CASH SUITABILITY ASSESSMENT FOR FOOD ASSISTANCE IN KONDUGA

NIGERIA

REPORT

DECEMBER 2017

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NIGERIA FOOD SECURITY SECTOR
Strengthening Humanitarian Response

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About REACH

REACH is a joint initiative of two international non-governmental organizations - ACTED and IMPACT Initiatives - and the UN Operational Satellite Applications Programme (UNOSAT). REACH's mission is to strengthen evidence-based decision making by aid actors through efficient data collection, management and analysis before, during and after an emergency. By doing so, REACH contributes to ensuring that communities affected by emergencies receive the support they need. All REACH activities are conducted in support to and within the framework of inter-agency aid coordination mechanisms. For more information please visit our website: www.reach-initiative.org.

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SUMMARY

Following eight years of conflict in Northeast Nigeria, the region is experiencing significant humanitarian needs. In Borno State, the area most heavily affected by the crisis, 1.37 million people were internally displaced as of the start of 2017,[1] and 30% of the population reportedly faced critical food insecurity situations as of October 2017.[2] In response to this food security crisis, humanitarian actors have sought to provide vulnerable populations with food assistance through both in-kind food distributions and cash-based food assistance.

It is within this context that the Nigeria Food Security Sector approached REACH to conduct an assessment in order to determine the most appropriate food assistance modality in the town of Konduga, the capital of Konduga Local Government Area (LGA) in Borno State. As Sector members intended to provide food assistance to the entire population of the town, which they estimated to be approximately 60,000, the assessment targeted both internally displaced persons (IDPs) and host populations.

This assessment was carried out in close collaboration with operational partners that have recently been involved in the provision of food aid to Konduga Town, and was coordinated through the Food Security Sector. The assessment used a mixed methodology, gathering primary data from a number of sources. A total of 447 household surveys were conducted in Konduga Town, with the population divided into the following four groups based on settlement type for the purposes of random sampling: 1) IDPs in camps (109 surveys); 2) IDPs living in the host community (99 surveys); 3) Households living in informal sites (105 surveys); 4) Host population including returnees (134 surveys).[3] The households surveys had a confidence level of 95% and a margin of error of 10% within each sampled population group, and had a 95% confidence level and 5% margin of error when aggregated to the level of the overall town population. The household surveys focused on food assistance modality preferences, reasons for those preferences, and access to food, markets, cash, and in-kind distributions. Furthermore, 10 focus group discussions (FGDs) were conducted with households (one men's and one women's FGD for each of the four population groups, along with one men's and one women's FGD for IDPs who had arrived within the past month), as well as 16 interviews with Bulamas (traditional community leaders) about their food assistance modality preferences for their communities. In addition, 49 food vendors in Konduga Town were interviewed, primarily on security and non-security challenges to conducting business, how they were supplied, the process of transporting goods to Konduga, and their estimated volumes of trade. These interviews were complemented by 3 FGDs with vendors, 2 interviews with heads of traders, and 3 interviews with Maiduguri-based suppliers of food vendors in Konduga.

Findings from this assessment apply only to food assistance in the town of Konduga and cannot be generalised to other parts of Konduga LGA, other towns or areas outside the LGA, or to non-food aid.

Key Findings

Beneficiary preferences

Overall, households across all four population groups preferred cash-based food aid over in-kind, with 58% of households preferring cash, 34% preferring in-kind, and 8% expressing no preference. This preference was strongest among IDPs in camps (72% preferred cash and 23% in-kind), and least strong among the host population (50% cash and 39% in-kind).

Between cash-based modalities, households expressed an overwhelming preference for unconditional cash (96% of the households that preferred cash-based assistance over in-kind) over conditional food vouchers (3% of households that preferred cash-based assistance over in-kind). **However, this was likely because households did not have much previous knowledge about vouchers. In FGDs**, where vouchers (along with

[1] UN Office for the Coordination of Humanitarian Affairs, Nigeria Northeast: Humanitarian Overview 2017, September 2016.
[2] Food and Agriculture Organisation, Cadre Harmonise for Identification of Risk Areas in Sixteen States of Nigeria, October 2017. According to the Cadre Harmonise analysis and report, Konduga LGA is estimated to face phase 3 (crisis) levels of food insecurity.
[3] The vast majority of host population households were returnees, as there had been a previous mass displacement from the town due to conflict, followed by returns. All of the households in the host population random sample were returnees. Households in informal sites were mostly IDPs, although a small number of returnees were found to be living in these sites as well.

all other modalities) were explained to participants in more detail, **the response to vouchers was more positive.** While unconditional cash was still the top preference in most FGDs, vouchers rather than in-kind was often the second-preferred option.

Among unconditional cash modalities, no households expressed a preference for mobile money transfers over hard cash. This was confirmed in FGDs, where participants frequently stated that mobile money transfers were their least preferred modality, below hard cash, vouchers, and in-kind aid. Unlike with vouchers, **households did report awareness and past experience with mobile money transfers** in Konduga.

Freedom and flexibility of choice were frequently cited as reasons behind household preferences between food assistance modalities. Of the households preferring cash-based over in-kind food aid, 82% mentioned the freedom to purchase preferred food items and brands as a reason, while 42% cited the freedom to allocate cash between food and other expenditures. Among households preferring unconditional cash to conditional vouchers, 86% listed the freedom to distribute cash between food and other expenditures as their reason.

Perceptions of reliability and ease of use were also important in shaping household food modality preferences. In FGDs, participants often cited previous negative experiences with food distributions (e.g. long wait times) and mobile money (e.g. problems with functionality of the technology) as influencing their current lack of preference for those options. They also mentioned that the fixed prices of food bought with e-vouchers appealed to them. In household surveys, perceptions of difficulty in using more technology-heavy modalities were frequently reported as reasons for preferring cash over both vouchers (25% of households preferring cash over vouchers) and mobile money (41% of households preferring cash over mobile money).

Findings also indicate that Bulama preferences diverge from those of beneficiaries, with 14 out of 16 Bulamas preferring in-kind aid for their communities, and the remaining 2 preferring conditional vouchers to unconditional cash. Some Bulamas preferring in-kind aid said that they did so because they believed the provision of cash-based aid to women in households caused social problems, indicating that their views on gender roles may have influenced their preferences.

Households did not generally report challenges to accessing markets for food, with 81% saying they faced no challenges, and only 16% and 4% reporting that they faced security and non-security challenges respectively. Among those reporting security challenges, the most commonly-reported challenges were risks of bombings, gun attacks, and arbitrary detention. **All of these were general fears, rather than impediments that prevented market access on a day-to-day basis**, a fact confirmed through additional questioning in FGDs. **However, FGD participants expressed fears that, if markets or distribution sites were to become more crowded in the future, they might become targets for armed opposition groups (AOGs).**

Food vendor capacity to respond to an increase in demand

Findings indicate that the food vendors in Konduga would be able to increase supply in response to a growth in demand for food in the town. Of the vendors interviewed, 96% estimated that they could permanently double their supply of whichever of the five assessed food items they sold (rice, maize, beans, vegetable oil, and onions). Moreover, **94% reported that they faced no challenges in the transportation of these five items, 92% said that they faced no security challenges to conducting business, and 67% stated that they did not face any non-security challenges.**

Vendor FGD participants confirmed that there were no apparent barriers to the increased supply of food items in markets in Konduga. Most participants stated that vendors could undertake a large increase in supply if demand were to increase, and while some mentioned that initial cash flow might be a challenge, they believed this could be overcome by relying on credit from suppliers that could be paid back after sale volumes increased. In addition, participants stated that they did not foresee major barriers preventing new people from becoming food vendors if demand were to increase in the town. All three interviewed Maiduguri-based suppliers also confirmed that they did not foresee challenges that would prevent them from increasing sales to food vendors in Konduga. However, vendor FGD participants did state that future security incidents may cause some vendors to exit the market.

Recommendations

Recommendations based on the findings of this assessment were agreed upon by operational Food Security Sector members at a Joint Analysis Workshop. These recommendations, which were also reviewed by operational partners and Food Security Sector coordination prior to publication of this report, are presented below.

Based on the findings, the overall recommendation from this assessment is that food aid in Konduga Town should be distributed through cash-based modalities rather than in-kind. Findings from the household-focused segment of this assessment show that households in the town generally preferred cash-based to in-kind food assistance. Alongside this, findings from the vendor-focused component of the assessment indicate that markets were unlikely to face barriers in increasing the supply of food items needed to meet the growth in demand that would result from a full shift towards cash-based modalities.

The specific cash-based modality through which aid is delivered can be determined by operational partners based on their capacity and the feasibility of implementation. However, findings indicate that there were a **number of barriers to mobile money transfer** in Konduga Town, including lack of access to phones, perceived difficulty of use, and poor cellular network coverage. It would also be worthwhile for partners to bear in mind **household preferences for flexibility and freedom of choice** when developing and implementing food assistance modalities.

Findings show the significance of past experiences, particularly negative ones, and perceptions of reliability and user-friendliness in shaping household food modality preferences. It is therefore important that humanitarian actors **ensure that their chosen food modality is implemented efficiently and that the processes relevant to its use are explained clearly to beneficiaries.** This is especially critical for more technology-heavy modalities such as e-vouchers and mobile money transfers, where lack of understanding could hinder beneficiary acceptance of and access to the modality. While providing food assistance in the town, **actors must also bear in mind the importance of security**, with households reporting a fear that crowded places could be targeted by AOGs, and vendors reporting that future AOG attacks may cause some of them to stop trading.

As **food vendors currently operating in Konduga** were reportedly able to increase their supply beyond current levels, it would be worthwhile for humanitarian actors to **include them in the implementation of the chosen modality**, in order to strengthen existing local markets. This is particularly relevant for e-vouchers, where the selection of verified vendors for e-voucher use would determine how many local vendors benefit from the implementation of this modality. It may also be valuable for actors implementing any cash-based modality to consider **market strengthening measures** such as the provision of standardised weighing scales or assistance to vendors in accessing credit.

It is also important that **partners remain flexible to changing circumstances** while implementing the chosen modality. For instance, the system should include a process to **detect and enrol new IDP arrivals** to the town, so that people are not excluded. This was an issue highlighted by some new arrivals in FGDs. In addition, **contingency planning should be undertaken in case of disruptions to the market**, such as closure due to security incidents or sudden shortages due to new food production or transportation challenges, in order to ensure that beneficiaries are still able to receive food assistance.

Regardless of which modality is implemented, it will be important for operational actors to **collect additional information** before and during the implementation of the chosen modality. Most important, especially for the implementation of a cash-based modality, is the **regular monitoring of market food prices.** This is relevant both in order to know how much aid to provide and to assess the possible impact of aid on markets. It would also be useful to conduct a **livelihoods assessment** before implementation in order to determine what percentage of household food needs should be met through aid. Further, prior to implementation, it would be necessary to get **more precise population figures** for the town for planning purposes.

CONTENTS

List of Acronyms

AOG	Armed Opposition Group
FGD	Focus Group Discussion
IDP	Internally Displaced Person
IOM DTM	International Organisation for Migration Displacement Tracking Matrix
LGA	Local Government Area

Geographical Classifications

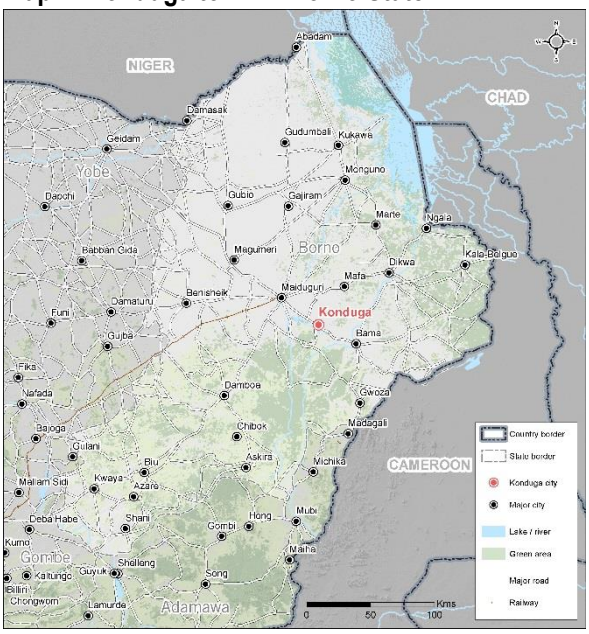
State	Form of governance below the national level, with a total of 36 states in Nigeria.
LGA	Form of governance below the state level, with a total of 27 LGAs in Borno State.

List of Figures and Maps

INTRODUCTION

Following eight years of conflict in Northeast Nigeria, the region is experiencing significant humanitarian needs. In Borno State, the area most heavily affected by the crisis, 1.37 million people were internally displaced as of the start of 2017,[4] and 30% of the population reportedly faced critical food insecurity situations as of October 2017.[5] In response to this food security crisis, humanitarian actors have sought to provide vulnerable populations with food assistance through both in-kind food distributions and cash-based food assistance.

Map 1: Konduga town in Borno State



It is within this context, that the Nigeria Food Security Sector approached REACH to conduct an assessment in order to determine the most appropriate food assistance modality in the town of Konduga, the capital of Konduga Local Government Area (LGA) in Borno State. As Sector members intended to provide food assistance to the entire population of the town, which they estimated to be approximately 60,000, the assessment targeted both internally displaced persons (IDPs) and host populations.[6]

The assessment was conducted in close collaboration with operational partners that have recently been involved in the provision of food aid to Konduga Town, and was coordinated through the Food Security Sector.[7] The overall approach of the assessment was developed together with partners, who also reviewed all questionnaires and assessment tools before they were deployed, and conducted field visits to observe the data collection being carried out by REACH. Following data collection, a Joint Analysis Workshop was held in Maiduguri, in which partners provided input on interpreting the data and agreed upon the findings and recommendations of the assessment. Further, partners reviewed and provided feedback on this report prior to publication.

In order to address the overall question of which food assistance modality would be most appropriate in Konduga Town, the assessment followed two lines of investigation. The first was concerned with understanding beneficiary households' preferences between food aid modalities and barriers to accessing aid through the various modalities. This was assessed through surveys with representatively-sampled households in Konduga followed by focus group discussions (FGDs) with residents of the town. For sampling purposes, the population was divided into four categories based on settlement type: 1) IDPs in camps; 2) IDPs living in the host community; 3) Households living in informal sites; 4) Host population (including returnees).[8]

The second line of investigation focused on the capacity of food vendors in Konduga to respond to an increase in demand for food in the town, and potential barriers to that expansion. These were assessed primarily through both individual interviews and FGDs with food vendors in Konduga. Data collection for the assessment took place from 16-28 November, and the Joint Analysis Workshop with partners took place on 7 December. Findings apply only to Konduga Town, and should not be generalised to elsewhere in the LGA or to towns in other LGAs.

[4] UN Office for the Coordination of Humanitarian Affairs, Nigeria Northeast: Humanitarian Overview 2017, September 2016.
[5] Food and Agriculture Organisation, Cadre Harmonise for Identification of Risk Areas in Sixteen States of Nigeria, October 2017. According to the Cadre Harmonise analysis and report, Konduga LGA is estimated to face phase 3 (crisis) levels of food insecurity.
[6] The vast majority of host population households were returnees, as there had been a previous mass displacement from the town due to conflict, followed by returns. All of the households in the host population random sample were returnees.
[7] Operational partners involved in the assessment include World Food Programme (WFP), Save the Children, International Rescue Committee (IRC), and Danish Refugee Council (DRC).
[8] The vast majority of host population households were returnees, as there had been a previous mass displacement from the town due to conflict, followed by returns. All of the households in the host population random sample were returnees. Households in informal sites were mostly IDPs, although a small number of returnees were found to be living in these sites as well.

METHODOLOGY

The assessment used a mixed methodology approach in order to gather different types of data from a range of sources. This section provides an overview of the methodology, although a more detailed description can be found in the Terms of Reference for the assessment, which are available upon request. All the data for this assessment was collected from 16-28 November.

The focus of the assessment was on two main areas: understanding beneficiary preferences for food assistance modality in Konduga, and evaluating the ability of food vendors in Konduga to respond to an increase in demand in the town. These two segments of the assessment included the following data collection methods:

- Understanding beneficiary preferences:
  - Structured:
    - Household surveys
    - Bulama (community leader) interviews
  - Semi-structured:
    - Household FGDs
- Evaluating the capacity of vendors to respond to an increase in demand:
  - Structured:
    - Food vendor interviews
  - Semi-structured:
    - Food vendor FGDs
    - Head of trader interviews[9]
    - Maiduguri supplier interviews

Understanding Beneficiary Preferences

A total of 447 structured surveys were conducted with randomly-sampled households in Konduga Town, with the population divided into the following four groups based on settlement type for the purposes of sampling: 1) IDPs in camps (109 surveys); 2) IDPs living in the host community (99 surveys); 3) Households living in informal sites (105 surveys); 4) Host population including returnees (134 surveys).[10] The sample for each population group had a 95% confidence level and a 10% margin of error, with a 95% confidence level and a 5% margin of error for the overall population when aggregating across population groups. The size of each population group was estimated by triangulating numbers provided by partners with the International Organisation for Migration Displacement Tracking Matrix (IOM DTM) figures and those obtained by REACH teams from community leaders.

Household surveys focused on household preferences between different food aid modalities, and the reasons for those preferences, as well as access to food, markets, cash, and distribution sites. When analysing the household survey data, data from each of the four sampled population groups was weighted based on the estimated group population size and the number of surveys collected from that group, to ensure that responses were not skewed towards any particular group.

Following the completion of the household surveys, a rapid analysis of the data was conducted in order to identify topics for additional investigation through FGDs. A total of 10 FGDs were conducted with beneficiaries, each consisting of 8 individuals: one men's and one women's FGD for each of the four sampled population groups, along with one men's and one women's FGD for IDPs who had arrived within the past month. These FGDs were designed to probe further on findings identified during the rapid data analysis and to gather more qualitative information that would have been harder to gather from a structured household survey.

[9] A head of traders is someone who has been informally chosen by the traders in a market to speak on their behalf in interactions with local authorities and other external actors, similar to the leader of a workers' union. There is usually one head of traders per market.
[10] All sampled host population households were returnees. The informal site population consisted mostly of IDPs, but included a small number of returnees as well. See footnote 8 for more information.

In addition, short structured interviews were conducted with a total of 16 Bulamas (traditional community leaders) in order to understand their preferences between food assistance modalities for their communities, and the reasons for those preferences. Those findings were compared with household preferences in order to investigate any possible divergence of preferences between the two groups.

Evaluating the Capacity of Food Vendors to Respond to an Increase in Demand

This segment of the assessment focused on evaluating the extent to which food vendors could increase their supply if demand for food at the markets in Konduga Town were to increase (e.g. if more cash-based aid were to be distributed in the town). All the tools in this portion of the assessment focused on 5 food items: rice, maize, beans, vegetable oil, and onions.[11]

Individual structured interviews were conducted with vendors in Konduga selling these items, with the aim of interviewing all of them. In total, 49 interviews were conducted with vendors in the two main markets of the town, Mandarari market (34 interviews) and Tashan Kifi market (15 interviews), with 5 vendors declining to be interviewed. The vendor interviews focused on security and non-security challenges to conducting business, as well as how they were supplied, the process of transporting goods to Konduga, and their estimated volumes of trade.

Following the individual vendor interviews, three FGDs were conducted with groups of 8 vendors each. Two of the FGDs were conducted with vendors in the Mandarari market and one with vendors in Tashan Kifi. These FGDs aimed to gather qualitative information not captured in the individual interviews, but generally explored similar themes to those of the interviews. In addition, short semi-structured interviews were conducted with the head of traders in each of the two markets, which focused on the evolution and recent history of the markets. Finally, semi-structured interviews were conducted with three Maiduguri-based suppliers of food vendors in Konduga, as a means of verifying information already collected on vendor-supplier networks and the transportation of goods to vendors in Konduga.

Challenges and Limitations

The main limitations that have been identified for this assessment are the following:

- Findings from this assessment apply only to food assistance in the town of Konduga. They cannot be extrapolated to apply to other parts of Konduga LGA, other towns or areas outside the LGA, or to non-food aid.
- Population numbers for Konduga Town, and the breakdown of population between settlement types in the town, were approximate estimates obtained through the triangulation of various sources, rather than precise figures. This may have led to the introduction of minor errors during aggregation and weighting of data across population groups.
- Data came from self-reporting by households and vendors, rather than external observations and monitoring of markets and households, and is therefore reliant on respondent providing accurate and truthful answers.

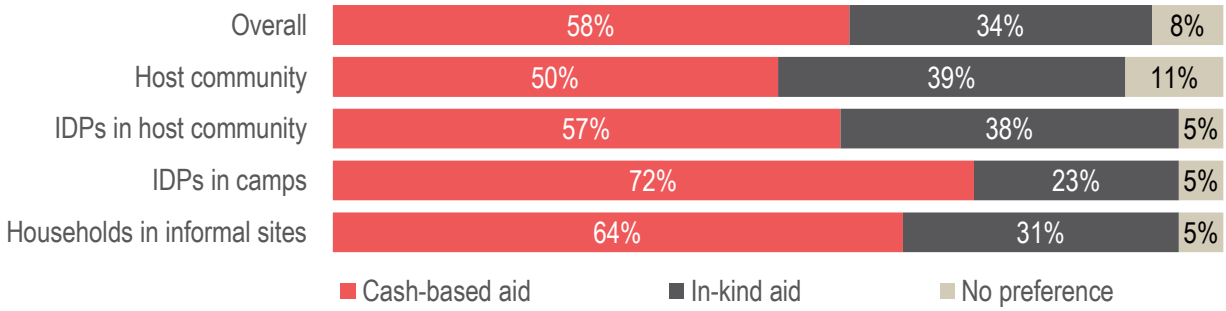
[11] These were all items from the food portion of the Minimum Expenditure Basket (MEB), developed by the Food Security Sector and compiled by the Cash Working Group. The number of items assessed was narrowed down to 5 for ease of analysis, and because the research question guiding this section of the assessment could be answered using these items (which included two staple grains, a source of protein, a condiment, and a perishable vegetable).

FINDINGS

1. Household Preferences and Reasons

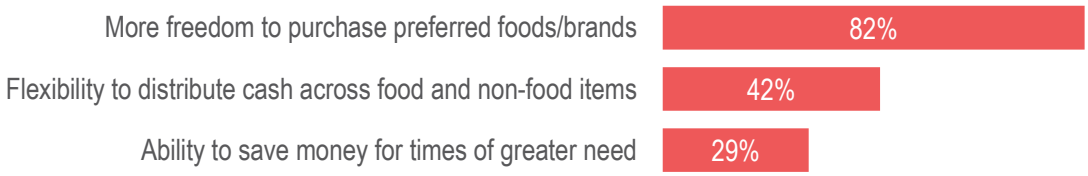
Across all population groups, households reported a preference for cash-based over in-kind aid (Figure 1). This preference was strongest among IDPs in camps, but less strong for the host population.

Figure 1: Preference between cash-based and in-kind food aid:



The main reasons reported for this preference generally related to freedom of choice: the freedom to choose preferred food items, to allocate amounts of money to food and non-food needs, and to save money for the future (Figure 2).

Figure 2: For households preferring cash-based over in-kind food aid, top three reasons for their preference:



In contrast with households that preferred cash-based aid, households preferring in-kind aid generally reported a wide variety of reasons for their preference. These included price instability, distrust of other household members, and a perception that it may be unsafe to store or carry cash (Figure 3). Also unlike households preferring cash-based aid, there were some differences between population groups in reasons cited for preferring in-kind aid. Instability of market prices was more commonly cited as a reason by IDPs in the host community (55%), while the poor quality of items at markets was cited more frequently by IDPs in camps (52%).

Figure 3: For households preferring in-kind over cash-based food aid, top five reasons for their preference:

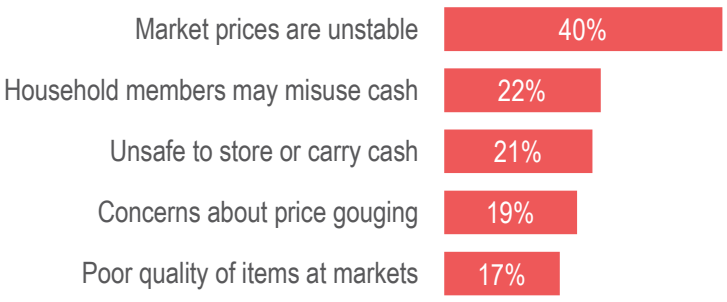
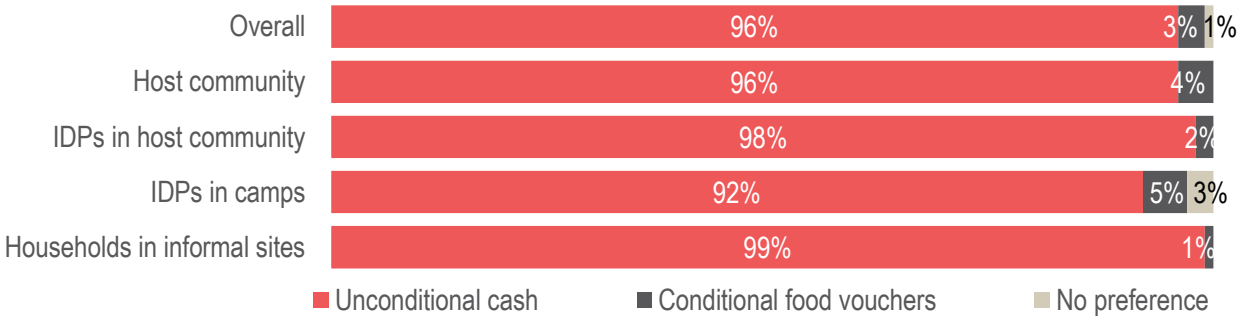
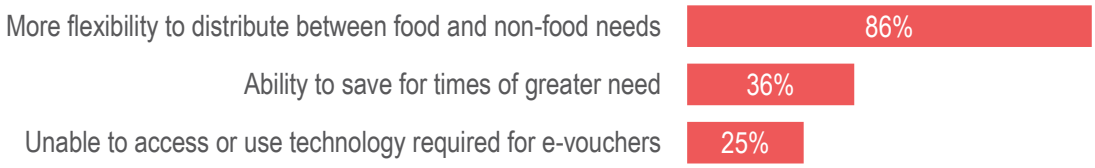


Figure 4: For households preferring cash-based over in-kind aid, preference between unconditional cash and conditional vouchers:



As had been the case for those preferring cash-based over in-kind aid, freedom to prioritise household purchases between food and non-food needs, and the ability to save for the future were important factors informing this preference. However, a quarter of households also cited technological barriers as a reason for their preferences (Figure 5).

Figure 5: For households preferring unconditional cash over conditional vouchers, top three reasons:



Of the households that preferred unconditional cash over conditional vouchers, all of them also preferred hard cash over mobile money transfer. The main reasons for this preference were lack of access to a mobile phone (60%), technology for mobile money transfer being too complicated to use (41%), and insufficient mobile network coverage (21%).

While the household surveys compared cash-based aid with in-kind aid, unconditional cash with conditional vouchers, and hard cash with mobile money transfers, the FGDs enabled participants to simultaneously compare all four modalities (hard cash, in-kind aid, conditional vouchers, and mobile money transfer). The FGDs confirmed the finding from household surveys with hard cash reported as the top preferred modality: it was the most preferred modality in 6 FGDs and the second preference in 2 FGDs. The reasons for preferring hard cash were similar to those in the data, with freedom to choose preferred foods and to allocate between different needs commonly cited as top reasons.

In the FGDs, where each of the modalities was explained in greater detail to participants, the response to vouchers was more positive than in the household surveys. This suggests that the very low preference for vouchers in the household surveys may have been due to the lack of knowledge about how they operated. In 2 FGDs, they were the top preferred option, while in 4 others, they were the second preference. FGD participants often reported the flexibility to choose food items and the relatively fixed prices of goods sold through the e-voucher platform as reasons for preferring e-vouchers. However, some expressed concerns that they did not yet know enough about vouchers and how to use them, and others mentioned restrictions on where vouchers could be used as a reason for preferring hard cash.

Generally in-kind aid and mobile money transfer were less preferred options in the FGDs, confirming the findings of the household surveys. In-kind was the preferred option in two male FGDs, with participants stating that they

found it stressful to go to markets and bargain for favourable prices. However, most other FGD participants reported that they were not in favour of receiving in-kind aid because they had previously faced difficulties with that modality and they preferred to choose food items and quantities themselves. The past difficulties mentioned included insufficient quantities and variety of food items distributed, and long waiting times at food distributions. Mobile money transfer was commonly disfavoured due to the perceived difficulty of using mobile money technology, lack of access to phones and network, and negative past experiences with the modality such as network and software issues that had previously caused payments to arrive late.

The preferences of households diverged significantly from those of Bulamas, all of whom were men. Of the 16 Bulamas interviewed, 14 expressed a preference for in-kind over cash-based food aid for their communities. Reasons for this preference varied, but included a lack of variety of food items in markets, a fear that household members may use cash for their personal interests, the belief that households did not have other major needs besides food, and a perception that women in households (to whom cash-based aid was often given) could not be relied on to make spending decisions for the household.

Household Access to Food from Markets

For 11 core food items, at least 81% of households reported that their main source of each item was markets in Konduga.[12] Less than 3% reported that their main source was markets in Maiduguri for any of the assessed items, while less than 6% said their main source was in-kind aid for any item. After markets in Konduga, the second most common response to this question for most items was that household had no access at all. This was most commonly reported for pasta (16%), palm oil (8%), and rice (7%).

Figure 6: Most commonly consumed food items[13]:

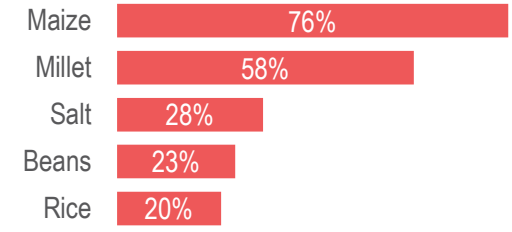
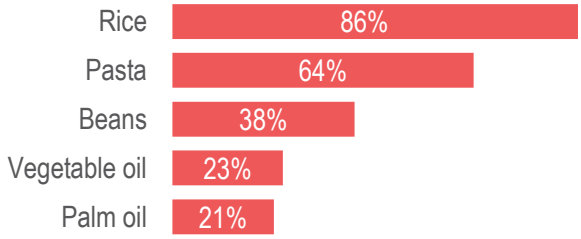


Figure 7: Most needed food items[14]:



There was a difference between the most commonly consumed food items and the items for which households most commonly reported that they had insufficient amounts, with maize and millet most commonly consumed but rice, pasta, and beans most frequently reported as needed (Figures 6 and 7). This suggests that households may be consuming more maize and millet because they are more accessible and affordable, but might prefer to consume more rice, pasta, and beans if they had the means.

Wheat and maize are reportedly more commonly affordable for households than rice, pasta, and beans (Figure 8). This finding was also confirmed by household FGD participants. Households in camps more commonly reported items as being affordable than those in other settlement types. Operational partners suggested anecdotally that this might be because more cash-based aid has so far been distributed in camps than in other parts of the town.

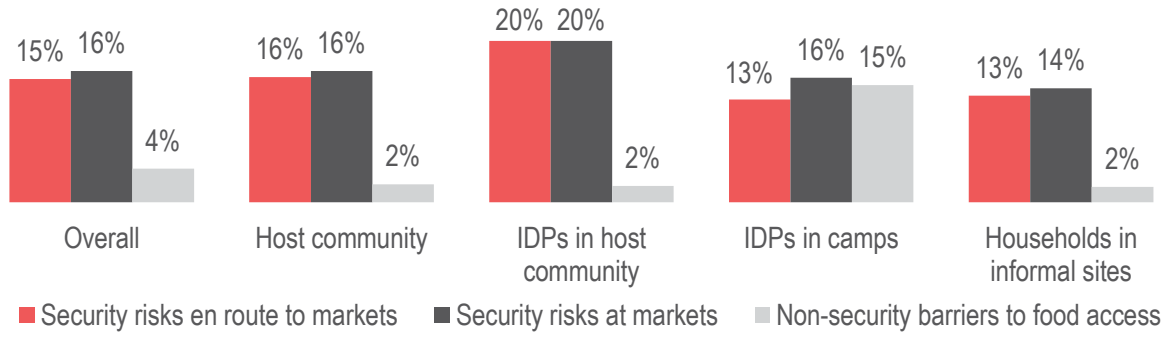
[12] The 11 assessed items included the 9 food items from the Minimum Expenditure Basket (MEB) developed by the Food Security Sector – rice, maize, beans, vegetable oil, palm oil, groundnuts, salt, sugar, onions – along with millet and pasta, which were also commonly consumed in the town.
[13] Respondent could choose up to 5 items.
[14] 'Most needed' was defined as items that households most frequently did not have enough of to meet household needs. Respondents could choose up to 5 items.

Figure 8: Percentage of households usually able to afford each food item:

	Overall	Host community	IDPs in host community	IDPs in camps	Households in informal sites
Maize	56%	51%	52%	71%	58%
Salt	45%	39%	49%	55%	45%
Millet	45%	38%	45%	57%	48%
Onions	25%	19%	27%	47%	18%
Rice	20%	17%	12%	31%	21%
Sugar	16%	15%	9%	26%	14%
Beans	12%	8%	3%	38%	7%
Vegetable oil	12%	7%	18%	22%	8%
Other	11%	13%	12%	4%	12%
Pasta	11%	10%	12%	17%	9%
Palm oil	8%	6%	8%	13%	8%
Groundnuts	5%	3%	0%	18%	4%
None	2%	4%	0%	1%	0%

Overall, the vast majority of households (81%) faced no security or non-security barriers in accessing markets for food, and on average visited markets in Konduga two to three times per week. The percentage of households facing non-security barriers was particularly low, at 4% for the population overall (Figure 9).[15] Households reported facing similar security barriers at markets and en-route to them. The most commonly reported security barriers were: the risks of bombings (16% reported this as a risk at markets, 15% en route), armed attacks (12% at markets, 15% en route), and arbitrary detention (9% each at markets and en route). All three of these risks were based on fears that households held, rather than impediments that forced households to modify their behaviour on a day-to-day basis. FGD participants confirmed that while they did sometimes feel a general sense of unease at being in public places due to the threat of armed opposition group (AOG) attacks, they did not usually visit markets less frequently due to those fears.

Figure 9: Percentage of households reporting barriers to accessing markets:



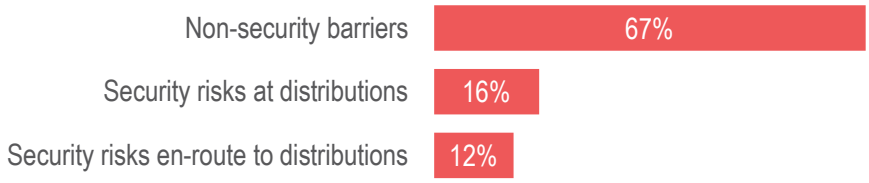
Household Access to In-Kind Food Distributions

Overall, 21% of households reported accessing in-kind food distributions in Konduga Town in the past three months. Of those, the proportions reporting security barriers to accessing distributions were similar to those reporting security barriers to market access (Figures 9 and 10). The most commonly reported security risks were also similar, with risks of bombings and armed attacks each reported as risks at distribution sites by 6% of households that had accessed in-kind distributions. However, 6% also reported the risk of fights breaking out at distribution sites.

[15] Affordability of food items was not included among the list of options in the questionnaire for non-security barriers, as it was assessed in a separate question. The reason for this was to separate barriers that would exist regardless of the provision of aid to households from affordability barriers that would be alleviated through the provision of aid.

However, two-thirds of those who had accessed distributions reported that they had faced non-security barriers to accessing food at these sites, most commonly: long wait times (28% of households that had accessed food distributions), insufficient quantities of food (25%), and low frequency of distributions (19%). This aligned with what was said by FGD participants who had cited similar factors as influencing their preferences among food assistance modalities.

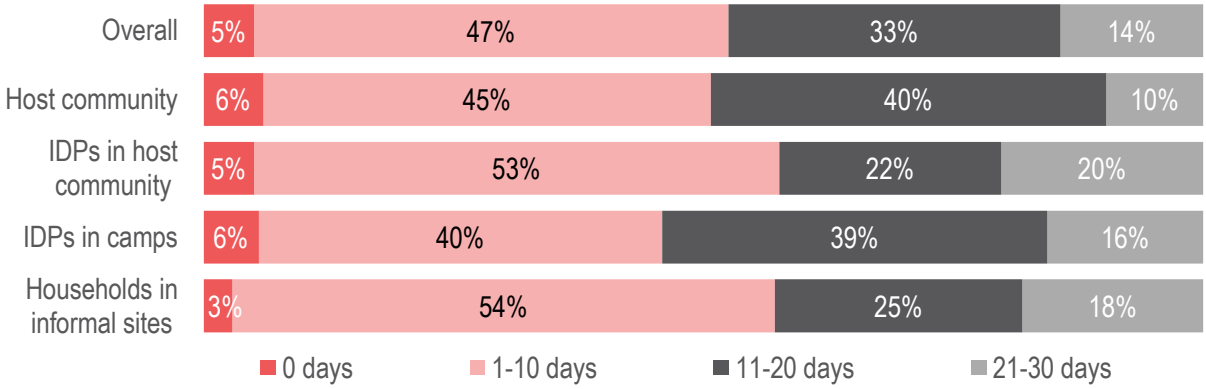
Figure 10: Of the households that had accessed in-kind food distributions in Konduga in the past three months, percentage reporting barriers to accessing distributions:



Household Access to Cash

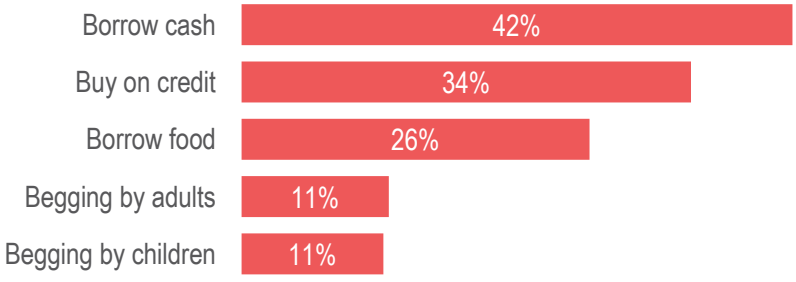
On average, households reported that they did not have sufficient cash to meet food needs on 12 days per month, although most households usually had insufficient cash on 1 to 10 days per month (Figure 11). Overall, 84% of households reported that they used coping strategies on days when they had insufficient cash to meet their food needs.

Figure 11: Average number of days per month that households have insufficient cash to meet food needs:



The most common coping strategies involved either borrowing money or food (Figure 12). However, IDP households in camps were more likely than other groups to report sending either children or adults to beg (20%), and host community households were more likely to borrow cash (47%).

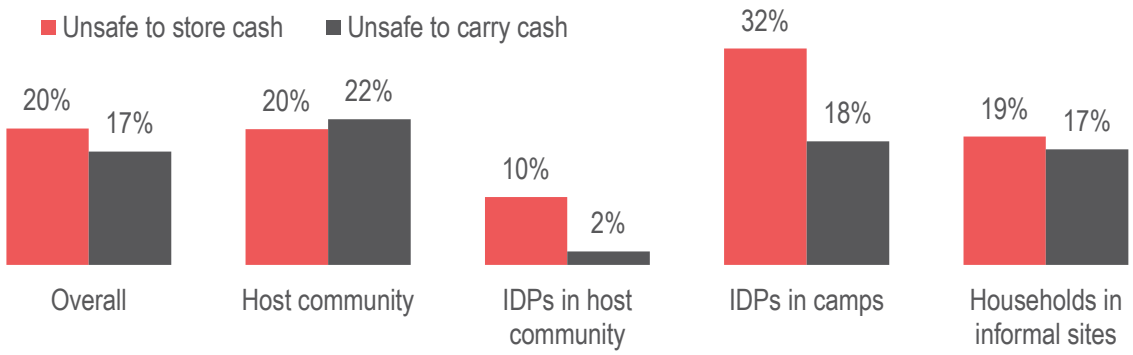
Figure 12: Most common coping strategies used when households lack sufficient cash to meet food needs (overall percentage of households reporting each):



The majority of households (72%) reported no problems with storing or carrying cash. IDPs in camps most commonly believed that it was unsafe to store cash savings, while the host population most frequently perceived that it was unsafe to carry cash (Figure 13). Of those reporting that it was unsafe to store cash savings, the most

common reasons were the risk of theft (58% of those stating that it was unsafe to store cash), followed by the risk of losing cash (32%). Of those reporting that it was unsafe to carry cash, the most commonly reasons were the risk of losing cash (90%) followed by the risk of being pickpocketed (10%)

Figure 13: Percentage of households perceiving that it was unsafe to store or carry cash:



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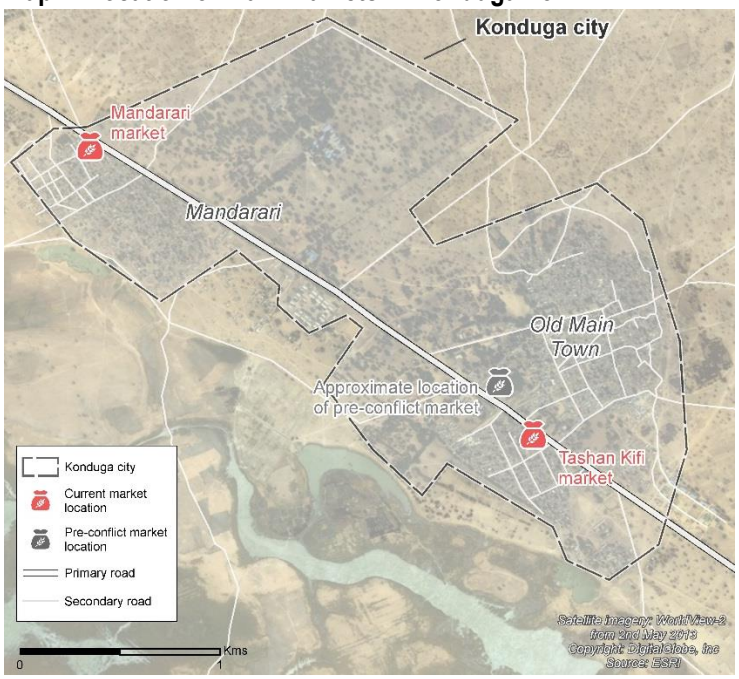
2. Capacity of Food Vendors to Respond to an Increase in Demand

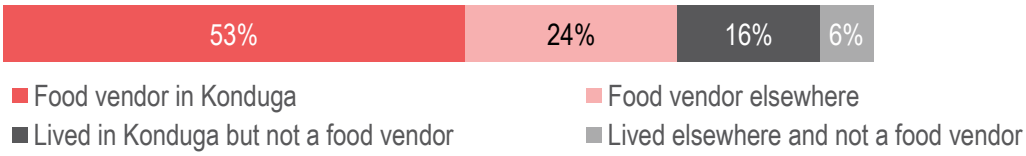
Map 2: Location of main markets in Konduga Town



The pre-conflict site of the market in Konduga Town had been abandoned in 2013-2014, when the majority of the population were displaced for security reasons. According to the heads of traders in the two main markets currently serving the town, the buildings of this pre-conflict site had been damaged during fighting, but had since been repaired. However, the pre-conflict market remained abandoned reportedly because vendors were awaiting permission from local authorities to resume use of the site. Shortly after the abandonment of the pre-conflict site, two new market sites emerged in the town. The larger of the two was Mandarari market, located on the side of the Maiduguri-Konduga road, near the Boarding School Camp in the Mandarari area in the northern part of the town. This site was chosen because it was initially perceived as safer than the rest of the town, with a military checkpoint nearby, and the main IDP camp in the town was also established at this location. The other market, Tashan Kifi, developed close to the pre-conflict market site in the southern part of the town, in an area that had previously been only a fish market. The head of traders in Mandarari market reported that the market had been growing in recent months, both in terms of the number of food vendors and the amounts of food sold.

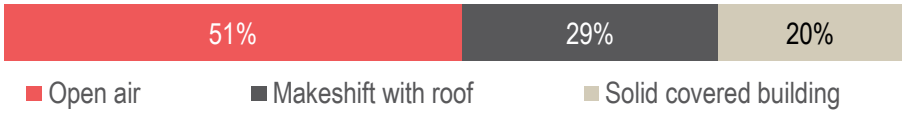
The majority of interviewed food vendors had also been food vendors in Konduga Town prior to the onset of conflict in 2009 (Figure 14), a fact also reported by the heads of traders. However, sizeable minorities had previously been food vendors based elsewhere or were Konduga residents previously engaged in other occupations.

Figure 14: Food vendor pre-conflict residence and occupation:



More than half of the vendors interviewed sold in the open air, while almost a third used makeshift structures with a roof, and only a fifth sold from solid covered buildings (Figure 15). The prevalence of open air and makeshift shops is unsurprising given that the pre-conflict market had shut down, and most vendors had been displaced, meaning that they had to start from scratch. Vendor FGDs confirmed that many were still accumulating enough capital to build solid structures for their shops.

Figure 15: Types of shops used by interviewed vendors:



Given that vendors were generally selling outdoors or in makeshift structures, it is unsurprising that vendors could not often store their goods in their shop (Figure 16). Instead they most commonly took their goods back home after work, while some used separate buildings dedicated to storage. Vendor FGDs confirmed that these separate buildings were often either the shops of other vendors, spaces belonging to friends of the vendors, or spaces in buildings that groups of vendors pooled money together to rent. The average amount of storage space available to vendors, according to their estimates, was 21 m^2, although some vendors found it difficult to accurately estimate the amount of storage space they had.

Figure 16: Locations where vendors store their goods during non-business hours:

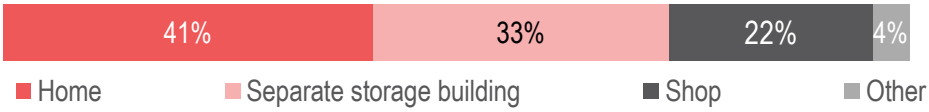
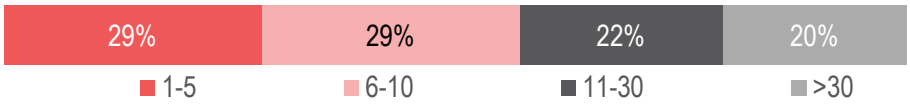


Figure 17: Storage capacity floor space available to vendors (according to vendor estimates) in square metres:



Maize was both the item most commonly sold by vendors and the one with the highest weekly trade volume (Figures 18 and 19). This corresponds with household data showing it to be the most commonly consumed item. While rice was also reportedly sold by many vendors, it was often sold in smaller quantities.

Figure 18: Number of interviewed vendors selling each assessed food item[16]:

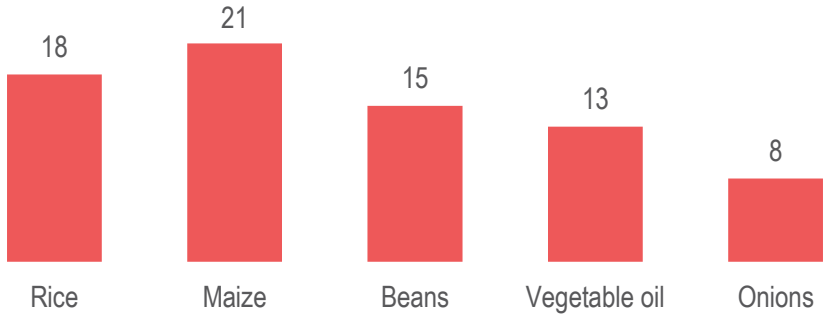
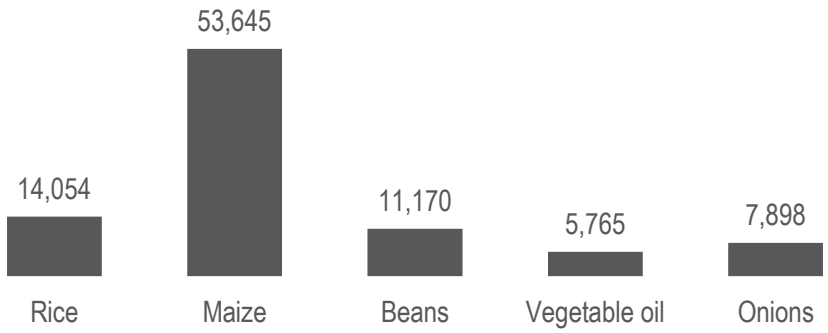


Figure 19: Reported amount sold by all assessed vendors per week (in litres for vegetable oil, and kilograms for all other items):



Of the vendors interviewed, 8% reported that they faced security challenges to conducting business, most commonly theft from their shops during business hours. Around 33% reported non-security challenges, most commonly contamination of food by rats or pests during storage (18% of all vendors interviewed), rotting due to

[16] As discussed in the methodology section of this report, the vendor component of this assessment focused on five food items: rice, maize, beans, vegetable oil, and onions.

water leakage in storage (12%), and contamination of food by rats and pests in the shop during business hours (8%).

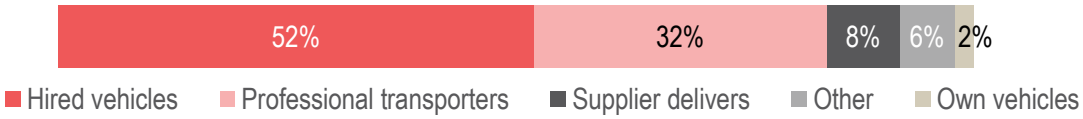
Although vendors were mainly supplied from Maiduguri, according to vendor FGDs, vendors often used a mix of local and Maiduguri-based suppliers for some items, particularly beans, groundnuts, and onions (Figure 20).[17] Vendor FGD participants reported that rice, maize, and vegetable oil were mostly sourced from Maiduguri. The six locally-supplied rice vendors in Figure 20 were small scale vendors relying on a wholesaler in Konduga who was reportedly supplied with rice from Maiduguri.

Figure 20: Supplier location for each assessed food item:

Item	Number of vendors mainly supplied from Maiduguri	Number of vendors mainly supplied locally
Rice	12	6
Maize	21	0
Beans	11	4
Vegetable oil	12	1
Onions	6	2

A range of methods were used to transport items to food vendors from their suppliers in Maiduguri, although the most common method was for vendors to hire a vehicle such as a taxi and accompany it to Maiduguri to restock (Figure 21). Vendor FGD participants confirmed that this was the most commonly used transportation method. For the assessed food items, 90% of vendors supplied from Maiduguri reported that they faced no security challenges that impeded their ability to receive goods from their suppliers, with only three vendors reporting concerns. This was confirmed through vendor FGDs, head of trader interviews, and interviews with Maiduguri-based suppliers of food vendors, all of whom reported that they faced no major barriers in the transportation of supplies to vendors in Konduga.

Figure 21: For goods supplied from Maiduguri, percentage of vendors using each means of transportation to receive assessed food items from suppliers[18]:



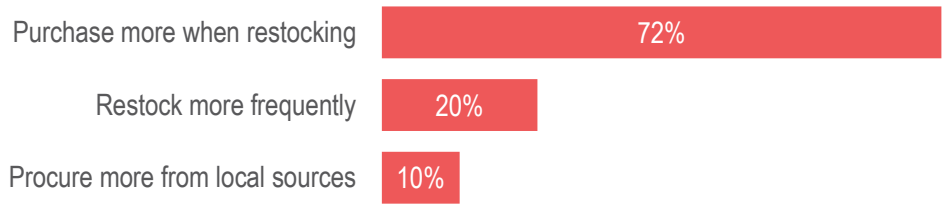
According to data from vendor FGDs and Maiduguri-based supplier interviews, vendors mostly chose their suppliers either because the vendor had family ties to the supplier, or because the supplier had links to Konduga (e.g. the supplier previously lived in Konduga). Due to these linkages, suppliers were reportedly often willing to let vendors buy on credit

Vendors generally reported that they could permanently double supply of the assessed food items in case of a growth in demand, with 96% stating that they could do so for all of the assessed items sold. This was confirmed by the vendor FGD participants, where vendors anticipated that they could substantially increase the volume of food supplied if demand were to rise. This aligns with other data, in that no major barriers were reported that would hinder restocking and transportation of goods or the carrying out of day-to-day business. Some vendors in FGDs reported that initial cash flow might be a barrier to increasing supply, but others stated that they could overcome this challenge by restocking from their suppliers on credit, and then paying those suppliers back with earnings from increased trade volumes. All three interviewed Maiduguri-based suppliers also reported that they foresaw no major difficulties in increasing the volume of food items they sold to vendors in Konduga.

[17] The individual vendor interview questionnaire just asked vendors to name their main sources for assessed items, rather than to list all sources.
[18] "Hired vehicles" refers to vendors hiring vehicles and accompanying them to collect items from the supplier, while "professional transporters" refers to transporters who collect items from the suppliers and deliver them to food vendors, and "supplier delivers" refers to vehicles belonging to the supplier that are sent to Konduga to deliver the food items.

Vendors would reportedly increase their supply of assessed food items by primarily purchasing more of the item each time they restocked (Figure 22). Some vendor FGD participants suggested that, if the increase in demand was high enough, they may even hire larger trucks to bring over supplies, and that they would use some of their increased profits in case of a growth in demand to strengthen their transportation and storage capacities.

Figure 22: For vendors reportedly able to permanently double supply of an assessed item, method through which they would do so:



Vendors in FGDs generally stated that they did not anticipate challenges for new people to become food vendors in Konduga, and that they believed the number of vendors would increase if demand grew for food from markets. However, some suggested that new vendors may struggle at first to find suppliers who sold at the lowest prices if they did not already know of suppliers through personal networks. Similarly, suppliers in Maiduguri stated that they foresaw no barriers for new suppliers to sell to Konduga other than possibly a lack of ties to existing food vendors in the town. When asked about what might cause vendors to withdraw from trading, some FGD participants mentioned that AOG attacks on the market might deter some vendors from conducting business.

CONCLUSION

This assessment aims to inform the choice of food assistance modality in the town of Konduga. The findings of the assessment support the conclusion that a cash-based food response is both feasible and aligned with beneficiary preferences in the town. Findings indicate that beneficiaries prefer cash-based over in-kind food aid, and that vendors would likely be able to increase the supply of food in order to meet the growth in demand that a cash-based response would generate.

This assessment contributes to humanitarian planning and operations by providing evidence that can contribute to a decision on the choice of food assistance modality in a significant population centre. While the findings of this assessment cannot be generalised outside of the town of Konduga, the approach used here could inform the development of similar assessments for other locations in the future.

Recommendations

Recommendations based on the findings of this assessment were agreed upon by operational Food Security Sector members at a Joint Analysis Workshop. These recommendations, which were also reviewed by operational partners and Food Security Sector coordination prior to publication of this report, are presented below.

Based on the findings, the overall recommendation from this assessment is that food aid in Konduga Town should be distributed through cash-based modalities rather than in-kind. Findings from the household-focused segment of this assessment show that households in the town generally preferred cash-based to in-kind food assistance. Alongside this, findings from the vendor-focused component of the assessment indicate that markets were unlikely to face barriers in increasing the supply of food items needed to meet the growth in demand that would result from a full shift towards cash-based modalities.

The specific cash-based modality through which aid is delivered can be determined by operational partners based on their capacity and the feasibility of implementation. However, findings indicate that there were a **number of barriers to mobile money transfer** in Konduga Town, including lack of access to phones, perceived difficulty of use, and poor cellular network coverage. It would also be worthwhile for partners to bear in mind **household preferences for flexibility and freedom of choice** when developing and implementing food assistance modalities.

Findings show the significance of past experiences, particularly negative ones, and perceptions of reliability and user-friendliness in shaping household food modality preferences. It is therefore important that humanitarian actors **ensure that their chosen food modality is implemented efficiently and that the processes relevant to its use are explained clearly to beneficiaries.** This is especially critical for more technology-heavy modalities such as e-vouchers and mobile money transfers, where lack of understanding could hinder beneficiary acceptance of and access to the modality. While providing food assistance in the town, **actors must also bear in mind the importance of security**, with households reporting a fear that crowded places could be targeted by AOGs, and vendors reporting that future AOG attacks may cause some of them to stop trading.

As **food vendors currently operating in Konduga** were reportedly able to increase their supply beyond current levels, it would be worthwhile for humanitarian actors to **include them in the implementation of the chosen modality**, in order to strengthen existing local markets. This is particularly relevant for e-vouchers, where the selection of verified vendors for e-voucher use would determine how many local vendors benefit from the implementation of this modality. It may also be valuable for actors implementing any cash-based modality to consider **market strengthening measures** such as the provision of standardised weighing scales or assistance to vendors in accessing credit.

It is also important that **partners remain flexible to changing circumstances** while implementing the chosen modality. For instance, the system should include a process to **detect and enrol new IDP arrivals** to the town, so that people are not excluded. This was an issue highlighted by some new arrivals in FGDs. In addition, **contingency planning should be undertaken in case of disruptions to the market**, such as closure due to security incidents or sudden shortages due to new food production or transportation challenges, in order to ensure that beneficiaries are still able to receive food assistance.

Regardless of which modality is implemented, it will be important for operational actors to **collect additional information** before and during the implementation of the chosen modality. Most important, especially for the implementation of a cash-based modality, is the **regular monitoring of market food prices.** This is relevant both in order to know how much aid to provide and to assess the possible impact of aid on markets. It would also be useful to conduct a **livelihoods assessment** before implementation in order to determine what percentage of household food needs should be met through aid. Further, prior to implementation, it would be necessary to get **more precise population figures** for the town for planning purposes.