WFP simPESA – a cash response to sudden onset emergencies

In the first two weeks of December, more than 40 WFP cash experts from around the world gathered in Kenya to test a new package of tools, systems and procedures for delivering cash quickly in emergencies.

The exercise (called simPESA) included a full simulation, aimed at fine tuning WFP’s capacity to respond rapidly with cash transfers to affected communities in a variety of contexts.

WFP frequently uses simulations to prepare for emergencies, but this was the first time that cash transfers were the primary delivery method in a rapid onset scenario.

The simulation tested five cash delivery mechanisms on-the-ground, transferring cash to WFP’s beneficiaries in Kathonzweni, a small market near Makueni’s capital, Wote. The five cash delivery mechanisms tested included: cash through remittance, paper vouchers, prepaid cards, mobile money and e-vouchers.

Other tools deployed for the simulation included a mobile data collection and analysis platform for rapid assessments and new streamlined contracting tools. A variety of WFP-technology including mobile monitoring and WFP’s corporate information system (SCOPE) were used to support registration and transfer management.
What is the “Complementarity Initiative”? Quick Recap...

Under the Complementarity Initiative, WFP has committed to supporting the National Social Protection Secretariat over the next 4 years to:

1. Develop a Complementarity Strategy that describes how hunger solutions are (or will be) integrated into Kenya’s safety net system.

2. Enhance the National Social Protection Single Registry to ensure government has access to and can use data about who is receiving what, where, and under which programme.

3. Improve accountability by establishing a strong Complaints and Grievances Mechanism, including a toll-free line that anyone can call for information about safety net programmes, or to report a problem or wrongdoing.

4. Establish a plan for a Productive Safety Net Programme for poor and food insecure households to work on projects that contribute to their own and their communities’ resilience.

5. Roll-out National Guidelines for Food Assistance Programmes, to guide programme designers and implementers at the national and county levels.

Of the five cash delivery mechanisms tested during the simulation, one was a locally developed product, designed by the WFP Kenya Country Office. Chakula Chap Chap — which means “Food Fast Fast” in the Swahili-based slang called Sheng — is a simple scratch card, that looks and works just like an airtime card. Scratch, enter the number in your phone, and the system adds the value shown on the card to your M-Pesa account. People without M-Pesa accounts can use their friend’s or neighbour’s account, or cash in the card at their local M-Pesa agent.

WFP has been delivering cash transfers through mobile money in Kenya since 2013. The normal process involves working with a mobile network operator to provide beneficiaries with SIM cards and open mobile money accounts for them. In Kenya, “Know Your Customer” regulations require people to have an ID (national ID or passport) to register a SIM card and open an account, even for mobile money.

For longer term programmes, it works well to go through the process of getting everyone an account, to promote financial inclusion and enable WFP to transfer electronically each month to them. But in an emergency—when you need to get cash to people within days, rather than weeks—the process of setting up accounts simply takes too long.

Chakula Chap Chap - delivering cash, fast fast

What’s the link with The Complementarity Initiative?

WFP developed Chakula Chap Chap to solve the emergency cash challenge. We test, monitor and learn from rolling out new delivery mechanisms, so that we can be faster and more efficient, and so that we can offer new models for Kenya’s safety nets system. WFP is providing the Government with technical assistance to strengthen county capacity to prepare for and respond to emergencies. Chakula Chap Chap has the potential to be a fast and efficient tool that counties could use in emergencies.

Finding new and better ways to deliver assistance is part of WFP’s strategy to support implementers at national and county levels.
Because the Chap Chap cards closely resemble airtime cards, most beneficiaries are familiar with how they work. During the simulation exercise, some of the younger beneficiaries helped the elderly who weren’t sure what to do.

A small box of 100 cards can provide more than 500 people with enough money to buy food for several months. The cards are easy and safe to transport. Registration and distribution can be done in minutes, not days. A small team of WFP staff members with a few laptops can provide cash to an entire community within a few hours.

Last year, WFP analysed data from the Single Registry and other programme databases to reveal that safety net coverage in Turkana and Marsabit exceeded the needs identified in the Government’s biannual rains assessment, and that Wajir and Mandera were not far behind. The analysis showed that WFP could reduce its relief assistance by almost 2,261 metric tonnes (for 200,000 beneficiaries) reducing programme requirements by just over US$2 million dollars per month.

This realignment was implemented in line with the aspirations of the National Social Protection Policy, which calls for enhanced coordination within a coherent framework for all social protection programmes to reduce overlaps and programme fragmentation.

As a result, relief activities were phased out in Marsabit and Turkana Counties while in Mandera and Wajir Counties the number of beneficiaries receiving general food distribution was reduced significantly, targeting only highly food insecure areas with extremely low coverage of other regular safety net programmes.

The Government both at the national level (Directorate of Special Programmes) and the County Governments of Mandera, Marsabit, Turkana and Wajir were instrumental during this alignment process, helping to inform communities and ensure open communication, accountability and transparency.

WFP’s engagement in strategic coordination at the national level with the Government’s social protection programmes, and central role in data sharing between programmes, allowed us to make this transition smoothly, and going forward will allow us to continue to adjust and align our programmes.

The Government’s safety net programmes are expanding very rapidly, which means GFD is needed less and less to address chronic food insecurity. As the Government’s programmes expand, WFP’s relief programmes will continue to shrink.
For all safety nets programmes combined, there are about 5 million people benefitting from cash assistance. Is cash a better way to deliver food assistance in Kenya?

It depends on the context. We should rather ask the more general question: is food assistance still needed in Kenya? And if “yes”, then why? What do we need to address to achieve food security in Kenya? Right now in Kenya WFP is using a mix of food and cash. The country is evolving, markets are becoming stronger and more people have access to them. As this continues, food assistance will increasingly be delivered through cash.

Recent food security assessments have shown that more areas have become food secure and WFP has decreased its number of beneficiaries this year. Has WFP fulfilled its role in Kenya?

WFP has a dual role in Kenya: firstly responding to acute needs - we know how to respond to an emergency whenever the need arises. Secondly, we support the Government to find solutions to make Kenya a more food-secure country. Just because we have fewer large-scale emergencies doesn’t mean we have achieved zero hunger. However there is a decreasing need for WFP’s traditional assistance response and this is a sign that we are achieving our goals here together with the Government and other development actors. Together, our strategic collaborative investment and commitment to strengthening national safety nets will mean that the Government has more tools and extra capacity to cope with disasters and weather shocks. To answer the question, until Kenya is stably food secure, no we haven’t finished our work here and we will continue to work with the Kenyan Government to tackle hunger.

How does WFP’s work contribute to financial inclusion? And why is this important for food security?

We absolutely need to go out of our way to contribute to financial inclusion, because this is such an important step to achieving sustainable food security. It is not just about delivering money so that people can buy food. It is about how the money is delivered, access to financial products, the opportunities it gives people to save and borrow. We want our beneficiaries to use cash in a meaningful way, to help them to save and to invest in improving their living conditions. Money spent and invested in useful ways results in better food access, better nutrition and increased food security.

So it sounds like WFP Kenya has its work cut out! As the incoming CD, what is your message to the Government and to our donors on WFP’s future work?

WFP is fully committed to achieving Sustainable Development Goal 2. Together we have made progress over the last few years, we have modernised assistance to make it relevant and increase its impact. We will continue in this direction until we achieve zero hunger. We will continue to listen and co-operate with communities, government and our partners on how we can better deliver to ensure maximum, lasting benefits.

What is your message to food-insecure and vulnerable communities on the future of assistance in Kenya?

To our beneficiaries, you will increasingly only find us behind the scenes. We are still here but we will be supporting the Government more and more to implement the type of assistance that is needed. The future is that you will not be resorting to external organisations for assistance but that you and your communities will be more resilient in the face of shocks. Of course, in exceptional circumstances, WFP will always be ready and willing to lead.

Comments? Questions?
For more information, write to: kenya.feedback@wfp.org