



World Food Programme

Cash Based Transfers in South Darfur State, Sudan

Background

The WFP Nyala Area Office (AO) is a pioneer of the Cash Based Transfers (CBTs) in Sudan. Since paper vouchers were introduced in South Darfur in 2011, Nyala AO has managed to scale up paper vouchers while successfully introducing innovations, such as cash via prepaid cards and e-vouchers via the corporate solution SCOPE. The success is greatly attributed to an evidence-based approach and strong partnerships with donors, local authorities, community leaders, and implementing partners. In line with the on-going cash programme, an impact study is currently being undertaken for comparative analysis among in-kind, cash and vouchers to examine the most efficient and cost-effective food assistance delivery mechanism for future scale-up of innovative solutions.

Paper Vouchers

In 2011, Nyala AO introduced paper vouchers at Otash camp to assist approximately 70,000 beneficiaries through milling vouchers. In 2012, a market assessment was conducted to examine the feasibility of local markets for an expansion of CBTs in Darfur region. In 2013, based on promising results of the assessment, Nyala AO replaced in-kind with value vouchers at Otash camp. In 2015, taking advantage of the exceptionally rich harvest, Nyala AO further expanded value vouchers at Dereige camp.

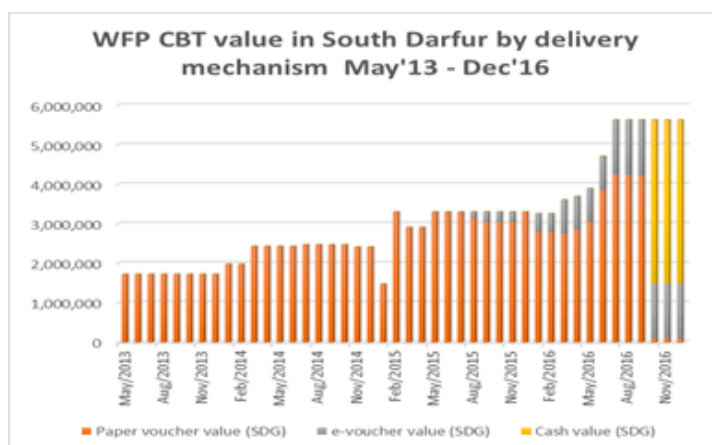
Electronic Vouchers

In 2015, the first use of e-vouchers in Sudan was organized at Dereige camp. Applying the corporate on-line platform SCOPE, beneficiaries receive food

assistance through a SCOPE card, which captures biometric data, such as face photos and finger prints. Through a phased approach, the programme was successfully implemented, gradually scaling up to over 4,000 households registered to date.

Cash

Under the UKaid innovation fund, Nyala AO started a cash programme at Otash camp in October 2016. Beneficiaries receive unrestricted cash through prepaid cards by swiping them against a Point of Service device located at pre-selected retailer shops. WFP selected World Vision International (WVI) as a cooperating partner and Blue Nile Mashreg Bank as a financial service provider. To minimize adverse impacts of cash injections into local markets, cash is distributed over the course of a month by dividing the entire caseload into five groups of approximately 22,000 households, equivalent to 75,000 beneficiaries.



World Food Programme

wfp.org

December 2016

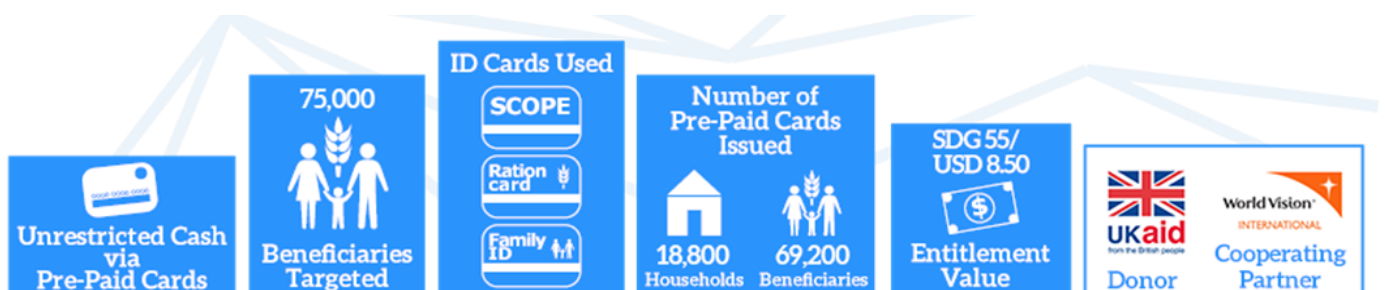
Opportunities

- **Multi-Donor Scheme:** CBTs in South Darfur are funded by multiple donors, including UKaid, USAID, ECHO, Japan and CERF. UKaid innovation fund has allowed WFP to launch the first cash pilot and an impact study.
- **Support from Local Authorities:** Humanitarian Aid Commission (HAC) has been cooperative and supportive of CBTs in South Darfur. For example, the HAC commissioner endorsed a letter of notification of the cash programme, which helped Nyala AO convince local communities to accept cash.
- **Corporation with Community Leaders:** Nyala AO has established a trust-based relationship with IDP camp leaders, Sheikhs. Solutions to operational challenges have been solved in a timely manner through a consultation process with Sheikhs.
- **Partnership with a Cooperating Partner:** WVI has been a cooperating partner for CBTs since 2011, demonstrating a solid capacity in financial management, operations and staffing, based on past evaluations.
- **Evidence-Based Approach:** Nyala AO conducts a set of assessments and analysis before launching the initiatives. Results have shown that cash with innovative solutions are feasible, efficient and effective in South Darfur.

Challenges

- **Inflation at Local Markets:** VAM reports that the inflation rates for the first half of 2016 reached 13% on average in Sudan. A recent devaluation of exchange rates of the local currency against US dollar will most likely elevate further inflation. Market prices need to be closely monitored during the cash pilot.
- **Funding constraints:** CBT shortfall for the period of January—July 2017 in South Darfur is USD 9 million needed to assist 200,000 beneficiaries. This shortfall accounts for 30% of the total shortfall of CBTs in Sudan.
- **Security:** Security situations in South Darfur hinder application of innovative solutions for cash, such as utilization of ATM. Prior to implementation, Nyala AO needs to conduct assessments and analysis, particularly on security, protection and gender.

Snapshot: WFP Cash Pilot in Otash IDP camp, South Darfur State, Sudan



For more information contact:

World Food Programme

P.O. Box 913

653 A, Block 68, Arkawit