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## Responsive Economic Assistance to Conflict-affected Households (REACH)

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Second Quarterly Report  
*January 1 – March 31, 2015*



Pantami / Gombe Town - Displaced Beneficiaries presenting Paper and Electronic Voucher at distribution site

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## I. Program Overview

Increased levels of violence in northeastern Nigeria caused by Boko Haram and the counter-insurgency continued to displace significant numbers of people during the reporting period. This has further contributed to disrupted livelihoods, reduced household incomes, and an increased risk of food insecurity as another land preparation and planting season looks likely to be missed in many parts of the region. Gombe has continued to receive a trickle of IDPs displaced from Borno, Yobe and Adamawa states, particularly in urban areas such as Pantami. The Mercy Corps team also observed that there is some movement of people who are financially able, from Funakaye Local Government Area (which has suffered from repeated incursions by Boko Haram) to Gombe town or other nearby locations. As food has been repeatedly stated by IDPs to be the number one priority need for displaced and vulnerable families, Mercy Corps secured funding from FFP in late 2014 to improve their access to basic food commodities. The *Responsive Economic Assistance to Conflict-affected Households (REACH)* project is supporting food needs through monthly voucher-based distributions. It is estimated that the project will benefit 28,700 individuals on a monthly basis for the duration of 9 months. The project is being implemented in parallel with OFDA funded NFI and livelihoods support in the same geographical area. FFP funded interventions will target OFDA beneficiaries and focus on the same communities, and adapt implementation procedures developed for OFDA project implementation. Mercy Corps believes that by providing comprehensive assistance to the targeted communities, we will be able to have a higher impact on families.

## II. Quarter Executive Summary

The major activities conducted for the quarter in view were mainly registration of more beneficiaries, conducting baseline surveys and the production of the baseline report, training of vendors and beneficiaries on the use of smart cards and electronic terminals and the distribution of credit through electronic vouchers for two rounds of food basket distributions. The needs assessment for voucher for work activities and sensitization of communities for the nutritional campaign were also conducted.

## III. Security Context, Situation Overview and Operational Summary

*Security:* The security situation has been periodically tense for the last two months of the quarter, due to incidents relating to the insurgency as well as the elections. In particular, the attack by Boko Haram insurgents on February 14<sup>th</sup> in Gombe and Dadin Kowa towns slowed down most program activities and prevented active monitoring of paper voucher transactions in some of the communities of intervention in the subsequent week. The attack was an indication of the stronger visible presence of some of the insurgency cadre within the state. Other smaller scale attacks in the north of the state also restricted Mercy Corps movement to Funakaye LGA because of the constant raids on some of the communities there.

In the run up to the elections originally slated for February, there was also a slow-down in market activity as vendors ran down their inventories to be able to avoid exposure to potential violence. Following the postponement of the elections to the end of March, another slow-down started in the middle of the month. Ahead of the presidential election there were several cases of clashes between groups of political thugs which resulted in the death of two people and many injuries. Incidents relating to the insurgency also spiked around this time, in line with Boko Haram's warnings against participation in the election, with attacks in Nafada LGA (bordering Yobe State) on 28th March (affecting Wawa, Garin Bolewa and Biri villages) followed by further attacks in Kashere (the location of the Federal University). Large movements of insurgents were reported across the state, especially in southern LGAs previously untouched by the insurgency.

*Population movements:* Despite the tenuous security situation in Gombe State as a whole, the town is still considered relatively safe and continues to receive newly displaced families running away from areas under the control of Boko Haram or being re-displaced within the state. Most of the families stay with host communities, either in vacated buildings, temporary or rented accommodations. Many families are split up in the search for shelter space, which further increases their vulnerability. The IDP camp in Gombe, previously managed by National Emergency Management Agency (NEMA) which was handed over to SEMA in December was closed down, official because the facility belongs to the Nigerian police and they requested to take over their property in order accommodate their staff who were posted to Gombe to work during the election period. The 300 or so families were forced to vacate with modest cash handouts provided to seek alternative accommodation among host communities. Reports from SEMA and our community volunteers show that there is still high influx of IDPs within the communities and other parts of the state, although precise figures are impossible to estimate accurately. The most recent displacement tracking results from IOM's March data collection exercise indicate 33,048 individual IDPs, almost certainly still an underestimate, but in any case up from previous IOM / NEMA estimates of 24,655.

*Markets:* Markets experienced price increases for imported commodities like blankets, soap, and body cream as well as food such as foreign rice and pasta. Prices usually peak at this time of year which is expected, however the fall of the Naira against the US dollar contributed to higher than usual increases, compounded by inflation which has risen to 8.5%. The exchange rate was 185 NGN/1 USD in the beginning of the quarter and 197 NGN/1 USD at its end. As well as increases in the prices of imported goods, there has been a noticeable and rapid price increase for locally produced food and non-food items during the quarter under review.

*Operations:* Mercy Corps has a fully operational office, with highly committed Program, M&E, finance and support teams working closely together. The team was led on an interim basis by Mercy Corps' Regional Humanitarian Advisor for West Africa, supported by the national Program Coordinator, five Project Officers (two of which were recruited in January), three Program Assistants, an M&E Officer and three M&E Assistants. By the end of March, the team consisted of 19 nationals and one international staff member. All personnel and support costs are being shared between OFDA and FFP. A security officer was employed within the quarter and the cost is being shared with Save the Children.

The following fleet has supported operations (with two new vehicles arriving at the end of the reporting period and replacing the leased vehicles):

Vehicle Type/ Description	Form of engagement	Quantity	Source Country	Country of Manufacture
Ford Ranger, 2.5, 4x4*	Local Procurement	1	Nigeria	USA
Toyota Fortuner	Procured under other grant	1	Nigeria	Japan
Toyota Corolla	Temporary Lease	1	Nigeria	Japan
Peugeot	Temporary Lease	1	Nigeria	France
Toyota Fortuner, 4 x 4, 2.7	Local procurement	1	Nigeria	South Africa
Toyota Corolla. 4 door sedan. 1.8	Local procurement	1	Nigeria	South Africa

*Other:* Mercy Corps is ensuring effective coordination with SEMA, NEMA, the Ministry of Animal Husbandry and all other stakeholders through both meetings and the monthly submission of report to them and to the LGA offices of Gombe and Yamaltu Deba. A memorandum of understanding was

signed in early February with SEMA. Mercy Corps has also been holding regular bi-lateral meetings with other agency’s implementing programs or setting up offices during the last quarter, including Save the Children, Oxfam, OCHA, ICRC, Education Crisis Response and the Primary Health Care development agency.

OBJECTIVE 1.1: 4,100 IDP and host households purchase nutritious food that meets the needs of all household members including women, adolescent girls and young children, using food vouchers			
INDICATORS	TARGET	PROGRESS (Q2)	COMPLETION
<b>Indicator 1.1a:</b> # of recipients targeted and reached (disaggregated by sex and age: 6-23 months, 23-59 months, 5-18 years, and ≥18 years of age)	<b>Households: 4,100 Individuals: 28,700</b>	<b>Households: 3,031 Individuals: 28,148</b>	<b>74%</b>
Indicator 1.1b Actual cost per beneficiary sub-sectors activities	<b>9,600NGN \$60 USD</b>	<b>9,600NGN \$53*USD</b>	<b>100%</b>
<b>Main activities planned for Quarter 3</b>	<b>Progress during reporting period</b>		
<ul style="list-style-type: none"> <li>➤ Beneficiary registration</li> <li>➤ Vendors mobilization</li> <li>➤ Baseline surveys</li> <li>➤ Training of vendors on electronic voucher system</li> <li>➤ Unconditional cash voucher distribution</li> <li>➤ Community sensitization on nutritional campaign</li> <li>➤ Need assessment for voucher for work</li> <li>➤ Training of community volunteers in nutrition messaging</li> </ul>	<ul style="list-style-type: none"> <li>➤ Registration of beneficiaries completed</li> <li>➤ Vendors mobilization completed</li> <li>➤ Vendors using the electronic voucher system efficiently</li> <li>➤ Baseline surveys completed</li> <li>➤ Distribution of unconditional cash vouchers via smartcards scaled up</li> <li>➤ Modality and messaging for nutritional campaign clearly defined</li> <li>➤ Need assessment for voucher for work completed.</li> <li>➤ 3031 households supported with monthly food ration</li> </ul>		

**IV. Project Performance**

**Unconditional Cash Vouchers**

*Beneficiaries:* Mercy Corps has continued with beneficiary registration in order to meet the project’s targets. The registration process has been outlined in the previous quarterly report. The following process described the main activities for beneficiary selection.

1] *Beneficiary list validation:* Mercy Corps routinely carries out list validation of beneficiaries to confirm the accuracy of information provided during the initial registration exercise conducted in the first weeks of the project. List verification between 20% - 50% of the registered beneficiaries is conducted door to door. The final list of eligible beneficiaries is then shared with community leaders and IDP representatives in targeted communities of intervention for feedback and to ensure accountability to beneficiaries before voucher distribution. This validation process will be necessary to carry out for a further 1,069 already registered beneficiaries to reach the project’s commitments.

2] *Community mobilization:* Beneficiaries are then mobilized for the unconditional voucher distribution. At the beginning of the reporting period, paper vouchers were still being used for the majority of distributions, but since March the vouchers have all been distributed via electronic smart cards.

*Vendors:* More vendors have been mobilized after the scale up in the main market and within communities. This was done to give the beneficiaries more options and reduce the cost of their transport to and from main markets. Contracts have now been entered into with 31 vendors for cash voucher redemption. The high number of vendors in the community has reduced exploitation and security threat because the main markets are now target areas for suicide bombers.

Beneficiaries have been sensitized on the use of smartcards to pay for food, and vendors have also been trained on the electronic voucher system and processes to enable them to be more efficient in market transaction with the terminals. The training has given the vendors a better understanding of the electronic voucher system which has made all transaction to be conducted smoothly. The performance of the vendors has been quite impressive across all the LGAs<sup>1</sup>.

*Community Sensitization:* Advocacy and general sensitization was conducted on nutrition across all communities of intervention at the time of the nutrition baseline survey. Several meetings were conducted with community leaders and representatives so as to be able to define thematic areas of concentration for the key messages. This was done to provide a suitable platform for the continued nutritional sensitization. The plan is that, following training, project volunteers will mobilize 20 mother support groups in each of the communities whom will be attending the nutrition session. The groups consist of lactating mothers, elderly and pregnant women. Nutrition sessions will be facilitated using IEC materials, during every meeting of the support group. There will also be practical sessions of how to prepare different complementary recipes for infants of 6-23 months, as well as the organization of a feedback session with the support group on the effect of the recipes on their children. The volunteers are expected to refer cases of malnutrition to the local health centres managing the Community-based Management of Acute Malnutrition (known as CMAM centres).

During the quarter, Mercy Corps with the support of the community was able to identify CMAM centers across all communities. Advocacy visits were conducted to UNICEF and other stakeholders working on nutrition in the state. Linkage creation with all CMAM centers is ongoing across all identified areas. This is because all children identified to be moderately or severely malnourished will be referred to these centers for treatment and possible therapy. Modality for the nutritional campaign has been clearly defined with all training materials ready for the start up in the next quarter.

*Need assessment for conditional cash voucher distribution (vouchers for work):* an assessment was conducted so as to determine the basic needs of communities towards the voucher for work exercise. Findings from the assessment shows that communities identified needs such as planting of trees, road rehabilitation, cleaning of drainage system, building of incinerators and rehabilitation of road culverts. Mercy Corps is still discussing with community leaders on how best to carry out voucher for work activities across the twelve communities of intervention, although the timing for the work is already tentatively fixed for July and August (before the main harvest season begins). There have also been meetings with several government agencies to get their buy in and support for the work initiatives.

*Unconditional cash voucher distribution:* Cash vouchers for monthly food rations have been distributed to 3,031 households [Gombe-2,084, Y/Deba-947] this quarter with a total of 28,148 individuals (13,637 male, 14,511 female) benefiting. Distribution of electronic vouchers continues in the next quarter in order to continue to meet the project's overall target.

*Distribution break down:* The table below illustrates the distribution for the quarter.

	Community	LGA	Number of HH	# of Individuals		
				Female	Male	Total
1	Pantami	Gombe	587	3,035	2,838	5,873
2	Federal Low Cost	Gombe	221	1,187	1,006	2,193
3	Bolari	Gombe	169	627	605	1,232
4	Tunfure	Gombe	134	474	510	984
5	Nassarawo	Gombe	359	2,536	2,352	4,888
6	Kagarawal	Gombe	493	1,903	2,120	4,023
7	Jekadafari	Gombe	121	821	703	1,524
8	Dadin Kowa	Y/Deba	268	1,224	1,153	2,377
9	Deba	Y/Deba	263	675	741	1,416
10	Kuri	Y/Deba	224	1,114	905	2,019
11	Maikaho	Y/Deba	192	915	704	1,619
	<b>Total</b>		<b>3,031</b>	<b>14,511</b>	<b>13,637</b>	<b>28,148</b>

1. LGA- Local Government Area \* M- Male and F- Female

*Transaction:* The processes and modality of the electronic voucher transactions has been described in the previous report. Through the 3G mobile phone network available on the vendor sales terminals, transactions are synchronized immediately on the online system which enables active monitoring. In case of noticeable price inflation, the monitoring team take action immediately and when we discover vendors are selling below the standard price, the monitoring team visit such vendors to ensure the goods sold are of high quality.

The following table illustrates the voucher redemption payment summary and balance left on the cards:

Voucher Type	Voucher Amount (NGN)	# of transfers made	Total Amount Distributed (NGN)	Total Amount Redeemed (NGN)	Balance (still in circulation) (NGN)	Balance (USD)	Avg balance remaining on card (USD)*
e-vouchers for food	9,600	3,031	42,682,600	34,338,054	8,344,546	41,723	14

## V. Monitoring and Evaluation

The main M&E activities conducted in the quarter under review were baseline survey, registration of beneficiaries, beneficiary list validation, consolidation of database master list and post distribution monitoring.

*Baseline Survey:* The initial baseline survey was conducted in Gombe and Yamaltu Deba LGAs in order to ascertain and verify the validity of existing needs for the project indicators. The survey was administered on a total of three hundred and sixty two respondents which were mostly female and

lactating mothers for both urban and rural setting. Mercy Corps has received the draft report of the baseline from the consultant which has been reviewed but the final report is still pending possible comments from FFP.

The report shows that most of the household experienced moderate hunger while about 16% of the household experienced severe hunger in the last thirty days. The high proportion of households in Gombe that experienced only moderate hunger in the last thirty days compared with more rural Yamaltu Deba could be attributed to the slightly better access to income generation opportunities in Gombe, or possibly the receipt of the first round of monthly food vouchers under this project. This is because the beneficiaries got basic provisions and household utensils which made them a little stable to be able to purchase food. Generally the survey indicates respondents in Y/Deba are more food unsecured than those in Gombe LGA.

*Beneficiary registration:* The Mercy Corps M&E team has continued with the registration of beneficiaries in order to meet the target of 4,100 household for the project. The work was conducted across the eleven communities of intervention, with a total of 2,491 households were registered, based on defined criteria for both IDPs and vulnerable host community members.

*Training, distribution and post-distribution monitoring:* Systems and structures have been put in place to ensure adequate monitoring of beneficiary trainings on the use of vouchers at distribution sites, voucher distribution, transaction and household post distribution monitoring. This is done to ensure quality of service provision and effective utilization of intervention provided. The table below illustrates the number of monitoring activities conducted in the quarter under review.

	Monitoring Activity	# of monitoring interventions	% of total benef served in Q3
	Voucher training Monitoring	198	15%
2	Distribution Monitoring	28	N/A
3	Transaction Monitoring	16	N/A
4	Post-Distribution Monitoring	114	12%

*Community feedback mechanism:* Community feedback and complaints are received through a hot line. This enables Mercy Corps to track and categorize complaints which are then referred to the relevant staff member for follow up. A total of 27 phone calls were received specifically to the REACH project, in addition to calls received with routine questions on operational working hours and appreciation by beneficiaries, which are immediately responded to. Technical complaints and queries included wrong PINs for e-card, inactive cards, insufficient money in the cards, delay in payment of vendors, a high influx of IDPs in the community of Jekadafari and expressions of interest from vendors to work with Mercy Corps. Complaints relating to possible abuse included price inflation of goods by vendors, poor quality goods sold to beneficiaries and mistreatment of beneficiaries by some vendors, as well as perceived conflict of interest by one of the community volunteers. In addition to this, a call was received from a community leader in Funakaye LGA to find out when Mercy Corps will be coming to provide assistance to the registered IDPs and vulnerable host community members. In terms of follow up, complaints relating to vendors or volunteers were directed to a staff member to evaluate the situation – whether relating to mistreatment of beneficiaries, price inflation or poor quality goods. All vendors involved were met with and intensive monitoring of those vendors took place to avoid recurrence. For complaints with the cases of wrong pin, insufficient amounts credited

and inactive cards, all cases were collated and referred to the Red Rose company which addressed and resolved them. Feedback was provided to the complainant after a response to the issue had taken place.

*Monitoring Results:* [based on the transaction and household post-distribution monitoring surveys]

- Beneficiaries could benefit from greater nutritional awareness; because their purchasing pattern shows mostly carbohydrates are being purchased.
- All households supported by Mercy Corps have not received any form of assistance from any other organization.
- Most of the beneficiaries are highly appreciative of the assistance received.
- Prices of food goods have risen significantly during this quarter.
- Constantly reported needs of registered beneficiaries include water, shelter, education, health and income generating activities.

## **V1.Challenges**

Mercy Corps encountered the following challenges

- High turnout of unregistered IDPs at distribution sites, which slowed down cash voucher distribution until Mercy Corps staff found improved ways of managing the process.
- Inadequate tracking system in the state for newly displaced families, resulting in lack of solid information about the overall IDP caseload Mercy Corps is working to support.
- Delay in linkage creation with OTFP/CMAM centers due to the national strike embarked upon by health workers, which has slowed down the start-up of the nutrition sensitization project component.
- The volatile security situation and uncertainty around the elections slowed down most of the activities planned for the month of February and late March as outlined in the report earlier.
- Initial delays in payment of vendors slowed down the rate of voucher redemption.

## **VII. Plans for next quarter**

Activity	Main activities
<b>Unconditional Vouchers</b>	<ul style="list-style-type: none"> <li>➤ Completion of beneficiary registration to reach the monthly project target of 4,100 families (28,700 individuals)</li> <li>➤ Continued e-voucher distribution via smart cards.</li> <li>➤ Monthly top up of e-cards for beneficiaries</li> </ul>
<b>Vouchers for Work</b>	<ul style="list-style-type: none"> <li>➤ Procurement of tools required for work activities</li> <li>➤ Finalize decision on the work to be done in each community together with community members and the relevant local government authorities.</li> </ul>
<b>Nutritional Campaign</b>	<ul style="list-style-type: none"> <li>➤ Finalization of content of nutrition messaging</li> <li>➤ Training of community volunteers in nutrition messaging</li> <li>➤ Roll out of nutrition messaging</li> <li>➤ Complete linkage creation with Oral Therapeutic center</li> <li>➤ 20 mothers support groups set up in each community.</li> </ul>
<b>M&amp;E</b>	<ul style="list-style-type: none"> <li>➤ Beneficiary list validation and generation.</li> <li>➤ Continuation of transaction monitoring for quality assurance.</li> <li>➤ Intensive post distribution monitoring</li> <li>➤ Distribution of final baseline survey report</li> <li>➤ Electronic data gathering begins</li> </ul>

**VIII. Annexes**

- Annex I: Quarter in photos





Description of Photos: Vendors training on e- system by a staff of Red Rose Company, Vendors having practice with terminals, community need assessment for Voucher for work (WFV), Beneficiaries training on e-voucher system, Beneficiaries Queuing up for e- voucher distribution, Beneficiaries with e-voucher at distribution site.