

Hunger Safety Net Programme Piloting Scalable Cash Transfers

Programme Implementation and Learning Unit (PILU)- NDMA
April 2015



HSNP Scalability: Why?

- HSNP 2 designed to have a scalability component
- HSNP also part of the GoK's National Safety Net Programme (NSNP) for Results
 - NSNP DLI on Scalability - \$20m to treasury (July assessment).
 - National Drought Emergency Fund (NDEF) – when created a WB payment of \$20m triggered
 - Element of Drought Response Operations Manual of the NDMA
 - HSNP Scalability guidelines a requirement



HSNP Scalability Guidance

- Scalability Policy and Guidance required as part of NSNP DLI 7
- **Options Paper** developed but needs consultation and approval
- **Costing model:** has been developed to estimate costs of each based on last 14 years drought data; WB providing technical assistance and linking to ARC Secretariat
- Finalising Guidance depends on key financial and policy decisions being agreed with donors and GoK



Key Principles

- Imperative of early response in spirit of 'No regrets'
- Scale up (and down) is triggered by remotely sensed (i.e. satellite data - VCI)
 - Quantitative, objective, early and financially acceptable
 - Will not wait for on ground assessments or validations
- Scale up to pre-defined sets of households based on HSNP MIS wealth groups
 - No targeting/ re-targeting during drought crisis (but possibly pre-targeting)
 - Response may be imperfect but timely and can be enhanced by learning from implementation (effective M&E)



HSNP Scalability: Key Questions

- Where - geographic coverage?
- When - triggers?
- Who? Which Households?
- How much?
- How often?
- For how long?

Options paper has been examining these questions and suggesting approaches



The Case for Immediate Scale Up

- Drought conditions worsening
- Recent SRA indicating up to 1.6m in need nationally (> 0.5m in 4 HSNP counties)
- Bank accounts now ready to reach over 1.6m people with emergency CTs in 4 counties in place, more being added each month

VCI 2015		Jan	Feb	Mar
MANDERA	Banissa			9.5
	M East			16.04
	Lafey			11.16
	M North			8.77
	M South			8.46
	M West			9.92
TURKANA	T Central			38.38
	T. East			22.71
	T. Loima			35.87
	T. North			17.86
	T. South			35.52
	T. West			28.29
MARSABIT	Laisaimis			15.14
	Moyale			2.26
	N. Horr			8.42
	Saku			30.99
WAJIR	W East			5.35
	W.Eldas			3.64
	W. North			7.52
	W. South			3,46
	W.Torbaj			5.91
	W West			11.15

Scalability Option and Approach for Immediate Pilot

- *When is a Scale up Triggered?*
 - When VCI hits the **Severe** or **Extreme** threshold in any Sub-County in the County.
 - This generates a quota of households (HHs) to receive a scaled up payment based on;
 - Sub-Counties in **Severe** drought = 50% of all HHs minus - Routine beneficiary HHs
 - Sub-Counties in **Extreme** drought = 75% of all HHs minus - Routine beneficiary HHs



Example Sub-Counties	Eldas	Mandera North
VCI Drought Status	Extreme	Severe
Scale up Generated	75%	50%
Total HHs on HSNP MIS	8,193	11,980
# Routine Beneficiary HHs	2,652	2,087
Emergency CT Allocation	3,493	3,945
% Non-Beneficiaries with Active Accounts	29%	49%
# Non-Routine Beneficiaries with Active Accounts	1,584	4,799
Total # HHs that will receive an Emergency CT Payment	1,584	3,945

Calculating How Many Households will get an Emergency CT Payment

This is calculated as follows;
 Total HHs (11,980) x Scale up % (50%) minus Routine Beneficiary HHs (2,087) = 3,945

This will be the higher of either the Sub-County Allocation or the Number of HHs with Active Accounts.



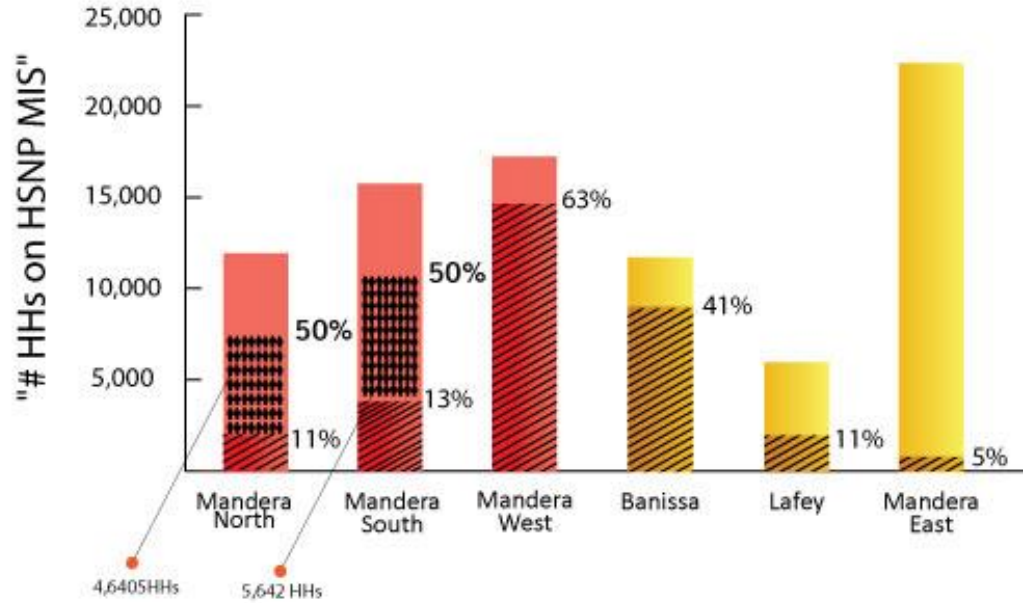
Who receives the Scaled Up Payments?

- Counties provide list of Sub-Locations (SLs) in the County that are in need of emergency scale up
- This can include some Sub-Locations where Sub-County VCI is not severe or extreme but consider highly drought affected.

Color	VCI values	Drought
		Category
	3-monthly average	
Dark Green	≥50	Wet
Light Green	35 to 50	No Drought
Yellow	21 to 34	Moderate Drought
Red	10 to 20	Severe Drought
Dark Red	<10	Extreme Drought



Calculating County Scale up Allocation

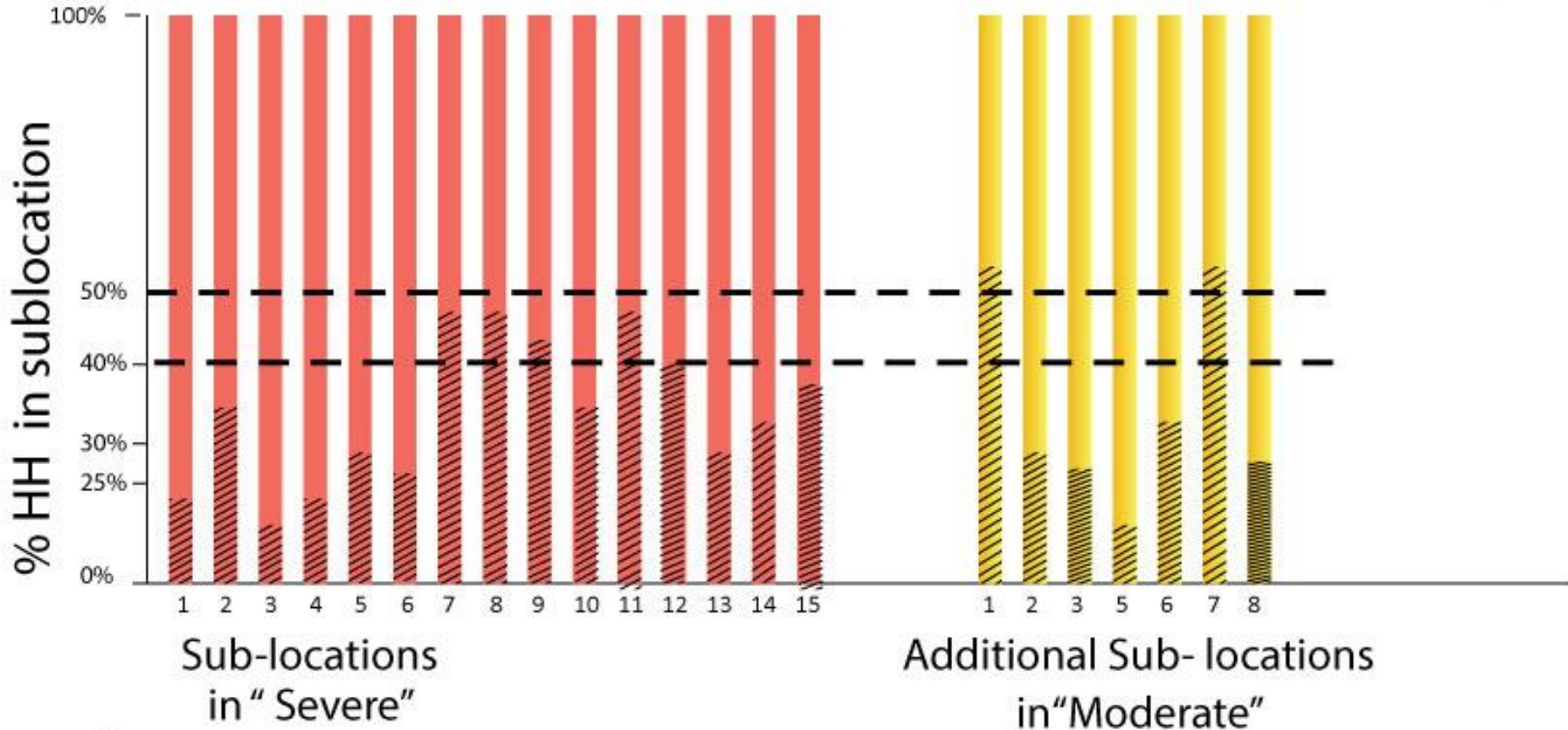


KEY

	Sub - counties Severe Drought
	Sub - counties Moderate Drought
	Routine HSNP Beneficiaries
	Scale up Allocation



How to Reallocate a County Allocation



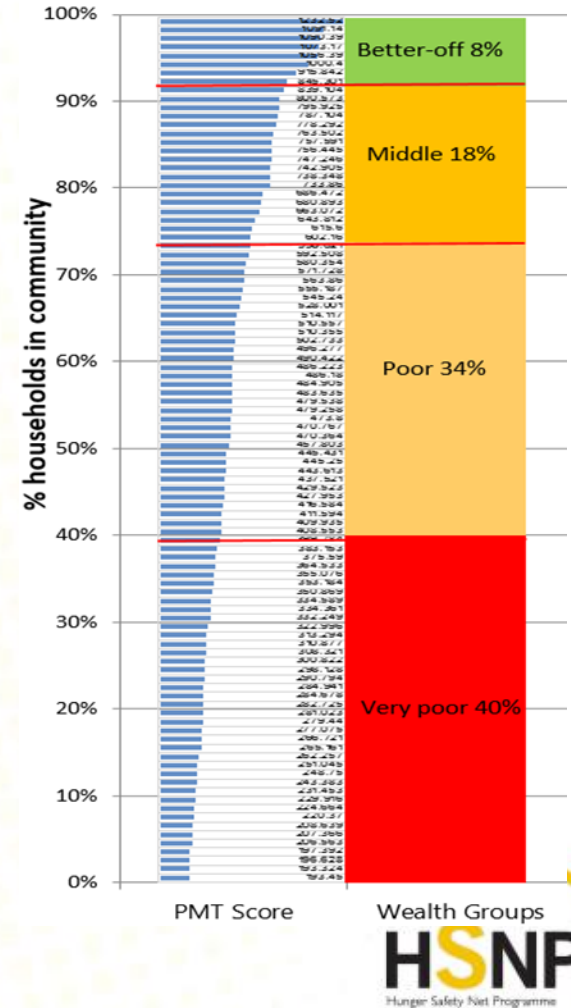
Mandera

Scale Up Allocation=10914



How are Households Selected?

- For this pilot scale up it is proposed the names of the HHs for scale up are taken in wealth order from the HSNP MIS
- Only HHs with active bank accounts can receive the scale up payment
- This may mean HHs above the 50% and 75% wealth cut-off may be included for CTs
- In final guidance some form of pre-validation process will be required



Timing and Value of Payment?

- The payroll has been generated based on accounts activated by 31st March
- Single payment will be made for CTs for January, February and March on 15th April
- The amount is based on the standard payment of Ksh 2,450 per HH per month
- Actual payment to each HH will depend on the number of months the County has hit the Severe and Extreme VCI triggers



Total Coverage and Cost of Emergency Payment

County	January		February		March		Cost for 3 Months
	# HHs for Scale up	Cost US\$	# HHs for Scale up	Cost US\$	# HHs for Scale up	Cost US\$	
Wajir	30,032	810,864	30,032	810,864	42,113	1,137,051	2,758,779
Marsabit	5,660	152,820	9,858	266,166	13,479	363,933	782,919
Mandera	-	0	9,390	253,530	29,023	783,621	1,037,151
Turkana	-	0	-	0	5,100	137,700	137,700
	35,692	963,684	49,280	1,330,560	89,715	2,422,305	\$ 4,716,549
							Ksh 438,600,420
							£ 3,178,264

Costs are based on Ksh2,450 per household per month

Scale up in March is limited by active bank accounts available



Key Issues

- Ensure clear and consistent information and communication about the Emergency CT at ALL LEVELS
- NDMA leading overall SRA response
- Co-ordinated response required in areas of low bank account activation, esp in extreme drought (e.g. NGOs, WFP)
- Household lists being sent out to CDCs and Chiefs / Assistant Chiefs first week April
- **Independent M&E of the pilot**

