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Economic Recovery from Ebola for Liberia (EREL) Program
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Quarterly Report
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I. Program Overview

The Economic Recovery from Ebola for Liberia (EREL) Program is designed to assist 30,000 households (150,000 individuals) who have been economically affected by the Ebola Virus Disease outbreak in Liberia. The EREL Program targets three of the most affected counties – Lofa, Montserrado and Margibi, which represent the county through which Ebola first entered Liberia, and the counties that have suffered some of the most recent and recurrent outbreaks. The program is assisting vulnerable populations in these counties to fill minimum food basket gaps; maintain normal agricultural production; protect vulnerable households' assets from depletion through sales; and minimize the negative impacts on child nutrition. The project comprises of two components: 1) direct cash transfers to the most vulnerable households; and 2) agricultural input vouchers targeting most vulnerable households that contain smallholder farmers.

II. Quarter Executive Summary

The first quarter of EREL has been spent on the launch of the program. Key achievements during this quarter include the recruitment of program staff, the opening of an office in Voinjama, Lofa, and selecting three local organizations to act as our partners in our three counties of implementation, to enable us to build upon their history and connections with participating communities. After a competitive process, EREL selected the Young Men's Christian Association of Liberia (YMCA) to work in Montserrado County; The Lutheran Church in Liberia (LCL) to work in Margibi County; and Volunteers to Support International Efforts in Developing Africa (VOSIEDA) to work in Lofa County. Mercy Corps and our partners have met with county officials in all three program areas, held kick-off meetings and begun the process of beneficiary selection and registration. Partners have worked with communities to share information on the program's goal and beneficiary criteria, and set up beneficiary selection and verification committees, in keeping with best practices recommended by the Liberian Ministry of Gender, Children and Social Protection. The program has explored various mechanisms for the disbursement of cash within the project area. A major priority of the first quarter has been coordination, as numerous organizations and government departments are pursuing food security and social welfare activities in the aftermath of the Ebola outbreak. As detailed further in this report, Mercy Corps has participated in numerous working groups, consulted with government partners and also programs such as FED, which is pursuing agricultural development activities. As a result of this coordination, Mercy Corps has established its operational area (nine districts across the three counties).

III. Security Context, Situation Overview and Operational Summary

The shock that the EREL program was designed to respond to, and which presented the greatest risk at the time of program start-up, is the outbreak of Ebola Virus Disease (EVD), which first appeared in Liberia in March 2014 and within a few months had become a full epidemic. At the end of the current reporting period of March 2015, almost 10,000 Liberians were suspected, probable or confirmed to have contracted Ebola, and 4,408 had died. Thousands have also been infected in the neighbouring countries of Sierra Leone and Guinea. In response, the government closed borders and set up numerous protocols to safeguard the population, such as curfews and market closures, which had direct economic impact, particularly on the most vulnerable. A Mercy Corps assessment conducted in October 2014 found that almost 90 percent of respondents reported eating fewer or inferior quality meals and 77 percent going further into debt. Others reported eating seed stock that was intended to be saved for the next planting season. Based upon this assessment, Mercy Corps designed the EREL program, which addresses these issues through unconditional cash transfers and increasing access to agricultural inputs.

When EREL began implementation in January 2015, conditions had improved since the time of the assessment, though there were still dozens of suspected or confirmed cases in the country. Borders

remained closed and health protocols in place, though markets were functioning again (and there was much activity across informal border crossings, which outnumber the official border posts). During the course of the first quarter, Liberia has seen a steady improvement in health status and growing return to normalcy. Ebola cases steadily dropped, with only one new case in the month of March. Schools were permitted to reopen as of February 16, although many delayed for several weeks to ensure they had sufficient hygiene materials. Barring any new cases, Liberia is due to be declared Ebola-free as of May 9, 2015. Risk remains, however, as the outbreak continues in both Guinea and Sierra Leone, and the disease is present in the animal reservoir. The government and the humanitarian community warn against complacency. In addition, the economic, psychological and social toll continues, as those who survive or who have been exposed to patients can face stigma, making it difficult to re-integrate into the community or return to livelihoods. Those whose household economic status suffered during the outbreak – through losing income, selling assets, consuming seeds or livestock or other factors – still face challenges as this shock compounded their vulnerability. Despite these concerns however, the fact that Liberia currently has no active Ebola cases is a very positive development, and has enabled EREL staff, partners and beneficiaries to participate in the program much more easily than if the outbreak were still raging.

Operations: Mercy Corps has a fully operational country office in Monrovia, and in February, opened an office in Voinjama, the capital city of Lofa County. While both Montserrado and Margibi Counties can be reached from the Monrovia office, Lofa is a full-day's drive away, and more in the rainy season. The establishment of the Voinjama office allows us to be in the same location as county officials, partners and beneficiary communities.

Each EREL office has dedicated program and M&E staff, as well as separate finance and support functions. The EREL Program Manager is a Liberian national who has international management experience with an Emergency Food Security Program as well as other USAID-funded programs. Since program start-up, Mercy Corps has hired a Senior Program Officer, based in the Voinjama office, an M&E Manager, based in Monrovia, and several program officers and M&E officers that actively work with partners and beneficiary communities. All staff have prior experience with cash transfer programming, community mobilization, LINGO capacity building and/or agricultural development.

IV. Coordination

National level coordination: Mercy Corps has participated actively in the various coordination meetings around cash transfer programming and food security, including the UN's Early Recovery Cluster, the Cash Transfer Technical Working Group, the Food Security Cluster (and their cash transfer working group), as well as meetings convened by USAID of their emergency and developmental food security grantees. Understanding the centrality of government support and buy-in, Mercy Corps has formally introduced the program to the Ministry of Internal Affairs, by way of the Department of Planning, and the Ministry of Finance by way of the Assistant Minister for International Organizations. We have coordinated with the Ministry of Agriculture at Food Security Cluster meetings. One of the most important Ministries, in terms of EREL's goal and activities, is the Ministry of Gender, Children and Social Protection (MOGCSP), which manages social welfare programming, including the cash transfer element of the social safety net. Mercy Corps has coordinated with MOGCSP representatives at the Early Recovery Cluster meetings, and had separate meetings with them to describe the program's goal, objectives and activities.

Several governmental, non-governmental and international organizations are currently pursuing cash transfer programming in Liberia, due to a desire to respond to the economic shock represented by the Ebola outbreak and the clear track record of cash provision activities in immediately lifting

households' food security, sense of agency and general welfare. The robustness of the response offers both opportunities and risks. The quantity of cash transfer partners could allow a thorough response to the increased vulnerability created by the EVD epidemic, but requires significant coordination to ensure that all transfers are appropriately targeted. This understanding has led to the proliferation of coordination meetings, and led to increased openness by numerous partners to share information. The Early Recovery Cluster has taken the lead in mapping locations and approaches of cash transfer activities.

As Mercy Corps learned that other organizations are planning transfer activities in the same counties EREL has targeted, we requested meetings to establish strong coordination and the sharing of implementation plans. Both EREL and the World Food Program's food- and cash-transfer programs are applying similar beneficiary criteria, and so the two organizations have agreed to work in different districts of Montserrado, Margibi and Lofa Counties. Mercy Corps has also held coordination meetings with the World Bank, Oxfam, the Red Cross, Save the Children, IRC and other agencies, and has generally found that all organizations are open to sharing targeting criteria and operational approaches, and committing to ensuring that the same households are not targeted by more than one program with similar aims. Mercy Corps will stay alert, as EREL implementation continues, to see if other actors begin to target communities in which EREL is working, to ensure that good coordination is maintained.

Mercy Corps has also met with the Ministry of Agriculture, the USAID-funded FED program (implemented by DAI) and LAUNCH program (implemented by ACDI-VOCA) to discuss agricultural programming, and the opportunities and constraints of agricultural productivity and marketing in Liberia. Their insights are being incorporated into EREL's agricultural strategy.

County level coordination: Mercy Corps has introduced the EREL Program to government representatives in Montserrado, Margibi and Lofa Counties, describing its objectives, activities and districts to be targeted, as well as requesting the support of county-level officers. Following these introductory meetings, kick-off meetings were held together with our local partners, each of whom has a long history of working in their targeted county.

Community level coordination is described under Program Activities, below.

V. Program Activities

Determination of program districts: As described above, Mercy Corps and World Food Program agreed to work in different districts for their transfer programming, given the similarities of beneficiary targeting criteria. Following this consultation, and consultations with government officials, EREL will work in the following districts:

- Montserrado County: Careysburg, Todee, St. Paul
- Margibi County: Kakata, Gibi
- Lofa County: Voinjama, Kolahun, Quardi Gbondi, Foya

Selection of local partners: Building upon a history of successful partnership with Liberian organizations, Mercy Corps determined that an effective approach to community outreach and social mobilization is working with local partners. Especially given the sometimes fractured social history of Liberia, which ended a 14-year civil war in 2003, local partners offer the opportunity for EREL to benefit from the established relationships and previous accomplishments of long-established civil society actors, while enabling those groups to be strengthened by the technical approaches and M&E capacity of Mercy Corps.

Mercy Corps issued a Request for Applications in February to attract partner organizations, which was posted in Liberian media and on the internet. Applicants were informed about the EREL program, and requested to apply to pursue activities such as community mobilization, beneficiary identification and registration, facilitating cash transfers and, as needed, agronomic training, either directly or by connecting communities with other programs. Eligible applications needed to provide registration and financial information, a description of organizational capacity, a risk matrix, a timeline for start-up and a budget.

More than fifty organizations responded to this opportunity. Following the review of the applications, three finalists were selected for each county. A Mercy Corps team then performed a capacity assessment with each, looking at procurement processes, human resources, risk management systems, program quality assurance/ control systems, financial systems and reporting structures. This assessment began at the end of February. Following this process, three organizations were selected: YMCA in Montserrado, LCL in Margibi and VOSEIDA in Lofa.

On March 12, Mercy Corps requested approval for these partners from USAID, and later provided additional information upon USAID's request. In addition, our proposal had stated an intention to work with two sub-recipients, with one partner working in both Montserrado and Margibi. At program start-up, it was determined that it would be better to have a separate partner in each county, to allow us to work with the best potential organizations in both Montserrado and Margibi. Thus, Mercy Corps requested to add a third sub-recipient to the program. At the end of the reporting period represented in this report, this process was still ongoing.

Mercy Corps believes that the partnership of these local organizations will benefit the EREL program, allowing for greater community acceptance and stronger mobilization. However, the process of acquiring these partners – from designing and issuing the RFA, to reviewing applications, to performing capacity assessments, to gaining USAID approval of sub-grantees – has materially added to the amount of time needed for start-up.

Beneficiary criteria: In keeping with criteria outlined in the proposal, and following consultation with MOGCSW and other cash transfer and food security actors, EREL is applying the following criteria for beneficiary selection:

- ▶ Primary criteria: Directly affected by EVD: orphans, survivors, quarantined. Poorer households unable to access health care as a result of the collapse of health sector
- ▶ Secondary criteria: Market dependent households, Poor HHs with no/ very limited assets (for example, land, livestock, farm),
- ▶ Priorities among households meeting all criteria: At risk of food insecurity (General), Child Headed households, Widows, Female headed households, HHs with 2-3 children under 5, Pregnant/Lactating Mothers, Chronically ill, Elderly/Disability(ies), Households hosting EVD orphans.

During orientation, the three local partners were introduced to these criteria, and are sharing it with communities. Criteria have also been shared with government officials.

Community outreach: Mercy Corps and its local partners have committed significant energies in the launch of the program at the community level. During the first quarter, kick-off meetings were held in 72 communities in Margibi, 40 communities in Lofa and 26 in Montserrado. These meetings inform the community about the project's goals and objectives, the two main components of the project, the selection criteria, and the rights, and responsibilities of beneficiaries and non-beneficiaries. As part of

community rights and responsibilities, the communities are informed to report any dissatisfaction or make any inquiry regarding the project through an established reporting mechanism.

Setting up community committees: Mercy Corps' local partners began setting up committees in communities after project kick-off meetings were conducted. Each community was encouraged to set up two committees: one for the identification of beneficiaries using the selection criteria, and the other for verification of selected beneficiaries. The committee members were selected by community members through a participatory process, with gender participation reflected throughout. A key message during the kick-off meeting was the inclusion of women on the community committees.

During the first program quarter, a total of 50 Identification Committees and 50 Verification Committees were established in Margibi County, with a total membership of five hundred people (245 women/ 255 men). In Lofa, 40 Identification Committees and 40 Verification Committees were established, with a total membership of 117 members (43 women/ 74 men). In Montserrado County, 25 Identification Committees and 25 Verification Committees were formed, totaling 220 members (90 women/ 130 men). The roles of these committees include the identification of vulnerable households based on EREL's selection criteria, pre-registration and pre-verification of potential beneficiaries pending final verification by the local partner and Mercy Corps field staff; supporting the identification and setting up of centers for cash distribution and agricultural input trade fairs; and providing crowd control during distribution and fairs. The establishment of two different committees, with one checking the selections made by the other, is intended to promote transparency and accountability, and is recognized as an appropriate approach in Liberia by the MOGSCP.

While beneficiary selection was ongoing at the end of the quarter, no cash disbursements have yet occurred.

Technical partners/ distribution approaches

Mercy Corps is planning to work with Red Rose, a division of Noble House, in establishing an electronic data collection and voucher tracking system for the EREL program, which will allow the program to distribute agricultural input vouchers to participating smallholder households, and track how vouchers and cash distributions will be issued during the program life cycle. Red Rose will make a training visit to the EREL program during the next quarter.

Mercy Corps has looked into a variety of distribution mechanisms for the cash transfer element of the program. One promising approach is mobile money. Mercy Corps has previously used mobile money in Liberia, and has a current contract with Lonestar/MTN for this service. However, there are challenges with this approach, including the limits of network coverage and lack of liquidity by mobile money agents. Mercy Corps expects that no more than 25 percent of beneficiaries in Montserrado, 10 percent in Margibi and 5 percent in Lofa will be able to participate – though this number may go up as the network is strengthened or if other potential implementers enter the market.

After considering cash vouchers, Mercy Corps has determined that direct cash distribution is the simplest mechanism of getting transfers to households. Together with local partners, Mercy Corps has identified 14 distribution locations across the nine program districts that can be reasonably be reached by beneficiaries. Mercy Corps is entering into an agreement with Ecobank for this financial institution to do the actual disbursement. Distributions will be managed by Mercy Corps, with assistance from local partners and community leaders, and in accordance with Mercy Corps' security plan. Mercy Corps finance staff will be present to assure the accountability of the distribution. Mobile money agents will also have a table in places where this service is available, to enable beneficiaries to ask questions on how mobile money operates and sign up for the next month's distribution.

VI. Challenges

The following are the main challenges encountered during the previous quarter:

- *Delay in start-up.* In hiring staff, opening offices, choosing partners, coordinating with agencies, doing county and community kick-off meetings and setting up beneficiary selection and verification committees, the EREL program has been busy. However, at the end of the quarter, the program had still not made any cash transfers to beneficiaries, a priority that will be addressed in the next quarter, together with agricultural activities.
- *Identification of districts/ communities for program activities.* As noted, there are a number of actors planning cash transfer programs in the region, which resulted in much additional, though very necessary, coordination as we went about selecting program districts and communities.
- *Lack of harmonization in transfer amounts.* Based on its market assessment, Mercy Corps has determined that \$42 is a fair monthly transfer amount, representing half the value of a food basket for a family of five. However, the standard amount chosen by cash transfer programs is \$50. While moving forward with the \$42 transfer at the moment, Mercy Corps is open to the idea of adjusting this amount for better harmony across programs.

VII. Plans for Next Quarter

- Continuing registration of beneficiaries
- Establishment of electronic data collection and monitoring system
- Completion of agricultural assessment
- Commencement of cash transfers, through direct distribution and mobile money
- Post-distribution monitoring
- Agricultural input fairs
- Market monitoring on key commodities
- Participation in coordination meetings
- Adjusting implementation as needed at the start of rainy season