on performance, provide feedback and support. The good intention of building an effective learning mechanism into the programme has not been fully realised.

- **Sufficient organisational capacity but questionable efficiency**

No in depth analysis of organisational capacity and competence has been carried out, but the organisations appear as professional organisations with the required expertise and skills to implement the LEARN programme.

There have been delays in disbursement and implementation of income generating activities, but marginal. There are other more important challenges to cost efficiency. The decision to implement the programme through three organisations has increased overhead and support cost. LEARN has documented several achievements, but it has not been a cost efficient programme for transferring cash to a large number of people.

- **First level of results: Rate of implementation very good**

The three organisations have done what they said they would do and demonstrated a high level of professionalism in management and implementation. The small delays are insignificant and to a large extent beyond the control of each organisation.

- **Next level of results: Relevant and productive utilisation of cash**

The overwhelming impression is that the large majority of beneficiaries spend cash on basic items and what was planned and expected. IGA groups were established successfully and several of them have already been able to generate profit. There was evidence that beneficiaries regularly save even small amounts of money.

- **Marginal cases of anti-social use and male domination**

Marginal examples were found of “anti-social” and in-appropriate use of cash. More than half of the total beneficiaries are women, but all three organisations transfer money to both men and women. Interviews did not support the frequently raised concern that men within a household, are less likely to wisely spend cash than in-kind assistance – even if no systematic data have been collected and systematised to answer such questions,

- **No inflationary effects on local markets**

There is no reason that the injection of such small amounts from the three organisations will have any measurable and negative inflationary impact on local markets.

- **Variable but positive future sustainability**

The individual and collective benefits in IGA groups are visible, significant and recognised by participants. A majority of the groups will most likely continue and be able to sustain their activities without external technical and financial support. Measures are taken to secure maintenance of new community roads, but their sustainability is the most questionable. The credit element introduced by some of the organisations represents an important booster of sustainability. All the organisations have placed emphasis on capacity building in selection of viable income generating activities, starting up a businesses, budgeting, and quality control.

4.2. Recommendations

To the Norwegian Embassy:

1. Allow no-cost extensions and/or provide additional support to the three organisations to secure that the current plans of operation are fully implemented.
2. Request ACACIA/MISR to prepare a plan for an impact assessment of LEARN next year, discussing alternative methods to assess LEARN and the relative merits of the three transfer mechanisms.
3. Assess the need for a complementary evaluative and analytical effort in addition to a statistical survey, looking at the continued relevance and need for a broader cash transfer programme in Northern Uganda based on the LEARN experience.
4. Consider a continuation of the programme focusing on IDP recovery. The priority target area should then be the Acholi region, because households are still in transit to their homes from IDP camps. There are no doubt serious needs in all the Northern regions, but the Embassy will have to decide whether its focus should remain on short term IDP recovery or more long term rehabilitation and development.
5. Partners for implementing such a programme should be selected based on their ability to focus on IDP recovery in the most relevant districts.

6. Advocate and support cash transfer initiatives in Northern Uganda for rehabilitation and long-term development in cooperation with government and other donors.

To the organisations:

7. Prepare a proposal to Norwegian Embassy with two parts: (a) Requirements for finalising and consolidating the current programme, (b) Plans for continuation and possible expansion of LEARN. Plans from ACTED and ACF are presented in the text box below.
8. Collate, synthesise and analyse data on savings and utilisation of funds by beneficiaries and start preparing for the impact assessment next year.
9. Summarise and analyse lessons learned.
10. Explore the possibilities of linking the community saving and loan schemes (VSLAs) to banks in order to increase security and enhance a culture of saving.
11. Consider a combination of both IGAs to cater for individual household interests and CFW interventions in the same location to reduce community conflicts and enhance potential impact when operations are concentrated in one geographical location.
12. ACT and ACTED should consider introducing community saving and loan schemes in their activities.
13. FH and ACTED should discuss maintenance of infrastructure – especially the roads in further detail with the local communities as part of the finalisation of the current programme.
14. Further engagement and investment of resources in SACCOs should become more strategic than just providing training to staff and address issues of governance; strategic planning and development of relevant financial products for communities.

To ACACIA/MISR:

15. Prepare a plan for next year’s end evaluation / impact assessment discussing methodological options for measuring outcomes and impact of the various transfer mechanisms – taking into consideration characteristics for each of them, amount of money received by beneficiaries, etc. At the same time, do not lose sight of the need to include performance indicators in order to capture the salient differences of the different cash transfer mechanisms as discussed in the text.
16. Ensure the planned impact assessment takes place around April 2010 (same month as the baseline) to capture impact issues at same seasonal cycle as during the baseline.
17. Consider the adoption of control groups for comparison and use of participatory tools to capture in-depth stories of change and expenditure patterns among the beneficiaries.
18. Cover and include issues of community conflict, domestic violence, alcohol abuse and other gender issues, and how these are affected by cash transfers.

Future plans for ACTED and ACF

ACTED plans for the potential follow up project (LEARN II) are:

- Expand project into remaining sub-counties in 3 districts.
- Further support to existing IGA groups (small grant plus training in sales and profit sharing, value addition, business expansion and alternative IGAs).
- Also grants to 80 new groups, encouraging most viable IGAs (service delivery and groups using under utilised resources and products.
- Community based facilitators to improve monitoring and support to groups
- Downscale of CFW projects; in form of cash grants to community groups (inc market construction)
- VLSA approach to be incorporated into CFW and IGA groups and linking VLSA with SACCOs.
- Continued support to SACCO including renovation of SACCO premises.

ACF’s plans are:

- Reinforce the livelihoods and food security of the 1500 households from the LEARN I programme by including them into active follow up and potential the agriculture and business skills training of the LEARN II in 2010.
- Support 1500 new participants through similar type of unconditional cash transfer within a total budget of 1.1. mill. USD.

Annex 1: Terms of Reference

Mid Term Review of the
Livelihood and Economic Recovery in Northern Uganda (LEARN) program for IDPs in Northern Uganda

1. Introduction
The Royal Norwegian Embassy (RNE) has been involved in Northern Uganda through the funding of humanitarian programmes, support to the peace process, and return and recovery. Through its budget support through the Poverty Alleviation Fund (PAF) and its relationship with the GoU and other development partners the RNE has also consistently pressed for increased Government attention and funding for Northern Uganda and for existing resource allocations to be used effectively. Norway, together with other development partners, provides notional earmarked budget support to the Peace, Recovery and Development Plan (PRDP) districts. At the same time, Norway continues its support to humanitarian activities and early recovery through Non Governmental Organisations and UN-agencies, during the transition period.

In 2006 the RNE, in consultation with several other Development Partners, began investigating the feasibility of supporting the internally displaced persons (IDP) return and resettlement process through the provision of cash transfers to those returning home. In 2007 contracts were signed with three locally well established organizations (partners) – the Agency for Technical Cooperation and Development (ACTED), Food for the Hungry (FH) and Action Against Hunger (ACF) for implementing interventions that would support IDPs households with cash transfers. The program, titled Livehood & Economic Recovery for Northern Uganda (LEARN), is implemented by these NGOs, independent of each other, but closely coordinated through a monitoring and evaluation (M&E) mechanism.

The three organisations extend support to households that have chosen to leave the IDP camps and/or return to or near their villages with emphasis on Extremely Vulnerable Individuals (EVIs). The LEARN interventions are envisaged to reduce the transient vulnerability that households face when trying to re-establish their livelihoods on return to their villages, while at the same time providing opportunities for learning about the best ways of doing this through cash-based programming. The spirit of the program is to support different pilot models that cover different needs of the beneficiaries. The Programme is in support of PRDP Strategic Objectives 02 (the rebuilding and empowering of communities) and 03 (the revitalisation of the northern economy) and through its monitoring and evaluation mechanism it will capture and disseminate best practice lessons learned from these interventions to both inform future programming in Northern Uganda and the wider use of cash transfer instruments in post conflict/disaster recovery situations.

The following districts in Northern Uganda were chosen: Kitgum, Amuru, Oyam, Gulu and Pader based on previous or present experience of the three organisations from working there and on their own needs assessments. The implementation period for the programmes is 12 months. FH is implementing cash-for-work (CFW) in Pader district and income generating activities (IGAs) programme in Kitgum; while ACF has direct cash transfer activities to Lira district, Lango sub-region. ACTED has CFW and cash grants activities in Amuru, Oyam and Gulu districts. The table below depicts the geographical location of the NGOs programmes. The total budget for LEARN is NOK 25 million.

Table 1: Geographical location of project interventions in Northern Uganda

District	Sub-county	Partner
Amuru District	Puronjo, Koch Goma, Alero sub counties	ACTED
Oyam District	Minakulu, Ngai, Otwal sub-counties	ACTED
Gulu District	Awach, Patiko, Palaro, Bungatira, Paicho, Koro sub-counties Gulu town	ACTED
Lira District	Okwang, Adwari, Orum, and Olilim	ACF
Pader District	Pajule, Patongo, Laguti,	FH
Kitgum District	Mucwini, Padibe East and West, Namokora and Palabek Gem.	FH

A consortium of Acacia Consultants Ltd and Makerere Institute of Social Research (MISR) was selected to develop and manage an independent monitoring and evaluation system. The consortium will organise and assist the mid term review team in their work.

The programme was launched beginning February 2009 with a workshop, during which all implementing partners drafted a Programme Monitoring Plan and agreed on a common log frame. In April, baseline data were collected among a representative sample of beneficiaries. Participant training is being carried out and the first disbursements will start end of June/ July 2009.

<u>Coordination on cash transfer initiatives in Uganda:</u>
On initiative of the Danish Embassy, a group of development partners and UN organisations have formulated guiding principles on cash for work, vouchers for work and cash grants in order to coordinate interventions with regard to geographical areas, target groups and type of works done and for harmonisation of the implementation modalities 19.

In addition, a group of development partners have established a Development Partner Task Force, for a period of two years, to work towards ensuring Uganda develops a national social protection policy with supporting programmes, among others cash transfers 20.

2. Review Objectives

- To provide a mid term review of LEARN.
- To help in identifying program implementation challenges and provide recommendations that can smoothen the implementation
- To support identifying and documenting lessons learned from program cash transfer activities
- To make recommendations for a possible extension of the cash transfer program beyond the present 12 months implementation period, notably on the choice of implementing partners, modalities of cash transfer, geographical area and arrangements for external M&E .

3. Scope of the mid-term review

(a) The review is expected to assess the projects’ relevance, efficiency, effectiveness and the progress made toward achieving the purpose of LEARN.

[19] Members are: FAO, GTZ (Germany), Ireland, Japan (JICA), Norway, Sweden, UK (DFID), UNDP, UNHCR, UNICEF, USA (USAID), WB (NUSAF II), WFP.

20 Members of this task force are: DFID, World Bank, Irish Aid, UNICEF, EU, Danida, Norway, WFP, Germany, US, ILO.

(b) The review is expected to identify implementation challenges, successes, operational experiences and as far as possible lessons generated by three projects to inform future cash transfer programs in Uganda and elsewhere.
(c) The review is expected to provide advice to implementing partners and the contractor for M&E, particularly concerning tracking project indicators at output level.
(d) Specifically, the team will:

- Assess how the targeting of beneficiaries is being carried out to ensure extremely vulnerable households are participating. Review the targeting criteria used in terms cost effectiveness and efficiency in targeting.
- What are the emerging issues of the used targeting methodologies regarding conflict situation, power structures and gender relations?
- Review the gender dimension of targeting of beneficiaries and possible implications for gender relations (gender violence).
- Review the conditionality versus unconditional approach across the three projects and how this approach is influencing delivery of program goal and purpose.
- Review the labour requirements for CFW, especially how the project (potentially) affects local labour markets (casual labour rates in the area, demand for casual labour).
- Review gender disaggregation of labour provided for CFW and how labour-poor households benefit from project activities
- Review the duration of disbursement, size, frequency and mode of cash transfers and make recommendations related to this. Are disbursements achieving the intended goal of overcoming the transient shock of IDPs? How are the sizes of disbursement influencing the ability of the beneficiaries to rebuild their lives? Illustrate with examples.
- Review the cash transfer security measures across the three projects. How efficient and effective is each partner's security implementation approach?
- Review partners M&E systems and the merits of an external M&E system and contractor.
- Assess the challenges and lessons emanating from the different approaches used by the partners, e.g. collaboration from communities, leaders and local authorities; harmonization with other agencies regarding methods and rates for cash transfers
- Assess prospects for enhancing the sustainability of the activities being undertaken in return for cash, i.e. of the maintenance of roads in the cash for work activities and of the group savings. Make recommendations related to this.
- Assess assumptions and risk factors and measures taken by implementing partners to mitigate risks.
- Make recommendations for extending the programme: need for and possibilities for additional cash disbursements; need for and feasibility of including more households and/ or more sub-counties; need for inviting more organisations to submit proposals.
- Review the management arrangements and assess prospects for linkages / coordination with other cash programs, such as a.o. EU, UNDP, FAO, Danida and DFID.

4. Implementation of the review
The MTR will be carried out as a combination of desk and field studies.
The reviews, including field visits to the three LEARN projects is planned to take place in October/November 2009.

The review will be led by the external lead consultant in cooperation with three persons from the ACACIA/MISR consortium (two persons for nine working days and one for ten working days). The role of ACACIA/MISR will be to facilitate the MTR and contribute local and project specific information. ACACIA/MISR will be expected to organize and take part in the field visits and meetings with other donors and agencies and government, as well as provide specific inputs to the review report.

The writing of the review report will however be the sole responsibility of the lead consultant. The lead consultant is expected to spend 12 – 14 days in Uganda.
<u>The duration</u> of the lead consultant's assignment is 24 working days in total.

Another five days may be added if it is agreed that the consultant shall to return to Uganda for presentation of the report.

Requirements of the lead consultant:
The lead consultant will need to be able to demonstrate skills in the following areas:
- social protection and/or poverty analysis in developing countries
- monitoring and evaluation
- team leadership

Knowledge about cash funding, transitional/recovery programming and gender mainstreaming and targeting is desirable.

Deliverables:
- A report of no more than 20 pages including executive summary with main findings and recommendations, as well as an explanation of methods used.
- Presentation of preliminary findings and recommendations for the Norwegian Embassy and the LEARN partners.
- The consultant may further be required to present the report in Kampala to representatives of development partners, government and other stakeholders.

Possible changes to the TOR
This document will constitute the basis for the assignment, but changes may be made.

Annex 2: People Met

Abuon Pascal, Chair Chan Mit Lorle IGA Group
Acire Julius Labeja, NRC Gulu
David Opwonya, Project Coordinator
David Opwonya, Project Coordinator, Food for Health
Godfrey Otiek, IGA Coordinator – Oyam, ACTED
Ian Woodcock, Program Manager, ACTED
Joseph Ogabu, RAU Lira, ACF
Kinyera John Olaka, Team Leader, ACTED
Lukwiya Peter, Community Mobiliser, Okwang Sub Country
Manewa Agnes, SACCO Manager – Gulu Rural SACCO
Maxwell Ramnaps, HOR, ACF International
Mesele Fitsum, Programme Director, FH Gulu
Nikaj van Wees, FSL Coordinator, ACF Kampala
Nyeko Francis, Project Assistant, NRC Gulu
Ogwal Benson Stanly, Project Cooridnator
Ojok Dennis, Engineering Supervisor – Roads, FH-Pader
Oneka Joseph, Project Coordinator, FAO Gulu
Ongom Pius Okello, Northern Uganda Programme Manager, Food for the Hungry
Opiro Jimmy Bangi, Small Business Advisor, ACTED
Osok David, Focal Point, ICRC
Otim Tolly, Community Mobiliser, ACF Adwari
Oturi Denis, Community Mobiliser, ACF Okwang sub country
Polances Patrick, Chair – Palabek Gem Sub-county
Raymond Bua, Livelihoods Coordinator, FH-Pader
Site visits to Patongo sub country
Tommy Odida, ACF
VSLA groups in Patongo
William Oryema, Road Engineer, FHI – PADER

Nairobi and Oslo
Adriana van Ommeringen, Senior Programme Advisor, Royal Norwegian Embassy
Sissel Idland, First Secretary, Royal Norwegian Embassy
Gjermund Saether, Minister Counsellor, Royal Norwegian Embassy
Randi Lotsberg, Senior Advisor, Norad Oslo

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Terms of Reference for a Development Partner Task Force on Social Protection.

Annex 4: Objectives and Indicators

Programme Purpose Statement and Indicators

"To strengthen livelihoods in Northern Uganda for IDPs who have returned to or near their places of origin".

1. Improved Economic and Food Security:
- Average food produced per returnee household
- % of returnee household growing diverse food crops
- % of households with 'semi- or permanent' houses
- % of household with livestock
- % of households with IGA
- % household with savings A/C
- Households in debt

2. Improved Security:
- Number of security related incidents reported
- % of households satisfied with security situation
- % of households who have settled back on their land

3.Social Capital Strengthened
- Number of existing community groups/networks
- % of households belonging to community groups/networks

Programme purpose, objectives and indicators

"To strengthen livelihoods in Northern Uganda for IDPs who have returned to or near their places of origin".

1. Improved income security at HH level:
- Average household income
- Number of livestock per household
- Accumulated beneficiary savings per HH
- Average monthly HH expenditure
- % of beneficiaries with credit from formal/semi-formal sources

2. Improved health and nutrition at HH Level.
- % of households reporting a non-chronic illness among all HH members in past one month
- % of households reporting a non-chronic illness among children under 5 years in the past one month
- HH dietary diversity on previous day (to apply dietary diversity score)
- Number of meals "normally" eaten per day per household

3. Increased Household assets and employment
- % of households with bicycles or motorcycles
- % of households utilizing animal traction
- % of adult population engaged in productive activity
- Average acreage under cultivation per HH

4**. Improved access to social services and Infrastructure:**
- % children of school going age attending school
- % of population receiving care in health unit last time they fell sick
- Traffic along rehabilitated/constructed roads (vehicles)
- Common mode of transport used by beneficiary to social services /market/town
- Number of children (of school age) attending schools in target areas
- Number of people seeking health care at public health facilities in target areas

Annex 5: Implementation Record

ACF IMPLEMENTATION RECORD				
OUTPUTS	**Indicators (OVI)**			**Remarks**
	Description of parameter and indicator	**To-date**	**% of target**	
1. Increased knowledge and awareness about livelihood diversification, investment, marketing, and small business management.	• Number of households who complete agricultural training • Number of households who complete IGA training • Number of new IGAs started • Number of existing IGAs expanded • Number of new/existing IGAs sustained six months after programme completion	1,353 1,353 1,495	90% 90% 99%	
2. Documented and disseminated research into process, appropriateness, and impact of cash transfer programming in Lira district.	• Baseline assessment conducted and written • Monitoring and reporting system established • Internal evaluation conducted and disseminated • ACF collaboration with Acacia/MISR, Acted, FHI, and RNE		100%	

ACTED IMPLEMENTATION RECORD				
OUTPUTS	**Indicators (OVI)**			**Remarks**
	Description of parameter and indicator	**To-date**	**% of target**	
1. Improved Community Infrastructure	1. No of km of roads constructed/rehabilitated 2. No of facilities constructed/rehabilitated a) Classrooms b) Eco-san	Target (200 km) 78.6 km Target 15 (Done 14)	39.4% 93%	
2. Improved business management capacity of IGA beneficiaries and Micro-Finance Institutions	1. % of IGA group members receiving business training 2. No of staffs per partner financial institution receiving training	All 7 SACCO managers 58 SACCO staff	100%	1. Training in “finance, cash management, savings, procurement, sales, marketing and conflict resolution 2. “Effective management of SACCOs” 3. Leadership and

ACTED IMPLEMENTATION RECORD				
OUTPUTS	**Indicators (OVI)**			**Remarks**
	Description of parameter and indicator	**To-date**	**% of target**	
	3. % of IGA groups with up-to-date financial documents" 4. No of beneficiaries demonstrating business management skills			good governance" Not reported Not reported
3. Improved knowledge and capacity in savings and cash management of IGA and CFW beneficiaries	1. % beneficiaries receiving cash management training 2. No of saving accounts opened with partner financial institutions by NUCTP beneficiaries 3. No of beneficiaries demonstrating knowledge about saving and cash management	32 + 135 1595 opened	11% (167/1502)%	The has not reported this accurately Not clear what were the targets Not reported
4. Improved Cash Income of CFW beneficiaries and access to capital by IGA groups	1. % of target amount cash transfers disbursed 2. Average CFW beneficiary income	34% 71,419 UGX	34%	
5. Employment	1. No of beneficiaries having worked on CFW sites 2. No of IGAs created	4,668 59	55% 100%	Total 8500 These include (12 EVI groups)

FH IMPLEMENTATION RECORD				
OUTPUTS	**Indicators (OVI)**			**Remarks**
	Description of parameter and indicator	**To-date**	**% of target**	
1. Cash transferred to 4500 households of conflict	1. 2000 households receiving cash transfers through CFW in Pader 2. 2500 households receiving cash grants for IGAs in Kitgum (281 M UGX)	2,056 2500 (1,671 women and 829 men)	102% 100%	Inst. Capacity developed • 45.7 M UGX saved through VSLA • Lending @10%
2. 90 kilometres of feeder roads in 3 sub counties rehabilitated	1. No. of kilometres of roads rehabilitated 2. Number of gang leaders (road assistants) trained 3. Number of community leaders trained	67.6 Km 184	43% 100%	Connecting 89 social amenities Level of completion by sub-county – 50% Patongo, 42% Pajule and 36% Laguti) • 45.7 Million UGX saved thru VSLA • Lending to members @ 10%

Annex 6: Summary of Targeting Process and Gender Issues

PARTNER	COMPONENT	DISBURSEMENT AND TARGETING CRITERIA	GENDER (BENEFICIARIES)		IMPLICATIONS
			TARGET	PROGRESS	
FH Uganda	IGAs **(Kitgum)**	Cash grant 1. enterprise development: – One beneficiary per resident household – Interest in VSLA – Non-beneficiary of similar project	2,500 10% EVIs	2,500 Women: 1,671 (66%) Men: 829 (34%) EVIs: 250 (10%)	– EVIs not in isolated groups, but integrated within general beneficiary groups – Priority given to Female Headed Households – Selection of IGAs does not necessarily targeted Women – VSLA is the strongest apex of the program, as the IGA is the base that bring together the group – Prior group experience is not required, which could be deciding factor in sustainability of groups
		2. Village Savings and Loans Association (VSLA)		Formed: 100 groups (25 members each)	
	Roads **(Pader)**	1. Cash for Work – Returnees to original villages /Parishes – one member per household. – 10% EVIs – Interest in VSLA –	2,000 10% EVIs	2,056 Women: 1,233 (60%) Men: 823 (40%) EVIs: 206 (10%)	– EVIs have the option to invite members of their households to execute tasks on their behalf and payment is still made to EVI (strategy of labor poor household) – A few isolated cases of money abuse by male and female recipients (women buying too much unwanted items and men drinking is reported in isolated cases) – VSLA embodies code of conduct and endeavors to deal with such issues amongst members – Heavy and labor intensive tasks are kept to a minimum for EVIs – Women saving more than men in VSLA – Need to link VSLA to banks for safety of cash collected and the members efforts
		2. Village Savings and Loans Association (VSLA)		Formed: 81 groups (25 members each)	
ACF	IGAs **(Lira)**	**<u>Cash grant:</u>** 1. Degree of Vulnerability (all beneficiaries are vulnerable) 2. Freedom of Choice of Enterprise 3. Constrained labor endowment	1500 individual per household	1500 Individuals Women: 72% Men: 28% SHH: 24% CHH: 4% Disabled: 9% HIV/AIDS:15%	– Open-public selection and nomination of beneficiaries, including self disqualification – Field Staff vetted the nominated beneficiaries – Some beneficiaries disqualified or discontinuity for inappropriate use of first tranche of funds, not in-line with the activities allowed under ACF, brewing, prostitution and ? – Degree of Un-conditionality is limited

		4. Social and Economic status constraints		Elderly (60+): 12 % Others: 36% (combination of above)	
ACTED .	**IGAs** (Gulu, Amuru and Oyam)	Cash grant – Group submit application – Application considered successful on basis of experience of the group, quality and viability of the proposal – Requirement for group members to have female membership	50 IGA groups (including 10 EVI groups)	1,085 individuals in 59 IGA groups 12 EVI groups	– Combination of group memberships with: all women groups, mixed groups, and none that is all male membership – Openness in mode of solicitation of proposals has prevented any tensions in selection of beneficiaries – Clear conditions for access to grants set and communicated to the community. – Implication has been selection of enterprise that tallies with roles that are more traditional and activities that women are comfortable with or those that the community accepts. – One group visited: more female membership but evidence of men being in charge is on surface. – Prior group experience of 1 to 3 years is important for sustainability
	Community Roads (Gulu, Amuru and Oyam) **School Rehabilitation** (Gulu, Amuru, Oyam) **Eco-San Toilets** (Gulu and Oyam)	Cash for Work – Interested household near the site (no restrictions on gender preference except with regard to nature of task) – EVIs are not directly targeted, but appropriate tasks assigned to them	8,500 beneficiaries (cfw)	4, 668 Women: 2,322 (%) Men: 2,346 (%)	– No purposive targeting of genders, as communities adjacent to the roads are the most involved and the enormous labor demanding tasks all for universal enrollment – For dynamics not readily explainable, majority of the turn up for community roads in CFW is female, while school rehabilitation and eco-san toilet requires skilled workers not necessarily women – The task executor is the individual paid.

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