

Evaluation of FCDO's COVID-19 Cash Transfer in Kenya

Research Summary



Report produced as part of the Evaluation of the Hunger Safety Net Programme Phase 3

Community youth attendant at a hand washing facility installed by UN-Habitat in Kibera slum, Nairobi.
Photo: ©UN-Habitat/ Julius Mwelu

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e-Pact is a consortium led by Oxford Policy Management and co-managed with Itad



Research summary

Evaluation context, approach, and methodology

The FCDO-funded COVID-19 cash transfer (CT) in Kenya

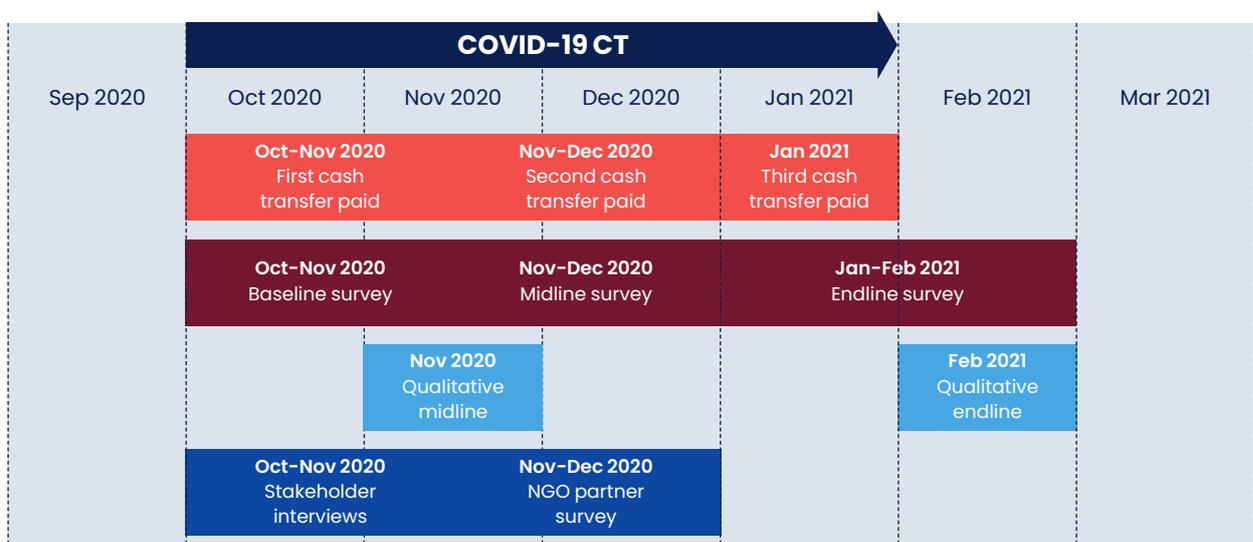
The first case of COVID-19 in Kenya was confirmed on 13 March 2020. As a result of the containment measures and the global recession, it is estimated that 2 million Kenyan people will fall into poverty, particularly in urban areas.¹

To support the urban poor during the COVID-19 crisis, the UK government provided a monthly CT of 4,000 Kenyan Shillings (or £27) to 52,700 vulnerable individuals living in informal settlements in Nairobi and Mombasa for three months. The COVID-19 CT was implemented by a consortium led by GiveDirectly, and the monthly stipend was paid using mobile money transfers from October 2020. Implementation of this programme took place outside the Government of Kenya's systems. The CT was designed to support beneficiaries to buy food or meet other high-priority needs as well as to reduce the use of negative coping strategies.

The main objective of this evaluation was to determine whether, and to what extent, the emergency COVID-19 CT has had a positive effect on its target population in informal urban settlements. The evaluation also provides an assessment of the implementation parameters and mechanisms adopted as part of the design and delivery of the COVID-19 CT. The evaluation has been structured around two components—an impact evaluation and a process review—and draws on multiple research methods through a mixed methods research framework:

- **A quantitative research study** using a remote quantitative three-wave panel survey.
- **A qualitative research study** using in-depth beneficiary interviews at midline and endline.
- **A process review** based on interviews with national- and county-level stakeholders, and a self-administered survey with NGO partners.

Figure 1: Sequencing of data collection



¹ World Bank (2020) 'Kenya Economic Update, November 2020'. World Bank: Washington DC. Available: <http://documents.worldbank.org/curated/en/957121606226133134/pdf/KenyaEconomic-Update-Navigating-the-Pandemic.pdf>

Headline evaluation findings

Since March 2020, households adapted their behaviour to reduce the risk of contracting COVID-19

→ This included avoiding physical greetings, staying at home more than usual, engaging in more frequent handwashing with soap and water, and avoiding large groups.

The COVID-19 CT was relevant to the needs of the target population

Beneficiaries reported their employment was less secure, which affected their food security, and necessitated the use of a range of (negative) coping strategies such as borrowing money from family and friends, reducing/stopping to pay rent, and using savings.



Employment was less secure /
Income reduced



Food security reduced



More coping strategies were used



Well-being was low

Receipt of the COVID-19 CT had a positive impact for beneficiaries



10%
employment increase

Income/
employment



35%
decrease in food insecurity

Food security



15%
decrease in borrowing

Coping strategies



improved well-being

Well-being

Almost all beneficiaries used at least part of the CT money to buy food and, in some cases, “non-essential” food items to treat their households. Many no longer had to ask family or friends for money or buy food on credit. Beneficiaries also noted that the CT had reduced their stress related to providing for their families as the CT allowed them to plan and in a few cases, even linked the transfer to starting or expanding small businesses or paying for transport to look for work.

‘Respondent: The one that came recently, I used it well, because I bought stock [and] food. Food like milk, so that my children won’t skip breakfast. And you clear the debt at the shop. So that when you don’t have money, you can still take some goods from the shop without having any problems with the shopkeeper.’

Male beneficiary, Nairobi

The CT modality (cash), amount, duration, and timing were largely appropriate

- Although individually-targeted, our findings indicate that the CT was generally used to support household needs, rather than just covering those of an individual.
- While the timing of the transfer was delayed, it remained relevant as it happened to coincide with a second spike in infections in Nairobi and Mombasa in October 2020. However, faster implementation might have prevented the resort to more detrimental coping strategies.

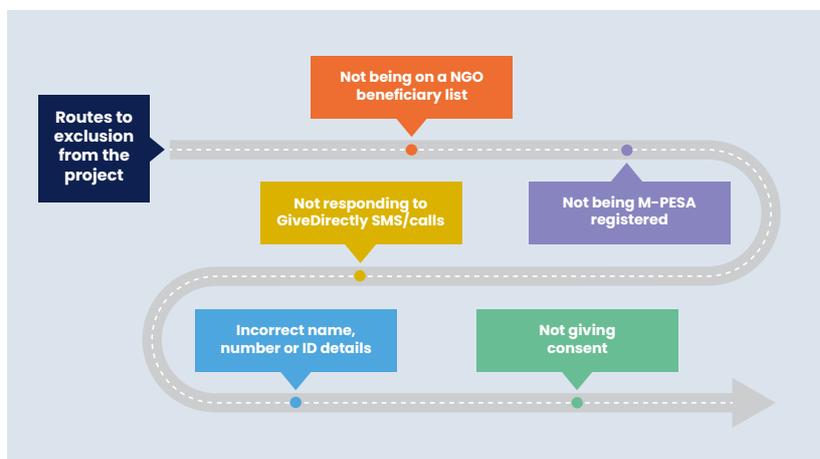
Remote targeting was appropriate to achieve rapid enrolment given the public health context, but was not implemented equitably and resulted in exclusion

- GiveDirectly partnered with NGOs working in the informal settlements who provided data on individuals that could be targeted by the COVID-19 CT.
- However, loosely defined targeting criteria, low-quality data from partner NGOs and the lack of opportunities to collect new data for targeting affected the equity of the targeting, by making the inclusion of different vulnerable groups dependent on the NGO partner used.

Inclusivity of the response

While the programme reached 52,834 beneficiaries, of which 62% were women, there was no emphasis on gender in the eligibility criteria and was a result of NGOs employing their own strategies to ensure their lists were inclusive of women.

There are concerns, however, that barriers to participation excluded the most vulnerable people from participating in the programme who are least likely to have ID cards, a phone, or a SIM card registered in their name, or to be M-PESA registered. Further, low literacy levels may have resulted in misspelling names resulting in mismatches between the NGO's and Safaricom's data.



The use of technology enabled delivery of the CT within the COVID-19 context

- There was high satisfaction with the use of M-PESA due to ease of access, security, and the ability to receive money remotely.
- However, poor-quality data from NGOs led to exclusion due to mismatches between beneficiary lists and the names registered with M-PESA.
- SMS-based communication with beneficiaries was clear and resulted in high levels of awareness of the grievance and case management (G&CM) system.

Coordination of the social protection COVID-19 response was weak

- GiveDirectly sought to engage in coordination mechanisms with both NGOs and government stakeholders providing other COVID-19-related cash by participating in coordination fora and sharing data with other implementers to reduce duplication of the beneficiary lists. But, a lack of clear government direction resulted in duplication: for example, each intervention established its own G&CM, with no mechanism to ensure coordination between them.

Appropriateness of implementing outside GoK system

The FCDO-funded COVID-19 CT was delivered in parallel to the social protection sector. This decision was influenced by the fact that the flagship response was delivered outside the MLSP with limited transparency, routine programmes have low coverage of the urban poor and FCDO lacked confidence in the MLSP's ability and willingness to implement a programme remotely.

Given the need to implement the programme quickly, and GiveDirectly's well-established remote approach to delivery, the decision to implement this emergency response in parallel to the GoK's system seems appropriate. However, to enable future responses to use the GoK's delivery systems, there is a need for systems strengthening which is reflected in our recommendations.

Implications for policy

The use of an emergency CT is an appropriate tool to deal with the most severe consequences of large, sudden, and long-lasting shocks, particularly when systems and mechanisms for the development, implementation, and coordination of shock response interventions are not in place or are not fully operational.

Lessons from the FCDO-funded COVID-19 CT suggest the following considerations:

- CT **eligibility** criteria ought to be simple, linked to need, transparent and implemented equitably, with all those meeting the criteria included in the programme.
- The **value** of CTs aiming to support household needs should be calibrated accordingly, using data verification processes to mitigate the risk of 'double dipping'.
- **Pre-shock agreements** are required with data owners for data sharing and targeting, and with mobile money providers for fee waivers and/or exemptions for automatic debt repayment.

An effective use of social protection to respond to shocks requires ex ante preparation to facilitate swift and efficient action and delivery at the onset of a crisis. Government guidance for emergency cash-based programming should be established and stipulate the relevant target populations and the methods to identify them (e.g. using existing available datasets), appropriate transfer values and durations (or methods for establishing and agreeing those), payment modalities, use of existing delivery systems (management information systems, G&CM, etc.), and monitoring and evaluation (M&E) frameworks.

The data ecosystem needs strengthening and data quality improving. The quality of existing data underpinning the Single Registry requires improving if they are to be of optimal use in facilitating and coordinating responses to shocks across the sector. This will require building capacity to gather and maintain high-quality data in the Single Registry and its underpinning datasets by the relevant government agencies. To support coordination:

- NGO datasets could be linked to the Single Registry (or ESR), which requires GoK investment in processes and procedures for swift access.
- Data collection, by NGOs and other social protection actors, should be aligned with existing targeting tools.
- Data collection needs to ensure full informed consent is obtained to support data sharing and coordination, whilst mitigating the risk of exclusion on the basis of non-consent.

There is a role for mobile technology in the provision of social protection by GoK. SMS platforms can support registration and enrolment, payments, G&CM, communications and M&E. Embedding technology in the delivery chain of routine programmes can enable other actors to piggy-back on the system during shocks. Further, incorporating mobile money into the routine payments system would build government capacity to manage contracts with providers, and act as a model for contractual arrangements between other emergency response actors and mobile money service providers in the event of a shock.

However, the exclusive use of mobile money (and technology more broadly) may exclude especially vulnerable people. Technology-based approaches to service delivery should be combined with traditional approaches to minimise the risk of exclusion by supporting vulnerable groups to register with mobile money platforms; partnering with multiple mobile providers; and including alternative payment modalities to serve those who cannot or choose not to use mobile money as a payment option.

This assessment is being carried out by e-Pact and Research Guide Africa. The project manager is Alexandra Doyle. The Study Lead for this deep dive study is Michele Binci and the evaluation Team Leader is Fred Merttens. This report was co-authored by Michele Binci, Alexandra Doyle, Clare Gardner, Martina Garcia Aisa, Shafique Arif, Lucy Scott and Fred Merttens. All opinions expressed, and any mistakes, remain the responsibility of the authors.

For further information contact Alexandra Doyle alexandra.doyle@opml.co.uk.

The contact point for the client is Anthony Njage anthony.njage@fcd.gov.uk.

The client reference number for the project is PO8603.

e-Pact

Level 3, Clarendon House
52 Cornmarket Street
Oxford OX1 3HJ
United Kingdom

Tel +44 (0) 1865 207300
Fax +44 (0) 1865 207301
Email admin@opml.co.uk
Website www.opml.co.uk



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