

Joint Cash Feasibility Assessment

Gujba, Gujba LGA, Yobe State, February 2018



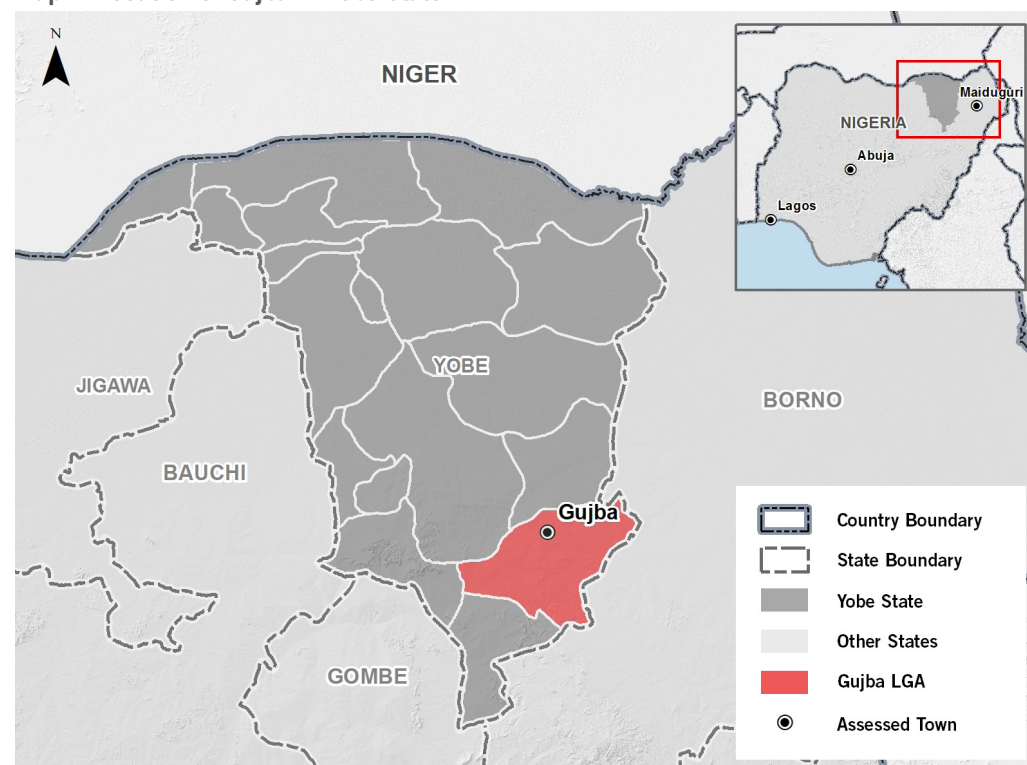
REACH Informing more effective humanitarian action

INTRODUCTION

This situation overview presents findings from the Joint Cash Feasibility Assessment, aimed at identifying the most appropriate assistance modality in towns across Northeast Nigeria for food, hygiene non-food items (NFIs), household NFIs, firewood or fuel, and shelter repair materials¹. The assessment was coordinated by the Cash Working Group (CWG) with support from REACH, and data was collected by 13 CWG member organisations from 1-16 February. In Gujba, data was collected by IRC and SCI.

For Gujba, 194 household interviews were conducted (90 with IDPs and 104 with non-IDP populations), along with 11 Bulama (traditional community leader) interviews and 4 consumer focus group discussions (FGDs). In addition, 26 interviews and 1 FGD were conducted with vendors selling the assessed items in Gujba, and 1 semi-structured interview was conducted with a head of traders (an informally-designated spokesperson for market vendors).

Map 1: Location of Gujba in Yobe State



Findings from household interviews have a confidence level of 95% and a margin of error of 7% when aggregated to the level of the overall town population. When aggregating the data, surveys from each population group (IDPs and non-IDPs) were weighted based on estimated population size and number of surveys per group, in order to ensure responses were not skewed towards any particular group. Household data focused on household assistance modality preferences and access to items, cash, and markets.

Vendor interviews focused on vendor capacity to respond to an increase in demand for assessed items, sources of supply, and barriers to conducting business. Findings based on data from individual vendor interviews and FGDs with both households and vendors are indicative rather than generalisable.

Key findings and recommendations for Gujba are provided below. These recommendations were developed by CWG members during a joint analysis workshop. In addition, more general findings and recommendations applying to all assessed areas can be found in the [overview document](#) for this assessment.

KEY FINDINGS

- Almost equal amounts of households reported preferences for in-kind and cash-based assistance, with a slight majority preferring in-kind aid for food and a small majority preferring cash-based aid for other assessed items. Of those preferring cash-based aid, most preferred unrestricted cash, although a sizable minority preferred restricted vouchers. The main reasons for preferring cash-based aid, and unrestricted cash over vouchers, related to flexibility and freedom of choice. The main reasons for preferring in-kind aid, and for preferring vouchers over cash, were concerns about household members misusing cash and about currency and market price instability.
- For food and hygiene and household NFIs, the majority of households used markets in Gujba as their main source. Firewood was most commonly sourced from nearby bush areas, while many households reported no source of shelter repair materials, or gathering makeshift materials from nearby areas.
- Vendors reported sourced agricultural produce such as beans and sorghum from local farmers, while other items were supplied primarily from Damaturu, but also from further away locations such as Kano and Maiduguri. The majority of interviewed vendors did not report challenges to transporting goods into Gujba, and many also believed that they could double the supply of goods in response to an increase in demand. However, a sizable number of vendors estimated that they would be able to increase supply more easily for locally-sourced items than those brought from elsewhere, due to restrictions at checkpoints en route to Gujba such as long waiting times and the requirement to show receipts for all goods brought in. A lack of storage space was also cited as a barrier to increasing supply.
- Households generally reported high levels of access to mobile phones and cellular networks, with some FGD participants stating that they had previously used mobile money transfers and others saying that they believed it could be an effective way to transfer funds. Many households and vendors reported being able to access credit from their vendors and suppliers respectively, and some FGD participants also mentioned the presence of banks (as a source of cash rather than credit) and informal savings associations.

¹Hygiene NFIs include items such as soap and laundry powder. Household NFIs include items such as bedding materials, mosquito nets, and cooking utensils. Shelter repair materials include items such as plastic sheeting, nails/screws, and wooden poles.

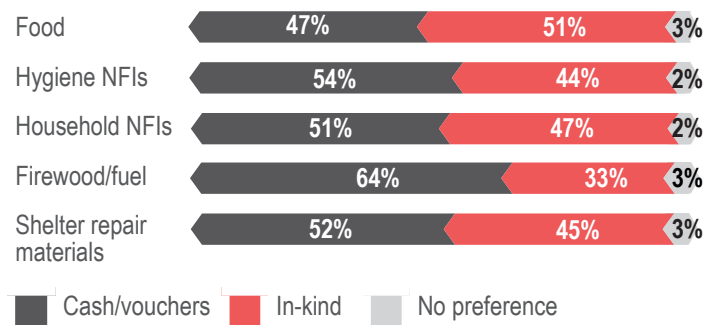
- Most households reported no security or non-security barriers to accessing markets, while most vendors did not mention facing challenges to conducting business in the market. However, some vendor FGD participants stated that vendors had previously feared armed robbery or other attacks by armed groups, but that they had started to feel more secure since local groups began providing security in and around the markets.

RECOMMENDATIONS²

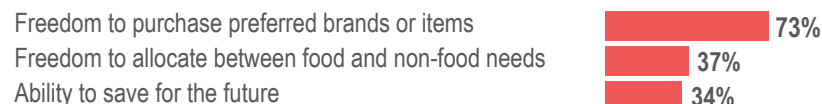
- Findings suggest that cash-based assistance may be feasible in Gujba, given that many households already report using the market as their main source of items, vendors report a diversity of supply sources, many vendors estimate that they can increase supplies, and barriers to market access do not appear to be widespread. Household preferences suggest an openness to both restricted and unrestricted cash, as well as to the use of mobile money transfers. As household NFIs and shelter repair materials were more commonly reported as being insufficiently available in markets, a transition towards cash-based aid for these items may need to be more gradual.
- Given that many vendors reported difficulties at checkpoints en route to Gujba, it would be worthwhile for humanitarian actors implementing cash-based activities to conduct further assessments to determine the extent of these difficulties and, if needed, assist in advocating with authorities for easier commercial access prior to implementation. Other forms of market support, such as assistance in developing storage capacity and linking vendors to existing financial service providers, may also be valuable in facilitating a smooth expansion of cash-based assistance.
- Although the security situation is now reported to be stable, vendor reports of volatility in the area in the recent past suggest that actors providing assistance in the area should stay aware of the security situation, and with contingency planning to mitigate the risk of a future deterioration.

HOUSEHOLD ASSISTANCE MODALITY PREFERENCES*

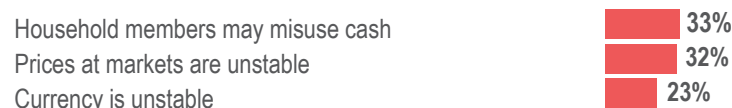
Reported preference of cash/vouchers or in-kind aid:



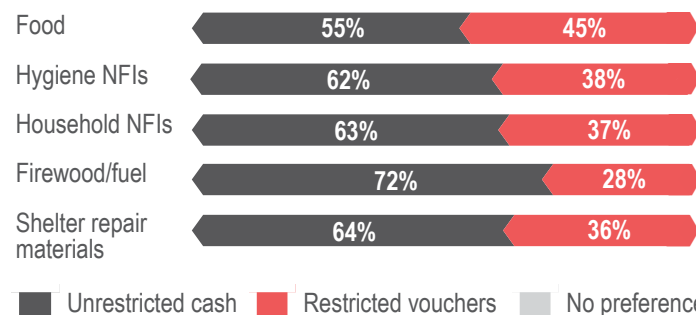
Of those preferring cash/vouchers, top reported reasons:



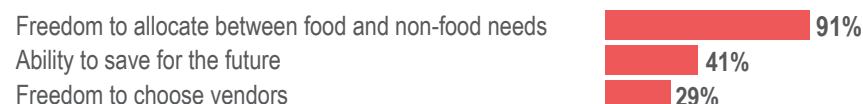
Of those preferring in-kind aid, top reported reasons:



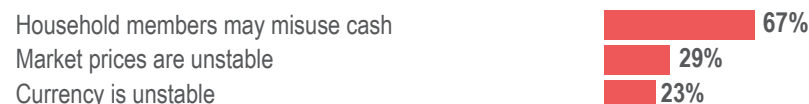
Of those preferring cash/vouchers, reported preferences between unrestricted cash and restricted vouchers:



Of those preferring unrestricted cash over restricted vouchers, top reported reasons:



Of those preferring restricted vouchers over unrestricted cash, top reported reasons:



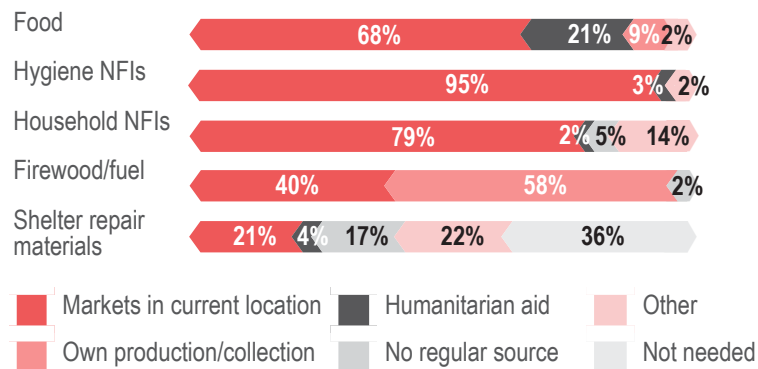
During FGDs female participants reported a stronger preference for vouchers, while male participants reported to prefer cash. Participants expressing a preference for in-kind over cash mentioned the absence of needed items at markets and transportation costs reasons. Those who preferred vouchers over in-kind cited long queues during distribution. Participants preferring cash assistance cited the freedom to allocate between different types of needs as the main reason.

² Recommendations were developed jointly by CWG member organisations at a Joint Analysis Workshop. In addition to the location-specific recommendations listed below, more general recommendations for assessed areas can be found in the overview document for this assessment.

*All data shown in the graphs in this section comes from household interviews.

HOUSEHOLD ACCESS TO ITEMS*

Primary method of accessing items in the past month:



Most needed food items:



Most needed hygiene NFIs:



Most needed household NFIs:

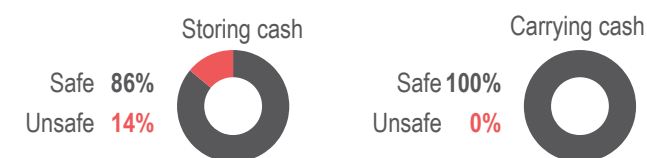


Most needed shelter repair materials:



HOUSEHOLD ACCESS TO CASH AND CREDIT*

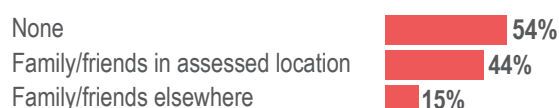
Reported perception of safety of storing or carrying cash:



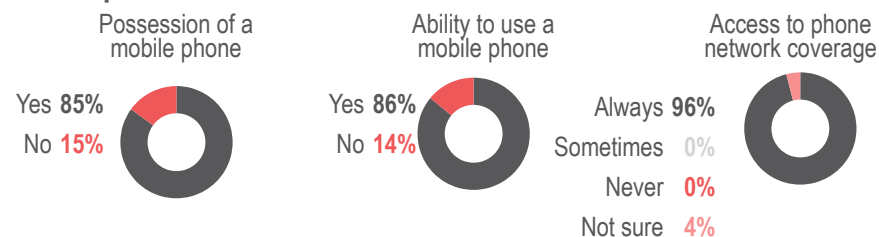
Percentage of households able to buy items on credit:



Reported household sources of credit other than vendors:



Mobile phones:



A small proportion of households reported access to credit, mostly for food and hygiene NFIs. During FGDs, some IDP participants said that their only source of credit was family or friends, while the non-displaced population stated that they had access to credit and cash through family and friends. Some participants also reported banks as a source of cash and traditional savings associations as a credit source. In addition, some male participants said that they had both sent and received mobile money transfers. Female participants did not report having done so, but many said that mobile money transfers would be an effective way to send and receive money as the network coverage in Gujba was good.

HOUSEHOLD ACCESS TO MARKETS*

Reported security risks at markets:



Reported non-security barriers to accessing items at markets:



FGD participants reported no security risks en route or at markets. Some female participants stated that they were not able to visit markets for cultural reasons.

Items most commonly reported by households as unavailable:



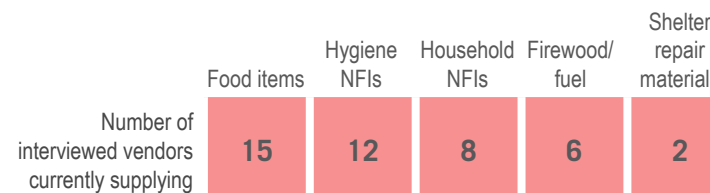
Items that households most commonly report being able to afford:



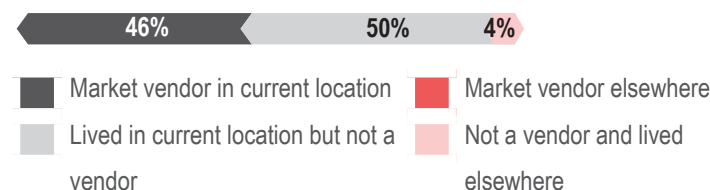
FGD participants reported fluctuations in market prices depending on seasonal aspects and fuel costs. Shelter repair materials were reported to be more difficult to come by, though participants mentioned the materials could be purchased in Damaturu town.

VENDORS AND MARKETS: OVERVIEW**

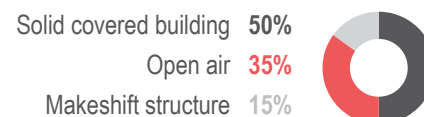
According to the head of traders, the main market day was Saturday although the market operated throughout the week. The head of traders also stated that trade volumes for food had decreased recently due to the distribution of in-kind aid. The majority of vendors reported that they did not face security challenges to conducting business. However, during vendor FGDs, participants expressed fear of attacks as a main security barrier. Due to the previously volatile security situation, vendors reported that there were extensive military checkpoints in and around Gujba and that there was a curfew in place in the town.



Pre-conflict location and occupation of current vendors:



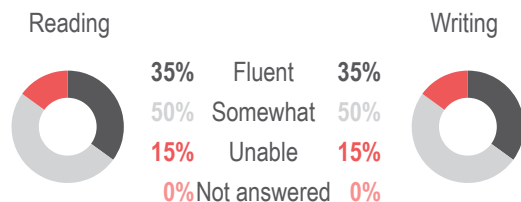
Observed type of shop or stall in the markets:



With 15 m² of storage area on average, the reported main location of storage space:



Reported vendor literacy rates:

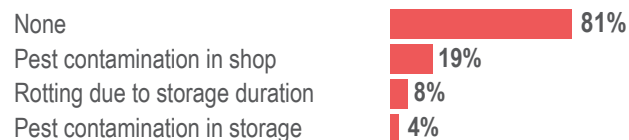


CHALLENGES TO OPERATING IN THE MARKET**

Reported security challenges to conducting business:

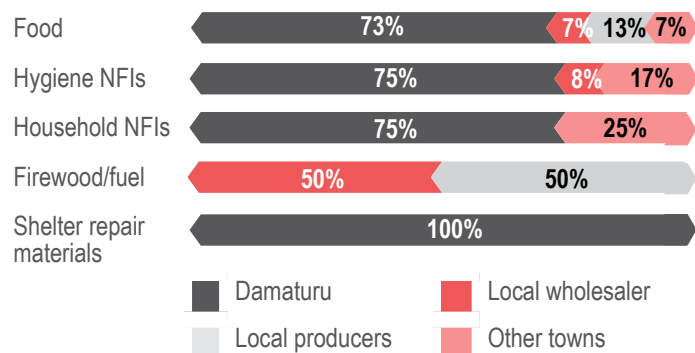


Reported non-security challenges to conducting business:



SUPPLY AND TRANSPORTATION OF GOODS TO VENDORS**

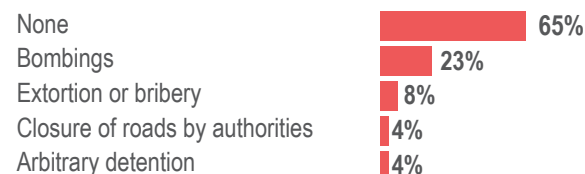
Main supply sources for vendors:



Methods of transportation of goods from suppliers to vendors:



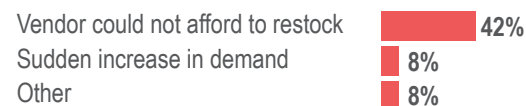
Challenges in the transportation of goods from suppliers to vendors:



Of vendors selling each assessed item category, most commonly reported shortages in the past month:



For vendors reporting shortages, most common reasons:



Reported restocking frequency:

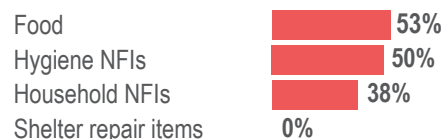


Vendor FGD participants reported that food items like beans, sorghum and rice come from local farmers based in Buniyadi, Gujba and Wagir, while processed foods and hygiene and household NFIs came primarily from Damaturu, but also from Kano and Maiduguri. When travelling to a supply location to restock, vendors would usually hire a vehicle in that location to bring the goods back to Gujba. Available vehicles included vans, trucks, cars, and three-wheelers.

According to vendor FGD participants, the main challenge to transporting goods came from the numerous checkpoints en route to the town, due to volatility in the security situation in the recent past. Participants reported long waiting times at checkpoints and stringent checks including the requirement to show receipts for all goods being brought in, the latter of which presented challenges as suppliers did not always provide receipts. In addition, fuel scarcity and fear of attacks were also mentioned as transportation barriers.

VENDOR ACCESS TO CREDIT AND INFORMAL MARKET SYSTEMS**

Of the vendors selling each type of item, percentage of able to buy each on credit from suppliers:



Percentage of vendors reporting that they sell on credit to customers:

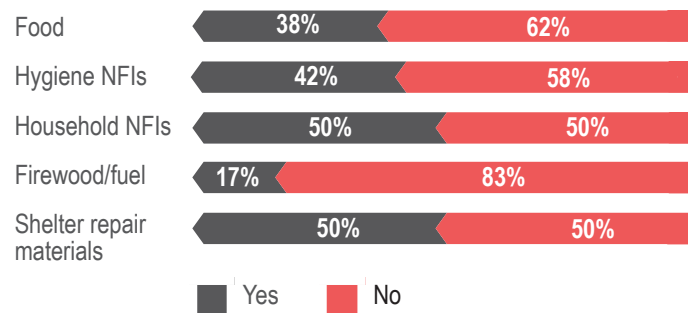


Participants reported that there was a traders' association in Gujba town, which reportedly held monthly meetings to discuss price regulations, mediate commercial disputes between vendors, pay local groups for security, and support traders in case of health issues.

Vendor participants reported that their suppliers were generally willing to sell to them on credit for all assessed types of items other than firewood. They said that they were more reliant on credit when demand was high, but sometimes faced difficulties in paying back their suppliers when customers failed to pay for items bought on credit.

VENDOR ABILITY TO INCREASED SUPPLY OF ASSESSED ITEMS

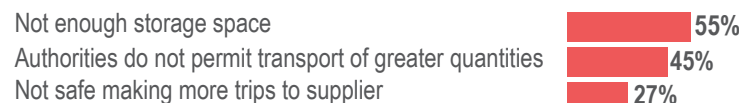
Percentage of vendors reportedly able to permanently double supply of items:



For vendors able to permanently double supply, reported ways in which they would do so:



For vendors unable to permanently double supply, reported barriers to doing so:



FGD participants reported that existing vendors in the market could permanently increase the supply of firewood, hygiene NFIs and food items by restocking more often, and that locally-sourced items would be easiest to increase supply. Some participants even estimated that the market could expand supply by up to 4-5 times the current amount. However, other participants cited difficulties in crossing checkpoints, scarcity of fuel for vehicles, and fear of attacks by armed groups as barriers to increasing supply.