



Transforming Cash Transfers:

Beneficiary and community perspectives on
the Social Welfare Fund in Yemen

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Executive summary

1. Study context and methodology

This report presents the results of a study on beneficiary and community perceptions of the Social Welfare Fund (SWF) cash transfer in Yemen. The study was part of a global research project funded by the UK Department for International Development (DFID), which included similar studies in another four countries with long-running cash transfer (CT) programmes (Kenya, Mozambique, the Occupied Palestinian Territories and Uganda).

In Yemen, the study was conducted in two districts of different governorates: Al-Qahira district in Taiz and Zabid district in Hodeidah, both with primarily urban and peri-urban populations. The study team met with relevant stakeholders at national level (SWF officials and donors) and in the selected districts with a diverse range of beneficiaries and non-beneficiaries, local authorities, youth leaders and civil society actors.

The key objectives of the study included the following:

- Exploring the views, experiences and perceptions of CT programme beneficiaries and other community members (non-beneficiaries) in order to ensure they are better reflected in policy and programming;
- Gathering perceptions and experience from programme implementers;
- Building and synthesising a rich and textured body of data and evidence on key research themes at the individual, household and community levels pertinent to CTs that will complement and inform quantitative survey findings and lead to enhanced understandings of the dynamics of change;
- Providing examples of best practice on how to involve beneficiaries and communities in participatory monitoring and evaluation (M&E) of CT programmes.

In order to fulfil the research objectives, several qualitative and participatory assessment techniques and tools were used, including in-depth and key informant interviews (IDIs and KIs), focus group discussions (FGDs) with some participatory and visual tools, case studies, structured observation of situations and events and life histories. Prior to the start of the main research component, a short, participatory demand generation consultation (DGC) exercise was held to elicit essential contextual knowledge of key issues and themes to be explored in the research, as identified by SWF beneficiaries.

Data collection was carried out during the period of 5-20 September 2012 by two teams. Each team comprised two females and two males. A country principal investigator led the two data collection teams.

2. Key findings

The study revealed the following key findings:

- 1 In the initial vulnerability analysis, **catastrophic spending on health** as a result of high levels of morbidity – particularly given the high costs of medicines, tests and operations – was described as the main cause of dramatically increased levels of poverty. It was identified as the most challenging vulnerability facing beneficiaries and non-beneficiaries. Households with severe and immediate medical needs are forced to sell assets or take on debt. Although the Social Welfare Law exempts beneficiaries from payment for social services, including education and health, this is not the case in practice. This situation reflects the fragmented and complex institutional arrangements around providing social protection services.
- 2 There is a **general lack of knowledge about the programme and its operations** among beneficiaries and non-beneficiaries alike. In the absence of access to official information about the programme, people tend to rely primarily on knowledge provided by local figures, community leaders, representatives of local councils, relatives, other beneficiaries or applicants. This poses risks, as it can influence the decision of potential beneficiaries as to whether to register, can create biases and, in some cases, these intermediaries take advantage of the poor and uninformed during the application process.

- 3 The current **value of cash assistance is low**. A family with six persons receives an amount¹ in local currency equivalent to \$56 per quarter, just enough to buy six pita breads per day, which is inadequate to feed the family, let alone meet other basic needs. Beneficiaries and non-beneficiaries have complained about the current value of the CTs, but still say it is better than nothing. In terms of the effects of the CT, beneficiaries reported that it had a limited but generally positive impact, which also varied depending on the context and on vulnerability. Households count on cash assistance to pay for essential services (in Hodeidah mainly water and electricity), the money was said to enable extra spending capacity when the transfer coincided with special occasions or times of need (Ramadan) and the beneficiary card is mostly used as a guarantee to borrow money or buy goods. Some widows said that the cash contributed a little to their independence and decreased reliance on men. People from marginalised groups felt cash assistance made them feel they were being recognised as being part of the community.
- 4 There is a growing **demand for scaling up SWF coverage**. This was reiterated by all respondents at all levels, and was evident in the relatively long waiting lists in all the visited sites of people who have long been accepted but have not yet received assistance; many others are still waiting for their applications to be processed. There are also those who are eligible but who have not accessed the SWF for various reasons, as well as a large number of poor individuals and families who do not fit the SWF's categories or its criteria for cash assistance.
- 5 SWF officials and main stakeholders, including donors at national level, recognise that **current coverage is not great enough to make any sizable impact on poverty** on a national scale. The current budgetary allocation is inadequate to reach the estimated 4 million poor households. Current numbers of the poor are thought to be higher than this estimate, as a consequence of the 2011 crisis, yet the pressing priorities resulting from such a context have led national political dialogue to push social protection in general and CTs in particular aside.

3. Recommendations

In light of the above key findings, the following priority recommendations are proposed by the researchers, based on the perspectives of different respondents involved in this study and the evidence collected.

- 1 Improve **access to knowledge and information about the programme** at different levels, using effective and appropriate communication channels, with a need to develop and implement a communication strategy for the SWF to increase awareness, clarify and dispel misconceptions and advocate for increased resource allocations for social protection in general and CTs in particular. More information is needed about the most appropriate channels to access the relevant population, including those who live in isolated areas or in conditions of marginalisation, women who spend significant time in their house and those who are illiterate. One option could be for district SWF officials to conduct periodic community meetings – for men and women separately – to provide more and relevant information.
- 2 Technical assistance by donors should support the SWF to set up parallel and independent **grievance procedures** and develop some sort of a **beneficiary charter**, which could be one page describing the SWF policy to beneficiaries and the general public.
- 3 The Central Government – particularly the Ministry of Finance and the Office of the President and the Prime Minister – should support an increase in **resource allocations for the CT** to support large households, using poverty more systematically as the main eligibility criterion, in order to increase coverage to include currently excluded groups that face severe poverty and even destitution (e.g. marginalised ethnic groups, other economically insecure and disadvantaged groups, young people living in poverty and very low-income families.) Poverty-based targeting could be a more transparent way to target the transfer.

¹ Smaller households get half of this amount.

- 4 The Central Government should also support an **increase in the value of the CT** given high poverty levels, inflation, the effects of the recent political unrest in Yemen on people's coping strategies, costs incurred collecting the CT from delivery sites, large household sizes, etc.
- 5 The SWF at the national level, with the support of the Central Government, should **review and update current criteria and targeting methods** building on European Union (EU) and World Bank initiatives with the SWF in consultation with donors. These updated criteria should then be clearly communicated to SWF at the governorate and district levels.
- 6 SWF officials should **coordinate with other social service providers**, particularly government agencies at the district level (education, health, water, etc.) to identify gaps (e.g. school dropouts might owe to teacher absenteeism, reproductive health problems might owe to lack of community midwives, etc.), as well as to ensure complementary SWF services – particularly fee exemptions aimed at improving access for beneficiaries – are implemented. This coordination should also include national and international NGOs who are providing important services at the local level. Given that this coordination might require additional human and financial resources at the local level, it needs to be done with full support from the national SWF, who should also foster coordination amongst relevant Ministries.
- 7 Multi-agency coordination, led by the SWF, should promote improved **access to work and income generation opportunities** through complementary programmes and other initiatives in the public or private sector to improve beneficiaries' income and enhance their chances of graduation, and introduce a range of additional complementary activities that are well suited to the contextual realities of beneficiaries, for example women in some areas who are unable to work outside their home.
- 8 The SWF needs the support of the Central Government to address the 270,000 **non-eligible cases currently benefiting from the CT**, to free up resources to include those eligible cases who have been on the programme's waiting list for years. This decision will also send clear signals that the government of Yemen is not doing 'business as usual': maintaining the *status quo* undermines the credibility of the SWF in targeting.
- 9 Improve **delivery of CTs** through, among others, 1) improved regularity of payments (promptly on a quarterly basis), for which the MoF needs to ensure disbursements to pay the transfers are done in a timely manner; and 2) establishment of a transparent bidding process with intermediaries based on their capacity and reach, with clear contracting terms and conditions that are enforced through monitoring by the national SWF and utilising the complaints and grievances system.
- 10 The Central Government, with the support from donors, need to review the **current role of the SWF** as an implementer of cash transfers vis-à-vis its role in facilitating and providing oversight, and advocating for the expansion of social protection. Improve financial and management systems, decentralise decisions to lower levels and set up sound monitoring and evaluation (M&E), accountability and donor reporting procedures.
- 11 The SWF needs to establish and maintain a nationwide **comprehensive electronic management information system** to enable registration and monitoring of all beneficiaries of social protection programmes. This requires financial support from the MoF as well as collaboration from agencies implementing other social protection programmes, including NGOs.
- 12 Establish a **collaborative agenda for action to promote inclusive social protection as key to social cohesion and stability**. The current donor working group could be a starting point for this collaborative agenda for action.