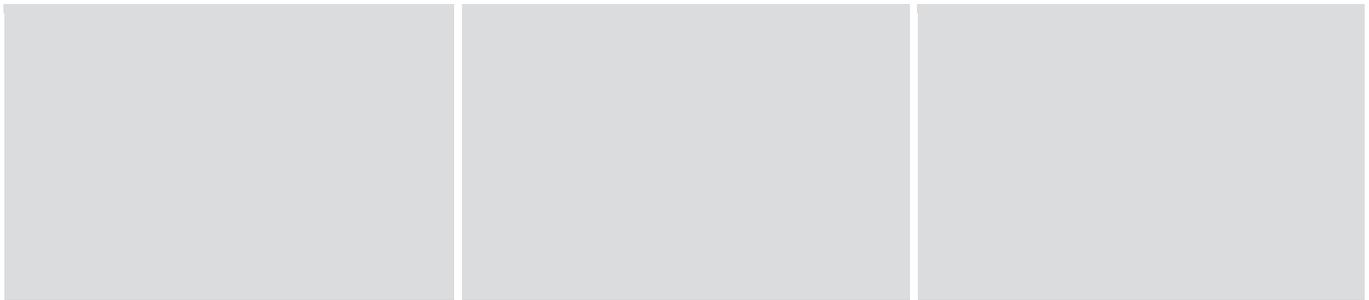




# RESPONSIVE ECONOMIC ASSISTANCE TO CONFLICT-AFFECTED HOUSEHOLDS (REACH) 2

## FY2017 Q1 Quarterly Report

THIRD IMPLEMENTING QUARTER



## Program Overview

Since 2009, a violent insurgency and counter-insurgency has been fought throughout North East Nigeria. Left in its wake is a humanitarian crisis affecting 14.8 million people across Borno, Yobe, and Adamawa States, 8.5 million of which are in need of humanitarian assistance.<sup>1</sup>

Responsive Economic Assistance to Conflict-affected Households (REACH) 2 is a Food for Peace-funded emergency food security project. The goal of REACH 2 is to enhance food security for IDP and host households in conflict affected parts of North East Nigeria.

To assist households in meeting their immediate needs, REACH 2 distributes food vouchers, which also assists in the rapid recovery of small businesses in the food market-chain.

REACH 2 has a community infrastructure component, by asking participating households to contribute to community projects in order to earn wages in line with local wages and labor laws using the Cash for Work modality. Specific community projects will be selected by recipient communities, with practices in place to ensure the input, needs, and perspectives of all community members, including women, men, youth, IDPs, and hosts. Communities are prioritized based on the importance of increasing host community acceptance of the burden of hosting IDPs, or in areas of return where conflict-damaged buildings and other infrastructure are in critical need of rehabilitation.

REACH 2 puts a special focus on ensuring that all components are nutrition-sensitive by incorporating key nutrition messages throughout project activities. Specifically, REACH 2 takes an active role in promoting nutritional awareness in targeted areas by developing and deploying information, education, and communication (IEC) messages and materials.

The following will provide an overview of the overall project achievements during the first quarter of FY 2017 – the third implementing quarter of REACH 2.

## General Update

### Security

During the reporting period, the rainy season came to an end in Mercy Corps' operating areas. This resulted in an increased range of movement for the Nigerian Armed Forces, but also for the two Boko Haram factions.

In the Local Government Areas (LGAs) of REACH 2 (Biu, Hawul, Kwaya Kusar, and Damboa in the south of Borno State), the security forces, namely the Nigerian Armed Forces and the Civilian Joint Task Force (CJTF), have increased security measures.

Mercy Corps had a security incident in Damboa, when two Mercy Corps staff, as well as a Mercy Corps-hired enumerator, were briefly detained by security forces in Damboa. Mercy Corps' Field Senior Management Team subsequently met with the security forces in Damboa and agreed to inform the military ahead of any movements in Damboa. Consequently, Mercy Corps now informs the military before travelling to Damboa, and we check-in with the military upon arrival and departure from the town. Furthermore, all Mercy Corps staff operating in Damboa now check-in every two hours with the Security Focal point to ensure that should Mercy Corps staff be detained, it is discovered promptly.

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<sup>1</sup> HRP Nigeria 2017, OCHA, December 2016

In November, a civilian convoy under military escort was attacked while travelling between Maiduguri and Damboa. Mercy Corps is well aware of the hazards of travelling on this road. Due to this, as well as Mercy Corps' policy of avoiding the use of military and armed escorts, Mercy Corps continues to ban any and all movement along the Damboa-Maiduguri Road.

## Population Movements

According to the latest figures published by the International Organization for Migration (IOM),<sup>2</sup> two of the LGAs where Mercy Corps operates – Hawul and Biu – have seen the return of 19,182 (previously) displaced persons. It is, however, worth noting that IOM categorizes any IDP returning to his/her LGA of origin as having returned, whereas Mercy Corps notices that many IDPs in southern Borno are displaced within their own LGA, as they believe it unsafe to leave the respective LGA capitals in order to return to their villages of origin.

From our contacts in our communities in Damboa town, we know that smaller amounts of IDPs have arrived in Damboa town, almost all of them from Damboa LGA, and are seeking refuge from the heightened hostilities resulting from the end of the rainy season and increase in military operations.

## Operations

During the reporting period, Mercy Corps moved into its new field office in Biu after operating for eight months in a temporary office space. The new office in Biu now serves as our main humanitarian hub in southern Borno. Mercy Corps also acquired a guest house adjoined to the office, which has room to accommodate expat staff-members working in southern Borno, as well as visiting national and international staff.

Furthermore, Mercy Corps started the process of acquiring a field office in Damboa to serve as a base of operation for our activities there. Having a field office in Damboa will minimize our staff's exposure to security risks, as we are currently driving along the same road day after day to implement activities in Damboa, which makes our movements predictable. Furthermore, by establishing this presence in Damboa, we will be closer to our implementing communities, allowing us to better monitor our implementation and minimize remote management.

In addition, Mercy Corps has to spend approximately three hours total travelling time in order to get to and from Damboa. This leaves our staff with only five hours inside Damboa, and comes with a much higher fuel usage. Consequently, having an office in Damboa provides the added benefits of allowing our staff to work eight hours in our communities, and limits our fuel consumption. The latter is especially important during periods of fuel shortages.

As food prices have gone up, Mercy Corps increased the value of the e-vouchers from 17,000 NGN to 25,000 NGN. The increase was necessary in order to maintain the same nutritional value of the food basket. Mercy Corps continues to monitor the market prices on a bi-weekly basis in order to ensure that the nutritional value of our food basket is not compromised.

## Humanitarian Coordination

Mercy Corps continues its active role in humanitarian coordination groups in Abuja (Federal level) and Maiduguri (Borno State-level). Furthermore, Mercy Corps hosted the local GBV-subsector working group for southern Borno.

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<sup>2</sup> IOM's Displacement Tracking Matrix, Nigeria Return Assessment, December 2016. IOM has not visited and assessed Mercy Corps' other two operating LGAs, Damboa and Kwaya Kusar.

During the reporting period, Mercy Corps continued to coordinate closely with Mediciens sans Frontieres, ICRC, Oxfam, UNICEF, and Save the Children. Seeing as we operate in the same areas, the purpose of the coordination meetings is to continuously improve and ensure the complementarity of our individual humanitarian interventions, preventing any overlaps, as well as to share information regarding the safety of our operating areas.

In November, Mercy Corps hosted the first stakeholders’ review meeting for southern Borno. The meeting included representatives from the Nigerian police, the LGA councils of Biu, Hawul, Kwaya Kusar, and Damboa LGAs, the CJTF, and Mercy Corps’ Community Relief Committees, as well as senior officers from the Nigerian Armed Forces and traditional leaders. Representatives from Oxfam and Save the Children were also in attendance.

At the stakeholders’ review meeting, representatives from the communities in which we operate expressed gratitude for the work we have done so far, while also requesting further assistance in the future.

**Staff Development**

During the reporting period, Mercy Corps brought in technical support staff from our headquarters in Portland, Oregon, United States in an effort to improve on our program responses, strengthen the capacity of our national team through the transfer of tools and knowledge, as well as provide general recommendations for further expansion opportunities. Senior Advisors from the fields of Protection, Nutrition, and Adolescent Girls and Youth Programming all visited our offices in the field and provided trainings and mentoring to our local staff.

In particular, the visit by Mercy Corps’ Senior Nutrition Advisor had a great impact on our current and future nutrition programming. During her stay, the Senior Nutrition Advisor visited our operating areas, spoke to Mercy Corps’ nutrition staff, and met with other organizations working on nutrition in southern Borno State. Based on her subsequent recommendations, Mercy Corps is hiring a Nutrition Coordinator, based in Maiduguri, to serve as a specialist, providing guidance for our nutrition programming and representing Mercy Corps in coordination forums in Borno State.

**Food Vouchers**

<b>Sector #1</b> <b>Food Vouchers</b>	Objective: IDP and host community households consume sufficient quantities of diverse and nutritious foods.
<b>Beneficiaries Reached FY2017 Q1</b>	71,815 <sup>3</sup> IDPs: 48,559 Total HH: 9,305
<b>Geographic Area</b>	Biu and Damboa LGAs, Borno State
<b>Indicators</b>	<b>Disaggregates</b>

<sup>3</sup> Due to the significant time and labor required to accurately calculate the exact beneficiary numbers for the paper vouchers, beneficiary numbers for Damboa LGA are estimates based on the average household size, as well male/female and IDP/host split for all REACH 2 beneficiaries in Damboa LGA. Once the paper vouchers for January have been distributed, Mercy Corps’ M&E Team will be free to calculate the exact number of beneficiaries and report this to FFP in the following reports.

Total number of project participants reached to date.	Total	Female	Male	IDP
	71,815 (9,305HH)	34,480	37,335	48,559
Actual average cost <sup>4</sup> per project participant in FY2017 Q1.	\$20.12 (USD)			
Average cost per project participant per month in FY2017 Q1.	\$6.71 (USD)			

## Progress Narrative – Food Vouchers

During the reporting period, Mercy Corps distributed food vouchers to 9,305 HH in Biu and Damboa LGAs. Mercy Corps distributed e-vouchers to beneficiaries in Biu LGA, while simultaneously finishing up the blanket beneficiary-registration in Damboa LGA. Of the 20,700 HHs registered, Mercy Corps initially selected 6,500 HH as food voucher beneficiaries. Later, in anticipation of a Cost Modification from FFP, Mercy Corps selected an additional 8,000 HHs, bringing the total number of beneficiary HH for REACH 2 to 20,000, with 14,500 of them being in Damboa LGA.

### Transition to E-Voucher Platform

As Mercy Corps is transitioning from the Red Rose e-voucher platform to [sQuid](#), the REACH 2 team had paper food vouchers printed for REACH 2 beneficiaries in Damboa LGA. This was done to avoid any delay in the distribution of food to beneficiaries, which would have resulted had the e-voucher modality been used exclusively.

In the reporting period, Mercy Corps distributed paper food vouchers to 4,912 beneficiary HHs in Damboa LGA. As the distributions took place in the latter half of December, close to the Christmas period during which our activities were to be put on hold, all available staff was deployed to Damboa LGA to ensure that the vouchers were distributed to our beneficiaries in as timely a fashion as possible.

Furthermore, as our collaborating vendors provide food goods in exchange for vouchers, which they then redeem with Mercy Corps in order to be paid, Mercy Corps' Humanitarian Finance Team also deployed to Damboa LGA to ensure our vendors could redeem vouchers for payment in a timely manner and before the closure of Mercy Corps' offices over the Christmas period. Ensuring these timely payments is an important aspect of building and maintaining trust with Mercy Corps' food vendors.

### Food Vendors

Mercy Corps emphasizes having a large number of food vendors at which REACH 2 beneficiaries can redeem their vouchers, and that these are spread out across our operating area. This is to ensure that beneficiaries do not have to travel far to redeem their vouchers for food, and that large crowds do not gather around a few select vendors, as this could put our beneficiaries at risk. In addition, having a very large pool of vendors also helps to prevent any vendors from having a monopoly on goods in our food basket, which could lead to our beneficiaries being charged unreasonable prices.

<sup>4</sup> Using the exchange rate of 1 USD = 431.30 NGN

Prior to the reporting period, REACH 2 had entered into agreements with 39 food vendors throughout Biu LGA. During the reporting period, REACH 2 focused on initiating collaborations with food vendors in Damboa LGA. Leveraging our reputation arising out of good vendor-relations in Biu LGA, Mercy Corps was able to enter into agreements with 52 food vendors in Damboa LGA. Mercy Corps continues to initiate collaborations with new vendors in Damboa LGA in order to ensure that our growing number of beneficiaries have as large a number to select from as possible.

## Cash Transfers

<b>Sector #2</b> <b>Cash Transfers</b>	Objective: IDP and host community households reduce negative coping strategies to respond to food needs.			
<b>Beneficiaries Reached FY 2017 Q1</b>	0 IDPs: 0			
<b>Geographic Area</b>	Biu, Hawul, Kwaya Kusar, and Damboa LGAs, Borno State			
<b>Indicators</b>	<b>Disaggregates</b>			
<b>Total number of project participants reached to date.</b>	<b>Total</b>	<b>Female</b>	<b>Male</b>	<b>IDPs</b>
	0	0	0	0
<b>Actual average cost per project participant in FY2017 Q1.</b>	Cash: N/A			
<b>Average cost per project participant per month in FY2017 Q1.</b>	Cash: N/A			

### Progress Narrative – Cash Transfers (Cash for Work)

During the reporting period, Mercy Corps conducted Cash for Work sensitizations in 18 communities across Biu, Hawul, and Kwaya Kusar LGAs. On top of this, Mercy Corps also conducted sensitizations in the Sabon Gari community in Damboa LGA, bringing the total number of sensitized communities during the reporting period to 19. The sensitizations covered the criteria for community projects and the Cash for Work modality. Once the communities understood the process and requirements, Mercy Corps then assisted all 19 communities in forming Project Management Committees.

### Project Management Committees

Mercy Corps' Project Management Committees are in charge of leading the process of identifying community projects and potential Cash for Work participants to partake in them. The Project Management Committees were sensitized on the importance of the community projects benefitting the whole community, not just specific individuals, and that the community projects must include work that is suitable for vulnerable groups – in particular the elderly, people with disabilities, at-risk women and children, and caregivers for separated and unaccompanied children – as these groups will be included as Cash for Work beneficiaries.

## Community Projects

During the reporting period, all of the 19 Project Management Committees identified community projects that they would like to implement using the Cash for Work modality, and shared these with Mercy Corps. Subsequently, Mercy Corps' M&E Team compiled all of the suggested community projects into a database.

The process of reviewing and selecting suitable community projects that adhere to the criteria specified above, began and will continue in Q2 of FY2017. Furthermore, Mercy Corps will form at least six additional Project Management Committees in Damboa LGA.

## Complementary Food Security Services

<b>Sector #3 Complimentary Food Security Services</b>	Objective: IDP and host community households reduce negative coping strategies to respond to food needs.			
<b>Beneficiaries Reached FY 2017 Q1</b>	4,748 IDPs: 55			
<b>Geographic Area</b>	Biu, Hawul, Kwaya Kusar, and Damboa LGAs, Borno State			
<b>Indicators</b>	<b>Disaggregates</b>			
<b>Total number of project participants reached to date.</b>	<b>Total</b>	<b>Female</b>	<b>Male</b>	<b>IDPs</b>
	4,780	4,124	656	55 <sup>5</sup>
<b>Actual average cost per project participant in FY2017 Q1.</b>	\$0.97 (USD)			
<b>Average cost per project participant per month in FY2017 Q1.</b>	\$0.32 (USD)			

## Progress Narrative – Complimentary Food Security Services

During the reporting period, Mercy Corps' 32 master trainers trained women's nutrition support groups in 13 communities across Biu, Hawul, and Kwaya Kusar LGAs on Community-based Management of Acute Malnutrition (CMAM) and Infant and Young Child Feeding in Emergencies (IYCF-E). Each group contains 10 women, bringing the total number of women trained by the master trainers to 130 (of which 55 are IDPs).

## Women's Nutrition Support Groups

The members of the women's nutrition support groups each use Mercy Corps-provided Hausa-language IEC materials to educate their community members on key practices to prevent acute malnutrition, including the following:

<sup>5</sup> Note: The members of the women's nutrition support groups do not collect information on the IDP/host status of those they sensitize. The number here reflects only the number of IDPs currently in our women's support groups.

- Hand-washing at five critical moments;
- Hygienic food preparation and storage;
- Exclusive breastfeeding for infants until six months of age;
- Continued breastfeeding through two years of age;
- The introduction of complementary foods at the start of the sixth month;
- Appropriate feeding frequency for infants and children aged 6-59 months of age;
- Improved dietary diversity - achieved through the promotion of locally available, affordable and culturally appropriate foods, as well as modifications to traditional recipes for children aged 6-59 months of age;
- More frequent food consumption and dietary diversity for pregnant and lactating women;
- Home-based management of common childhood illnesses.



Example of IEC material used by the members of the women’s nutrition support group. The above image is used to teach mothers the importance of exclusive breastfeeding for infants until six months of age. It is accompanied by a Hausa-language text stating, “Breast milk only, no water.”

The women’s nutrition support groups met at regular intervals to convey to Mercy Corps’ community volunteers how many of their community members they had sensitized. At each meeting, the community volunteers provide this information via Mercy Corps-provided forms and submit them to Mercy Corps. During the reporting period, the total number of people sensitized by the members of the women’s nutrition support groups was 4,618. These are broken down into categories in the table below.

Mothers w. children under 6 months of age	Mothers w. children aged 6-72 months	Pregnant women	Women of child bearing age	Grandmothers	Adult men
973	692	814	859	649	631

### Mid-Upper Arm Circumference Screenings

The members of Mercy Corps’ women support groups also conduct Mid-Upper Arm Circumference (MUAC) screenings of children under five years of age in their respective communities. During the reporting period, the members of the nutrition support groups discovered, and subsequently referred, 30 cases of Severe Acute Malnutrition to nearby CMAM centers.

As many of the members of our women’s nutrition support groups are illiterate, Mercy Corps’ community volunteers helped the women fill the referral slip that has to accompany a SAM case to the CMAM center.

## Challenges and Lessons Learned

- Medecins sans Frontieres conducted a large-scale tetanus vaccination of all women (ages 15-45) in Damboa LGA from December 12 to 16. This was the first of two rounds, with the other taking place January 12 to 16. In order to not divert attention and draw people away from the vaccination campaign, Mercy Corps agreed to not conduct distributions during these periods.

- During the reporting period, Mercy Corps formed 19 Project Management Committees, who subsequently supplied Mercy Corps with proposed Cash for Work community projects. However, despite having sensitized the Project Management Committees on the possible scale of the community projects, several of them only suggested very large-scale building projects, such as establishing new roads or constructing a school. Mercy Corps subsequently went back to the five Project Management Committees in question and explained the limitations once more. Following this, the Project Management Committees suggested projects in line with the defined criteria, namely that the projects must serve the community, not just select individuals, are designed to use unskilled labor, do not require technical expertise that is not readily available, and are short term in nature.
- Mercy Corps found it difficult to acquire MUAC tapes from UNICEF for our nutrition support groups. Every request for tapes was met with questions as to their usage, with no resolution despite our attempts to accommodate their requests. Fortunately, Mercy Corps' Nutrition Officer was able to acquire MUAC tapes from Action Against Hunger and Biu LGA's Primary Healthcare center, both of which had MUAC tapes to spare. With these, Mercy Corps was able to provide five tapes for groups, meaning that each tape had to be shared by two members.

## **Monitoring and Evaluation (M&E)**

### **Markets Assessment**

During the reporting period, the M&E Team, with assistance from a Mercy Corps Cash Programming Advisor visiting from our Headquarters in Portland, lead a markets assessment that included seven markets across southern Borno State. The M&E Team interviewed 263 market patrons and 32 vendors over a period of five days.

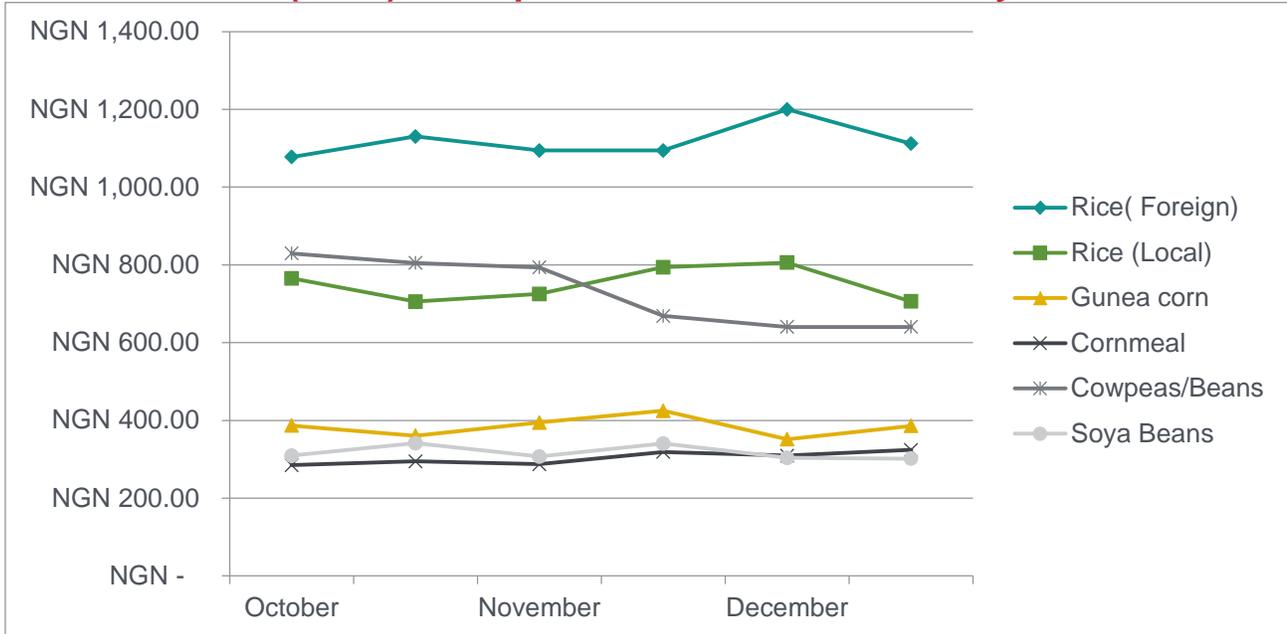
The assessment revealed that the markets in our operating areas are functioning, that the essential food and NFI commodities required by our beneficiaries are readily available, and that there are supply-chains in place to allow traders to replenish their stores quickly, should demand increase.

Importantly, 95% of the market patrons interviewed stated that they can safely access the market, and 99% reported that key food items are always available – with 92% reporting the same for key NFI goods. The assessment confirmed our decision to utilize a markets-based approach to deliver relief assistance to our beneficiaries in southern Borno.

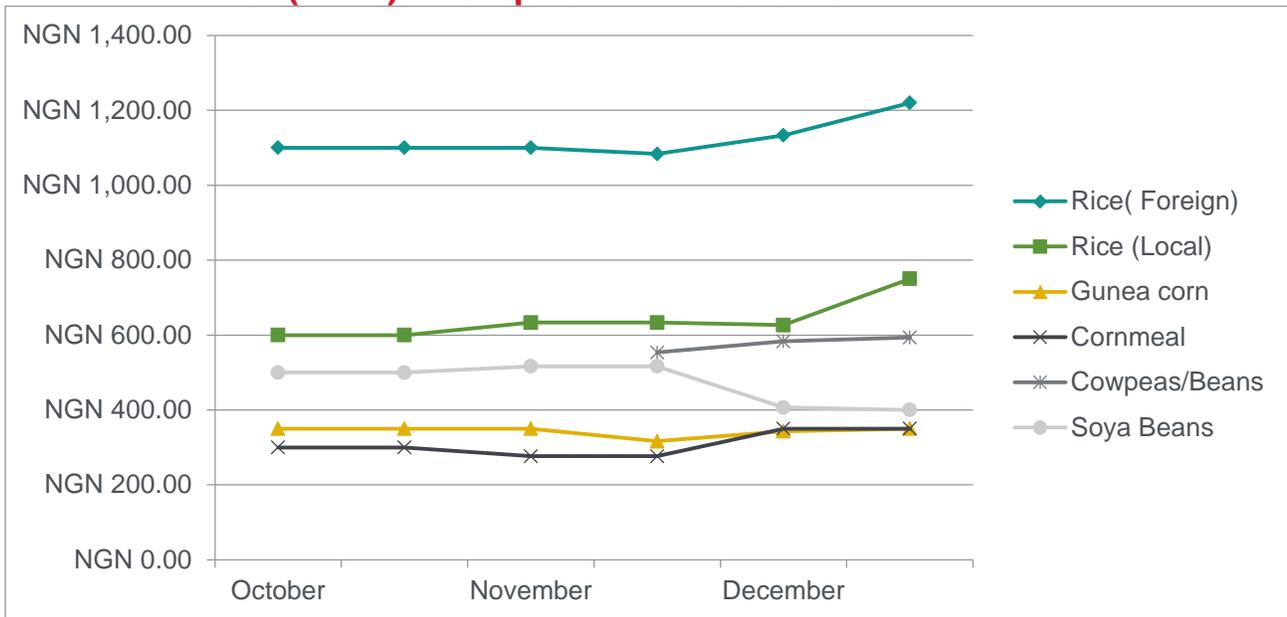
### **Registration, Beneficiary Selection, and Price Monitoring**

Mercy Corps' M&E Team finished the selection of beneficiaries for REACH 2, as well as conducted bi-weekly price monitoring in the areas in which REACH 2 beneficiaries reside in order to ascertain the costs and availability of the goods for which REACH 2 beneficiaries can redeem their vouchers. The below charts show the price fluctuations of key staples.

## Price Per Modu (Bowl) of Staples in Biu, Hawul and Kwaya Kusar LGAs



## Price Per Modu (Bowl) of Staples in Damboa LGA



As shown in the chart for Biu, Hawul, and Kwaya Kusar LGAs, the price of several staples has come down in the month of December, as the harvest in those areas was successful. In Damboa LGA, however, the price of rice, the main staple, increased during the reporting period. This highlights the continued restrictions vis-à-vis safe access to land for farmers in Damboa LGA, which remains reliant on importing food from other LGAs.

Also, as shown in the chart for Damboa LGA, Cowpeas/Beans were not available in Damboa until the latter half of November. However, from discussions with our vendors in Damboa, we now know that several of them, in anticipation of continued demand from REACH 2 beneficiaries, have entered into

agreements with larger wholesalers, in order to ensure a steady and larger supply of the goods found in the REACH 2 food basket, which could lead to more stable, and perhaps even lower, prices going forward.

As stated earlier in this report, significant increases in the prices of local staples over the duration of the project has led Mercy Corps to increase the total value of the food voucher to 25,000 NGN, 8,000 NGN more than the original value of 17,000 NGN. This was necessary in order to ensure that the nutritional value of the food basket remained the same.

For the vouchers distributed in Damboa, the value is 23,000 NGN. This is based on the market prices observed in Damboa, but this is reassessed on a bi-weekly basis, and should we see significant fluctuations in the price, we will adjust the value of the vouchers accordingly.

# Actuals Table

	Cash Transfer	Food Voucher
Planned # of Vouchers/Transfers for reporting period	2,000	12,000
Value of individual Voucher/ Transfer (\$USD) <sup>6</sup>	TBD <sup>7</sup>	Biu LGA (E-voucher) = 57.96 Damboa LGA (Paper Voucher) = 53.33
Total Amount Approved (\$USD) for Cash/Vouchers for reporting period	N/A	1,303,037.33 <sup>8</sup>
Actual # of Vouchers/ Transfers Redeemed for reporting period	0	TBD
Total Actual Cost (\$USD) for Cash/Vouchers for reporting period	0	1,444,963.74
Actual Number of Beneficiaries per month	0	October = 40,131 November = 40,131 December = 71,815 <sup>9</sup>
# of Months of Cash/Voucher support within reporting period	0	3
Frequency of Cash/Voucher Distribution within reporting period	0	9
Planned number of recipients for the reporting period	2,000	82,056
Actual number of recipients reached for reporting period	0	71,815
Time from signed agreement to first distribution to beneficiaries (if applicable to this reporting period)	N/A	N/A

<sup>6</sup> Using the exchange rate of 431.30 NGN = 1 USD.

<sup>7</sup> The exact value of the Cash for Work Transfer will be determined taking into consideration local labor market prices for both skilled and unskilled labor.

<sup>8</sup> Using the exchange rate of 431.30 NGN = 1 USD. This amount does not include indirect costs.

<sup>9</sup> Due to the significant time and labor required to accurately calculate the exact beneficiary numbers for the paper vouchers, beneficiary numbers for Damboa LGA are estimates based on the average household size, as well male/female and IDP/host split for all REACH 2 beneficiaries in Damboa LGA.