

BASELINE SURVEY IN
ORUCHINGA REFUGEE
SETTLEMENT (OCTOBER-
NOVEMBER 2018)

FINANCIAL
INCLUSION AND
DIGITAL CASH
TRANSFERS

**Multipurpose Cash Grants to PSNs in
Oruchinga Refugee Settlement Uganda**



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Overview of Results

In line with the UNHCR strategy for institutionalization of CBIs in its operations, UNHCR in Uganda plans to pilot a multi-purpose cash grant (MPG) for PSN households to cover basic needs starting with Oruchinga settlement. Oruchinga refugee settlement consists of refugees from mainly three countries of origin i.e Congo, Rwanda and Burundi. Prior feasibility assessments and market monitoring indicated that the settlement exhibits conditions conducive for the introduction of cash based transfers. A total of 254 households were identified basing on the criteria discussed and agreed for targeting PSNs for the MPG.

A detailed household baseline survey was conducted from October 1st to 8th 2018 in order to get a clearer understanding of the households' situation before the disbursement of the cash grant. Using 95% confidence level and a confidence interval of 7, a total representative sample of 111 households was selected for the baseline survey.

The following were the key findings from the baseline;

- Considerably large household sizes averaging 5.38 (4.85 – 5.92 95% CI).
- Larger households are more food insecure compared to small sized households.
- Disagreement on use of cash was totally non-existent in households where joint decision making between the male and female household head or the whole household were used to decide on cash usage.
- Informal income generating activities like casual labour was found to be the major source of household income or support however it is worth noting that among the top five included loans, savings and sale of humanitarian assistance like food and NFIs.
- Over 95% of the households are able to access items in the market in the right quality and quantity that they desire.
- None of the households was able to meet all of their basic needs.
- Around 95% of the households reported having resorted to a negative coping strategy 4 weeks preceding the survey.
- Households' coping strategy index had no relationship with sex of the household head however was found to have significant association with negative coping strategies and number of income sources.
- Results revealed that having access to micro-credit significantly reduces household CSI on average by 17.6 times ($p < 0.05$).

Lessons and recommendations

- Sensitization of households on the importance of joint decision making on cash usage is paramount in minimizing or eliminating occurrence of disagreements between households which could further become drivers of Gender Based Violence (GBV) among persons of concern (PoCs).
- Improving household access to micro credit through financial inclusion programmes has been revealed as a major pathway which can lead PoCs to sustainable solutions as results show a very strong effect of micro-credit on food security.

Summary of Key Indicators

Table 1: Summary of key indicators

Key Question: Are CBI operations complying with UNHCR operational policies, procedures, and good practice?	Baseline / Target	Actual
Indicator 1.1: Response analysis has been done to inform the design of the CBI	Yes	
Key Question: How many POCs have been assisted with CBI?	Baseline / Target	Actual
Indicator 2.1: # of POC assisted with CBI	NA	
Indicator 2.2: # cash transfers made	NA	
Indicator 2.3: Total monetary value of cash transferred/ distributed	NA	
Indicator 2.4: % of POCs in country who have received cash assistance	NA	
Key question: How efficient was the distribution process?	Baseline / Target	Actual
Indicator 3.1: % of POCs who received correct transfer value delivered on time	NA	
Indicator 3.2: Cash to transfer ratio	NA	
Key question: Accountability: Is the CBI intervention accountable to persons of concern? (What preferences do people have over how assistance is delivered?)	Baseline / Target	Actual
Indicator 4.1: % of POCs who are able to correctly identify at least one of the locally available channels for raising complaints or feedback with UNHCR about the cash assistance.	NA	
Indicator 4.2: # of complaints received about CBI	NA	
Indicator 4.3: % of POC who rate CBI as their preferred modality for assistance	NA	
Key question: Risks and problems: Did POCs face any problems with the CBI? Did the CBI put POCs at additional risk?	Baseline / Target	Actual
Indicator 5.1: % of POCs who report feeling at risk (unsafe) receiving, keeping or spending the cash assistance	NA	
Indicator 5.2: % POC who report facing one or more problem receiving, keeping or spending the cash assistance	NA	
Key question: Markets and prices: Can POCs find what they need in the markets, at a price they can afford?	Baseline / Target	Actual
Indicator 6.1: % of POCs who report being able to find key items / services in the market when needed	97.8%	
Indicator 6.2: % of POCs who report being able to find key items / services of sufficient quality in shops/markets	96.8%	
Indicator 6.3: % of POCs who report no increased in prices of key items/services over the last 4 weeks	NA	
Key question: Expenditure: What did people spend the cash on?	Baseline / Target	Actual
Indicator 7.1: Average % of cash reported as spent on items / services in-line with intended CBI objective OR Top 5 expenditures done with the cash grant	NA	

Key question: Outcomes: What changes is the cash assistance contributing to in POC households?	Baseline / Target	Actual
Indicator 8.1: % of POCs who report being able to meet all of the basic needs of their households.	0.0%	
Indicator 8.2: % POC households reporting using one or more negative coping strategy in the last 4 weeks	94.7%	
Key question: Has the cash assistance helped put POC on the pathway to sustainable solutions?	Baseline / Target	Actual
Indicator 9.1: % of POC households who are on a pathway to sustainable solutions	53.2%	



1.0 Background

UNHCR's policy on cash based interventions seeks to institutionalize and systematically expand the use of cash across its operations globally with a focus on countries that have an enabling environment and have shown operational readiness to roll out and scale up the use of CBIs¹. Within this policy, UNHCR identified focus countries that present favourable conditions for the roll out and institutionalisation of CBIs.

Uganda is one of the focus countries that has been corporately selected for the systematic roll out and expansion of CBIs in UNHCR's operations. Following this decision, concrete steps have been taken to pursue the CBI roadmap for Uganda in line with the UNHCR strategy for institutionalization of cash based interventions (2016-2020).

UNHCR is implementing CBIs hand in hand with financial inclusion strategies. Through this model, UNHCR has opened bank accounts for all refugees in Oruchinga refugee settlement and plans to expand the exercise to cover six additional settlements by the end of 2019. This is not only expected to support the growth of cash transfers in Uganda but also create avenues for increased financial flows from other sources, savings, access to remittances and access to micro-finance.

Following the completion of accounts opening for all refugees in Oruchinga refugee settlement, UNHCR initiated a cash transfer pilot targeting PSNs with multipurpose cash to meet basic needs. The categories of PSNs targeted are;

1. Parents/primary care-givers of children with severe mental disabilities
2. Parents/primary care-givers of children with special education needs enrolled in school
3. Family head with disability who is the primary care-giver of an orphaned child
4. Single-heads of household who are care-givers for children with specific needs
5. Elderly women/men (above 60 years) who are primary caregivers of children with specific needs
6. Care-giver of persons with serious medical conditions.

As part of this initiative, UNHCR undertook a baseline study to understand the current socio-economic conditions facing refugees. It is expected that the baseline will provide the basis for a substantial level of comparison with the Post Distribution Monitoring although the latter will have a more detailed set of indicators many of which cannot be meaningfully assessed through the baseline.

This report hence presents the findings of the baseline assessment undertaken as part of the monitoring for the planned cash transfer project to PSNs. Details regarding the methodology, findings and conclusion are presented in the subsequent sections.

¹ UNHCR Strategy for institutionalization of CBIs 2016-2020



2.0 Survey Methodology

2.1 Survey Process

A workplan for implementing the CBI baseline in Oruchinga settlement was drawn between UNHCR and the partner (CAFOMI). The partner identified five (5) volunteers and various interpreters to aid in locating beneficiaries identified and administering the survey. A one day training of volunteers was undertaken with a focus on administering the survey and troubleshooting of the mobile data collection devices. The data collection exercise was conducted between 1st and 8th Oct, 2018 with 85% response rate of the respondents. Reasons for the non-response being non-traceable households, unavailability of the household head or other adults above 18 years while other households were reported to have relocated to another settlement.

2.2 Sampling Procedure

Out of 254 PSN households (refugees) identified for the multi-purpose cash grant, 111 (95%, CI 7) households were randomly selected to participate in the baseline survey. This number is considered representative of the PSN CBI beneficiaries as it was computed using the guidance from the UNHCR CBI PDM guidance notes. The allocation of the selected sample was determined using probability proportional to size (PPS) among the three refugee populations of Rwanda, Burundi and Congolese origin in the settlement. Once the numbers for each population were determined, excel was used to draw random samples from the existing list of PSN

2.3 Data Collection Instrument

The baseline questionnaire was pre-coded and uploaded into Kobo upon which data collection was carried out using mobile devices (tabs) by trained data collectors/volunteers identified by the partner organization. Data was downloaded on a daily basis to check for errors and accuracy until the completion of data collection.

2.4 Limitations and Challenges Faced

- Given that sampling was carried out from a list of households with the sample size comprising 6% of the entire household population in Oruchinga, a substantial amount of time was taken in tracing the selected households.
- The survey was undertaken at a time when some beneficiaries, particularly Congolese refugees were spending a considerable amount of time in their fields. As a result, the survey team had to return severally to check when respondents are available at their homes.

3.0 Survey Results

3.1 Demographic Information

3.1.1 Average household size

A total of 111 households were randomly sampled from a population of 254 PSN households as explained earlier. With 94 households successfully completing the survey, the response rate for the baseline survey was at 85% which is generally considered acceptable. The total household population of surveyed households constitutes 506 persons, of whom 49% were male and 51% were female.

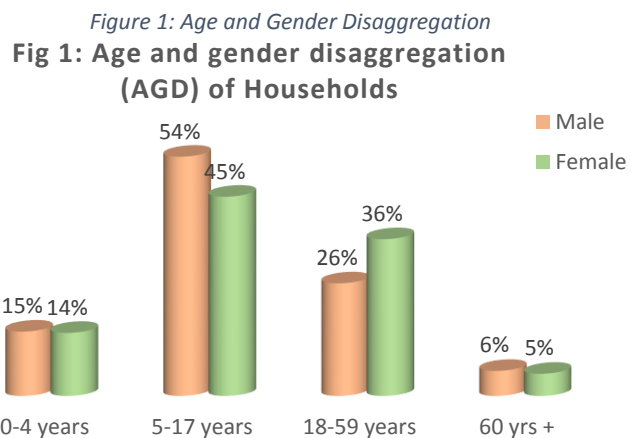
The average household size was found to be 5.38 (4.85 – 5.92 95% CI) which is above the national average of 4.7² and 4.8 for Isingiro district however falling slightly below the average households size of 5.6 as revealed by results from the 2018 Joint Multi Sectoral Needs Assessment (JMSNA). Each household was found to have at least a female falling in the reproductive age bracket of 12-45 years with an average of 1.32 (1.16 – 1.63 95% CI) as seen in Table 1 below. Large household sizes may be more vulnerable to food insecurity, although this is not a rule. Economic resources are often more limited in large households compared to smaller ones. Further comparisons between household size and household characteristics are provided in this report.

Table 2: Household composition

95% Confidence Interval of the Mean			
<i>Descriptive Statistics</i>	<i>Mean</i>	<i>Lower Limit</i>	<i>Upper Limit</i>
Males	2.63	2.27	2.99
Females	2.76	2.42	3.09
HH Size	5.38	4.85	5.92
Females (Reproductive age)	1.39	1.16	1.63

3.1.2 Age and gender disaggregation

Analysis of age and gender disaggregation is important to ascertain the dependency ratio among PSN households. As Figure 1 indicates, there is high dependency with 69% and 59% of total males and females falling under 18 years. In general, children <18 years form 64% of the total household population.



² Uganda Bureau of Statistics 2016, The National Population and Housing Census 2014 – Main Report, Kampala, Uganda

3.1.3 Household heads/focal person

Knowing the sex of household head also referred to as focal person in this case is important as it's associated with a number of household characteristics. Households headed by women are, for example, are typically poorer than households headed by men. In many contexts widows/widowers or single mothers are expected to be more prone to food insecurity³. As results in Table 2 indicate, 66% of the households are headed by women.

Table 3: Age and gender disaggregation by household head/focal person

What is your age?		Sex of Focal Person		Total
		Female	Male	
18-35	Count	23	7	30
	Col %	37.1%	21.9%	31.9%
36-59	Count	30	12	42
	Col %	48.4%	37.5%	44.7%
60+	Count	9	13	22
	Col %	14.5%	40.6%	23.4%
Total	Count	62	32	94
	% of Total	66.0%	34.0%	100.0%

3.2. Markets Access

Table 4: Market Access

Key question: Market Access: Can POCs find what they need in the markets, at a price they can afford?	Baseline / Target	Actual
Indicator 6.1: % of POCs who report being able to find key items / services in the market when needed.	97.8%	
Indicator 6.2: % of POCs who report being able to find key items / services of sufficient quality in shops/markets.	96.8%	

Households were asked to specify where they make their purchases. Results indicated that most households (66%) do their shopping in a local weekly market which takes place once a week while the rest do in local shops. In Oruchinga settlement, there is a weekly market every Thursday of the week, it was observed that refugees highly participate in that market. Thus it is an opportunity for those staying further away from Kajaho Trading Centre, while those staying close do their daily shopping in the local shops around the trading centre.

³ WFP, 2009, "Comprehensive Food Security and Vulnerability Analysis, Guidelines", First Edition, Page 268

In terms of time taken to reach the place where cash is spent, Table 3 below indicates that about 40% of the households spend less than 30 minutes to reach the place where they spend the cash, 24% take between 30 and 45 minutes while 35% spend more than 45 minutes to arrive at the market place. The 2018 MSNA also indicated that 91% of households in Oruchinga are able to access a market within a walkable distance.

Table 5: Average time to access markets

Time	Freq	Percent
<15 Mins	14	15%
15-30 Mins	24	26%
30-45 Mins	23	24%
45-60 Mins	17	18%
>1 Hr	16	17%
Total	94	100%

Figure 2: Average cost of round trip to market

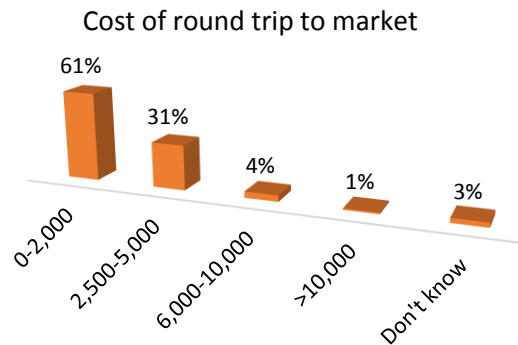
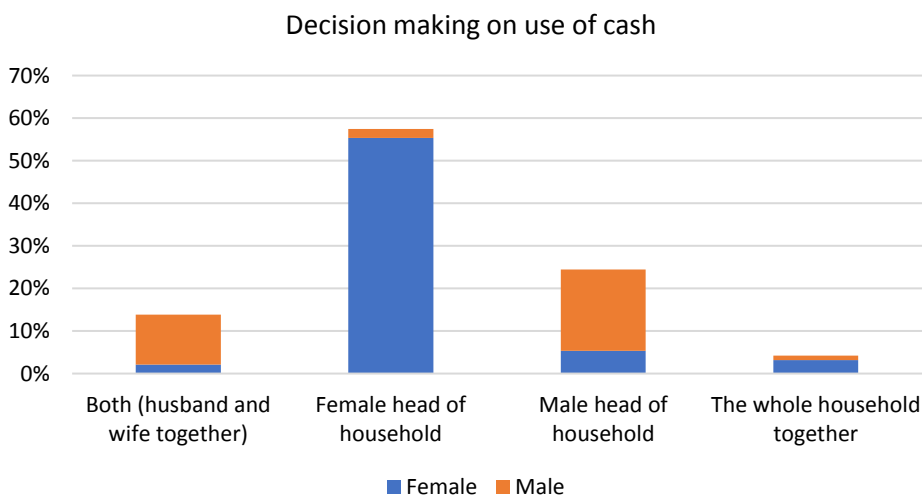


Figure 2 above shows that the majority of the households spend less than UGX 2000 on a round trip to the market and 31% spend between UGX 2500 and UGX 5000.

3.3 Household Decision Making on the Use of Cash

Joint decision making on how cash is used in the household was found to be low among PSN households. Only 18% of the households had decisions made jointly between husband and wife or the whole household. As illustrated in the figure below, female heads of households make majority decisions on how cash is used. It can also be noticed that even in male headed households, there exists decision making by females while males decision making was also notable among female households however this was minimal. What was clear was the dominance of the household head in decision making meaning decisions are highly likely to be influenced by the sex of the household head, which in any case is not out of the ordinary as expected.

Figure 3: Decision making on use of cash



Chi – square tests of independence revealed that at a 95% confidence level, decisions on cash usage are significantly ($p=0.000$) related to the household focal person or household head in other words decision on how cash is spent is highly influenced by the sex of the household head or focal person as for instance females are highly likely to make a decision in female headed households while males are seen to influence decisions in male headed households.

Respondents were asked whether their households have experienced any disagreements arising from the decisions on how to use cash. Findings indicated that in instances where households had joint decision making, there were no disagreements experienced. Generally, even in households where there was no joint decision making, the level of disagreements registered was low. This could be attributed to the fact that some of the households have single parents while other household members are children who cannot influence any decision. The figure below shows percentage of households that reported experiencing a disagreement segregated by sex of the household head or focal person.

Table 6: Disagreement on use of cash

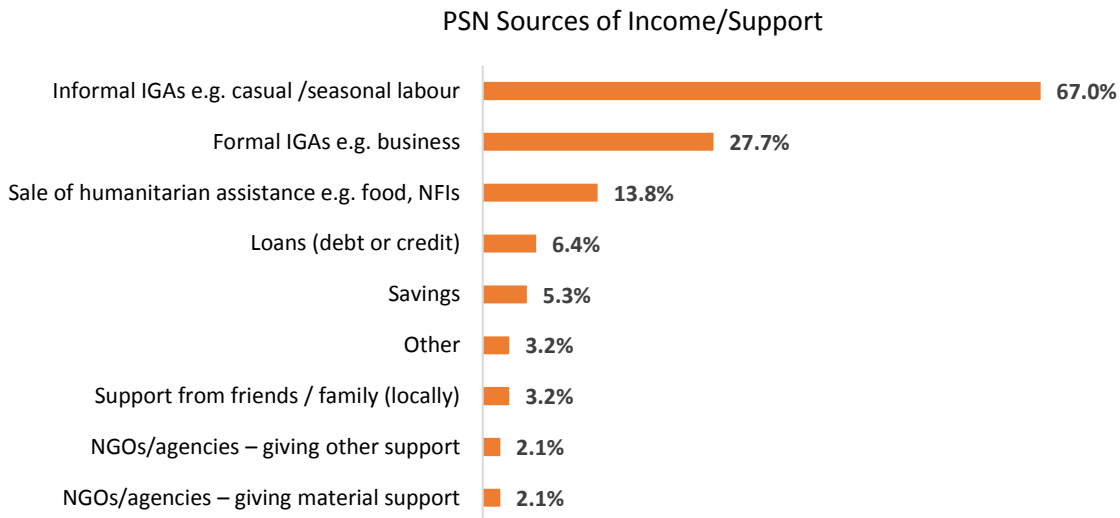
Are there normally any disagreements on how cash is used in your household?		Who in your household normally decides how cash is used?				Total
		Husband and Wife	Female head	Male head	The whole household	
<i>No - there was no disagreement</i>	Count	13	50	21	4	88
	Col %	100.00%	92.60%	91.30%	100.00%	93.60%
<i>Some - we discussed but came to an agreement</i>	Count	0	3	1	0	4
	Col %	0.00%	5.60%	4.30%	0.00%	4.30%
<i>Yes - we disagreed a lot</i>	Count	0	1	1	0	2
	Col %	0.00%	1.90%	4.30%	0.00%	2.10%
<i>Total</i>	Count	13	54	23	4	94
	% of Total	100.00%	100.00%	100.00%	100.00%	100.00%
	Total					

Evidence shows that joint decision making on how cash is used eliminates the risk of households running into disagreements. However this is not statistically significant as chi square tests reveal that the instances of disagreement arising in households are independent of who decides how cash is used ($p=0.925$).

3.5 Sources of Income/Support

Notable among the PSN households were informal Income Generating Activities (IGAs), formal IGAs, sale of in-kind humanitarian assistance, Loans and savings as the major sources of support for households as shown in the figure below.

Figure 4: Sources of income



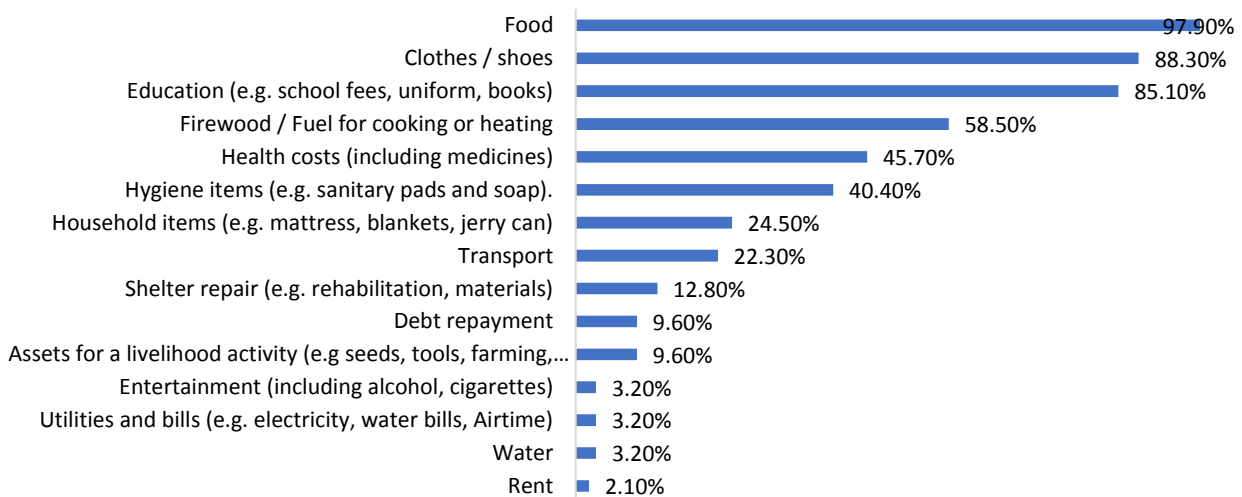
The mean number of income sources or support that PSN households relied on was 1.31 (1.18 -1.44 95% CI) with no significant difference between male and female headed households ($p=0.966$).

Overall, over 95% of PSN households were able to find items in the market and specifically in the quantity and quality that they desired.

3.6 Household Expenditure

The top five items on which households spend their cash on include food, clothes, education, cooking fuel, and health. These were closely followed by hygiene materials (sanitary pads and soap) as shown below. Meanwhile in term of actual household expenditure, food, clothes, education, cooking fuel and health constitute the top five items on which households spend most of their money.

Figure 5: Household expenditure items



3.7 Ability to Meet Basic Needs

Table 7: Ability to meet basic needs

Key Outcome Indicators	Baseline Target /	Actual
Indicator 8.1: % of POCs who report being able to meet all of the basic needs of their households.	0%	
Indicator 8.2: % POC households reporting using one or more negative coping strategy in the last 4 weeks.	94.7%	
Indicator 9.1: % of POC households who are on a pathway to sustainable solutions.	53.2%	

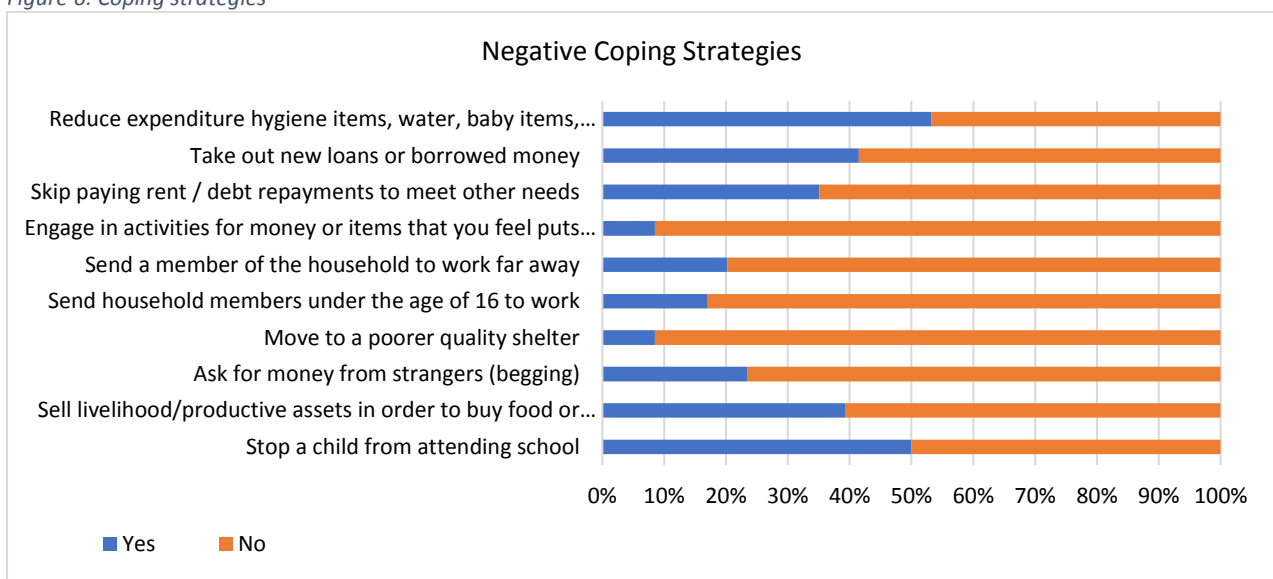
The findings indicated that no PSN households are able to meet all of their household basic needs. Majority (65%) were only able to meet half of the household basic needs, 30% can meet a modest level of their needs while 5% were not at all able to meet any of their household basic needs.

The above findings are further confirmed by the test of association between meeting basic needs and gender of household head that revealed no relationship between a household's ability to meet its basic needs and the gender of the household head of focal person ($p=0.925$).

3.8 Coping strategies and Coping Strategy Index

3.8.1 Coping strategies

Figure 6: Coping strategies



The baseline revealed that only 5.3% (2.1%-9.6% 95% CI) did not resort to any of the negative coping strategies. On the other hand 94.7% (90.4%-97.9% 95% CI) of the PSNs reported using one or more negative coping strategies in the past 4 weeks preceding the survey.

Results from Pearson correlation revealed presence of a significant relationship ($r=0.38$, $p=0.000$) between household size and number of coping strategies employed by PSN households. Households with larger household sizes are highly likely to resort to additional coping strategies in order to counter household food shortages.

3.8.2 Coping strategy index

The coping strategy index monitors what households do when they do not have adequate food or money to buy food. It combines the frequency and severity of coping strategies adopted by the households reporting shortage of food over a specified recall period⁴. The CSI is mainly useful in monitoring and will therefore become more relevant once the index is being compared with this baseline. During the survey, households were asked if during the past week there was a time they did not have food or enough money to buy food. If they said YES, they were asked how many times they applied any of the six common coping strategies during the week⁵. To establish the overall vulnerability of the targeted households, the coping strategy index was calculated using the universal severity weight. The maximum score for a household that applies all the six coping strategies for 7 days is 84.

The mean PSN household coping strategy index for Oruchinga was found to be 30.2 (26.2-34.1 95% CI) with no significant difference between male and female headed PSN households. Further analysis revealed that female headed households have a lower CSI than male headed household by 1.3 times which however is not significant ($p=0.758$) at 95% level of confidence. In conclusion, the households' CSI is not dependent on the sex of the household head however was found to have significant association with negative coping strategies and number of income sources as seen in figure below.

Table 8: CSI correlations by gender

Correlations				
		HH_CSI	Total_Sources	Total_Coping
HH_CSI	Pearson Correlation	1	-0.234*	-0.362**
	Sig. (2-tailed)		0.023	0.000
	N	94	94	94

The household coping strategy index was computed basing on 6 standard components i.e (1) rely on food/meals from relatives, friends, strangers (2) reduce or limit the portion size of meals (3) reduce the number of meals eaten in a day (4) rely on less preferred or less quality foods (5) reduce consumption of adults so small children can eat and (6) go entire days without eating.

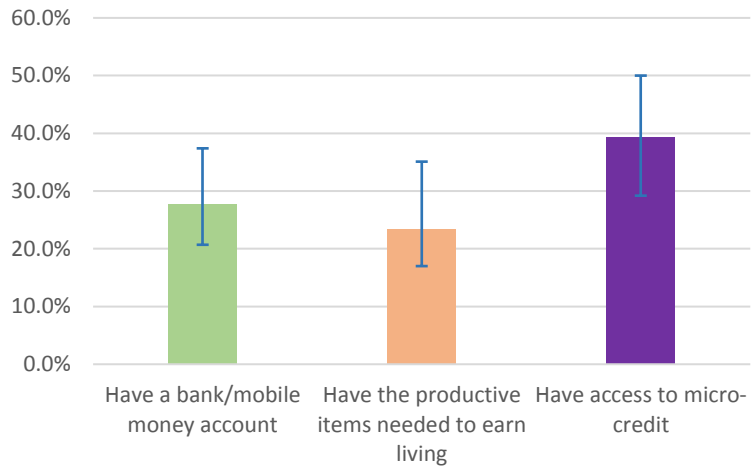
⁴ CARE/WFP, 2008, "The coping strategy Index; Field Manual"

⁵ http://wiki.wfp.org/M_and_E_Kit/index.php/Coping_strategy_index. The current recall period used is 7 days

3.9 Longer Term Outcomes for Sustainable Solutions

In order to ascertain percentage of PoC households that are on a pathway to sustainable solutions, three outcome areas were explored namely; having a bank or mobile money account, having productive/livelihood items needed to earn a living and having access to micro-credit. Households that are said to be on the pathway to sustainable solutions are those that report having one or more of the above pathways⁶. Basing on the above therefore, 27.7% (20.7% - 37.4% 95% CI) had bank or mobile money accounts, 23.4% (17.0% - 35.1% 95% CI) and 39.4% (29.2% - 50.0% 95% CI) had access to micro-credit as shown in the figure below. Overall, 53.2% of the PSN households in Oruchinga were found to be on a pathway to sustainable solutions.

Figure 7: Longer term outcomes for sustainable solutions



CSI Vs longer term outcomes

It is generally accepted that coping strategy index is a critical measure of household food security. Households with higher CSI values are considered highly food insecure relative to those with lower CSI values. Further analysis was done to determine how pathways to sustainable solutions affect household CSI.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	40.200	2.227		18.055	.000	35.777	44.624
Have Bank/Mobile Money account	-6.408	3.888	-.149	-1.648	.103	-14.132	1.316
Have the items needed to earn a living	-5.337	4.495	-.118	-1.187	.238	-14.267	3.593
Have access to micro-credit	17.806	3.901	-.453	-4.565	.000	-25.556	-10.056

a. Dependent Variable: HH_CSI

⁶ UNHCR CBI PDM user Guidance

Results indicated that all of the outcomes have a progressive effect on household coping strategy index however the effect is significant with having access to micro-credit and less significant with the other two. The illustration indicates that having a bank or mobile money account and productive assets lowers the household CSI on average by 6.4 and 5.3 ($p>0.05$) times respectively while having access to micro-credit lowers the coping strategy index significantly on average by 17.8 times ($p<0.05$). It is hence expected that the promotion of financial inclusion including opening bank accounts, facilitating access to finance will reduce the vulnerability of refugees.

4.0 Recommendations

- i. Sensitization of households on the importance of joint decision making on cash usage is paramount in minimizing or eliminating occurrence of disagreements between households which could further become drivers of GBV among PoCs.
- ii. Improving household access to micro credit through financial inclusion programmes has been revealed as a major pathway which can lead PoCs to sustainable solutions as results show a very strong effect of micro-credit on food security.
- iii. Continuous market monitoring should be established to make sure that PoC can find items in the settlement market without causing any distortions.