Cash Grant Supported
Income Generating Activities
Twic and Gogrial West Counties, Warrap State, Southern Sudan
Programme Evaluation
By Emily Sloane and Silke Pietzsch
Acknowledgements

Thanks to the ACF Food Security and Livelihood teams in Alek and Wunrok for implementing such an important programme, with dedication and determination to help their Southern Sudanese people.

Special thanks go to Charles Lagu, JB Wale, Michael Aciga and Thomas Bully, ACF Programme Officers, and to Elias Anyar, Simon Ring, Peter Ayii and Mario Mayar, the ACF Programme Assistants, and the Food Security Outreach Workers, especially Simon Majok and Jackson Ater, for translating and answering all the many questions, and helping with the organisation and conduction of the evaluation.

Thanks to all the many beneficiaries and stakeholders who have contributed to the success of the programme and this evaluation through their participation in focus group discussions and interviews.

Additional thanks to SSRRC Deputy Benjamin Kon of Twic and SSRRC Secretary Simon Mel Kon of GWC, for their continuous support and flexibility in supporting the implementation of the ACF programme and the programme evaluation process.

Special thanks go to Jason Seagle (FSLPM) and Mulugeta Handino (FSLCO), for their vision and determination to launch an innovative programme in the local context. Special thanks go to Francesco Rigamonti (FSLPM), whose technical expertise and logistical support made the final phase of this evaluation possible.
“This document has been produced with the financial assistance of the European Community. The views expressed herein should not be taken, in any way, to reflect the official opinion of the European Community.”
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## Contents

1. Executive Summary ................................................................. 7
2. Background ........................................................................... 11
3. Evaluation Methodology ......................................................... 11
4. Project Area ........................................................................... 15
5. Project implementation process ............................................... 17
6. Findings and results .............................................................. 23
   6.1 Project results against ECHO proposal indicators ................. 24
   6.2 Additional programme evaluation indicators ....................... 31
      Appropriateness ................................................................ 31
      Coverage ........................................................................... 35
      Coherence and coordination ............................................... 35
      Efficiency .......................................................................... 36
      Cost effectiveness ............................................................. 37
      Sustainability ..................................................................... 39
      Accountability and Transparency ....................................... 40
      Flexibility .......................................................................... 41
7. Lessons learned ....................................................................... 41
8. Recommendations .................................................................... 43
9. Conclusion ............................................................................... 43
Tables, Figures and Boxes

Tables

Table 1: Payams/Bomas visited for the Focus Group component of the evaluation..... 12
Table 2: Geographic and group representation in follow-up survey sample.............. 13
Table 3: Overview of Malnutrition Rates in Twic and Gogrial West Counties, 2003-2010 16
Table 4: Businesses in Gogrial West and Twic Counties ..................................... 18
Table 5: Breakdown of selected IGA beneficiaries ............................................. 21
Table 6: HDDS in GWC and Warrap throughout the IGA Project ....................... 28

Figures

Figure 1: Area of Programme Implementation .................................................. 15
Figure 2: IGAs Promoted by ACF ................................................................... 19
Figure 3: Average Income of IGA BNFs in Warrap State .................................. 25
Figure 4: Average Monthly Business Earnings of IGA BNFs ............................... 26
Figure 5: Income Sources of IGA BNF Households in Warrap State .................... 27
Figure 6: Average Household Expenditures of IGA BNFs, Warrap ..................... 27
Figure 7: Average Expenditures on Food Items of IGA BNFs, Warrap State ...... 28
Figure 8: MUAC in IGA BNFs’ Households, Warrap State ............................... 29
Figure 9: Average Coping Strategy Index Scores in Warrap State ....................... 30
Figure 10: Hunger Levels among BNF Households during IGA Project ............... 31

Boxes

Box 1: Gender Equality ...................................................................................... 33
Box 2: Capacity Building ................................................................................. 34
Box 3: Partnerships ......................................................................................... 36
### Abbreviations and Acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACF</td>
<td>Action Contre la Faim - Action Against Hunger</td>
</tr>
<tr>
<td>CHF</td>
<td>Common Humanitarian Fund</td>
</tr>
<tr>
<td>CIAA</td>
<td>French Embassy Emergency Fund</td>
</tr>
<tr>
<td>CPA</td>
<td>Comprehensive Peace Agreement</td>
</tr>
<tr>
<td>ECHO</td>
<td>European Commission Humanitarian Office</td>
</tr>
<tr>
<td>FGD</td>
<td>Focus Group Discussion</td>
</tr>
<tr>
<td>FSL</td>
<td>Food Security and Livelihoods</td>
</tr>
<tr>
<td>GoSS</td>
<td>Government of Southern Sudan</td>
</tr>
<tr>
<td>GAM</td>
<td>Global Acute Malnutrition</td>
</tr>
<tr>
<td>GWC</td>
<td>Gogrial West County</td>
</tr>
<tr>
<td>IDP</td>
<td>Internally Displaced Person</td>
</tr>
<tr>
<td>OTP</td>
<td>Outpatient Therapeutic Programme</td>
</tr>
<tr>
<td>MAARF</td>
<td>Ministry for Agriculture, Animal Resources and Fisheries</td>
</tr>
<tr>
<td>PDM</td>
<td>Post Distribution Monitoring</td>
</tr>
<tr>
<td>SDC</td>
<td>Swiss Development Cooperation</td>
</tr>
<tr>
<td>SAM</td>
<td>Severe Acute Malnutrition</td>
</tr>
<tr>
<td>SSRRC</td>
<td>Southern Sudan Relief and Rehabilitation Commission</td>
</tr>
<tr>
<td>WASH</td>
<td>Water, Sanitation and Hygiene</td>
</tr>
</tbody>
</table>
1. Executive Summary

Introduction

Southern Sudan has been greatly affected by decades of civil war and militia attacks. Even though the situation has improved since the signing of the Comprehensive Peace Agreement in 2005, parts of the country continue to experience episodes of localized insecurity, which have led to marked population displacement and a disruption of livelihoods. In addition, precarious food security and very poor access to health care, safe water and sanitation facilities highly predispose communities to acute malnutrition. Although conditions seem to be improving, high severe and global acute malnutrition rates remain a major cause for concern. ACF has been working in Southern Sudan since 2002, initially responding to emergency and immediate needs of the population during the war. Since 2005, ACF has begun to focus on the recovery process and recurring seasonal emergency needs of the local population.

This report appraises ACF’s cash grant-supported income generating activities (IGAs) project in Southern Sudan’s Warrap State. Launched in August 2008 and funded by ECHO, the project aimed to contribute to the prevention of acute malnutrition. The results of the baseline survey from March 2009, ongoing programme monitoring activities and the final evaluation process completed in September 2010, have contributed to this overall evaluation of the IGA programme. It incorporates two main components: the final follow up survey, which focused largely on quantitative data, and the focus group discussions and interviews, which focused more on qualitative information from the beneficiaries and involved groups and stakeholders.

ACF promotes an integrated approach to treat and prevent malnutrition, in the belief that water, sanitation and hygiene, food security and livelihoods and nutrition programmes approached together, rather than independently, have more impact on the chosen households. Numerous studies have shown that the strengthening of livelihoods, via increasing household income, is a key to ensuring food security for households, especially their availability of and access to food. The small businesses promoted in this project, and the associated transfer of business and management skills, were intended to help households create sustainable income which would support access to food and stabilise livelihoods in the long term.

Following an extensive market and business survey, people at risk of malnutrition were targeted as potential beneficiaries for the project. These included households with children involved in ACF’s Outpatient Therapeutic Feeding Programmes (OTPs), vulnerable households made up of IDPs or returnees, and vulnerable host population households. Interested persons were asked to form groups and develop simple business plans, from which 77 were selected, representing 301 households in Twic and Gogrial West Counties.

Cash grants totalling 300 SDG (106 Euros) per group member were dispersed in two instalments. ACF chose to distribute cash, rather than in-kind materials, in order to ensure that appropriate equipment was acquired and to improve ownership through active decision making by the programme participants. A small number of especially promising groups received a third round of grants of an additional 150 SDG (53 Euros) per person. Regular monitoring activities throughout this period helped to ensure that the money was being used appropriately and to allow ACF staff to provide ongoing technical support to groups as they developed. Baseline and follow-up surveys provide insight into trends in the income, expenditures and food security status of programme participants.

This evaluation suggests that IGAs can indeed contribute to improved livelihoods in the local Southern Sudanese context, and thus the advancement of household food security, in post-conflict recovery contexts in general. Lessons learned and recommendations for the implementation of similar interventions will support the improvement of IGA implementation.
both in Southern Sudan and more broadly for ACF and other humanitarian institutions’ programmes in the future.

Summary of key findings

> Programme implementation

- The people of Warrap State are ready, willing and able to embark on IGA projects. NGO-supported small business development efforts, supported by cash transfers, can succeed in Southern Sudan, despite the numerous contextual challenges (e.g., limited infrastructure, low education levels and localized instability).

> Programme Indicator Results

- Since January 2009, average household income among project beneficiaries has increased by 32% in Warrap State. Average earnings from participants’ small businesses have also grown by 25-30% throughout the state. It appears that gains in revenue from agriculture and livestock, rather than business, are mostly responsible for the higher incomes; however, IGA earnings have probably facilitated investment in agriculture and livestock, and hence have an indirect but important role in the improved livelihoods of beneficiary households.

- 94% of beneficiaries report that their household food security has improved since early 2009; this claim is supported by MUAC data, which indicates a marked improvement in the nutritional status of beneficiaries’ children. 64% of children in Warrap State boasted MUAC measurements of 135 mm or above in Sept 2010, indicating that they were well nourished (as compared to 24% at the time of the baseline), while just 2% had MUACs of 110 mm or less, indicating severe malnutrition (as opposed to 17% in March 2009).

Key lessons learned

> General

- Over the long term, cash-grant supported IGA programmes can be extremely cost effective interventions to fight malnutrition because of their contributions to the long-term development of both beneficiary households and the broader society.

- Countless opportunities exist for promoting organisational visibility at all phases of an IGA project, but they were easily overlooked. Materials such as business-specific banners or project-related t-shirts, perhaps promoting the link between small business and nutrition, could have been produced and distributed early on in the project.

> Implementation

- Timeframe

- 12 months is not a feasible timeframe for the mobilisation, start up and assessment of an IGA project. 18-24 months is more sufficient to cover the full project cycle of such an endeavour, including the initial feasibility study and market survey and the final evaluation.

- The time of year when certain IGAs are established can affect their initial profitability, which can be an important factor in their eventual success or demise.
- **Targeting**
  - Cooperation with local authorities and leaders, while extremely important, should not compromise the project’s main message or political neutrality. Motivation should be accorded top priority in the selection of beneficiaries for IGA projects.
  - Because of the human, financial or physical assets necessary to successfully establish and manage an IGA, the most vulnerable members of the population may struggle with this type of project more than beneficiaries who are slightly better off. They are particularly vulnerable towards the beginning of the project, before their businesses are producing net income, and when faced with small or large-scale shocks.
  - Motivation should be accorded top priority in the selection of beneficiaries for IGA projects.
  - Projects requiring written business plans need not exclude illiterate people. Beneficiaries are often quite resourceful in finding literate people to help them with such tasks. Meanwhile, the process of developing a business plan can be very useful in helping inexperienced people to think through the planning and investment required for their business to succeed.

- **Training**
  - Training is a powerful tool for building the capacity of both staff and beneficiaries, and sufficient resources should be devoted to ensuring that it is relevant to beneficiaries’ needs and effectively presented.
  - The specific needs of those with no prior business experience must be taken into account when planning trainings on business management.

- **Transfer**
  - Splitting the cash transfer into two instalments proved an effective means of risk reduction and motivating IGA groups to spend money appropriately.
  - The choice to distribute cash rather than in-kind materials allowed for flexibility and encouraged ownership among participants, and it proved incredibly efficient for ACF in terms of both time and money.

- **Selected IGA**
  - IGAs will only succeed if groups possess sufficient knowledge and skills to operate their businesses more or less independently, or if partnering organisations offer substantial and ongoing technical support.
  - Increasing diversity and markets response in terms of products and services will need additional skills sets and capacity building to groups and individuals.

- **Mobilisation**
  - Cooperation with local authorities and leaders, while extremely important, should not compromise the project’s main message or political neutrality.
**Monitoring**

- It is important to communicate to beneficiaries any expected changes in monitoring routines, particularly if visits will decrease in frequency or even halt.

- Key programme indicators should be worded in a way that facilitates the evaluation process. The primary indicator for this study was impossible to address directly, as it required direct comparisons of data for almost the full set of beneficiaries.

- A control group to the beneficiary group would support the relevance and results of the nutrition proxy indicators.

- Follow-up evaluations should be facilitated at least 10 months after the establishment of the IGAs, in order to allow them sufficient time to mature as businesses.

**Outcome**

- The people of Warrap State are both ready and very willing to embark on IGA projects. This evaluation demonstrates that NGO-supported small business development efforts can succeed, despite the area’s numerous challenges (e.g., limited infrastructure, low education levels and post-conflict context).

**Key Recommendations**

- Continue to promote IGAs as a measure to support household food security and prevent malnutrition. Ensure that market feasibility studies and sufficient time for identification, mobilisation and training of the community are invested to improve IGA ownership and sustainability and maturing of the various businesses.

- Planning should ensure that businesses whose profits are connected to a certain season are given time to develop before that season begins. Projects should also be timed so that procurement of necessary materials occurs when prices are relatively low.

- Steps should be taken in order to maximize the rates of success of IGA programme beneficiaries. This may mean modifying targeting criteria to ensure that beneficiaries have the capacity and assets necessary to facilitate some resilience to shocks, or building some kind of safety net into the project design to support particularly vulnerable households in meeting basic needs during the early phases of IGA development.

- Future targeting might benefit from a more community-based approach, though the SSRRC should still be kept regularly informed of ACF’s on-the-ground activities.

- If resources allow, facilitate a round of evaluation with key groups in the Akak area. Compare results with the rest of the areas, which have been supported throughout the process with follow-up. The relative performance of businesses, ownership of beneficiaries, and other indicators will provide insight into the value of technical support and follow-up from ACF.

- Factor additional trainings for IGA members into the planning of future IGA projects, so that needs that arise throughout the project can be addressed.

- Consider providing an additional organised training to remaining IGA groups on profit management, marketing and conflict resolution, to offer continued technical and moral support.
2. Background

Southern Sudan has been greatly affected by decades of civil war and militia attacks. Even though the situation has improved since the signing of the Comprehensive Peace Agreement (CPA) in 2005, some parts of the country still continue to experience episodes of localized insecurity. Persistent and repeated insecurity incidents have led to marked population displacement and a disruption of livelihoods. In addition, precarious food security and very poor access to health care, safe water and sanitation facilities highly predispose communities to acute malnutrition. Although recent nutritional surveys conducted in several northern states showed relatively lower levels of severe acute malnutrition (SAM), global acute malnutrition (GAM) rates have remained above WHO emergency thresholds in the majority of locations, which is a major cause for concern.

ACF-US has been working in Southern Sudan since 2002, initially responding to emergency and immediate needs of the population during the war. Since 2005, ACF has begun to focus on the recovery process and recurring seasonal emergency needs of the local population.

ACF believes in the implementation of integrated and multisectoral efforts that link nutrition, food security and livelihoods and water and sanitation programmes to support the complex needs of the population. The various activities are funded by a range of different donors, including ECHO, CIAA, SDC and CHF. Current activities in Warrap State are supported by ECHO and CIAA. The programme under evaluation has been funded exclusively by ECHO.

Evaluation Purpose
To appraise the implementation process and impact of the cash grant-supported income generating activities (IGAs), which were defined to support the prevention of acute malnutrition in Warrap State. The comparison and evaluation of the achieved results and impacts as planned in the ECHO project proposal will be established.

Lessons learned and recommendations for the implementation of similar interventions will support the improvement of IGA activities both in Southern Sudan and more broadly for ACF and other humanitarian institutions’ programmes in the future. The evaluation report will be widely shared.

Evaluation Objective
To evaluate the cash grant-supported IGA component of the ECHO-funded ACF 2008/09 emergency programme in Warrap State, Southern Sudan, according to ECHO proposal indicators and additional DAC evaluation criteria1. (Annex 1: Evaluation Terms of Reference).

3. Evaluation Methodology

Throughout preparations for and execution of the cash grant-supported IGA programme in Warrap State, the FSL team has meticulously documented the various steps and conditions as they have evolved. A thorough market assessment was carried out at the very beginning in preparation for the programme (Annex 2), followed by a targeting and selection process, baseline and PDM (Annex 3), as well as additional evaluations before the second and third cash grant disbursement, and the final qualitative and quantitative program assessments, which were conducted in October 2009 and August-September 2010, respectively. See Annex 4 for the various monitoring formats used for these evaluations.

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1 These criteria were developed by the Development Assistance Committee (DAC) of OECD, for details on the DAC criteria; see ACF M&E Policy 2007. This evaluation follows the DAC criteria.
These various phases of programme monitoring have provided abundant quantitative and qualitative data regarding the participating households. This evaluation incorporates two main components: the final follow-up survey, which focused more on quantitative data, and the focus group discussions, which focused more on qualitative information from the beneficiaries and participating groups and stakeholders.

3.1 Focus Group Discussions and Individual Interviews

Additional qualitative information was collected through interviews and focus group discussions (FGDs) with project participants, SSRRC officials, village and Payam chiefs and ACF staff members linked to the project, in October 2009. Open-ended questions were used to facilitate discussions. FGDs were facilitated according to the IGA groups, hence gender balanced representation was not considered a priority. Additional discussions with various ACF team members were held to establish an understanding of the complexity of the programme for internal management aspects. A list of interviewees and the interview checklists are attached in Annex 5.

The geographical areas and participants represented in the FGDs in Warrap were chosen in order to represent the following:

- The geographical areas of programme implementation, given seasonal accessibility
- The scope of IGAs in operation, e.g., tea shops, restaurants, petty trade, tailoring and bakeries
- The major markets that have benefited from the programme and where a cross section of participants is available, e.g., Turalei and Gogrial Town

Based on the above criteria, the following specific locations were chosen for FGDs during this evaluation process:

<table>
<thead>
<tr>
<th>County</th>
<th>Payam/Boma</th>
<th>Number of groups visited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twic County</td>
<td>Aweng</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Wunrok</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Turalei</td>
<td>1</td>
</tr>
<tr>
<td>Gogrial West County</td>
<td>Gogrial Town</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Ngapathian</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Alek</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Mayom</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Panliet</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 1: Payams/Bomas visited for the Focus Group component of the evaluation

3.2 Final Quantitative Follow-Up Survey

Much of the quantitative data was gathered through the final follow-up survey, which was conducted from late August to early September 2010. Given various logistical challenges,

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2 The town of Akak, in Twic County, as well as several other smaller villages in both counties, were inaccessible at the time of the FGDs due to seasonal flooding.
described below, respondents were selected according to geographically-stratified convenience sampling, in order to maximize the limited time and resources available. The study originally targeted 20% of the project’s original beneficiaries, or 60 individuals in total (30 in Gogrial West and 30 in Twic County). However, because many beneficiaries were in their villages, occupied with late rainy season agricultural activities, the FSL team only managed to survey 28 individuals in GWC and 23 in Twic, for a total sample size of 51, or 17% of the target population. With the exception of Akak, which road conditions had rendered inaccessible, all of the Payams involved in the IGA project were represented, in numbers appropriate to their respective proportions of beneficiaries. ACF staff also aimed to capture the diversity of the beneficiary population as concerned gender, type of business and whether or not the business was still in operation.

The questionnaire was developed and further refined after an initial trial run in the field. Modeled after the IGA baseline survey, its three sections asked a variety of questions about the income, expenditures and food security/nutritional status of beneficiaries’ households. The questionnaire used, however, was distinct from the baseline in two respects:

1. it removed and/or streamlined several questions on income and expenditures, in an effort to keep it as concise as possible, while remaining effective;

2. it incorporated numerous interactive food security evaluation tools, including proportional piling and ranking/scoring, which engage both interviewer and interviewee more fully and are designed to elicit meaningful data from populations with little formal education.

It is worth mentioning that the execution of this survey, after initial refinements, was a very positive endeavour. Whereas respondents were reported to have lost interest during the lengthy, highly quantitative baseline survey, most beneficiaries interviewed seemed to enjoy the more interactive approach of the follow-up process and remained engaged and interested throughout.

The following table depicts the distribution of the follow-up survey sample, according to various pertinent criteria:

<table>
<thead>
<tr>
<th>County</th>
<th>Payam</th>
<th>Original number of BNFs</th>
<th>Number of BNFs surveyed</th>
<th>Original number of groups</th>
<th>Groups surveyed in follow-up</th>
<th>Women surveyed in follow-up</th>
<th>Respondents with actively operational IGAs</th>
<th>MUAC data gathered for interviewees with children&lt;5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Twic</td>
<td>Ajakkuac</td>
<td>21</td>
<td>4</td>
<td>6</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Akak</td>
<td>39</td>
<td>0</td>
<td>9</td>
<td>0</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>Aweng</td>
<td>21</td>
<td>4</td>
<td>6</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Turalei</td>
<td>37</td>
<td>8</td>
<td>8</td>
<td>4</td>
<td>8</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Wunrok</td>
<td>33</td>
<td>7</td>
<td>7</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>151</td>
<td>23</td>
<td>36</td>
<td>14</td>
<td>16/23 (70%)</td>
<td>18/23 (78%)</td>
<td>13/23 (57%)</td>
</tr>
<tr>
<td>Gogrial West</td>
<td>Alek North</td>
<td>28</td>
<td>3</td>
<td>8</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Alek South</td>
<td>62</td>
<td>13</td>
<td>17</td>
<td>7</td>
<td>6</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Gogrial</td>
<td>31</td>
<td>5</td>
<td>8</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Riau</td>
<td>29</td>
<td>7</td>
<td>8</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>150</td>
<td>28</td>
<td>41</td>
<td>17</td>
<td>15/28 (54%)</td>
<td>23/28 (82%)</td>
<td>15/28 (54%)</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td></td>
<td>301</td>
<td>51</td>
<td>77</td>
<td>31</td>
<td>61%</td>
<td>80%</td>
<td>55%</td>
</tr>
</tbody>
</table>

Table 2: Geographic and group representation in follow-up survey sample
3.3. Constraints
Several constraints were faced during the FGDs, interviews and final follow-up surveys which should be kept in mind for the interpretation of results, but not diminish the importance of the same:

- Changes or closures in IGAs, movements in IDP households and the agricultural activities of the late rainy season meant that many people had left the marketplace for their villages or other areas, many of which were not readily accessible to the FSL team. The follow-up sample thus contains mostly beneficiaries with active businesses in roadside market towns, and disproportionately few people whose businesses are remote or no longer operational.

- Due to the previous constraint, only 100 out of the 150 original households interviewed in the baseline were interviewed in the FGDs. The additional 50 households needed to attain 150 in total were randomly picked from the available households. Households targeted in Akak Payam were not supported after the second disbursement due to inaccessibility of the area. Hence they did not receive any follow-up, nor have they been included in the evaluation. Hence it is recommended to facilitate an additional short visit to establish the performance of the programme in this area.

- Mid-Upper Arm Circumference (MUAC) was considered a crucial element of the survey, as the only nutritional indicator that could be directly verified by ACF staff. In some cases, however, collecting MUAC data proved logistically impractical. Many business owners, especially men, did not have their children at the workplace with them. MUAC was still measured if the children were within short walking distance, but it was not gathered for numerous beneficiaries, whose homes were 1-2 hours away from their places of work.

- The aforementioned food security evaluation tools require practice and full comprehension of both interviewer and interviewee. Some, particularly the adapted Coping Strategies Index (CSI), which asked for data about not only the present day but also for the pre-project time period, may have been a bit too complex for the resulting data to be fully reliable. In addition, it was observed during the surveying process that there was some confusion about one element in the CSI, which was the “limiting intake by adults so that small children can eat” (the most serious type of coping strategy, according to the standard CSI template). Since in Warrap, it is customary for adults to serve small children first, both respondents and interviewers may not have understood that the FSL team was asking about how often they did this because they did not have enough food for everyone to eat as much as they wanted to. Thus, the results of this particular component have not been incorporated into the final CSI score analysis.

- Whereas the baseline was conducted in Feb/March 2009 (using January 2009 as a reference month), time constraints dictated that the follow-up be conducted in August and September 2010 (with July 2010 as a reference month). January falls in the early dry season, soon after the harvest, while August and September mark the late rainy season, when the hungry season is coming to a peak and soon end, harvest is just beginning and many people are focused on agricultural activities. Normal patterns of income and expenditure no doubt vary during these different times of year, and thus the data gathered in the follow-up may not be directly comparable to those of the baseline. They will nevertheless give a good indication of the overall situation.
4. Project Area

4.1 Area of implementation

Figure 1: Area of Programme Implementation

4.2 Livelihoods of project area

Warrap State falls within an enormous floodplain and is strongly dominated by agro-pastoral livelihoods. Traditionally, cattle represent the most important indicator of wealth and prestige for the local Dinka tribes. Cattle rustling and related inter-clan and inter-tribal clashes contribute to ongoing insecurity in the area. Most households cultivate sorghum or maize and beans; sesame, hibiscus and okra are also common. Vegetable cultivation has only recently been introduced, mainly by NGOs working in the area that promote vegetables as part of a healthy diet and additional income source. Agriculture is performed with very basic techniques and tools, leading to very small cultivated surfaces. Annual harvest is limited, and generally does not provide food for a full year for the family. Hence, households are forced to compensate their food (and other) needs with other activities, such as casual labour and sales of productive assets.

Annual floods are common, usually setting in around September, towards the end of the rainy season. Often, these floods destroy part of the harvest, along with other important household assets. Local populations are regularly displaced due to flooding, resulting in loss of assets, and the need for some sort of emergency support. Recurring loss of productive assets, due to the onset of floods, is common and showing an aggravating impact on households’ already fragile livelihoods base.

Displacement due to local tensions and clashes among sub-clans is also common. The continuous displacement of the population in Warrap State, for the various reasons mentioned
above, has a strong impact on local livelihoods and residents’ capacity to react to reoccurring shocks and pressure on their natural resources and assets.

Since the CPA was signed in 2005, many formerly displaced people are returning to their places of origin. Many families have returned already, re-starting their lives and livelihoods in the allocated areas. These people often are among the most vulnerable, though they often represent the most skilled households, due to their exposure to education and other ways of life during their displacement.

Markets are still very limited, in terms of both physical access and economic capacity. Since the CPA in 2005, local economies have slowly started to develop, though they are still very dependent on supplies from Khartoum and/or Juba.

Malnutrition in the project area is still well above the global acute malnutrition (GAM) emergency threshold of 15%, as defined by WHO standards.

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAM %</td>
<td>33.1</td>
<td>21.3</td>
<td>30.7</td>
<td>28.7</td>
<td>25.4</td>
<td>22.6</td>
<td>22.8</td>
<td>24.1</td>
</tr>
<tr>
<td>SAM %</td>
<td>5.2</td>
<td>3.6</td>
<td>4.9</td>
<td>3.1</td>
<td>1.9</td>
<td>1.6</td>
<td>2.8</td>
<td>4.3</td>
</tr>
<tr>
<td>Gogrial West</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAM %</td>
<td>23</td>
<td>25.2</td>
<td>-</td>
<td>23.9</td>
<td>19</td>
<td>14.5</td>
<td>20.1</td>
<td>20</td>
</tr>
<tr>
<td>SAM %</td>
<td>3.6</td>
<td>3.8</td>
<td>-</td>
<td>4.2</td>
<td>0.9</td>
<td>1.7</td>
<td>2.4</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Table 3: Overview of Malnutrition Rates in Twic and Gogrial West Counties, 2003-2010

Seasonal variation in malnutrition rates is significant, suggesting that food insecurity is a contributing and underlying factor in seasonal acute malnutrition. Nevertheless, the minimum levels of malnutrition all year around are high, mainly influenced by water and sanitation problems and inappropriate care practices.

4.3 Population of the project area

The population of Twic and Gogrial West Counties is mainly of Dinka ethnicity. Various sub-clans of the same tribe, e.g., Apok, Agok and Twic, live in the area, and tend to experience recurrent clashes and tensions, mainly due to cattle rustling.

Women are the main caretakers of the family, whereas men take care of the cattle. Women prepare land, cultivate and follow up on all household and family chores. Women and girls also take care of sick or weak household members. Polygamy is common, and wives often must fend for themselves and their children, with little support from their husbands. Though traditional culture and practices are slowly changing, women are still expected to provide much for their families.

The majority of the population falls into one of three main groups: people internally displaced due to natural calamities or conflicts, returning populations after the civil war and the local host population.
4.4 Institutional responses in the project area

Various international NGOs, including Mercy Corps, Goal, MSF, IRD and ADRA, are working in Warrap State, mainly focusing on food security, livelihoods, health, education and good governance programmes. Various UN structures, such as Unicef, UNDP, WHO and WFP, are working on recurrent emergency as well as recovery needs. IOM and UNHCR are supporting the process of resettling the Southern Sudanese population that was displaced during the civil war, providing people with initial set-up support once they return to their places of origin.

The various ministries of the Government of Southern Sudan (GoSS) are present on the state and county levels, though their capacities are very limited due to limited resources. Close collaboration with the various technical departments and ACF was ensured during the programme implementation.

The Southern Sudan Rehabilitation and Relief Commission (SSRRC) is a structure put in place as a joint venture between the GoSS and IOM, to facilitate the coordination of humanitarian activities performed by the various actors. Close collaboration and coordination with the SSRRC is encouraged by the various institutions, and recommended for smooth interventions and coordination on local level.

5. Project implementation process

5.1 Programme Strategy

ACF promotes an integrated approach to treat and prevent malnutrition. Water, sanitation and hygiene (WASH), food security and livelihoods and nutrition programmes approached together, rather than independently, are believed to have more impact on the chosen households. The strengthening of livelihoods is a key to ensuring food security for households, especially as concerns their availability of and access to food. The increase of household income has been correlated with households’ increased access to food, and improvements in households’ diversity and quality of diet (FAO 2007; IFPRI 2009). This explains ACF’s focus on household income and income generating activities, in linkage with the prevention of malnutrition, as described in this report. The promotion of small businesses, and the associated transfer of business and management skills, was a core aspect that would enable households and groups to create income which would support access to food in the long term.

The support of IGAs through cash grants, instead of material or equipment kits, was intended to facilitate choice of materials, to allow for the varying needs of each business and to reinforce the local economy and market. In addition, it was hoped that active decision making would increase individuals’ ownership in the IGA and hence the overall sustainability of the project. Finally, cash grants were cost efficient from a logistical point of view, since IGA members, rather than ACF staff members, took the time to identify and procure the needed materials.

The programme activities were based on the following two hypotheses:

- Hypothesis 1: Promotion of income generation can actively contribute to an improved nutritional status, as measured through household dietary diversity, food consumption and expenditure on food.

- Hypothesis 2: Promotion of IGAs through cash grants ensures that appropriate equipment is acquired and improves ownership through active decision making.
5.2 Targeting Criteria

According to the ECHO proposal, the main focus for the targeting process was on households with children that were involved in the ACF Outpatient Therapeutic Feeding Programmes (OTPs), vulnerable households made up of IDPs or returnees, and host population households who were vulnerable because of, for instance, the 2007 floods, or because they were headed by widows, handicapped persons, or children.

Vulnerable households other than OTP beneficiaries were identified through an assessment, as well as through lists proposed by local authorities and the SSRRC. These have been verified together with the community, to ensure appropriate enrolment in the programme.

5.3 Income generating activities implementation mechanism

5.3.1 Step 1 - Market feasibility study

In June 2008, ACF conducted an extensive market feasibility study and business survey in both Gogrial West and Twic Counties, covering almost 90% of the local markets. The objective of the study was to explore what types of small business were available in the area, as well as which existing businesses were economically feasible, and socially and culturally acceptable. The assessment covered both product and service-related businesses. Detailed data from the market study that was conducted is located in Annex 2.

<table>
<thead>
<tr>
<th>PRODUCT-RELATED BUSINESS</th>
<th>SERVICE-RELATED BUSINESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>General store</td>
<td>Restaurant</td>
</tr>
<tr>
<td>Food stuff/petty trade</td>
<td>*Bar</td>
</tr>
<tr>
<td>Clothing</td>
<td>Tea shop</td>
</tr>
<tr>
<td>Household supplies</td>
<td>*Lodge</td>
</tr>
<tr>
<td>Tools ((agric +household)</td>
<td>Repairs</td>
</tr>
<tr>
<td>*Brewery/local alcohol</td>
<td>Transport</td>
</tr>
<tr>
<td>Bakery</td>
<td>Tailoring</td>
</tr>
<tr>
<td>Butchery</td>
<td>Beauty salon</td>
</tr>
<tr>
<td>Fish market</td>
<td>Livestock auction</td>
</tr>
<tr>
<td>*Tobacco</td>
<td>Communications</td>
</tr>
<tr>
<td>*Firewood selling</td>
<td>Photocopy shop</td>
</tr>
<tr>
<td>Grass selling</td>
<td></td>
</tr>
<tr>
<td>Flour mill</td>
<td></td>
</tr>
</tbody>
</table>

Table 4: Businesses in Gogrial West and Twic Counties
* Services that were not accepted by ACF as feasible or acceptable businesses for this programme.

In general, the most profitable businesses at the time of the market survey were the bigger general stores and grocery stores in the Payam and county capitals, such as Wunrok, Akak, Turalei, Aweng, Alek, Gogrial and Panliet. These businesses were owned by wealthy merchants, predominately of Arab origin. These merchants made money because they had access to capital and investment, which enabled them to procure in bulk and from distant suppliers, and hence supply goods not available locally in smaller stores. Furthermore, the merchants that had access to their own vehicles could easily outsource cheaper items from smaller markets.

Bars, tea shops and breweries were predominantly run by women, whereas most other, bigger types of businesses were run by men. This reflects the fact that the relatively higher startup costs required for general stores, larger restaurants and wholesale food stores were difficult to access for women and demonstrates that men were more likely to have the capital to start these businesses.
The most predominant service-related businesses were bars, teashops and smoking shops (water pipe smoking places). They had relatively low start-up costs and were usually owned by women.

For product-related businesses, stores selling foodstuffs and groceries represented by far the biggest portion of the total market share, followed by breweries. The latter reflects the widespread influence of alcohol in Dinka society, both in the social sphere and as a means of livelihood. Product-related businesses outnumbered service-related businesses by 2:1, perhaps because the economy is mostly agrarian-based and still functions with a mix of barter and cash exchanges.

Profitability and economic viability of each potential business was analyzed. The product-related business sector, with breweries, butcheries, tobacco, and fish markets, appeared to be more profitable than others. However, ACF did not accept some of the proposed businesses as feasible or socially acceptable, e.g., alcohol and tobacco-related businesses, because of their negative health and social implications within the community. The selling of firewood was also a relatively profitable and female-dominated business. However, due to the negative repercussions for the limited local natural resources and vulnerable ecology in the area, ACF decided not to promote this activity, either.

Within the service-related businesses sector, hair salons/barber shops, tea shops and tailoring were more profitable than other businesses. Local lodges and bars were not accepted in the selection process due to the above-mentioned problems they might bring into the community. The idea of promoting agriculture-based income generating activities was very much appreciated, primarily by women’s groups. This is mainly because of the active role of women in agricultural activities in the Dinka culture, and the fact that these activities can easily be managed and run by women.

<table>
<thead>
<tr>
<th>Category</th>
<th># of IGAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>19</td>
</tr>
<tr>
<td>Grocery</td>
<td>11</td>
</tr>
<tr>
<td>Teashop</td>
<td>14</td>
</tr>
<tr>
<td>Petty Trade</td>
<td>12</td>
</tr>
<tr>
<td>Bakery</td>
<td>6</td>
</tr>
<tr>
<td>Transport</td>
<td>1</td>
</tr>
<tr>
<td>Butchery</td>
<td>2</td>
</tr>
<tr>
<td>Beverages</td>
<td>1</td>
</tr>
<tr>
<td>Sandles</td>
<td>1</td>
</tr>
<tr>
<td>Tailoring</td>
<td>1</td>
</tr>
<tr>
<td>Clothing</td>
<td>1</td>
</tr>
<tr>
<td>Market Gardening</td>
<td>2</td>
</tr>
<tr>
<td>Communications</td>
<td>1</td>
</tr>
<tr>
<td>Hair Salon</td>
<td>1</td>
</tr>
<tr>
<td>Selling of Fruits &amp; Vegetables</td>
<td>2</td>
</tr>
</tbody>
</table>

Table 5: Breakdown of ECHO funded IGAs in Warrap State
Before the ECHO contract was signed, ECHO requested that the exact definition of the IGAs, which would be promoted, was detailed in the proposal. This was highly difficult as the market survey for the identification of potential IGAs would only have been facilitated after the signature of the donor contract. Fortunately time was allotted before the contract’s signing for the team to conduct the survey and have the demanded information available.

5.3.2 Step 2 - Beneficiary Identification and training

As this is the first time that ACF has implemented IGAs in Southern Sudan, initial preparations were of utmost importance to the programme’s success. Thorough briefing and an introduction to the idea of IGA promotion as a contribution to the fight against malnutrition and hunger were at the base of capacity building for the internal ACF FSL team.

After these first steps, several weeks were spent on a sensitization campaign of local authorities, SSRRC county and field officers, Payam and Boma administrators, executive and sub-chiefs and the various leaders in their respective areas. Through these campaigns, the local authorities were informed about the initiation of the programme and its linkages to the fight against malnutrition.

After this stage, ACF did a first selection of former and current nutrition programme beneficiaries, vulnerable hosts, returnees and IDPs who had settled in the areas of operation.

A general informational training, lasting two consecutive days, for a total of 600 households was held in both Gogrial West and Twic Counties. The training covered the ACF food security and global malnutrition strategy, along with the rationale behind and purpose of IGAs and their correlation with food security and reduction of malnutrition. In addition, the basics of how to run a small business and the basic principles of IGAs were discussed.

Groups of 3-5 people interested in starting up a business were requested to present their business plans to ACF using a standardized format (Annex 6). Each participating household was required to satisfy at least one of these criteria:

> Include at least one current nutrition feeding centre beneficiary, or one vulnerable host or IDP/returnee.
> Each group must also have at least one member who can read, write, and do basic calculations, or else have reliable access to someone who can.
> Each group must have at least 50% women members.

5.3.3 Step 3 - Business plan preparation and selection

The IGA business plans were evaluated by ACF and SSRRC representatives (Annex 6). A uniform approach to assessing the feasibility of business plans in both Twic and Gogrial West Counties was established, as described here:

> Each chosen community should be well represented with selected groups
> Avoid having too many of the same types of businesses within the same community.
> The line-item budget created by the beneficiaries should be reasonable, within 20% of what the beneficiaries will receive from ACF if not contributing personal funds.
> Any business plan that focused on agriculture or food-related activities was given priority.
> Creative ideas and independent thinking were given high consideration, as were socially and environmentally oriented businesses.
> At least 50% of beneficiaries from each community should be women.
All participating OTP beneficiaries were selected.

A total of 301 households were selected in the two counties in October 2008. ACF asked beneficiaries to make their own contribution to their business establishment from their own resources. This was done in order to assess the sincerity of the beneficiaries and to encourage the ownership and the sustainability of the business at the end of the funding phase.

The selection of the business plans was then followed with a more detailed training, mainly focused on financial management topics, such as start-up costs, income, profit and record keeping. Each group received two training sessions on these topics.

<table>
<thead>
<tr>
<th>COUNTY</th>
<th>NUMBER OF PAYAMS</th>
<th>NUMBER OF GROUPS</th>
<th>NUMBER OF BENEFICIARIES</th>
<th>% OF FEMALE BENEFICIARIES</th>
<th>% OF OTP BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twic</td>
<td>5</td>
<td>36</td>
<td>151</td>
<td>63%</td>
<td>41%</td>
</tr>
<tr>
<td>Gogrial West</td>
<td>4</td>
<td>41</td>
<td>150</td>
<td>63%</td>
<td>36%</td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>77</td>
<td>301</td>
<td>63%</td>
<td>38.5%</td>
</tr>
</tbody>
</table>

Table 6: Breakdown of selected IGA beneficiaries

5.3.4 Step 4 – Training
After the selection of 301 beneficiary households, ACF provided hands-on training in business management, including how to develop a work plan and operate collectively (including the development of bylaws), managing funds, record keeping, marketing, profit maximization, competition and other business-related topics. Although the organized training ended there, FSL staff continued to provide technical guidance and advice to individual groups on a weekly basis during field visits. See Annex 7 for the manual used for this training.

5.3.5 Step 5 – Baseline survey
A baseline survey of the IGA beneficiaries was established in order to analyze the pre-programme situation of the households, and to facilitate later comparisons after the programme was finalized. Income, expenditure and impact of IGAs on access and availability of food on households’ level were considered. Additional baseline information on anthropometric measurement (MUAC) and household dietary diversity score (HDDS) has been included in order to consider nutritional indicators and facilitate the later review of the IGAs’ impact on malnutrition. (See Annexes 3 and 4 for the questionnaire and report from the baseline survey.)

The baseline survey was originally scheduled for early December 2008. Due to a number of constraints, it was not initiated until mid-February. ACF reached its target sample size of 150 households, or half of the total IGA beneficiaries. The information collected during the baseline, and the coming follow-up survey, will provide the quantitative information for this evaluation.

5.3.5 Step 5 - 1st and 2nd Cash Grant Transfers
A decision was made that the cash grants for the investment into the new business would be split into two allocations. This was mainly to establish the seriousness of people and their business plans. In Warrap State, 77 IGA groups (41 in Gogrial West County and 36 in Twic County) were formed and received the initial round of grant funding in early December 2008. Each group consisted of 3 to 5 individual households. Each group received a grant of 450 or 750 SDG to be used to start up and run its respective business as a joint venture, the amount based on the number of members, at 150 SDG (53 Euros) per member. The distribution of the cash was facilitated through a MoU established with the groups, and signed by ACF, SSRRC, the
treasurer and the chair of the established group (Annex 8). Groups were encouraged to contribute from their own resources for the initial start up of their business.

In early January, ACF began evaluating the newly formed IGA groups to see if they qualified for the 2nd allocation of grant funding. A survey was conducted to establish the activeness of the groups and their businesses, upon which a decision for eligibility of the second allocation was made. A total of 7 IGA groups did not pass the first evaluation. These 7 groups were given a 30-day grace period in which to make the business management improvements specified by ACF. After this grace period, all but one group were approved for 2nd round funding, which was distributed between February and April 2009. The remaining group was informed that the 2nd round funding would not be provided due to continued poor performance of the business. The local authorities were informed and were in agreement with this decision.

Of the initial 77 groups, the ACF FSL team was unable to locate 3 groups after the 1st allocation in Gogrial West County for evaluation and 2nd allocation. The SSRRC and other local officials were contacted for assistance in locating these beneficiaries, but it is believed that these 3 groups disbanded and relocated to other locations.

Hence, with the remaining funds from the 2nd allocation, ACF FSL decided to allocate funding to other well-functioning groups that demonstrated continued motivation but were in need of additional financial support. The FSL team made a brief assessment of different IGA business groups before it decided to how to distribute these funds.

See Annexes 9 and 10 for the reports on the 2nd and 3rd round evaluations.

5.4 Time frame
The timeframe for the implementation of the IGA activities was slightly different from planned, as the FSL team on the ground was able to start the market survey already before the signing of the ECHO contract. During that additional lead time, the ACF FSL team was able to commence the market feasibility study, which supported the selection and identification of the IGAs. It took about 6-8 weeks to conduct the survey and centre the information.

After that, the programme continued once the contract was signed. The first cash grant allocation was transferred in December 2008, the second in February 2009. At the end of the funded programme, in March 2009, the businesses were still under development, and hence an evaluation would have been premature. The ability to have a look at the progress quite a while after the businesses started to operate, in October 2009 and again in August-September 2010, gives a much better perspective on potential capacity and appropriateness of IGA promotion in Southern Sudan.

See Annex 11 for initial and implemented timeline.

5.5 Security strategy
The main aspect needed to ensure security for all involved was the transfer of the cash required in two rounds of cash grants. To ensure security, SSRRC and the local authorities supported the process of the transfer. Already, all beneficiary groups had signed a MoU with the SSRRC and ACF, to ensure transparency and responsibility. The money was delivered in two transfers and without any complications.

5.6 Collaboration
Close collaboration was facilitated with the local SSRRC representatives, the GoSS administrators at the County, Payam and Boma levels, and the executive and sub and Boma
chiefs. The programme implementation involved all different levels, from the country to the village.

General coordination with the Food Security Task Groups on country and state level was ensured, though closer collaboration with any other international NGOs on the promotion of income generation was not possible.

5.7 Exit strategy

The purpose of the programme was to support the livelihoods of households affected by malnutrition, displacement and those having returned to Southern Sudan. It was clearly communicated from the beginning of the programme that this would be a one-time cash support (facilitated in two allocations), and hence that participants must be willing to spend the money wisely and responsibly on their businesses in accordance with the programme guidelines and the signed MoU.

Follow-up visits, monitoring and trainings with the participating households were facilitated for about six months after the last cash transfer in early 2009. This was to ensure some additional support and strengthening of the business, in case of questions and need for advice. After this, the current evaluation will be able to define any further needs and will establish a picture of the maturity of businesses.

5.8 Humanitarian Standards

The Sphere Project 2004 for humanitarian emergencies does not define any standards for cash transfer programmes. The general standards on analysis, targeting, distribution and human resource capacity and training were followed and promoted. The revised version of the Sphere book, due for publication in 2010, will include standards and recommendations on cash and voucher-based programmes.

The amount of money transferred has been defined in discussions with the technical team on the ground and according to the donors’ regulation on cash transfer.

The Do No Harm approach has been followed and promoted, trying to link to existing programmes, and ensuring participatory targeting and programme activities, as well as risk minimisation, for the programme participants.

6. Findings and results

This chapter will present the overall results according to the different aspects mentioned above. The proposed results in the ECHO proposal and additional DAC criteria aspects will be evaluated for the success of this programme.

The findings of the evaluation are presented in two parts in this section:

- **Project results against established ECHO proposal indicators**

Result 4: 800 targeted households have improved their access to nutritious food through increased income generation and reduced workload

**Measurable Indicators:**
- At least 210 HH increase their income by 30 %
- At least 350 HH reduce their workload by 30 % of households (to be expressed in freeing up time)
NB: The programme activities and indicator for reduced work load will not be evaluated in this exercise and report, but are mentioned under the indicators as they belong to the same result.

The various indicators chosen to measure beneficiaries’ access to nutritious food will be presented and discussed, as will the income and expenditure patterns.

- Additional project implementation aspects according to DAC criteria
  - Appropriateness
  - Coverage
  - Coherence and coordination
  - Efficiency
  - Cost effectiveness
  - Sustainability
  - Accountability and Transparency
  - Flexibility

Cross-cutting aspects of gender equality, capacity building, partnerships and dignity are discussed throughout the section in text boxes.

6.1 Project results against ECHO proposal indicators and additional criteria

This part will evaluate the initially agreed results mentioned in the ECHO proposal (for LFA see Annex 12) as well as trends in beneficiary households’ income, expenditures and food security status.

Before proceeding with the presentation of this survey’s findings, it is important to note that collecting precise quantitative data regarding income and expenditures is by nature an inexact science, and perhaps more so in Southern Sudan. Only 9 of the 51 beneficiaries surveyed keep written financial records of their businesses. Few are literate or educated, and most keep track of their business and more general finances in their heads, if at all. Again, the specialized evaluation tools, like proportional piling, used in the follow-up survey were intended to make it easier for these beneficiaries to provide meaningful data. The figures discussed in this and the following sections should be considered as general estimates. Nonetheless, an analysis of the baseline and follow-up data reveals some clear trends that suggest tangible, on-the-ground changes.

6.1.1 Overall Income

- ECHO Indicator 1: At least 210 HH increase their income by 30%

Limitations of the baseline and follow-up survey data make a direct response to the ECHO indicator on income (“At least 210 HH increase their income by 30%”) difficult. The raw data for Twic could not be located, so it was impossible to know how much income a specific household in Twic was earning in early 2009. The full data set did exist for GWC. However, because the baseline and follow-up samples were not identical, again, data on income from 2009 and 2010 could only be compared for 12 GWC beneficiaries. The results from this small subset are not statistically significant, and in any case they indicate the same general patterns as does the larger data set. Thus, this section will address the ECHO indicator by looking at trends in income from the baseline to the follow-up survey rather than at direct comparisons between individual beneficiaries’ data sets.
NB: 18% of those surveyed no longer had operational businesses and so had no monthly earnings from IGAs. Because total income figures were determined according to small business income and its contribution to overall household income, average monthly earnings figures are based on operational businesses only.

Figure 2: Average Income of IGA BNFs in Warrap State

An examination of the full data sets from both the baseline and follow-up surveys clearly shows that both small business-related and overall household income have increased substantially throughout Warrap State since the start of the IGA project. Importantly, however, it appears that a few highly successful households have skewed the data on income upwards, and not all households are thriving financially to the same extent.

Since January 2009, average household income of project beneficiaries in Warrap State has grown 32% overall, from 1,136SDG to 1,501SDG per month. Since data on remittances in January 2009 was unavailable, money from remittances was excluded from income-related calculations. The income figures presented are based on earnings from agriculture, livestock, fishing, small business, labour and the sale of bush products. The change was extremely pronounced in GWC, where average incomes increased by 62%, from 663 to 1,075SDG per month, while in Twic, average incomes rose by 20%, from 1,609 SDG to 1,927 per month. Substantially lower median figures for total income, 667 and 1,091SDG in GWC and Twic, respectively, indicate that the distribution of earnings is far from even, and that a handful of successful households is somehow earning much more than the majority.

6.1.2 Earnings from Small Business and Other Income Sources
Average monthly earnings from small business activities exhibited a significant rise of 25% in GWC and 30% in Twic, from 290 to 362SDG in GWC, and from 431 to 562 SDG in Twic. Again, the median figures for income from IGAs of 230SDG in GWC and 300SDG in Twic, suggest that a few businesses are thriving, while many are surviving of quite modest earnings. Meanwhile, the relative contribution of IGAs to overall household income shifted slightly between 2009 and 2010: from 44% to 34% in GWC, and from 27% to 29% in Twic.
The gains in overall income seem to have come mostly from improved revenues from agriculture and livestock rather than from small business. However, IGA earnings have probably facilitated investment in agriculture and livestock, and hence have an indirect but important role in the improved livelihoods of beneficiary households. The harvest season had not yet begun in July, the survey’s reference month, and thus the high reported earnings from agriculture are confusing at first glance. This may have been another case of respondents struggling with the concept of a reference month; more than likely, the figures they provided were based on agricultural activities’ anticipated contribution to their overall income throughout the year, rather than in July specifically. Nonetheless, respondents’ optimism regarding agricultural revenues is certainly positive and likely reflects improving stability in Warrap State. Whereas the growing season was disrupted in 2008 by conflict-related displacement, conditions since early 2009 have been relatively calm, which has allowed people to cultivate and care for their livestock unimpeded. In addition, the rains in 2010 have been consistent and have thus far facilitated healthy yields. Income from IGAs may have played a role in this year’s positive growing season, as well, since it may have helped people to put aside or acquire inputs of seeds and tools after the very poor harvest following the prolonged drought in 2009.

Earnings from labour have decreased notably since the baseline. In Twic, emergency funding in response to the 2008 flooding created numerous work opportunities with various NGOs, and in both counties, the government was paying soldiers during the period of the baseline. Both of these income sources were temporary in nature, and probably help to explain why income from labour was so much higher in January 2009 than it is today. Figure 5 illustrates the relative importance of different income sources in Warrap State in January 2009 and July 2010.
6.1.3 Household Expenditure
Patterns of household expenditure have not changed dramatically since early 2009. Beneficiaries in 2010 are paying a slightly larger percentage of their money on medicine, school and food. Because their incomes are higher on average, this means that many of them are now able to spend substantially more in SDG on these categories than in early 2009. In the cases of school and medicine, this could be a sign of their increasing prosperity. However, the rise in medical expenditures may also reflect the fact that disease is more prevalent during the rainy season, when the follow-up survey was conducted, than in the mid-dry season. Similarly the trend for food expenditure could be explained, as the follow up survey was conducted during the hungry season which generally has higher food prices. Figure 6 illustrates the shifts in household expenditures throughout the IGA project.

Relative spending on different food items has also remained relatively stable. The proportion of food expenditures devoted to grains in 2009 had dropped by 16% in July 2010, and there were slight increases in spending on meat, beans and oil. The increased expenditure on meat in particular is quite positive, as it indicates a modest but important shift towards prosperity. The
reason for the drop in grain expenditures is not clear, but it may once again reflect respondents’ incomplete understanding of the concept of July as a reference month or show the influence of the hungry season and grain availability in the market. When the survey was conducted in late August and early September, the early harvest season was underway. Households were beginning to consume some of their grain yields, and the market price of grains had begun to drop in response to increased supply.

![Figure 6: Average Expenditures on Food Items of IGA BNFs, Warrap State](image)

### 6.1.4 Household Dietary Diversity Score

The Household Dietary Diversity Score (HDDS) attempts to capture the quality of diet by counting the number of different food groups which have been eaten in the household in the past day. Since the baseline survey, average HDDS figures climbed from 6.94 to 7.6 in GWC and sank from 7.75 to 7.5 in Twic. Table 6, which provides the breakdown of scores in each category in both 2009 and 2010, shows that while there are fewer instances of poor and fair diets throughout Warrap State, there has also apparently been a significant reduction in “good” diets of the highest diversity in Twic County. The explanation for this is not clear, and could possibly be connected with the recent disruption of road shipments from the north because of damage to a bridge. This has led to both a reduction in the variety of food products available on the market and an increase in market prices for many items, which may dissuade people from purchasing non-essential food stuffs. Similarly, the hungry season and increasing prices for staple foods might have pushed households to invest in the core staples rather than additional food items. Nonetheless, the vast majority of respondents had “medium” or “good” HDDS scores, which is quite positive, especially in the context of Southern Sudan.

<table>
<thead>
<tr>
<th>County</th>
<th>1-3 HDDS (Poor)</th>
<th>4-6 HDDS (Fair)</th>
<th>7-9 HDDS (Medium)</th>
<th>10-12 HDDS (Good)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-09</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GWC</td>
<td>1.90%</td>
<td>38.50%</td>
<td>51.90%</td>
<td>7.70%</td>
</tr>
<tr>
<td>Twic</td>
<td>0%</td>
<td>36.40%</td>
<td>31.80%</td>
<td>31.80%</td>
</tr>
<tr>
<td>Average</td>
<td>0.95%</td>
<td>37.45%</td>
<td>41.85%</td>
<td>19.75%</td>
</tr>
<tr>
<td>Aug-10</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GWC</td>
<td>0%</td>
<td>17.90%</td>
<td>75%</td>
<td>7.10%</td>
</tr>
<tr>
<td>Twic</td>
<td>0%</td>
<td>43.50%</td>
<td>43.50%</td>
<td>13%</td>
</tr>
<tr>
<td>Average</td>
<td>0%</td>
<td>31%</td>
<td>59%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Table 7: HDDS in GWC and Warrap throughout the IGA Project
6.1.5 MUAC

The Mid-Upper Arm Circumference (MUAC) measurement provides a means of assessing nutritional status of children under 5 years in the households across time. Though ACF in Southern Sudan has recently changed its MUAC standards to the new WHO standards, this report will follow the old MUAC guidelines in order to facilitate comparison with the baseline data. The data from the follow-up suggest that beneficiaries’ children under 5 years in August-September 2010 were dramatically better nourished than they were in March 2009. On average, 64% of children in Warrap State boasted MUAC measurements of 135 mm or above, indicating that they were well nourished (as compared to 24% at the time of the baseline), while just 2% had MUACs of 110 mm or less, indicating severe malnutrition (as opposed to 17% in March 2009). Figure 8 illustrates the complete breakdown of MUACs from the baseline and follow-up surveys, including the percentages of measurements in the 110-125 mm and 125-135 mm, indicating moderate acute malnutrition and risk of malnutrition, respectively. While some malnutrition and risk of malnutrition remain in 2010, the majority of IGA beneficiaries’ children are actually well nourished, according to the MUAC criteria. This is particularly positive given that this data was collected at the end of the hunger gap, when people are generally struggling to feed themselves and their families.

In this study, MUAC was only taken for children under age of five years. Some natural increase in average MUAC is to be expected between the baseline and the follow-up, since children will have grown physically in the 18 months between the two surveys, although it might be moderated somewhat by the addition of very young children, who are physically smaller. The average MUAC of beneficiaries’ young children has increased substantially in GWC since January 2009, from 125 to 136.1 mm. Unfortunately, no data was available from the baseline in Twic. On a positive note, the Twic MUAC average of 143.1 mm from 2010 indicates that beneficiaries’ children there are fairly well nourished.

![Figure 7: MUAC in IGA BNFs' Households, Warrap State](image)

6.1.6 Re-admissions

All OTP mothers who were targeted as beneficiaries of the IGAs confirmed in discussion groups that their children have not been readmitted to the OTPs since they started their respective businesses. This might simply be due to the seasonal changes, but might as well be due to improved income on the household level and hence improved access to nutritious food.
6.1.7 Coping Strategy Index

The Coping Strategy Index (CSI) is a standard tool for assessing the relative food security of a given household. Since the CSI was not included in the baseline, a modified version was used in the follow-up, asking about the period prior to the IGA project in addition to the present day. As mentioned in the methodology section, respondents and interviewers alike seemed to have some difficulty fully understanding one particular component of this tool, which was eliminated. The possible scores within this adapted CSI range from 35 (most food insecure) to 0 (least food insecure). The data gathered, as presented in Figure 9, suggest a general improvement in food security among beneficiary households throughout Warrap State since the start of the IGA project. The average CSI score in GWC dropped from 10.9 to 8.9 between 2008 and 2010, while in Twic the reported change was more dramatic, from 17.2 to 12.2.

Figure 8: Average Coping Strategy Index Scores in Warrap State

6.1.8 Hunger Levels Ranking

This component of the follow-up evaluation asked respondents to rank their households’ hunger at different points during the IGA project, including before the project began, one month after receiving the first grant, one year after the grant and the present day. Although the data are not entirely objective, the general trend of responses seems to suggest that almost all households are less hungry than they were in late 2008, and that the food security situation is improving considerably. Again, this data is more impressive when one considers that it was gathered at the peak of the hunger season in Southern Sudan.
6.2 Additional programme evaluation indicators

To ensure that other areas besides the direct proposal indicators and the general quantifiable impact of the programme are evaluated, the OECD DAC\(^3\) criteria have been used to review additional aspects of the intervention.

This part of the evaluation report is mainly based on the qualitative information collected through focus group discussions and individual interviews during the evaluation in October 2009, as described in the methodology section above. Where necessary, different perspectives of participants, ACF or other partners have been presented separately for each subsection.

**Appropriateness**

Different levels and aspects of the programme implementation have to be reviewed in light of their appropriateness. The overall understanding the evaluation team got from the programme participants’ feedback was that the programme was very appropriate to the local context and needs, and has ensured local participation and involvement in the decision making process. The various steps taken in the programme implementation are reviewed in more detail.

**a. Local context**

Southern Sudan is still in a post-crisis context, also considered a protracted crisis context. Generally donors are still very much focusing on the recurring emergency needs, and are struggling to define the right balance of emergency, recovery and development efforts, which are all needed in Southern Sudan.

Initially, ECHO was reluctant to fund IGAs in this context, judging it to be too early to promote economic development and investment. In addition, it questioned the evidence that IGAs could reduce the prevalence of malnutrition. Reluctance was as well expressed towards using a cash transfer as a tool to facilitate the IGAs in the local context.

All of the interviewees agreed that Southern Sudan is ready for this type of economic development activity. The investment in local small scale businesses and hence supporting market dynamics is closely linked to general development and advancement of the local communities. Agricultural production and economic development should be the two main food security and livelihood angles from which to support Southern Sudan in the current context.

Looking at it from a more motivational and political side, the gathering of momentum with the signed CPA, and hence applied peace and disarmament, might have a positive impact on people’s motivation to invest in a new life and hence mobilise themselves to think, make decisions and take ownership of businesses and income generating activities after more than 20 years of war. Many of the women’s groups were very happy to be able to create small amounts of additional money, and have a great vision to expand their businesses in the future. Others have already taken the opportunity to expand and facilitate a trickle-down effect that will benefit other members of their community.

**b. Timeframe and seasonality**

The initially allocated timeframe (12 months under the ECHO contract) would not have been sufficient to implement the programme in the way it was implemented. The market feasibility

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\(^3\) These criteria were developed by the Development Assistance Committee (DAC) of OECD. DAC is the principal body through which the OECD studies issues related to cooperation with developing countries. They are commonly known as the ‘DAC criteria’.
study (which took about 2 months) was completed before the ECHO contract was signed and the implementation officially began. Nevertheless, the signing of the contract was much later than the eligibility date. Had the contract been signed on time (by March 2008), however, there still would not have been sufficient time to implement the programme in its entirety.

It was certainly important to provide an additional six months before the evaluation of the programme, to ensure that IGAs could mature and develop to a measurable extent. Hence 12 months is a feasible timeframe for the mobilisation and start up of IGAs, on the condition that the 12 months can be fully used. A final follow-up evaluation should always be facilitated after an additional six to twelve months. Hence the optimal timeframe including continuous supervision and monitoring for an IGA programme should be 18-24 months.

Given that no real agriculture-based activities were promoted, the seasonality of the intervention seemed not to be important. All groups confirmed that the start up of the activities is possible at any point of time in the year, though all referred to different levels of business during the dry and wet season. Food and grocery shops, in particular, show a reduced business level during the dry season, when most households possess sufficient stocks to supply their meals at home. During the wet season, families tend to procure food and products on the market and many seek out tea shops due to the cooler weather. Overall, October is a calm time, when many people are in the fields harvesting their crops. The dry season is expected to bring more people into town and markets, especially for socialising and hence sharing lunch with friends and family, from which restaurants will benefit.

Access to markets and locations is normally also better during the dry season, due to improved road conditions, and hence travel might increase, meaning more customers for such businesses.

The few service-oriented businesses among the IGAs, including hair salons and tailor shops, claimed to have missed out on potential business due to late start up, as many people would have requested these services just before Christmas, at which point the businesses were just getting started. Therefore, earlier set-up for service providers is important to make sure that Christmas or other festival times can be exploited to full benefit. In addition, the same households struggled with the initial material/equipment procurement, as the equipment they required was more expensive before Christmas than during the rest of the year.

For agriculture-based businesses (e.g., processing of crops, agricultural services like ox ploughing), any intervention would need to be very closely linked to and timed for the agriculture season.

c. Targeting process

The appropriateness of targeting can be divided into two aspects: the definition of the targeting criteria and the process of the targeting. The definition of the targeting criteria was determined based on ACF’s experience as an organization in Southern Sudan. It is clear that returnees, IDPs and the vulnerable local host population count among the most vulnerable members of the population. The idea of targeting mothers/caretakers of malnourished children (as identified in the Nutrition Feeding centres) was a deliberate effort to directly link and integrate FSL activities with ACF’s nutrition programming.

The process of targeting was facilitated in close collaboration with the SSRRC. The programme was presented and introduced to the local authorities, community leaders and SSRRC, who were then requested to provide a list of 600 potential beneficiaries, according to the targeting criteria mentioned above. The resulting list was then used to facilitate the first training, the grouping and the business plan, before a final decision on which 300 HHs to include was made.

Though the SSRRC provides a simplified means to community mobilisation and access, relying on it during the targeting process may compromise ACF’s independence and neutrality. It is likely that some of the choices of beneficiaries were politically influenced. Hence for a fully
Motivation of potential beneficiaries was seen as something that could support aspects of ownership and sustainability in later stages of IGA implementation, and so was incorporated into the various steps of the process. A first training, business plan and second training were necessary before access to the cash investment was provided. This process tried to filter out those individuals who would not be sufficiently motivated to pursue the process to the end. Although the potential beneficiaries’ motivation level was given some consideration during the project implementation, it probably should have more explicitly been included as a specific criterion from the very beginning of the targeting process.

Though the business plan could have posed a major obstacle to participation, taking into consideration the low literacy rates in rural Southern Sudan, it was easily overcome. The majority of the groups mentioned that they had someone helping them to define their business plan, and in fact claimed to find the process useful, as it helped them think through the process, planning and investment required for their business to succeed.

d. Partnership

As the main partnership in the process, the close collaboration among the SSRRC, local authorities and community leaders needs to be mentioned. This partnership certainly facilitated a much improved access and connection to the communities within the awareness-raising and organisational processes. The close collaboration also improved security for the team and the beneficiaries during the targeting, training and cash distribution processes. The commonly signed MoU provides an additional formal approach to the recognition of the establishment of these new businesses. Hence, despite the above-mentioned constraint on the targeting neutrality, the collaboration with the SSRRC and local authorities was positive overall and of utmost importance to the activities.

e. Transfer mechanism and amount

The cash distribution went smoothly, despite the absence of local banks. Money was transferred to the ACF project bases, via local airstrips, and was distributed to group members in the presence of ACF staff and an SSRRC representative. As mentioned, the SSRRC’s involvement in this process no doubt contributed to its success. Both ACF staff and many beneficiaries have pointed out that the total cash amount that the groups received in the two disbursements (900 or 1500 SDG total, depending on the number of group members) was relatively modest given the often substantial start-up costs needed to start a business. While the total sum was probably sufficient for some types of businesses or for those groups possessing some assets of their own, it may have prohibited some of the more vulnerable groups from becoming adequately established. Such groups would have likely benefited from some kind of safety net built into the project design to support them in meeting basic household needs during the early phases of IGA development.

ACF decided to limit the amount of cash transferred, and to split the disbursement into two instalments, in order to reduce the likelihood of mismanagement of funds. Certainly this latter strategy proved prudent, as ACF had the chance to evaluate groups before allocating the second grant.
f. Cash grants versus in-kind support

The distribution of cash rather than in-kind support was a deliberate element of this programme, designed to foster flexibility, choice and decision making among beneficiaries. While some groups used the grant money according to plan, others struggled with this, spending a portion on personal needs rather than business expenses. In a few groups, one member fled with the entire sum of grant money. Fund mismanagement was most prevalent in groups with no prior business experience, suggesting that direct cash support may not always be appropriate in all situations, at least at the very early stages of IGA development. ACF could potentially avoid such difficulties in future projects by stressing the importance of responsible spending even more during the training, and perhaps by reducing the amount of the first grant instalment. The second grant would be distributed, as before, on condition that the first had been spent on business-related costs, but would represent the bulk of the total amount granted. For example, while the initial IGA project divided the grant into two equal instalments of 150 SDG per beneficiary, a modified version might initially distribute just 100 SDG per beneficiary, and give the remaining 200 SDG via the second grant, after thorough follow-up.

g. Training and skills transfer

In organizing and facilitating IGA trainings in Warrap State, the FSL team faced the daunting task of transferring a large amount of rather complex information on business management to people with generally low education levels and limited-to-no business experience in a short amount of time. The initial information session on creating a business plan served multiple purposes. Namely, it (a) created a relatively level playing field, encouraging beneficiaries of all backgrounds and education levels to apply and clearly explaining the steps interested parties should follow, and (b) allowed especially motivated people to identify themselves, since only those who produced and submitted a business plan following the training were considered for the project. The business management training that followed the business plan selection was most useful for those with some prior business experience, but a bit advanced for many beneficiaries, including many of the OTP mothers. In addition, the ACF FSL Programme Assistants were asked to lead the trainings with very little preparation, and thus the training content was certainly not transferred as effectively as it could have been, given more time at hand.

While no organized training occurred beyond the two above-mentioned sessions, numerous business-related issues (e.g., problems with internal conflicts, pricing and profit maximisation) surfaced throughout the early months of the IGAs’ operation that could have been addressed collectively. Instead, the FSL field staff offered advice to groups on an individual basis during its routine follow-up visits.

h. Choice of IGAs

The FSL team supported a wide range of socially-acceptable businesses in the IGA project. Product-related businesses dominated those connected to services or agriculture by far, but this no doubt reflects the limitations of the local economy more than a failure on the part of ACF or the IGA groups. As explained earlier, the services sector in Warrap State is very minimal. Agriculture-related businesses sound appealing for this type of project, as they promote food security in multiple ways. However, many require skills (e.g., vegetable gardening), materials (e.g., ox ploughs) or infrastructure (e.g., efficient transport) that are not readily available in the context and that are beyond the scope of this type of project. Some groups did pursue IGAs requiring technical knowledge (such as tailoring shops or bakeries),

Box 2: Capacity Building

Many returnees were exposed to different skills and ideas during the period of their displacement. They served as valuable resources during the IGA project, sharing their technical and business knowledge with their peers. Returnees spearheaded a bakery and tailoring shop in Gogrial West County.

While no organized training occurred beyond the two above-mentioned sessions, numerous business-related issues (e.g., problems with internal conflicts, pricing and profit maximisation) surfaced throughout the early months of the IGAs’ operation that could have been addressed collectively. Instead, the FSL field staff offered advice to groups on an individual basis during its routine follow-up visits.
relying on the capacity of one or two more experienced group members. Clearly, there is a huge need for technical training that will allow for more specialised (and profitable) IGAs in Warrap State, and ACF could have better addressed this need during its business trainings and follow-up.

i. Security

The security situation has much improved in Southern Sudan in general over the past few years. None of the beneficiary groups or individuals felt insecure or threatened during this programme’s implementation, even at the time of the cash distribution.

Some aspects of insecurity have nevertheless been attributed to Warrap State’s ongoing land survey. Some businesses were displaced due to the survey, and groups had to re-establish themselves in another location. Some well-performing groups were able to access a piece of land and buy it for 500 SDG, which gives them formal title to remain in that location. The land survey currently prevents some of the groups from investing in permanent structures (e.g., a proper shelter for the oven away from the plastic sheeting for the baking group, which would protect its oven from the weather). The whole issue of the land survey exposes the businesses to more vulnerability than do their performance and market dynamics alone. Nevertheless, this is not something that has been planned for long or that could have been avoided by ACF as such, and hence represents an external influencing risk factor.

j. Visibility

ACF and donor visibility was basically nonexistent. A clear understanding of the origin of the funds facilitating the programme was not established with beneficiaries or stakeholders, except with the SSRRC officer in Gogrial. The understanding of the purpose and objective of the programme, to contribute to the prevention of malnutrition, was very limited. Beneficiaries rather thought of support to the improvement of their lives as key objective of the programme. Clearly this aspect could have been improved. Given the targeting of OTP mothers, the unity of purpose and contribution to the prevention of malnutrition should have been more strongly emphasised by the implementing ACF team.

Coverage

Given the trial nature of this programme, the number and distribution of beneficiaries was quite appropriate. Though the number of beneficiaries was small, the 301 participating households represented a geographically diverse range of medium and small-sized market towns throughout GWC and Twic. Beyond the pilot nature, the programme should be scaled up, considering the local nutrition prevalence (see table 3) and hence potential caretakers to engage into IGAs to support the prevention of malnutrition of their children.

Coherence and coordination

ACF is one of the first NGOs to support an IGA project with cash grants in this part of Southern Sudan. Thus, government partners, programme staff and beneficiaries had little upon which to base their understanding of this project and related processes. Nonetheless, the vision of key ACF staff and the enthusiasm of key SSRRC officials made it a largely coherent and coordinated effort, especially during its early phases. The variations in field staff and human capacity in GWC and Twic meant that some aspects of programme implementation (e.g., targeting, as discussed earlier) differed slightly from county to county. In addition, a period of unusually high turnover in the SSD FSL department impeded the later monitoring and follow-up evaluation activities. The lack of regular communication and support from ACF following the baseline survey in March 2009 may have affected beneficiaries’ motivation or ability to address business-related problems.
Efficiency

Efficiency has been examined at different levels and for different steps of the programme implementation. Each of these levels and steps shall be mentioned and evaluated here.

a. Targeting

The mobilisation and identification process was judged by all interviewees as very efficient, clear and understandable. However, it was not always easy for the beneficiaries to recall their reasons for participating; this will be elaborated on under the targeting results. As mentioned previously, it seems that the targeting process in Twic was much clearer and more transparent than in GWC, possibly because it was done more at the community, rather than the SSRRC, level.

b. Cash transfer

The arrangements for the transfer of the cash grants for the initial investment were fairly easy and straightforward. General problems with cash transfer and liquidity within Southern Sudan, due to a lack of a banking network, are the norm. Nevertheless, the ACF team managed to efficiently organize and ensure the distribution of the cash grants to the various groups. The SSRRC’s involvement and support ensured the necessary administrative involvement and security during the distribution.

Unfortunately, no ACF administrative staff members who were involved in the cash transfer for the programme are still in the mission at present to provide an additional point of view on the facilitation of the transfer.

c. Monitoring

A representative sample was taken for the baseline questionnaires (150 HHs). This was facilitated with the angle of wanting to ensure significant results to show an impact on malnutrition and food access/availability on household level. The evaluation before transferring the second grant was efficient and appropriate to ensure that only those businesses and groups that were serious about the establishment of their businesses were supported, and no funds would go to waste. The established grace period policy was a good measure to ensure that groups that were willing but had additional constraints were able to prove themselves. The final follow-up survey was launched later than originally planned, in October 2009, although this was ultimately seen as positive, since it allowed the FSL team to evaluate businesses at a more mature phase of development. Ideally, the quantitative portion of the final evaluation would have taken place by the end of 2009, to allow for efficient programme wrap-up, but for various reasons this did not happen, and the evaluation was only finalized in September 2010. Additionally, the use of nutrition indicators to link the programme outcome to the prevention of malnutrition is commendable, though the measurements of a control group of non-beneficiary children could add important significance to the results.

d. Local partnership

Working with the SSRRC and other local leaders contributes to programme efficiency both in terms of reducing the time and resources ACF must expend on the ground, especially during the targeting phase, and ensuring the credibility and security of programme activities. As discussed previously, however, local partnerships can create inefficiencies when partners misunderstand the criteria for the targeted beneficiary population, or mis-communicate information about programme activities to potential beneficiaries.

Box 3: Partnerships

The programme cherished partnerships and local coordination where possible:

- SSRRC
- GoSS administrators on payam and boma level
- Executive, payam, boma and local chiefs
- Coordination with other NGOs and UN
e. Human resources

The relatively small ACF FSL team managed to keep pace with all aspects of the programme implementation during the IGA project. In GWC, two staff members were temporarily relocated in order to facilitate regular monitoring of all IGAs. Clearly, it would have been more efficient to prepare the PAs who led the business management training more carefully in order to maximize the impact of the training on the beneficiaries and the overall programme. This programme was a pilot effort, and thus relatively small. Should it be scaled up, the field staff pool would need to be increased to ensure adequate monitoring and follow-up. One Food Security Extension Worker (FSOW) could reasonably be expected to supervise 6-8 IGA groups, provided the groups were located within the same geographic area, while each PA could reasonably supervise three FSOWs, or 18-24 IGA groups.

f. Logistics

Without a doubt, the cash transfer aspect of this programme was extremely efficient, as it bypassed a slew of logistical hurdles associated with compiling, procuring and distributing the hundreds of items needed for the 77 businesses. The prices of goods in the farther reaches of Warrap State, particularly in the smaller villages off the main road, are certainly higher than those in the regional market center of Wau (where ACF procures most of its goods for Warrap State operations). Nonetheless, the money saved by consolidating purchases in Wau would pale in comparison to the cost of soliciting itemized material lists, developing standardized material “kits” for different types of businesses, locating appropriate items in sufficient quantities, and transporting and distributing the material kits to the various businesses.

g. Choice of IGAs

While potential beneficiaries were encouraged to pursue a variety of business types, ACF expected the groups to be fairly independent in terms of technical skills and knowledge. Although this approach may have limited the range of IGAs established, especially those related to services and agriculture, it made good practical sense, since the routine monitoring and follow-up of the numerous businesses provided plenty of work for the FSL team on their own. In a future scale up, the transfer of technical skills and hence the opportunity to increase the diversification of businesses and IGAs in the communities, needs to be strongly considered, and might need additional resources for specialized occasional trainers or staff.

Cost Effectiveness

Cost effectiveness of programme activities can be measured in different ways. Different ideas will be reflected and discussed here.

Usually cost effectiveness is measured by cost per beneficiary. This can be calculated according to the initial budget allocated or final budget spent.

a. Budget

According to the initial proposal the overall amount of 78,300 Euro was allocated to the ACF IGA programme in Warrap State. This included all costs associated with the programme, and not merely the cash grants.

According to the initial budget allocate, the per-participant cost (based on 301 participants) would be 260.13 Euro. Given that each cash grant was 106 Euro (based on the exchange rates during the period of the cash transfers), 154.13 Euro were intended for the facilitation of the transfer and programme implementation, meaning that support costs made up 59 % of the allocated budget. This may seem a bit unbalanced and costly in view of the little input the programme participants receive. However, the cost may be justified given the extensive capacity building and other preparations needed to launch this programme over a wide geographic area in the logistically challenging context of post-conflict Southern Sudan, as well
as the considerable supervision and monitoring that the latter phases of the programme required.

b. Economic Return

Food security and livelihood activities, especially with cash transfers targeted at livelihood rehabilitation, are often judged upon their ability to create income or return with the initial investment. The amount of income created, as compared to the investment done, can as well give an indication on the cost effectiveness of a programme. As the follow-up survey clearly shows, both overall and small business-related incomes of project beneficiaries have increased considerably since the start of the project. The average business owner earned 362 SDG in GWC and 562 SDG in Twic in the month of July 2010. Monthly earnings have no doubt fluctuated throughout the course of the project, but even given a more conservative monthly earning estimate, the returns on the original investment have been substantial. For example, a beneficiary earning 300 SDG from his or her IGA for each of the 20 months since the programme began, total IGA income would be 6000 SDG, or 1947.27 Euro (based on September 2010 exchange rates). When compared to the per participant cost of 260.13 Euro, the return on the initial investment has so far been 649 %. A yet more moderate estimate, based on monthly earnings of 100 SDG for the first eight months, 200 SDG for the next six months and 300 SDG for the final six months of the programme, provides a total income of 3800 SDG, or 1233.37 Euros, per IGA, meaning a still substantial return on investment of 374 %.

c. Distribution

Because of the lack of local banks in the project area, cash distribution was the only feasible option for the grant transfer. The distribution of cash took about two weeks in each county per round of distribution. A team of at least four staff members, plus SSRRC representatives and regional and local leaders were present. Clearly, this was a time-consuming and expensive process, but again, given the context, it was the only choice.

d. Cash or kind

The possibility to compare the cost of equipment/in-kind inputs as compared to the cash input is another option for establishing the cost effectiveness of a particular programme. Unfortunately it is impossible to establish a holistic list of items that were purchased by the participating households, and to then validate the exact amount of money it would have cost to procure, transport and distribute these. However, as mentioned in the section on efficiency above, it is certain that the cost of simply distributing cash, rather than the processes of procuring and distributing goods for 77 separate businesses, taking into account all of the staff and transport required, was quite modest.

A definition and calculation based on a standard package of equipment/in-kind would obviously take away the main reason for a cash transfer, which is the choice and flexibility to the participants. Hence such a calculation would not be desirable, as having the choice and flexibility to respond to your own needs is quantitatively invaluable. Qualitatively a closer look could be taken at key aspects of the cash programme, which overpower the in-kind programme.

Here, clearly the chapter of flexibility, culture, dignity and psychosocial impact will be unbeatable through other types of distributions. The empowerment impacts and influences on the wellbeing of the household after a conflict experience or chronic emergency are not easily measurable. These include:

- Social status and recognition
- Ability to have a business and create income
- Ability to provide for the family, and enable the children to go to school
- Ability to be in charge of the situation
➢ Creation of motivation and vision
➢ Giving a reason for live and future orientation
➢ Economic needs/cost for prolonged humanitarian support due to slow recovery and rehabilitation

Reflecting about all of these aspects clearly shows that time is money. The sooner a population can get back to an active and productive life with freedom and dignity, the better and more cost effective. Hence programmes with a significant psycho-social impact, providing boosts to dignity and self value to the disaster affected population, might be the most cost effective, never mind the real cost to be invested (e.g., a big team to ensure good mobilisation, interaction, verification and follow-up).

Sustainability

a. Mobilisation

The exact number of IGAs that have folded is not known, since not all groups were contacted during the final follow-up survey. However, the final evaluation process made clear that quite a few groups have disbanded, most during the first year of the programme implementation. As mentioned previously, the FSL field staff suggests that groups without prior business experience, much formal education or diverse assets to draw on fared more poorly than their relatively less vulnerable counterparts. Training could have been better designed for the needs of the most vulnerable participants, and the project could have included some type of safety net for these people, perhaps facilitating access to their basic household needs during the first few months of their businesses’ development.

b. Resilience

The period since the start of the IGA project has been relatively calm in Warrap State in terms of internal conflict. Beneficiaries had to cope with a bad drought hit the area in 2009, but widespread short-term shocks, which are normally used to measure resilience, have fortunately been absent. Nonetheless, businesses that have survived through the follow-up survey in 2010 have almost certainly weathered a variety of more localized shocks, such as family illness, outstanding debts or loss of assets. The final follow-up survey shows that a good number of businesses remain operational, more than a year after any financial or technical support from ACF. Though the exact number of active IGAs is unknown, since the follow-up survey focused on a sample only, 80% of all the survey’s respondents were still in business. This suggests that households involved in this type of IGA project can be quite resilient, though further research is needed to determine why some businesses have survived and others have collapsed.

c. Groups

Again, the persistence of numerous groups into late 2010 shows that the group structure of this IGA project was sustainable for at least some cases. Conflicts related to money posed the most significant threat to group harmony, provoking in several instances the disbandment of the business. FSL field staff suggested that money-related conflicts were especially problematic for groups with very poor members with few assets, who were more likely to draw heavily from IGA earnings during difficult times. By and large, the group aspect of this project seems incredibly positive for its sustainability, allowing group members to support each other in several ways (e.g., with rotational savings programmes, relieving others of workload during family emergencies, division of labour, sharing technical experiences).
d. Capacity building

Given the brief nature of the training that was provided, it is probable that the project’s greatest legacy in terms of capacity building was not the content of the trainings themselves but rather the experiences of starting and running a business and working cooperatively with a group. However, there remains much room for improvement in terms of the transfer of technical skills (e.g., accounting, profit maximization, marketing), since many beneficiaries still seem to be struggling with these concepts, even those whose businesses are still active.

e. Ownership

Ownership can be measured by a group’s willingness to take responsibility for its own decisions and their consequences. To a certain extent, the businesses that have persisted through late 2010 have demonstrated ownership simply by remaining in operation for so much time without active support from ACF. The problems with the mismanagement of funds that occurred after the first cash transfer indicated that some individuals did not understand or respect their responsibilities; however, the conditionality of the second grant transfer proved to be an effective way of promoting ownership, at least early in the project.

f. Motivation

This can be measured both through a group’s (a) willingness to keep working through difficult times and (b) its attempts to pursue goals of its own. In the first case, by merely surviving through September 2010, many groups have passed the motivation test. Fewer groups have shown remarkable innovation and independent thinking in their business management, perhaps because such concepts are quite undeveloped in most of Warrap State. A few groups have changed course towards more profitable activities (e.g., from tea shops to restaurants), and others have expanded to encompass more goods and services, with different group members responsible for distinct aspects of the business (e.g., one member running a tea shop, while two manage an adjacent restaurant). Clearly, in Southern Sudan, a high level of motivation does not guarantee sustainability, since a myriad of factors can derail projects. However, it is fair to say that without motivation from beneficiaries, this IGA project would probably never have gotten off the ground at all.

g. Trickle down/out effect

This aspect of programme sustainability is difficult to assess without further inquiry. While it is possible that other residents of Warrap State have been inspired by the successes of the IGA project’s beneficiaries, no obvious cases of this were found. One beneficiary who participated in the first training sessions and business plan submission, but then had to abandon the process due to family problems and travel to Khartoum, came back later to catch up on the process and establish her, now well running tea shop and restaurant. She was so encouraged by the initial steps of the ACF programme process, that she started her now flourishing business with extremely scarce own funds. The other exception is that of the two ACF Programme Assistants in GWC, who in 2009 started small businesses of their own, both of which are still in operation.

Accountability and Transparency

Two main aspects have been looked at under the heading of accountability and transparency: the targeting process and the money transfer mechanism.

The targeting was perceived as very transparent. The work through the SSRRC and community leaders, where targeting criteria were discussed and defined together, promoted the ideas of community participation and fairness. Cheating and misuse of money were denounced during the targeting process, and hence action taken to eliminate non-responding households was appreciated. This process helped to make all of targeted households aware of their responsibilities regarding participation. Everybody within the programme had to ensure her/his
accountability to make it happen. Reliability of ACF staff and how the staff dealt with the different groups and programme participants was very transparent and accountable.

In the absence of a reliable banking system, the money transfer mechanism involved multiple stakeholders in order to maximize accountability and transparency for participants, ACF and the donor. Thanks to the MoUs signed during this process, the transfers can be reviewed.

ACF collaborated closely with the SSRRC throughout the early part of the project to determine on what conditions groups would be approved for second and third transfers, which helped to avoid any conflicts or complaints on the part of beneficiaries.

**Flexibility**

The main strength of cash-based interventions is the choice and flexibility given to each participant. This core flexibility has enabled and facilitated encouragement, vision and motivation to the vast majority of the households, as they have been able to make decisions on their current needs and future investments and livelihood strategies. This flexibility has as well enabled similar businesses to offer slightly different aspects, e.g., teashops or restaurants which offer different quality of food types, and hence providing different offers to the customer. This helps the various IGAs to be complementary rather than competitive and fill different gaps on the same local market.

### 7. Lessons learned

Future similar direct cash transfer programmes can learn several lessons and improve aspects from the Warrap State programme experience. Ideas are structured below following the steps of the programme implementation.

> **General**

- Over the long term, cash-grant supported IGA programmes can be extremely cost effective interventions to fight malnutrition because of their contributions to the long-term development of both beneficiary households and the broader society.

- Countless opportunities exist for promoting organisational visibility at all phases of an IGA project, but they were easily overlooked. Materials such as business-specific banners or project-related t-shirts, perhaps promoting the link between small business and nutrition, could have been produced and distributed early on in the project.

> **Implementation**

  - **Timeframe**

    - 12 months is not a feasible timeframe for the mobilisation, start up and assessment of an IGA project. 18-24 months is more sufficient to cover the full project cycle of such an endeavour, including the initial feasibility study and market survey and the final evaluation.

    - The time of year when certain IGAs are established can affect their initial profitability, which can be an important factor in their eventual success or demise.

  - **Targeting**

    - Cooperation with local authorities and leaders, while extremely important, should not compromise the project’s main message or political neutrality. Motivation should be accorded top priority in the selection of beneficiaries for IGA projects.
Because of the human, financial or physical assets necessary to successfully establish and manage an IGA, the most vulnerable members of the population may struggle with this type of project more than beneficiaries who are slightly better off. They are particularly vulnerable towards the beginning of the project, before their businesses are producing net income, and when faced with small or large-scale shocks.

Motivation should be accorded top priority in the selection of beneficiaries for IGA projects.

Projects requiring written business plans need not exclude illiterate people. Beneficiaries are often quite resourceful in finding literate people to help them with such tasks. Meanwhile, the process of developing a business plan can be very useful in helping inexperienced people to think through the planning and investment required for their business to succeed.

### Training

- Training is a powerful tool for building the capacity of both staff and beneficiaries, and sufficient resources should be devoted to ensuring that it is relevant to beneficiaries’ needs and effectively presented.
- The specific needs of those with no prior business experience must be taken into account when planning trainings on business management.

### Transfer

- Splitting the cash transfer into two instalments proved an effective means of risk reduction and motivating IGA groups to spend money appropriately.
- The choice to distribute cash rather than in-kind materials allowed for flexibility and encouraged ownership among participants, and it proved incredibly efficient for ACF in terms of both time and money.

### Selected IGA

- IGAs will only succeed if groups possess sufficient knowledge and skills to operate their businesses more or less independently, or if partnering organisations offer substantial and ongoing technical support.
- Increasing diversity and markets response in terms of products and services will need additional skills sets and capacity building to groups and individuals.

### Mobilisation

- Cooperation with local authorities and leaders, while extremely important, should not compromise the project’s main message or political neutrality.

### Monitoring

- It is important to communicate to beneficiaries any expected changes in monitoring routines, particularly if visits will decrease in frequency or even halt.
- Key programme indicators should be worded in a way that facilitates the evaluation process. The primary indicator for this study was impossible to address directly, as it required direct comparisons of data for almost the full set of beneficiaries.
- A control group to the beneficiary group would support the relevance and results of the nutrition proxy indicators.
- Follow-up evaluations should be facilitated at least 10 months after the establishment of the IGAs, in order to allow them sufficient time to mature as businesses.
> **Outcome**

- The people of Warrap State are both ready and very willing to embark on IGA projects. This evaluation demonstrates that NGO-supported small business development efforts can succeed, despite the area’s numerous challenges (e.g., limited infrastructure, low education levels and post-conflict context).

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### 8. Recommendations

> Continue to promote IGAs as a measure to support household food security and prevent malnutrition. Ensure that market feasibility studies and sufficient time for identification, mobilisation and training of the community are invested to improve IGA ownership and sustainability and maturing of the various businesses.

> Planning should ensure that businesses whose profits are connected to a certain season are given time to develop before that season begins. Projects should also be timed so that procurement of necessary materials occurs when prices are relatively low.

> Steps should be taken in order to maximize the rates of success of IGA programme beneficiaries. This may mean modifying targeting criteria to ensure that beneficiaries have the capacity and assets necessary to facilitate some resilience to shocks, or building some kind of safety net into the project design to support particularly vulnerable households in meeting basic needs during the early phases of IGA development.

> Future targeting might benefit from a more community-based approach, though the SSRRC should still be kept regularly informed of ACF’s on-the-ground activities.

> If resources allow, facilitate a round of evaluation with key groups in the Akak area. Compare results with the rest of the areas, which have been supported throughout the process with follow-up. The relative performance of businesses, ownership of beneficiaries, and other indicators will provide insight into the value of technical support and follow-up from ACF.

> Factor additional trainings for IGA members into the planning of future IGA projects, so that needs that arise throughout the project can be addressed.

> Consider providing an additional organised training to remaining IGA groups on profit management, marketing and conflict resolution, to offer continued technical and moral support.

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### 9. Conclusions

ACF’s cash grant-supported IGA project was a pilot project, an attempt to see whether a long-suffering region in the early phases of post-war recovery and redevelopment could support successful small businesses, with some technical and financial support from ACF. Human capacity and physical and economic infrastructure are extremely limited in Warrap State. Most project participants lacked formal education or extensive business experience, and all were considered at risk of malnourishment.

This evaluation has shown that many participants in this project were able to not only maintain their businesses over the duration of the programme, but to dramatically improve their
livelihoods as well. Gains in income and nutritional status measured during the final follow-up survey, which occurred 20 months after the first cash grant transfer, were substantial. ACF’s intervention in the businesses has been extremely minimal since mid-2009, and thus the surviving businesses’ continuing profitability speaks more convincingly about the project’s long-term sustainability than perhaps anything else.

As with every pilot project, there is plenty of room for improvement. While many of the original IGA groups persist, many have disbanded, for a variety of reasons. This report has thoroughly assessed all aspects of the programme’s conception, implementation and follow-through and documented many of the lessons learned, which, if heeded, should ensure more widespread success among beneficiaries of similar projects in the future.

Some organisations or donors may express scepticism that business development projects are appropriate in contexts like Southern Sudan’s, where severe malnutrition is endemic and environmental and political instability is the rule rather than the exception. Certainly, true emergency situations warrant different interventions, focused on immediate needs, such as food distributions. However, in contexts where the potential for recovery and growth exists, IGA projects offer humanitarian organisations a means of fostering that growth, and contribute to peace building and wellbeing.

Five years after the signing of the CPA, Southern Sudan is slowly rebuilding. Its markets, institutions and other infrastructure are developing bit by bit. While the participants in this project are clearly better off in terms of food security and livelihoods now than they were at the time it was launched, some of that change may be linked to the broader changes occurring throughout the region. It is impossible to know how the same people would have fared if they had never received cash grants from ACF.

Nonetheless, this report finds that carefully conceived and executed IGA projects have much to offer the vulnerable residents of Warrap State and other regions recovering from extended conflict. Cash grants provide the financial and motivational boost that can kick start small-scale development in places where resources and opportunities are historically scarce. In addition to promoting crucial improvements in beneficiaries’ food security and livelihoods small business development projects foster the morale, dignity and self-respect necessary for self-determination and self-reliance, the golden eggs of the humanitarian world.