



Pilot Emergency Payments

Key Messages

Version 2

1st April 2015



Photo 1: Bank Account opening in Wajir



Photo 2: Payment of cash at an Equity Bank agent in Turkana



Key messages

a) Rationale

1. Emergency cash transfers (CTs) during drought is one of the objectives of the HSNP Phase 2 and a key component of the National Safety Net Programme (NSNP) Programme for Results (P4R).
2. Since December 2014, drought situation has been declining in the four (4) (Marsabit, Wajir, Mandera and Turkana) HSNP Counties.
3. In January seven (7) sub-Counties had reached NDMA '**Severe**' drought status with one (1) sub-County (Eldas) reaching '**Extreme**' drought.
4. In February the status has declined further with ten (10) sub-Counties now reaching '**Severe**' drought status, including three in Mandera and two in '**Extreme**' (Eldas and Moyale).
5. **NDMA drought status** is determined using the Vegetation Condition Index (VCI). The trigger VCI is classified as follows: - ≥ 50 and 35 to 50 (wet or no drought), 20 to 30 (moderate drought), 10 to 20 (severe drought) and ≤ 10 (extreme drought).
6. **HSNP will pilot an emergency CTs payment in April 2015** based on the approach outlined above. The emergency payment will encompass allocations from the previous three months i.e. January – March 2015.
7. DFID will fund the pilot emergency CTs.
8. Emergency CTs will be paid ONLY through active bank accounts. Currently over 62% of all households in the four Counties have active bank accounts with more accounts being activated each week. Therefore households do not yet have an active Equity Bank account cannot receive an emergency CT.

b) Geographical Selection criteria

1. Once the trigger is hit, the County is allocated a number of households eligible for scaled up payments.
2. When a Sub-County meets the '**Severe**' drought threshold – a budget allocation is generated for emergency cash transfer beneficiaries which brings the total number of beneficiaries in the sub-county to 50% of all households on the HSNP MIS including regular beneficiaries. The regular beneficiaries however do not receive any emergency cash
3. When a Sub-County meets the '**Extreme**' drought threshold – a budget allocation is generated by taking 75% of all households on the HSNP MIS and deducting the number of existing routine HSNP beneficiaries.
4. The total County allocation is the total allocation calculated for each of the affected sub-Counties.
5. NDMA County Drought Coordinator (CDC) will inform the County authorities- County Steering Group (CSG) of this budget allocation.
6. Some equally badly affected Sub-Locations in Sub-Counties still classified as "**Moderate**" can also be put agreed for receiving an emergency CT. CSG will identify a list of all the Sub-Locations in their county where an emergency CT is justified. This list will be provided to the CDC within one (1) week of the County allocation being issued. It is important to note that the County allocation will not increase as more Sub-Locations are added, hence the allocation will then be spread more thinly over more areas.
7. The CDC will send the list to PILU, NDMA.

c) Selection of households (Group 2)

1. Once the list of all Sub-Locations to be included in the Emergency CT has been submitted to PILU by the respective CDCs, the total number of households to benefit per County will be determined.
2. The standard percentage of coverage by Sub-Location is **50% for Severe** and **75% for Extreme**. The percentage include the routine HSNP beneficiaries who will not be paid emergency CT. Routine beneficiaries receive their regular payments on regular time (once every two months) The percentages of beneficiaries will be reduced on a pro-rata basis if additional Sub-Locations out of the Sub-Counties in 'severe' or 'extreme' drought are included.
3. Where the percentage of routine exceeds the standard percentage for emergency CTs, there will be no additional households.
4. In each of the targeted Sub-Locations, beneficiary households will be selected from the non-routine (Group 2) households on the HSNP MIS in wealth order. Households that do not have an active bank account will not be selected even where they are lower in the wealth ranking than other households that do have bank accounts.
5. The list of selected HHs will be sent to the CDC's office who will distribute the lists for each Sub-Location via Chiefs and Assistant Chiefs. The lists will be posted at their local Chief's office and HHs will be notified through radio and public *barazas* to check whether their names are shown.

d) Payment

1. Emergency CTs will only be paid to the selected HHs with active bank accounts.
2. Payment will be through Equity POS Agents, over the Counter at any Equity Branch and ATM if one has a PIN.
3. The value of emergency CT is Kshs. 2,450 (one month equivalent of the routine payment) for each month where a scale up was triggered.
4. The funding available for emergency CTs increases as more sub-Locations in a county hit the drought payment trigger. This means more households may be eligible for an emergency CT in March than were eligible in January.
5. If a household is selected it will receive a payment of Kshs. 2,450 for each month that the scale up was triggered in that County i.e. *Wajir households are likely to receive three months payment (Kshs. 7,350) whilst Mandera HHs may only receive two months payment (Ksh4,900).*
6. Routine HSNP beneficiary HHs (Group 1), with and without active Bank Accounts will continue to receive their bi-monthly payments (Kshs. 4,900) as normal. They will not receive any additional payment as part of the pilot emergency CTs.
7. There will be no back payment due to any HHs that attain activated bank account after the scaled up CT has been made.

e) Duration and frequency

1. Given the current context it is proposed that **a single emergency CT payment** is made in **April 2015**. This will cover the period January – March (i.e. this current short dry season).
2. The payment will be based on the VCI report for each County for the months of January, February and March 2015.