



A JOURNEY TOWARDS SELF-RELIANCE

An internal evaluation of large cash transfers to refugees in the Mugombwa refugee camp, Rwanda

Project implementation period: 2019 - 2020

Report date: February 2021

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1. Executive summary

The world is witnessing the highest levels of displacement on record. In December 2018, 78% of all refugees were living in protracted situations; a figure that has consistently grown over the years, continuing to strain humanitarian budgets.¹ While the aid system has focused on responding to refugees' basic needs, it has struggled to find effective ways to enable them to rebuild their livelihoods and reduce their reliance on humanitarian support.

Recognition of the problem is growing. In September 2016, world leaders committed to reforming the way aid is provided to refugees and host communities.² Delivering on this ambitious agenda requires going beyond business as usual and finding new, innovative ways of working.

In this context, GiveDirectly has kick-started an innovative initiative to test whether delivering large lump-sum cash transfers, as opposed to monthly subsistence payments or in-kind aid, can enable refugees to accelerate their path towards self-reliance. Building on an operational pilot in Kyaka II refugee settlement in Uganda³ in 2018 GiveDirectly partnered with the United Nations High Commissioner for Refugees (UNHCR) and the Government of Rwanda (GoR) to pilot the delivery of large, unconditional cash transfers to long-term refugees in Rwanda. The core goals of this project were to:

- Test the operational model feasibility of large cash transfers to refugees in Rwanda
- Provide directional evidence on the impact of large cash transfers in the Rwandan context
- Establish a scope for further roll out of large cash transfers as a way to accelerate refugees' journey to self-reliance and increase the impact and efficiency of aid in refugee settings

The program, implemented between June 2019 and June 2020,⁴ delivered transfers of ~\$700 to households living in the Mugombwa refugee camp in Gisagara District, Southern Province of Rwanda. Key findings included:

- **Cash transfers generate a wide-range of positive outcomes and immediate improvement in recipients' lives:** Post transfers i) 100% of surveyed recipients reported increases in assets, ii) 98% of surveyed recipients reported increases in income, iii) 81% of surveyed recipients reported using the transfer to pay down debt and iv) 70% of surveyed recipients reported increases in day to day consumption and spending.
- **Cash transfers have the potential to accelerate the path towards self-reliance:** 60% of transfers were spent on long-term investments, providing a plausible path to sustainable self-reliance.
- **Cash transfers offer recipients the flexibility to adapt to and withstand shocks (e.g. COVID-19):** Almost all refugees used part of pre-existing support (including but not limited to GiveDirectly cash transfers) as coping mechanism to cover immediate needs resulting from the outbreak of COVID-19.
- **Large, lump sum cash transfers are an operationally feasible means of supporting refugees in Rwanda:** Almost all recipients (99.9%) were able to withdraw and spend their transfers without issue.
- **Cash transfers can increase the efficiency of aid in refugee settings:** The project demonstrates that large cash transfers can be delivered in refugee settings, and sets a high benchmark for efficiency (85%). 100% of surveyed recipients reported a strong preference for cash over in-kind support.

While this project provides insightful directional evidence of the benefits of cash transfers in refugee settings, more robust evidence is needed on the magnitude and duration of the impact. The ongoing independent study of GiveDirectly cash transfers in the Kiryandongo settlement in Uganda, which utilizes a randomized controlled design, will continue to strengthen the evidence base around delivering large cash transfers to refugees.

About GiveDirectly:

GiveDirectly is the first and the largest non-profit that delivers cash directly to people living in poverty. In the last decade, GiveDirectly has distributed +\$350M to over 700k recipients across ten countries ranging from Huston, USA

¹ [UNHCR, 2019, Global Trends Force Displacement in 2018](#)

² [UN, 2016, New York Declaration for Refugees and Migrants](#)

³ [GiveDirectly From Subsistence to Rebuilding: An internal evaluation of cash transfers to refugees and host communities in Uganda](#)

⁴ See Figure 4 for details.

after Hurricane Harvey to remote parts of Congo (DRC). Since launching in Rwanda in 2016, GiveDirectly has distributed +\$5.5M to over 50,000 households across 11 districts of the country.

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2. Context and motivation

2.1. *The global displacement crisis*

There are 79.5 million forcibly displaced people in the world today, the highest number in a generation. Of these, over a quarter are refugees hosted in developing countries.⁵ Today's humanitarian aid system is focused on the most pressing needs of rescue and survival; this support is vital, and the difference between life and death for millions of the globally displaced. However, as conflicts have become increasingly protracted (just 2.5% resolve in under three years), the duration of displacement has grown.⁶

Conventionally, there have been three 'durable' solutions to refugee crises: repatriation, when conflicts end; resettlement to a third country, where global politics permit; or local integration in the host country. In 2015, research estimated that just 2% of the world's refugees had access to any of these three.⁷ The vast majority of refugees are trapped in limbo, unable to achieve true self-sufficiency in their adopted homes, but with little hope of leaving them. Acknowledging this, world leaders in 2016 signed the UN's landmark 'Declaration for Refugees and Migrants'.⁸ A primary goal of this plan was to place new emphasis on supporting refugees as they rebuild their lives, regain their independence, and thrive in new, adopted homes. The question that remained: how?

2.2. *Cash transfers in humanitarian settings*

In recent years, the use of cash transfers in humanitarian settings as a replacement for traditional 'in-kind' aid has grown steadily. According to the 2020 'State of the World Cash Report', spending on cash transfers and vouchers in humanitarian settings grew 68% across just three years (10.6% in 2016 to 17.9% in 2019).⁹ That said, this growth only accounts for a fraction of cash spending: In 2016, the Global Public Policy Institute estimated that if cash was used wherever the evidence suggests it should be, it would account for 40% of humanitarian aid, more than double its current share.¹⁰

Across the evidence base, cash has been shown to often deliver improved outcomes in comparison to 'in-kind' aid interventions in humanitarian settings.¹¹ Evidence from studies in Rwanda and Uganda illustrated greater economic benefit, within refugee and local communities, when aid was delivered as cash; studies in Ethiopia and Somalia showed considerable increases in efficiency; and a study in Lebanon showed that 80% of recipients prefer to receive cash.¹²

Despite this growth in investment and evidence in humanitarian cash transfers, operational design constraints can limit the impact on outcomes for recipients. Cash transfers in humanitarian settings are also often restrictive, delivered as vouchers that limit recipients to approved vendors. Such restrictions prioritize control for the implementing organization over benefit to recipients, as vouchers have been shown to be less effective and less efficient than unrestricted cash.¹³ The value of each cash transfer is also often small, sized for a subsistence food ration but no more. By design, they provide recipients with no opportunity to save or invest, only to meet their most immediate survival needs.

2.3. *Direct and indirect benefits of large, unrestricted cash transfers*

Multiple studies have examined impacts of large, unrestricted cash transfers, consistently showing benefits both on

⁵ [UNHCR, 2020, Statistical Yearbooks](#)

⁶ Ibid.

⁷ Betts and Collier, 2017, *Refuge: Rethinking Refugee Policy in a Changing World*

⁸ [UN, 2016, New York Declaration for Refugees and Migrants](#)

⁹ [CaLP, 2020, The State of the World's Cash](#)

¹⁰ [GPPI, 2016, Drivers and Inhibitors of Change in the Humanitarian System](#)

¹¹ [Overseas Development Institute, 2015, State of evidence on humanitarian cash transfers](#)

¹² Ibid.

¹³ [WFP, 2017, Food-Restricted voucher or unrestricted cash? How to best support Syrian refugees in Jordan and Lebanon?](#)

recipients and non-recipients. A recent study in Kenya found that \$1000 GiveDirectly cash transfers generated increases in recipients' assets (+16%), income (+7%) and consumption (+12%) .¹⁴ The same study showed that lump sum cash transfers also significantly improved recipient's psychological wellbeing, food security and an index of education measures.¹⁵ Furthermore, cash also benefited neighbors who weren't part of the program - households that did not receive cash but lived within 2 km of those that did see their consumption and income increase significantly. When impacts on recipients and non-recipients are aggregated, each \$1000 transfer generated a total economic impact of \$2600 (i.e. a 2.6x economic multiplier).

Some, but not all, studies find that cash transfers can lead to substantial returns in the longer term. For example, in Uganda, youths given \$382 earned a total of \$665 more than those who didn't over the course of nine years. While monthly incomes for youths not given cash eventually caught up, differences in assets persisted even 9 years later.¹⁶ A study in Sri Lanka found that male business owners given \$100 earned >\$350 more in the five years covered by the study (researchers did not find similar impacts for women).¹⁷

2.4. Operational feasibility and impact of large, unrestricted cash transfers in refugee settings

GiveDirectly's internal evaluation of its first project in a refugee setting illustrated that large, unrestricted cash transfers are not only operationally feasible but also lead to refugees reporting meaningful improvements in their lives.¹⁸ While this project, conducted in the Kyaka II settlement in Uganda, provides strong evidence on operational feasibility, it only provides directional, observational evidence of impact (i.e. there is no counterfactual against which outcomes for recipients could be rigorously assessed). Therefore, GiveDirectly launched a second project in Uganda, this time with a robust independent impact evaluation incorporating both a randomized controlled trial (RCT) and longitudinal qualitative research. This project is underway, and we expect results of the RCT to be published in 2021.

In order to expand the direct impact of our refugees program, and to test the feasibility of large cash transfers to refugees in a different context,¹⁹ GiveDirectly also sought to pilot large cash transfers in Rwanda.

2.5. Refugee hosted in Rwanda

As of 31st December 2019, Rwanda was hosting 148,848 refugees and asylum-seekers largely in six refugee camps. Of these, 50.9% are from the Democratic Republic of the Congo, 48.9% are from Burundi. Many refugees have been in Rwanda for multiple years (up to 23 years for some), consistent with the protracted nature of the global refugee crisis.²⁰

While Rwanda's refugee policies are among the most progressive in the world,²¹ their freedom is more restricted when compared to other countries such as Uganda. For example, in-camp refugees require permission from the camp management to travel out of the camp. Furthermore, refugees living in a camp setting are not allocated farming land, except for a refugee-host community cooperative that farms a marshland as part of the UNHCR-GoR livelihoods initiative.²²

¹⁴ Egger et al. (2019) [General equilibrium effects of cash transfers: experimental evidence from Kenya](#)

¹⁵ Ibid.

¹⁶ Blattman et al. (2018) [The Long Term Impacts of Grants on Poverty: 9-Year Evidence from Uganda's Youth Opportunities Program](#)

¹⁷ De Mel et al. (2012) [One-Time Transfers of Cash or Capital Have Long-Lasting Effects on Microenterprises in Sri Lanka](#)

¹⁸ Cooke & Williams (2018) [From Subsistence to Rebuilding: An internal evaluation of large cash transfers to refugees and host communities in Uganda](#)

¹⁹ In contrast to Uganda, refugees living in Rwandan camps require permission to travel outside of the camp, and are not provided with plots of land which in turn are necessary for farming.

²⁰ [UNHCR, 2020, Rwanda Country Refugee Response Plan](#)

²¹ [UNHCR, 2017, The Right of Refugees to Work in Rwanda](#)

²² The Rwandan Government does still provide significant economic opportunity for refugees, for example allowing them to buy and own land, own businesses, and own properties.

These refugees' needs are too great for the established aid system to provide for. While in-camp support includes food and non-food items (NFIs) support as well as various support packages by implementation partners of the UNHCR,²³ this seldom meets their needs; refugees often find themselves getting into debt (and accumulating interest on those debts) to make ends meet. This, amongst other things, limits their ability to kickstart and sustain economic activities and further prevents them from accessing self-reliance. Large, unconditional cash transfers offer recipients the flexibility to choose how to best meet their needs - and offer a solution to unlocking paths to self-reliance.

2.6. Project motivation and goals

In 2018, GiveDirectly in partnership with **GoR** and **UNHCR** with funding from **UNHCR, IKEA Foundation, Sint Antonius Stichting, ELMA Relief Foundation, and Conrad Hilton Foundation** piloted the first large, lump sum cash grant project that we are aware of in a refugee camp setting in Rwanda. The project aimed to:

- Test the operational model feasibility of large cash transfers to refugees in Rwanda
- Provide directional evidence on the impact of large cash transfers in the Rwandan context
- Establish a scope for further roll out of large cash transfers as a way of accelerating refugees' journey to self-reliance and increasing the impact and efficiency of aid in refugee settings

²³ The support packages do not include provision of land or farming space thus far.

3. Program Design

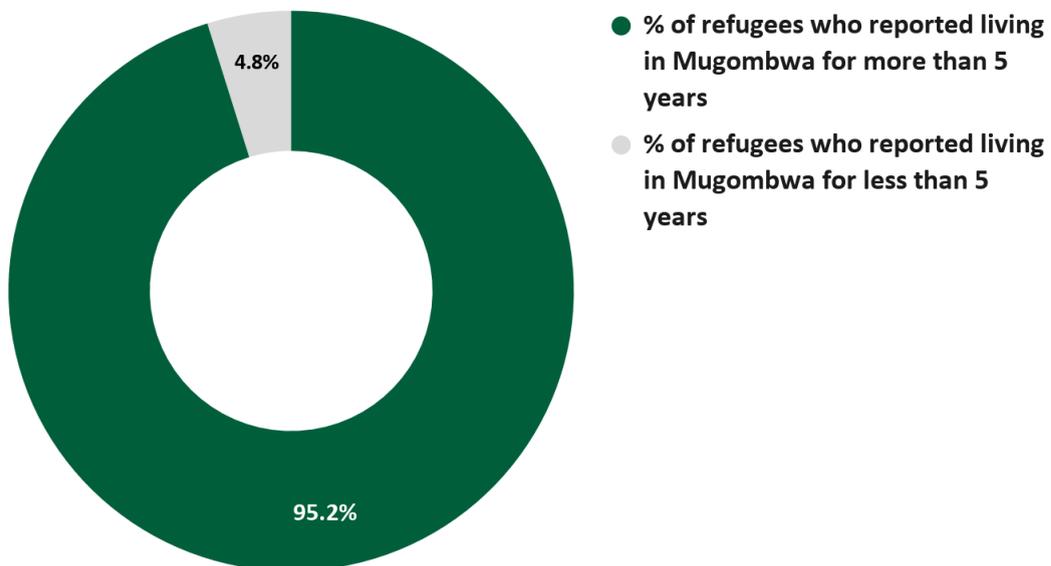
3.1. Location selection

We chose to target protracted refugees for two reasons:

- Protracted refugees depend on sustained humanitarian support: This group has no clear path to self-sufficiency, increasingly a concern due to dwindling global humanitarian budgets.
- They are more likely to have built social capital & links to local economies: Protracted refugees are likely to have a greater range of viable livelihoods investment options compared to recent arrivals due to joint integration initiatives such as the Misizi Marshlands farming project.²⁴

We selected the Mugombwa refugee camp in Rwanda’s Southern Province as the location for the project. In 2019, Mugombwa was home to 10,474 individuals, most of them living in the camp for more than five years (see Figure 1); sharing the same language and culture with Rwandan hosts.

Figure 1: Time spent in Mugombwa camp as reported by refugees



3.2. Targeting, transfer size and installment plan

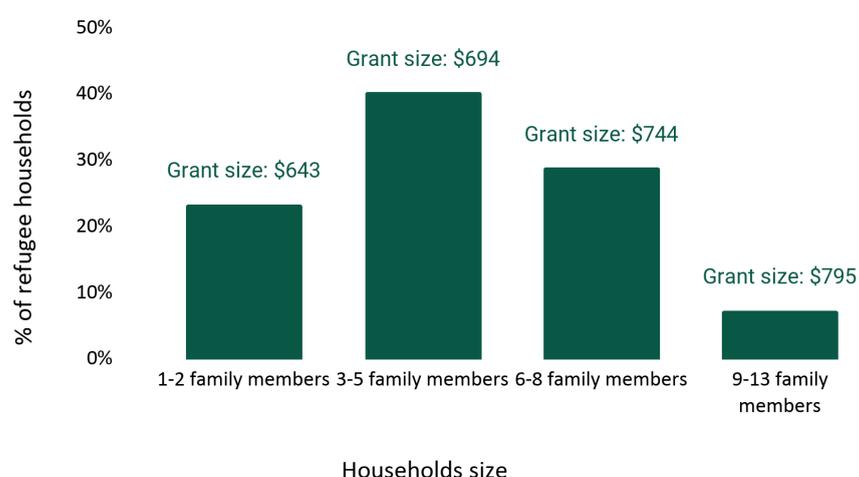
GiveDirectly and UNHCR decided to deliver cash transfers to all households in the refugee camp (saturation targeting) to ensure recipient perceptions of fairness and equity. Household identification was based on UNHCR lists. GiveDirectly and UNHCR agreed that refugees would not be removed from existing support solely as a consequence of participating in GiveDirectly’s cash transfer program.

In consultation with UNHCR, GiveDirectly set out four transfer amounts, varying marginally based on household size (see Figure 2). This aimed to:

- Minimize risk of perceived unfairness (given other programs are weighted by household size, e.g. UNHCR food distribution)
- Maintain a minimum transfer size to enable meaningful livelihoods investments, supporting outcomes set out in the project design

²⁴ [UNHCR, 2019, Rwanda: Refugees and Host Communities join forces in the Misizi Marshland to improve their livelihoods](#)

Figure 2: Family size distribution and grant sizing



Household transfers were split into two installments delivered one month apart, with the first designed as a ‘token’ transfer to establish that the recipient could successfully receive and withdraw funds (20% of grant, ~\$130), and the second providing a ‘bulk’ payment to enable investment (80% of grant, ~\$530).

To mitigate risks of tension between refugee and Rwandan host communities, we also delivered cash transfers to villages in proximity to the Mugombwa refugee camp through our standard, non-refugee programming. We synchronized delivery timelines for the camp and the villages closest to it, ensuring host community households would receive cash (~\$850 per household in two installments) at the same period.

3.3. Demographic characteristics

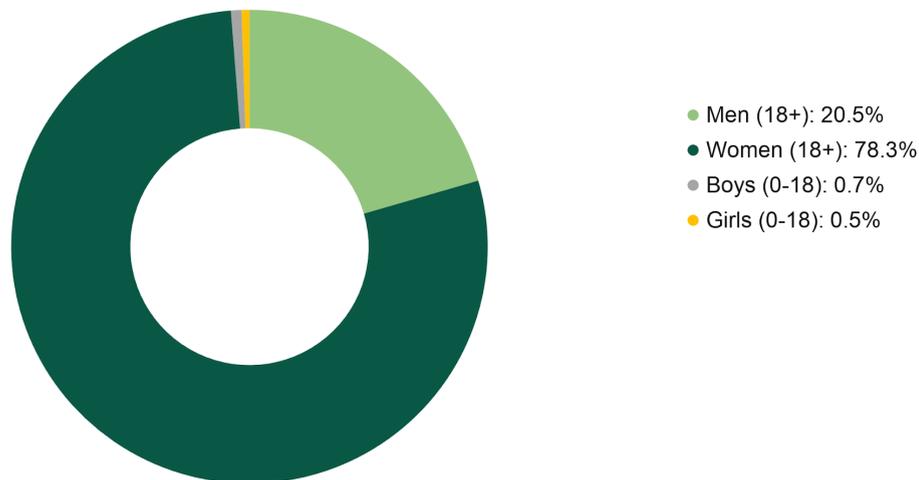
In the Mugombwa refugee camp, about four of five heads of households are women. As captured during focus group discussions, men in the Mugombwa refugee camp often choose to seek income generation opportunities outside the camp while women tend to stay in the camp to take care of the family and manage household budgets. As a result, women are listed as the household head as this enables them to collect monthly support.

Table 1: Demographic statistics of Mugombwa as of 2019

Recipient gender	Female	79%
	Male	21%
Household size	Mean	4.66
	Median	4
Arrival year	Median	2014
Household has school age children	Percentage	75%

The average recipient was 40 years old. About 1% of the refugee heads of household were minors and unable to acquire a refugee ID which was a prerequisite to being enrolled in the program. For this group, we worked with Plan International to appoint and register trustees (individuals who had shown commitment to support minors prior to the program who had refugee IDs and were willing to assist the minors with grant collection at no charge).

Figure 3: Refugee demographics for heads of households



3.4. Market interventions

Markets in Mugombwa and surrounding areas were found to be sufficient for refugees to access and make desired purchases, according to a February 2019 market assessment conducted by GiveDirectly and UNHCR. This assessment, informed by focus group discussions with refugees, market visits, and meetings with district leaders, led the team to conclude there was no need for preemptive market interventions.

3.5. Unconditionality of the transfers

GiveDirectly and UNHCR agreed that the transfers would be unconditional (i.e. enable each refugee household to make unconstrained choices about how to invest their transfer). The program was communicated to recipients as an opportunity to improve their livelihoods and attain self-reliance.

3.6. Coordination

This program was conceived and designed in close partnership with UNHCR Rwanda; who also doubled as partial funders of the program; the Government of Rwanda Ministry of Emergency Affairs (MINEMA), including the Mugombwa camp management team; and District-level local government of Gisagara. Throughout delivery of the program, we engaged closely and leveraged the work of other UNHCR protection partners, most notably Plan International Rwanda and Humanitarian Inclusion who provided protection services to child-headed households and other vulnerable groups to ensure they safely received the cash.²⁵

3.7. Updates to program design - Refugee ID uptake

At the time of project launch, only 37% of households in Mugombwa had refugee identification. The launch coincided with a new government directive that made it compulsory for refugees wishing to open mobile money accounts to hold a refugee ID. Previously, the UNHCR-issued Proof of Registration document (provided to refugees

²⁵ See appendix for details

upon their registration at a camp) was used to register mobile money accounts. While MINEMA was unable to waive the refugee ID requirement for this project, they committed to fast tracked refugee ID processing.

GiveDirectly coordinated closely with UNHCR, and the National ID Agency (NIDA) to accelerate ID registration for all refugee heads of household (approx 1,500 individuals) in the camp who did not already hold one. To achieve this, we:

- Set up a help desk in the camp and mobilized refugees through public announcements to report issues acquiring IDs.
- Supported NIDA in analyzing and mapping help desk data to NIDA's database; grouped cases into support requirements categories (e.g., requiring biometric data collection; lost ID pending replacement).
- Coordinated with MINEMA and NIDA to get the human and financial resources required to speed up the refugee identification activity.
- Coordinated with NIDA to get status updates on existing refugee ID requests which in turn fast tracked the process of receiving refugee IDs and ultimately sped up the payments to recipients.

Throughout implementation, the share of heads of households who held refugee IDs grew from **37%** to **99.46%**. While this policy extended the project timeline, we were able to drive swift uptake in refugee IDs, unblocking future payments.

This significant increase in refugee ID holdership has benefits beyond our program. According to the Comprehensive Refugee Response Framework (CRRF) adopted by Rwanda in 2016, refugee IDs also give holders the opportunity to buy into the national healthcare insurance system, improved access to the national educational system as well as access to travel documents, resulting in higher employability and freedom of movement.

3.8. COVID-19 pandemic

As part of the preventive measures to stop the spread of COVID-19, the Government of Rwanda imposed a lockdown on non-essential activities throughout the country (including within the refugee camps) between March and June 2020. As a result, we made several adjustments to our field operations in March 2020:

- Made all field enrollment and survey activities remote (including the 'endline' survey presented later in this report) through our call center.
 - Remote surveys were conducted by highly trained GiveDirectly teams. Each team member had experience conducting field in-person surveys and spoke the recipients' language. They were equipped with a survey script to help guide the conversation with recipients and collect feedback accurately.
 - This transition took four days to plan and implement. The change in process was communicated to refugees using a pre-recorded megaphone message and through camp management.
 - Adapted the endline survey questions to gather insight on the effects of the economic restrictions on refugees' livelihoods.

3.9. Monitoring and evaluation design

High level design

The evaluation for this project combined a straightforward 'before-after' design that tracked self-reported outcomes for a sample of recipients through surveys, with monitoring and qualitative data. There was no control or comparison group who did not receive transfers.

Survey design

Three surveys provided the bulk of the monitoring and evaluation data presented in this report. The implementation

of these surveys is described in sections 4.2 and 4.4.

1. A baseline survey of a sample of recipients conducted by GiveDirectly staff as part of the registration step
2. Follow-up surveys conducted by GiveDirectly staff after each transfer was sent to a recipient
3. An endline survey of a sample of recipients conducted by GiveDirectly staff after the final transfer had been delivered.

Survey sampling

The baseline survey sampled 25% of recipients at random. This randomization was conducted within the survey itself and there was no sample stratification. Recipients who were sampled to complete the baseline survey also formed the sample for the endline survey. A 25% sample size provided 99% confidence that survey estimates were within 5% of the true population mean. The final sample size was 584 refugees who completed both the baseline and endline surveys.

Data collection and analysis

GiveDirectly field officers and call center agents collected survey data through the Ona survey platform. Registration surveys were complete face-to-face, while follow-up and endline surveys were largely conducted over the phone. Microsoft Excel was used for survey data analysis.

Field-based monitoring included a complaint and reporting desk within the camp, and inbound, toll-free call center hotline.

In addition, two joint field scoping missions undertaken at inception by GiveDirectly and UNHCR staff provided data for the evaluation. These scoping missions comprised:

- Focus group discussions with refugees
- Meetings with camp leadership and local leaders
- Market surveys
- Regular meetings with UNHCR livelihood and protection teams

The focus group discussions completed as part of the field scoping missions were designed to capture the views of different partners and demographic groups in the camp. These included the Government of Rwanda camp leadership, refugee leadership, payment providers in the camp, and refugees themselves (including men, women, youth, and persons with specific needs). GiveDirectly field staff underwent qualitative research training before conducting the focus groups and applied a common discussion guide. Focus group discussions were audio recorded, transcribed verbatim, and translated into English, before being coded and analyzed thematically.

Ethical considerations

Participation in the program was voluntary, and recipients provided informed consent as part of the registration process. The baseline survey was integrated into the registration process, and participation in the endline survey was voluntary. The following statement was read to evaluation participants before starting the endline survey:

“GiveDirectly are conducting this survey as part of research into the cash transfer program delivered to recipients in Mugombwa refugee camp Gisagara district. The purpose of this survey is for research only. There will be no further transfers delivered to any households who have already received from GiveDirectly. The purpose of this research is solely to understand recipients' experience of the GiveDirectly program, and the impact that the program has had. There are no right or wrong answers, simply answer the questions as truthfully as you can. Results from this research will be published anonymously, disguising your identity. Taking part in this research is entirely voluntary. You can refuse to take part in this survey at any time.”

Limitations

All surveys were administered by GiveDirectly staff. Despite the assurances provided as part of the introduction to the endline survey, this may have influenced the answers provided.

It is important to note that there was no 'control' group of refugees who did not receive cash transfers in this evaluation, and it can therefore provide only indicative or directional evidence of impact. The ongoing study of cash transfers in the Kiryandongo settlement in Uganda, which utilizes a randomized controlled design, independent data collection and analysis, will provide more robust, causal evidence of the impact of delivering large cash transfers to refugees.

4. Program execution

The program implementation was planned to start on 1st of January 2019 and end on 31st December 2019. After preliminary engagements and program design, GiveDirectly proceeded with field implementation using a field team stationed in Huye district who reported to the camp on a daily basis.

4.1. Program communication

In conjunction with the UNHCR and the camp management team, we shared monthly status updates and received questions from refugees at camp-wide meetings. These mass meetings - a regular event at the camp - were attended by all refugees, and were particularly effective in ensuring refugees were informed of upcoming implementation steps and requirements. On multiple occasions, they also served as a forum to discuss refugees' concerns (i.e. discussion around the impact of refugee ID registration distribution timelines on grant distribution timelines).

As part of the communication process, mechanisms were put in place to maximize program understanding and effectiveness, including:

- Using the different phases of the enrollment process as messaging touchpoints for project details and safety protocol (e.g. advice against pin sharing).
- Setting up a Complaint and Feedback Mechanism (CFM) desk and a hotline that refugees could reach out to for inquiries and to report issues.
- Distributing FAQs containing key information about the program (e.g. timelines, intent, fraud prevention, requirements, etc.) and contact information.
- Holding regular meetings with other in-camp implementing partners to learn more about the camp context, understand special needs group dynamics and particularities and seek their input.
- Implementing pre-transfer SMS messaging for every recipient 72 hours before receiving their transfers. This acted as a reminder and ensured they would contact us should they meet difficulties accessing their transfer.

4.2. Enrollment

Registration and Baseline: Households were registered based on the eligibility list of refugees provided by the UNHCR prior to the start of enrollment. This list included all approved refugee households of the Mugombwa refugee camp, as well as additional identification details such as the household and head of household Proof of Registration (PoR) numbers, gender, and family size.

To be enrolled, each refugee household was visited by one GiveDirectly field officer at this stage. We followed a standard registration process including details confirmation, program and timelines communication, recipient consent collection, and phone distribution. We supplemented this process with a baseline questionnaire that would serve a program evaluation intent.

Audit: The audit process consisted of a second household visit (by a different field officer), and aimed to reshare project related information (e.g. transfer timelines, transfer sizing), answer refugees questions, and share mobile money usage details, with safety guidelines around phone and mobile money account management. The audit process acted as a verification phase to ensure:

- The household head received sufficient information and was comfortable applying guidelines
- The registration field officer was complying with GiveDirectly safeguarding directives during recipient enrollment
- The recipient was proficient with mobile money usage and safety protocols
- The recipient was aware of different ways to contact GiveDirectly should they need to

Audit was held approximately 30 days after registration for 100% of registered households.

4.3. Payment process

SIM registration: With support from MTN, we organized +10 SIM registration exercises to allow refugees with IDs to

activate their mobile money accounts. Initially, we planned for one round of SIM registrations for all enrolled recipients. However, following the ongoing ID distribution process, we opted to hold regular SIM registrations to progressively register ID holders.

In May 2019 (before beginning SIM registrations), each MTN agent in and around the camp received a code of conduct training delivered by the UNHCR protection department to ensure full compliance with UNHCR protection rules.

Payments: Cash transfers were sent through a digital payment system to recipients' MTN mobile money accounts. Once received, the cash could be withdrawn from any MTN mobile money agent. In this 'cashing out' process, each recipient exchanged digital cash for liquidity (physical cash). To protect against liquidity constraints and improve recipient experience, we:

- Worked with the service provider (MTN Rwandacell) to ensure mobile money agents had sufficient liquidity to service refugees during cash transfer week by sharing payment plan details in advance.
- Put in place crowd management systems at cash out locations which allowed for fast and stress-free cash collection by the recipient. These systems included:
 - Coordinating a mobile money agent deployment plan ensuring that all quarters in the refugee camp were served by a minimum of 3 agents.
 - Setting up a first come, first served ticketing system at the main cash out locations to allow for smooth and frictionless withdrawal of cash by refugees.
 - Creating waiting areas with sheds and benches to avoid people queuing in the sun.
 - Arranging prepayment guidelines review session with our field officers that promoted mobile money security, best practices and safety tips.
 - Distributing fliers with FAQs and hosting community meetings on mobile money usage and safety tips
 - Ensuring help desk availability to report any difficulties or incident

4.4. Follow up and endline surveys

Follow-up: Following each transfer, refugee households were contacted by our follow-up team through in-person visit or call center based discussion. The follow-up mechanism reviewed and confirmed:

- That cash transfers had been received in full by the intended recipient
- That the refugee's experience throughout project execution and during cash out was compliant with GiveDirectly's standards
- Staff compliance to the GiveDirectly recipient respect and sexual harassment prevention protocol
- Refugee spending choices

Endline: In March 2020, we had completed 93% of the cash grant distribution and began a field-based endline survey for all 584 baselined recipients²⁶ (see Figure 4 for details on project timeline). However, as COVID-19 pandemic spread, the Government of Rwanda implemented safety measures including a strict stay-at-home policy throughout the country, also valid in refugee camps. We then opted to conduct the endline through a call center, and also used the opportunity to hear from refugees on the impact of the COVID-19 restriction on their day-to-day livelihoods. As per Figure 5, 79.8% of baselined recipients went through an endline between 6 and 9 months after they had received payments. Due to delays related to refugee ID registration, 20.2% went through the endline less than 6 months after they received funds but had made spending decisions by the time of the endline.

²⁶ 81% of the total endlined recipients were women vs. 19% male

Figure 4: Project timeline

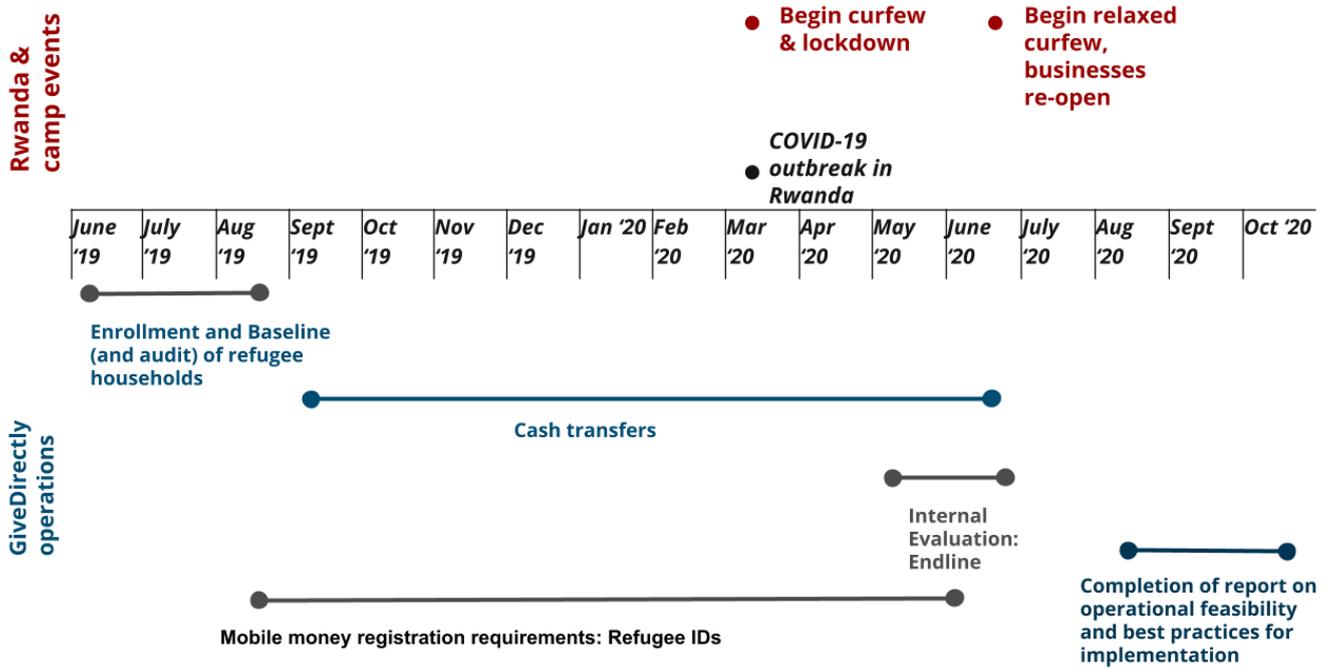
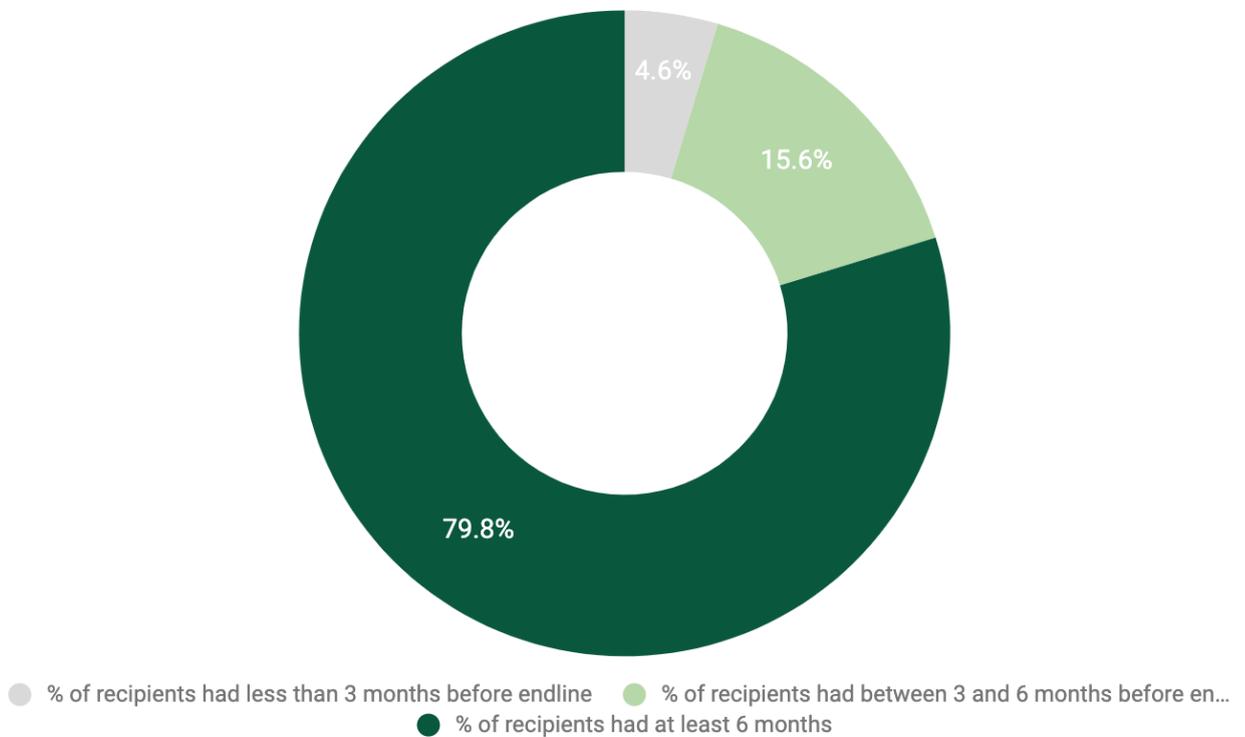


Figure 5: Time between payment and endline

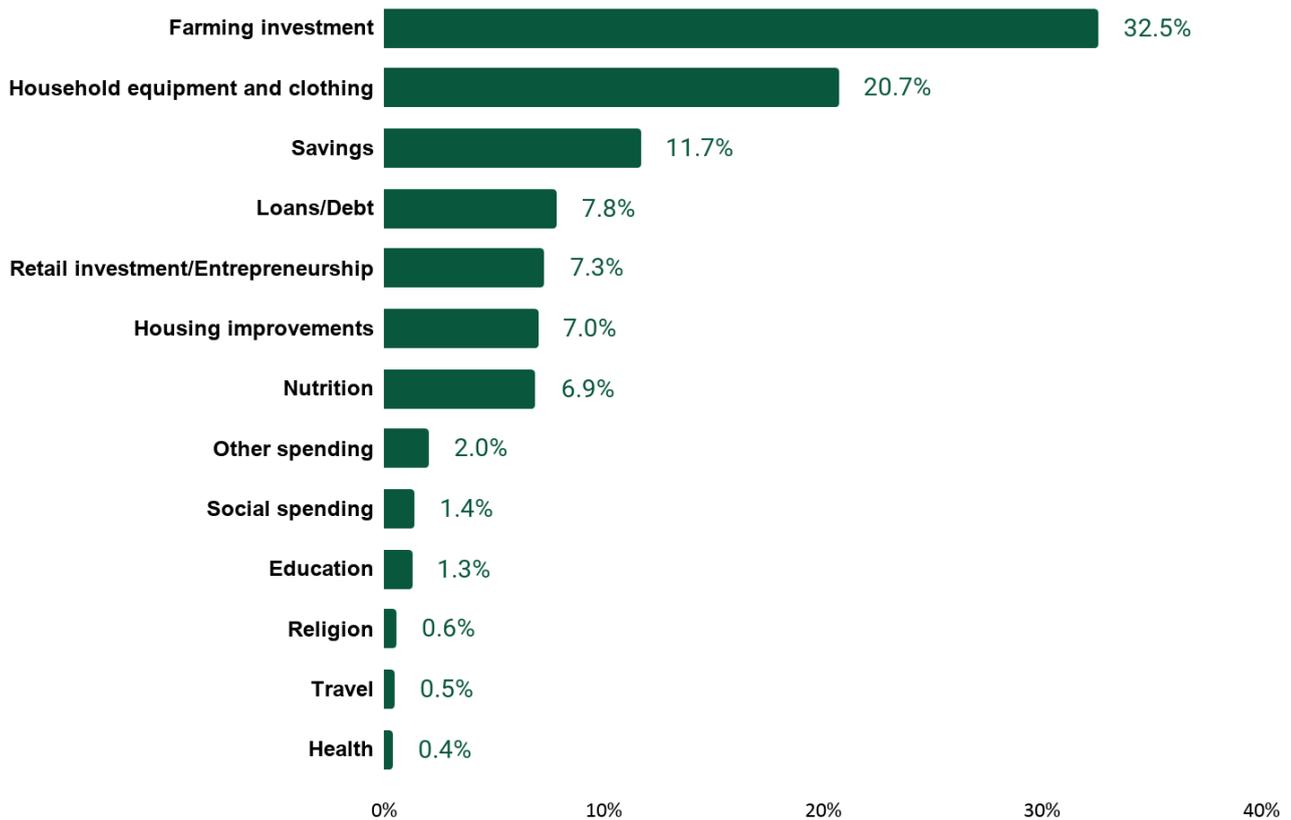


5. Results

5.1. Recipients used cash transfers to make a wide range of investments

Self-reported data shows that recipients spent both on long term investments (e.g. farming investment) and on short-term needs and consumer driven categories (e.g. household equipment and clothing). Figure 6 shows the average spending as reported by recipients (e.g. refugees reported spending 32.5% of their transfers on average on farming investment).

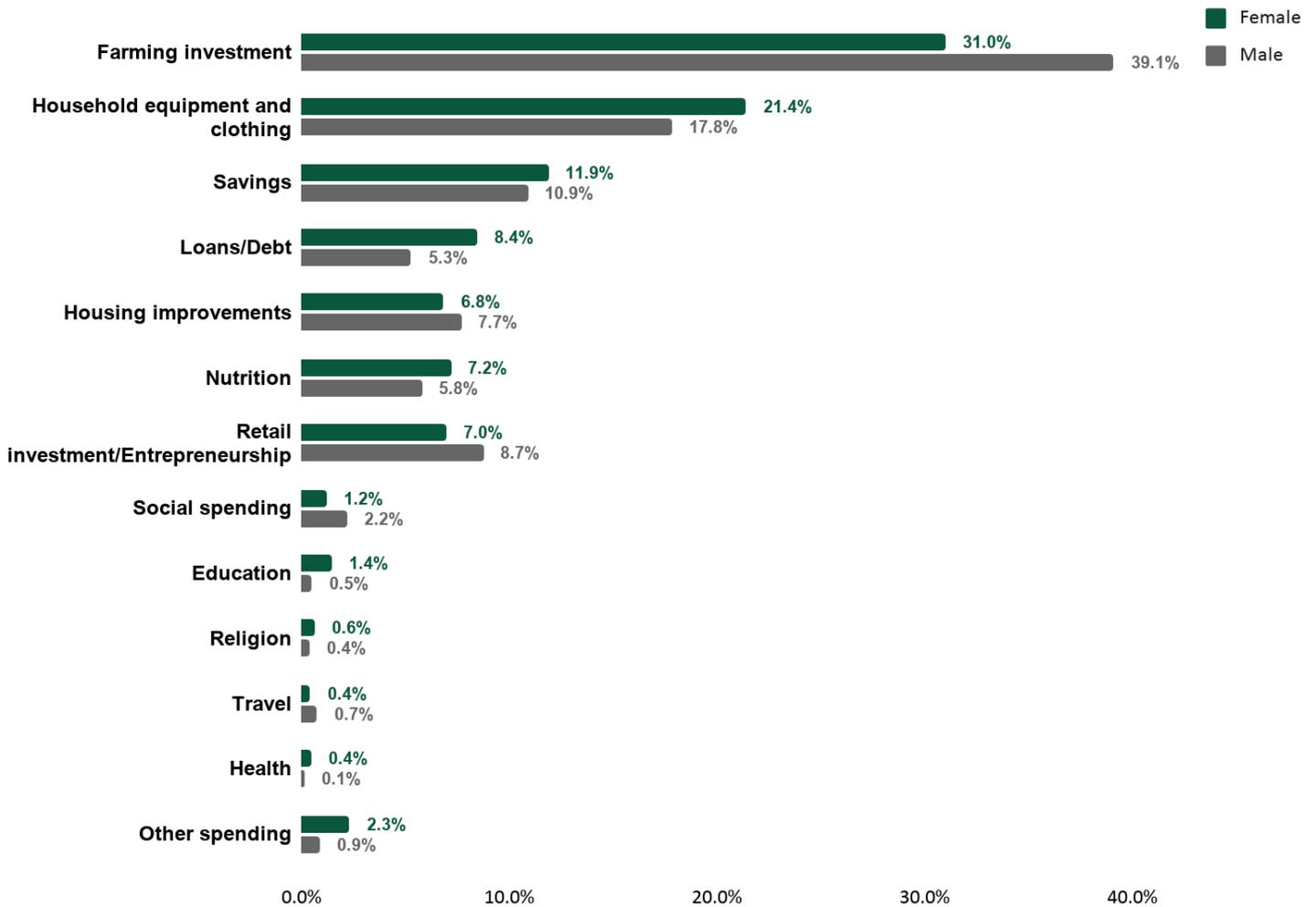
Figure 6: Self Reported Recipients Average Spending



We also reviewed spending choices based on:

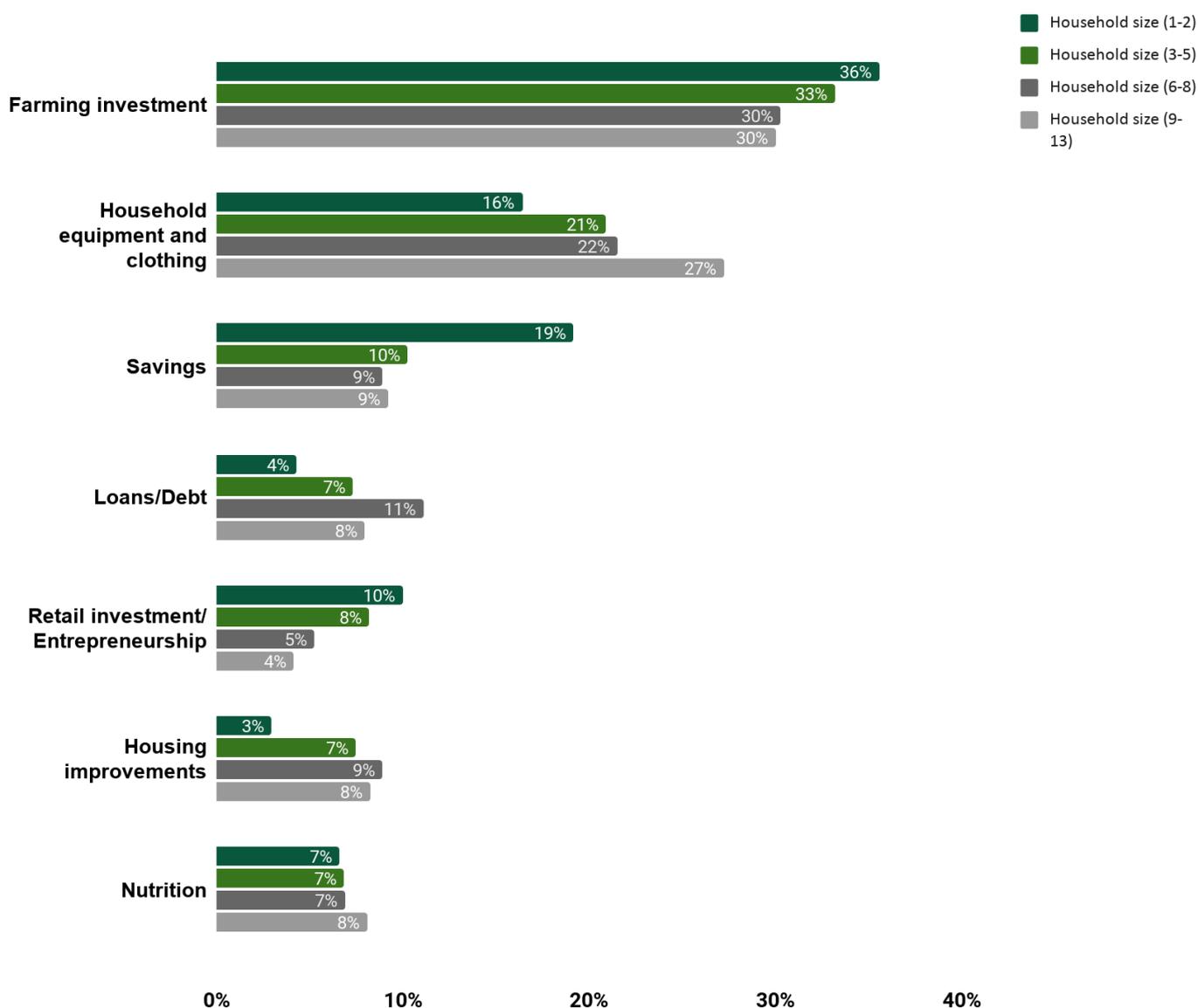
- **Gender:** Women spent slightly more on immediate household needs, whereas men spent slightly more on longer term investments (see Figure 7). Differences were modest -- many women reported investing in farming, and many men reported investing in household goods. These slight differences were consistent with initial focus groups discussions where men reported they would be more likely to leave the camp and look for external sources of income (e.g. farming land, starting a shop in town), while women reported they would prefer to stay in camp and take care of family needs.

Figure 7: Gender differences in self-reported average spending



- Household size:** Smaller households allocated proportionally more of their transfer to longer term investments (e.g. farming, retail and savings; see Figure 8). Larger households spent a higher percentage of their transfer on household goods and clothing and debt repayment. Interestingly, household size drove little variation in the proportion of transfers spent on nutrition. Overall, the differences in spending between households of different sizes were sometimes larger than the differences in spending between recipient genders.

Figure 8: Differences in self-reported average spending based on household size



5.2. Recipients used cash transfers to accelerate their path towards self-reliance

Longer term investments represented over half of spending:

- **60% of spending was on savings and longer-term investment** - household equipment, livestock, retail; or human capital investment, such as education. Note: Within the livelihoods category, refugees invested substantially more in farming related activities than they did in retail or entrepreneurship.
- **32% of spending was on immediate needs** - food and clothing.
- **8% of spending was on debt repayment**

There were some differences in reported spending across the two installments. Many refugees reported using at least some of the first smaller grant installment to repay household debts. 81% of recipients reported using some of their cash transfers to repay food debts that they had contracted prior to the grant distribution, highlighting the extent to which refugees rely on food debts to meet their basic food consumption requirements in addition to the

food support provided by the UNHCR and WFP. Anecdotal feedback from refugees suggests that becoming debt-free relieved a considerable psychological burden, enabling them to focus more easily on improving their livelihoods.

One recipient summarized the variety of impact the transfers had:

“ We had many needs and bought food first because the monthly cash we receive here from WFP for food is not enough for our family. We bought clothes and shoes for our children. We also renovated our shelter. We used the first payment to cover our basic needs.

For the second payment, we have a clear plan! We are going to save this money in our bank account, start looking for a good dairy cow, and then rent grazing land for the cow. Our kids will get enough milk, we will sell some and benefit fertilizer from cow manure. The grant from GiveDirectly will make our life better.”

Mukashyaka Florence

5.3. Refugees reported improvements in a range of economic and financial inclusion outcomes

Post transfers refugees reported improvements in a range of economic and financial inclusion outcomes. However, there was little change in education, health and community outcomes. Each group of outcomes is explored in greater detail below.

Table 2: Reported changes at endline

	Baseline	Endline	Change over time
Economic outcomes			
Reported an increase in assets vs before transfers	-	100%	n/a
Reported an increase in income vs before transfers	-	98%	n/a
Reported an increase in day to day consumption/spending	-	70%	n/a
Ability to meet basic needs <u>without</u> humanitarian support	11%	11%	0%
Access to employment	29%	48%	18%
Education²⁷ and health			
Primary school enrollment	96%	95%	-1%
Secondary school enrollment	90%	93%	3%
Cost a barrier to accessing healthcare	4%	2%	-2%
Financial inclusion			
Mobile money adoption	64%	97%	33%
Intent to use mobile money in the future	-	97%	n/a
Community			
Feel safe at home	99%	97%	-2%
Feel safe in the community	94%	92%	-1%
Limited or no community support	26%	34%	9%

Economic outcomes

- All refugees reported increases in assets post transfers. Similarly, almost all refugees (~98%) reported increases in income post transfers.²⁸ Furthermore, 70% of refugees reported that their day to day

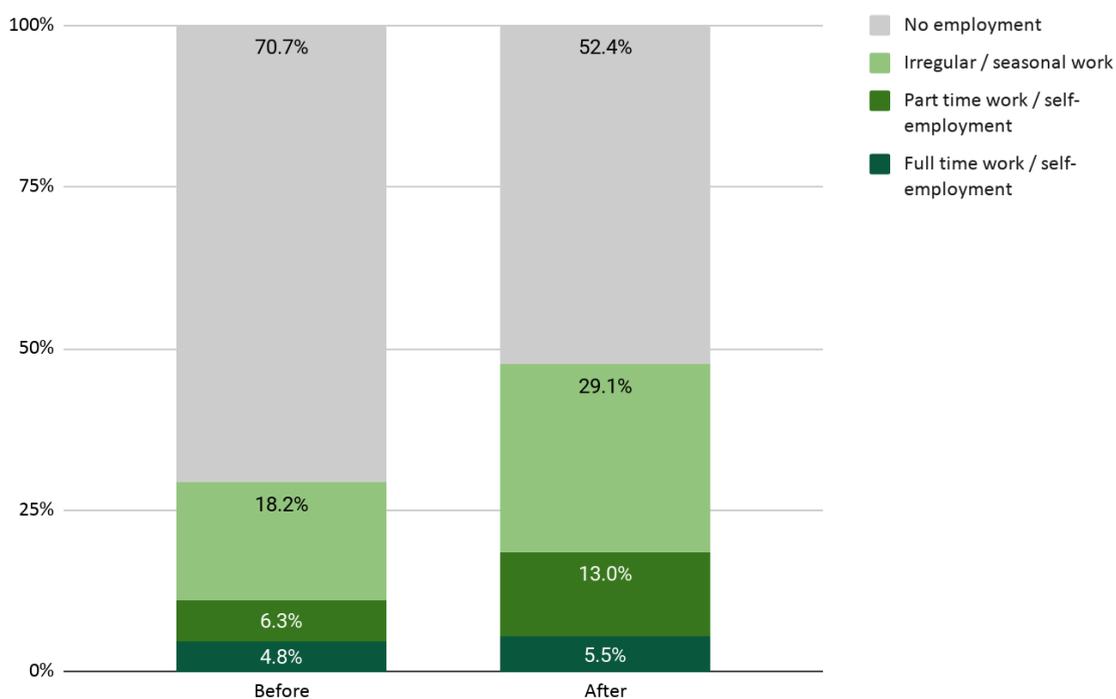
²⁷ Schools were closed between March and September as part of the COVID-19 prevention measures. Radio-based learning has been implemented but without clear supervision.

²⁸ 98.3% reported an increase, 0.5% a decrease and 1.2% said it had stayed the same

consumption/spending had increased.²⁹ GiveDirectly collected high level data on ownership of durable and productive assets post transfers: 54.1% of total endline recipients invested in livestock and 40% of total endline recipients invested agricultural equipment.

- At baseline, relatively few refugees reported being able to meet their basic needs without humanitarian support (11%). This proportion was unchanged at the endline. Historically, refugees have been wary of being taken off support if they report being self-sufficient. Hence, it is not surprising that we did not see substantial improvement in this measure. However, the reported increase in day-to-day consumption (despite the recent decrease in economic activity due to COVID-19 restrictions) suggests that many refugees are better able to meet basic needs than before they received transfers. This is supported by results from our work in Kiryandongo Uganda, where respondents who received large, unconditional cash transfers prior to the lockdown had marginally stronger food security than households who have not received them yet.³⁰
- The proportion of respondents in some form of employment increased by 18 percentage points overall (see Figure 9). The change was largely driven by a growth in part-time work, self-employment and seasonal work.³¹ Seasonal variations in employment were eliminated as we compared baseline data collected May 2019 with endline data collected in May 2020.

Figure 9: Employment comparison before and after GiveDirectly transfers



Financial inclusion outcomes

- Almost all recipients (97%) reported using mobile money at the endline, as this technology was used for delivering the transfers. Only 64% reported using mobile money at baseline, indicating a 33 percentage point increase in financial inclusion.
- Almost all recipients (97%) reported that they intended to continue to use their mobile money accounts, given the safety and practicality they offer as highlighted by the recipient story below:

"...before I didn't use MoMo because I didn't have any money. The good thing about using MoMo is that it is

²⁹ 24% reported no change, 6% a decrease

³⁰ [IDInsight, 2020, Cash transfers and COVID-19: Experience from Kiryandongo, Uganda](#)

³¹ The increase in cash circulation generated more economic activity which in turn increased seasonal employment e.g. temporary transportation hires, temporary agricultural jobs etc.

so accessible. It is like having cash in your hands. When I am in Kabuga and I need to buy something I just withdraw and pay for it.”

Muzamuzi Urimube

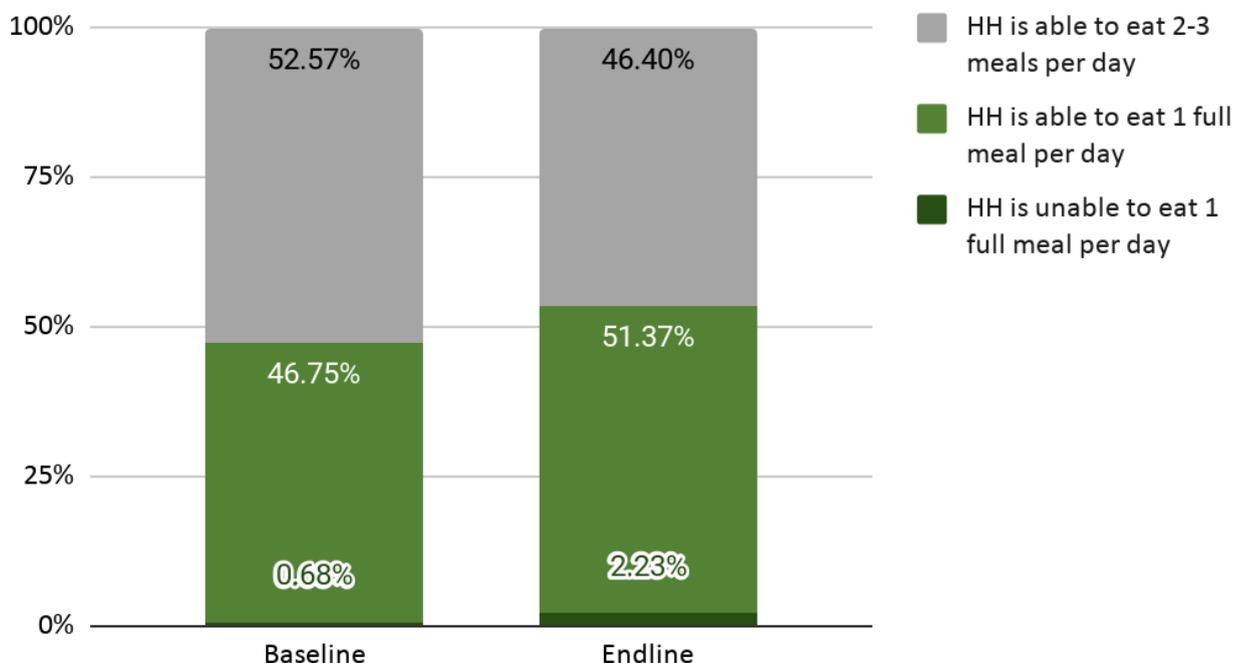
Health and education outcomes

- We recorded small changes in health and education outcomes. Refugee status provides recipients with health and education coverage for free;³² only special care treatments (e.g. elective procedures/non-life threatening procedures) and private school tuition are excluded from the package. As many refugees already had sufficient support in these areas, they did not choose to invest towards them.
- In response to the COVID-19 crisis, free healthcare provision was reinforced and schools were shut down. This had the effect of ‘freezing’ school enrollment status as the school year has yet to finish.

Nutrition outcomes

- The outbreak of COVID-19 negatively impacted nutrition outcomes: 9% of surveyed recipients reported using meal intake reduction as a coping mechanism during the lockdown period. When comparing meals intake frequency between June 2019 and June 2020 we observe i) a 5% drop in households who reported being able to eat 2-3 meals per day and ii) a 1.5% increase in surveyed recipients who reported not being able to eat one full meal per day (see Figure 10).
- While we have not registered positive nutrition outcomes there is reason to believe that GiveDirectly’s grant program has helped alleviate the negative nutrition shocks imposed by the pandemic: 94% of surveyed recipients reported using pre-existing support (including the GiveDirectly grant) as coping mechanisms during COVID-19 crisis.

Figure 10: Nutrition outcomes before and after cash transfers



³² At baseline school enrollment was almost universal for primary school (96%) and secondary school (90%) and only 4% of respondents reported cost being a barrier to accessing healthcare.

Community outcomes

- Perceptions of safety were very high at baseline (99% at home, 94% in the community) and changed very little between baseline and endline.
- We recorded a 9% increase in the proportion of recipients who reported limited or no social support. This was likely due to the COVID-19 constraint measures which left many refugees unable to maintain contact with the host community and with a lesser ability to exchange economically with them (e.g. no ability to get supplies from outside the camp and less flexibility from retailers to give short term loans).

5.4. Recipients reported cash transfers offered support to adapt and withstand shocks

The COVID-19 pandemic and its economic impact have affected refugees' lives and triggered a series of coping strategies, from using existing savings to selling assets and reducing meal consumption in order to meet basic needs (see Table 3).³³

Table 3: Insights into refugees coping mechanism for COVID-19

COVID-19 Coping mechanisms	% of recipients reporting (out of 584 surveyed)
Used pre-COVID-19 humanitarian (incl GiveDirectly transfer)	94%
Used personal savings	28%
Used salary as they were still employed	18%
Reduced meal consumption	9%
Sold income generating assets	2%
Used COVID-19-related humanitarian assistance	1%
Sold non-income generating assets	1%
Resorted to begging	1%
Returned to camp	0%
Used Government aid	0%

Almost no refugees received COVID-19-specific humanitarian aid, further explaining why pre-existing support was used as a financial cushion to cover for temporary shortfalls.

Close to 1/5 of refugees were able to maintain an employment status during the crisis and used their salary to meet needs during this period.

Overall reported data show that during the lockdown period, refugees were not self-sufficient and used available resources to cater to their needs. In this context, the pre-COVID-19 humanitarian support which included GiveDirectly cash transfers appears to have been a practical recourse.

5.5. Recipients reported a strong preference for cash over in-kind support

To further understand the refugees' perception of cash, we asked recipients whether they would prefer to receive cash, or other in-kind type of support (e.g. food, livestock) of the same value. 100% of recipients stated that they would prefer cash. Some reasons shared included the following:

"... when you have cash you purchase anything you want like livestock, a plot of land and other stuff. Because every human being has different preferences and choices. Cash is better than forms of support."

³³ Food prices rose by [17.4%](#) country-wide compared to previous year which could explain why refugees relied on savings, selling assets and previously received aid to cope with COVID-19 hardship.

"When you are given cash, you purchase according to your desire and choices. But when you're given items it tends to limit your choices and preferences."

"...If they give me other items like clothes and food items might not match with my daily needs. while a cash grant can allow me to buy the things I want or help me start my own business. For example I shifted to Musanze to start a business. it was easier for me to move with cash rather than moving with other items."

"The reason I prefer cash over in-kind support is that cash allowed me to pay loans, start my small business and purchase home equipment like mattresses, blankets, bedsheets and others."

"...cash grant is very essential because it gives you unlimited choices in order to meet your personal needs."

6. Operational feasibility

6.1. *It was feasible to deliver large transfers to recipients in the Mugombwa refugee camp effectively and efficiently*

Between September 2019 and July 2020, we delivered \$1.5M to 2,249 households in the Mugombwa refugee camp, 99.46% of the 2,261 households registered in the camp.³⁴ We could not locate 7 heads of households during enrollment exercise (e.g. one was in jail, one returned to DRC, one changed to another camp, etc) and 5 households were never located at pay and were never allocated a trustee.

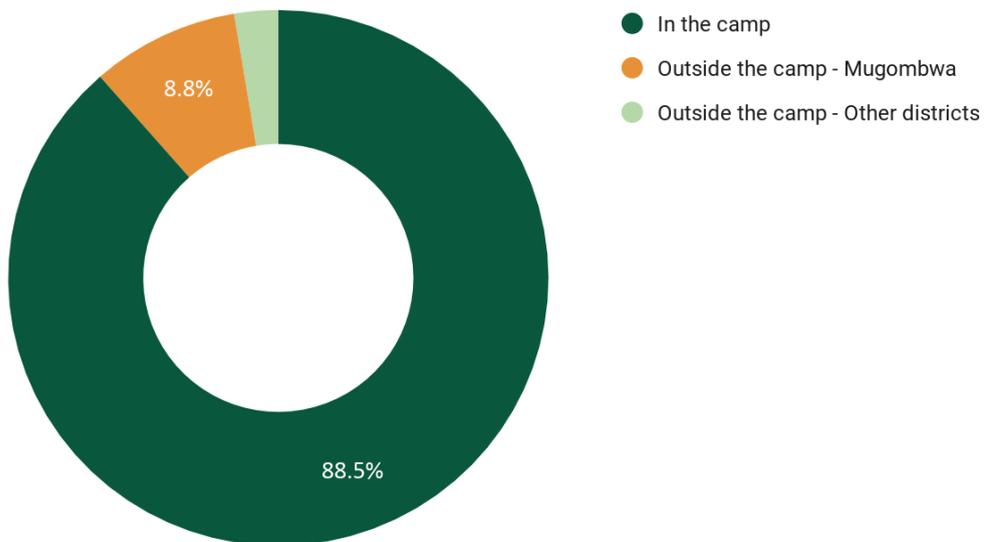
We delivered these transfers at a high rate of efficiency -- **85%** (vs. initial target of 75%). In other words, for every \$100 of total program cost, \$85 was delivered to recipients' mobile money wallets.

6.2. *Recipients could safely and easily access liquidity through digital cash transfers*

We collected feedback from every recipient after each payment on their experience of 'cashing out.' Almost every recipient (**99.9%**) reported that they could access liquidity without any issues. A very small number of recipients reported that agents did not hold sufficient liquidity, but in each case this was resolved within a few hours.

97.3% refugees reported withdrawing cash within or near the camp. The remaining refugees withdrew from other localities (see Figure 11).

Figure 11: Cash withdrawal place



6.3. *Few adverse events were reported by refugees*

Very few negative incidents resulting from cash transfers were reported by refugees during post-transfers surveys:

- a) **Theft cases:** Less than 5% of recipients reported any theft or loss (almost all relating to a phone or SIM card) and <0.1% reported theft of cash. All stolen SIM cards were replaced for free before mobile money registration. Upon replacement, the recipient received a refresher course on safety guidelines.
- b) **Fraud or bribery:** There were no fraud or bribery cases reported throughout the project. We took an intensive and proactive communication approach to recipient safeguarding and mobile money account

³⁴ [~10,669 indirect beneficiaries](#)

protection. Every recipient received an in-person review of safety guidelines, outlining that recipients did not owe anyone for being enrolled in the program, and that they should report any person implicitly or explicitly requesting a gift or favors due to their participation in the program. As part of these sessions, we probed recipients to measure their understanding and fill gaps in knowledge with more information.

The process also covered safety tips for recipients to create and keep their mobile money account safe. For example: *“Never leave your phone unattended, and if you must, remove the sim card to ensure no one can access your account without your consent. Also, never share your PIN code as anyone with it can access your cash.”*

In parallel, we also organized multiple code of conduct compliance training sessions for MTN agents and GiveDirectly staff.

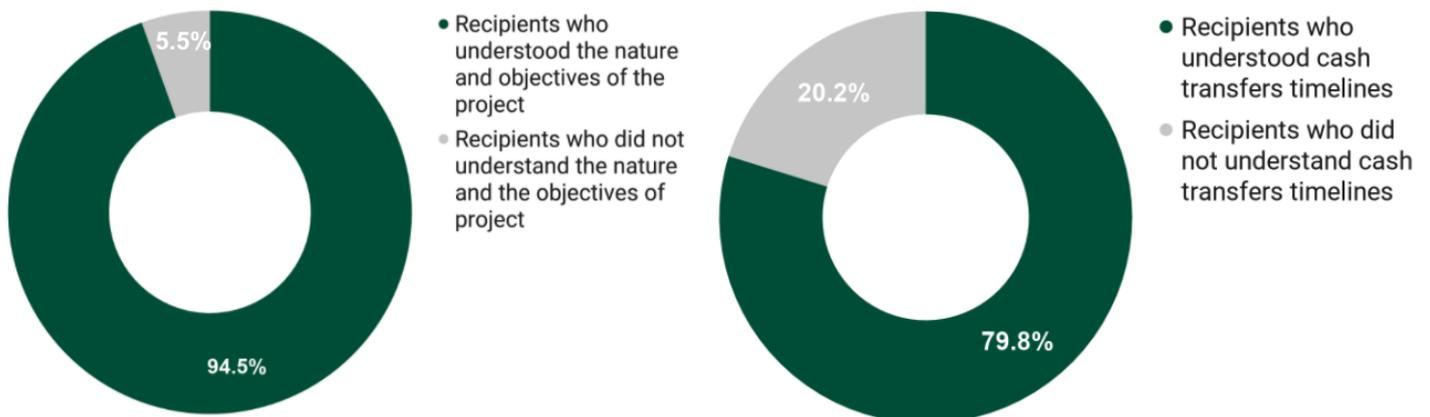
6.4. Recipient comprehension was high despite program delays

Despite delays from the new refugee ID requirement for mobile money registration, recipients maintained a good understanding of the core aspects of the program including the nature of the project, its objectives, and its timelines. Some questions asked to assess recipients’ understanding were:

- *“Do you understand GiveDirectly’s approach for choosing eligible households within the camp?”*
- *“Are you allowed to spend money on anything you choose?”*
- *“Do you owe anyone anything for being enrolled in the program?”*
- *“Do you know the amount and timing of your grant?”*

These questions were asked after households received their first installment and based on the answers received, we were able to identify and close any gaps in recipients’ understanding of the program (see Figure 12).

Figure 12: Recipient comprehension of program timelines, nature, and objectives³⁵



³⁵ We minimized the confusion and possible rumors on timelines through regular updates at mass meetings, via a Complaint and Feedback Mechanism (CFM) desk and Call Center agents.

7. Conclusion

Refugees in Rwanda have the opportunity but not the means to achieve self-sufficiency. Although Rwanda's refugee policies are among the most progressive in the world, most refugees continue to rely on humanitarian aid to meet their most basic needs.

Against this backdrop, GiveDirectly, in partnership with the Government of Rwanda and UNHCR, kicked off a new initiative to provide large lump-sum cash transfers to refugees in Rwanda, aiming to increase economic opportunity for refugees and reduce their reliance on humanitarian assistance. The program, first of its kind in the country, looked to test whether delivering large lump-sum cash transfers, as opposed to monthly subsistence payments or in-kind aid, could enable refugees to jump start a better life.

Based on the insights derived during project implementation, we can draw five key conclusions:

- **Cash transfers generate a wide-range of positive outcomes and immediate improvement in recipients' lives:** Post transfers i) 100% of surveyed recipients reported increases in assets, ii) 98% of surveyed recipients reported increases in income, iii) 81% of surveyed recipients reported using the transfer to pay down debt and iv) 70% of surveyed recipients reported increases in day to day consumption and spending.
- **Cash transfers have the potential to accelerate the path towards self-reliance:** 60% of transfers were spent on long-term investments, providing a plausible path to sustainable self-reliance.
- **Cash transfers offer recipients the flexibility to adapt and withstand shocks:** Cash can provide refugees with a critical financial lifeline in unstable environments. 94% of the recipients surveyed at endline reported using pre-COVID-19 aid (including GiveDirectly transfers) as a coping mechanism to weather the shocks of COVID-19.
- **Large, lump sum cash transfers are an operationally feasible means of supporting refugees in Rwanda:** 99.9% of transfers were collected without trouble. Cash withdrawal time was under 30 min for ~88.5% of transfers.
- **Cash transfers can increase the efficiency and impact of aid in refugee settings:** Large cash transfers can be delivered in refugee settings while setting a high benchmark for efficiency, in this case, ~85% (exceeding our target of 75%). All surveyed recipients reported a strong preference for cash over in-kind support.

Findings from this program, combined with the results of the RCT we are running in Kiryandongo refugee settlement in Uganda, will make a powerful case for shifting humanitarian and refugee response in the years to come. We are already seeing traction on the approach. GiveDirectly received UNHCR support to expand its refugee work in Rwanda to provide COVID-19 cash transfer support to urban refugees in Kigali and Huye.³⁶ UNHCR Rwanda is watching GiveDirectly's programs closely to inform their ongoing thinking around effective allocation of resources linked to graduation and self-reliance. Based on the lessons learned in Mugombwa, GiveDirectly is designing new projects to serve refugees in another nearby camp (Kigeme) and new geographies (DRC, Liberia and Kenya).

³⁶ The program is scheduled to launch in Q1 2021.

8. Annex 1: Further implementation details

Camp layout

The camp physical structure allowed for easy mobility and a structured approach to enrollment. Each of the households carries a household number, and all households are numbered consecutively. Households are referenced under one of the 8 quarters of the camp.

As the lists provided by UNHCR also included household numbers, GiveDirectly was able to approach enrollment in a systematic and efficient manner minimizing the time needed to locate and reach each household. In addition, we were able to share a schedule of our enrollment at quarter level, allowing households heads to better plan their availability during the enrollment session.

Complaint and Feedback Mechanism desk

The Complaint and Feedback Mechanism (CFM) desk is a physical office desk that we have installed in the camp to allow refugees to seek support, inquire or submit a complaint about the program. This location was communicated to all refugees during mass meetings and received considerable amounts of requests throughout the project, welcoming up to 100 refugees inquiries per day during cash transfer week.

Special approach to persons with specific needs (PSNs)

- UNHCR's refugee dataset references PSNs which includes any head of household with disabilities.
- We worked with PLAN Rwanda and Humanity Inclusion (UNHCR appointed legal guardians for PSNs) to identify the most vulnerable of PSNs (i.e. Minors, mentally ill individuals, and other vulnerable people), and ensured they received additional and appropriate support throughout the program.
- PSNs were allowed to designate a trustee (when required) who would help them withdraw and use the grant under the supervision of the legal guardian.
- We also designed a special mobile money registration process (e.g. registration at home for very elderly recipients).
- Follow up for all referenced PSNs was done strictly through in-person follow-up to maximize the quality of communication and detect any deviations from protection mechanisms.

Coordination

- Close collaboration with government and private sector partners was a requisite for smooth implementation:
 - Processing refugee IDs required collaboration and coordination with government agencies including MINEMA and NIDA. This was essential in opening mobile money accounts for grant delivery.
 - We worked closely with MTN to avoid liquidity constraints.
 - With the support of UNHCR and MINEMA, we were introduced to other active implementing partners who supported our efforts for a PSN-centric approach to cash programming.
- Regular communication with recipients was needed to get refugees' buy in, confirm UNHCR and MINEMA support of the project, and prevent rumors in camp:
 - We put in place a communication plan to manage expectations and messaging which involved engaging closely with local leaders, arranging regular mass meetings and distributing flyers with answers for FAQs.