



People's Perspectives of Multi-Purpose Cash Assistance for those affected by the Central Sulawesi earthquake and tsunami

In 2018, a series of earthquakes and tsunami struck the provinces of Central Sulawesi and West Nusa Tenggara in Indonesia causing significant loss of lives, displacement of communities, and destruction of physical infrastructure. Following the disasters, both provinces were supported in the recovery process by the Government of Indonesia as well as development partners. In early 2019, development partners including UNICEF aligned with the Cash Working Group in Indonesia rolled out the Emergency Multi-Purpose Cash Assistance (MPCA) Programme in these two provinces. Empatika was engaged to provide people-centred accounts of the MPCA.

Key messages people shared are that:

- » People want cash, although 'in-kind' assistance was appreciated right after the disaster before markets resumed normally. Cash expenses, either regular (e.g. gasoline) or additional expenses (as a direct result of disasters like water, cooking utensils) were incurred by families in the first few weeks after the disaster as assistance provided to most locations was sporadic, unequal and insufficient.
- » People prefer receiving cash assistance early on because i. livelihoods were disrupted and families had limited to no earnings to meet expenses, and ii. assistance cash could be used to buy what people needed to fill gaps in external aid.
- » People had limited information about the cash assistance programme. Non-recipients of the programme were typically not invited to socialisation sessions nor had clear information about programme plans. Recipients too had limited or unclear information relating to disbursement frequency and dates, and required documentation.
- » People think the house damage criteria for assistance eligibility (as is used in Donggala and Palu) is opaque with levels of damage open to interpretation. Trust in village officials to identify levels of damage correctly was low especially as people were aware of the lack of standard guidelines provided by the government. Targeting based on having young children (targeting mothers of children under 7 years old and pregnant women) seemed to be more accepted.
- » People are critical of the programme's rationale for using bank accounts as a way to encourage financial inclusion. Most people do not have savings and they do not expect to continue using their accounts in the future. Deductions made by the bank (to meet minimum balances) was also an issue of contention.



With whom did we interact?

In Central Sulawesi, we lived in two communities each in the districts of Donggala, Palu and Sigi. All six locations were recipients of the MPCA. We had in-depth interactions with 163 men and women in these communities, of whom 109 were recipients and 54 were non-recipients of the MPCA.

How we captured people’s experiences?

Using ideas and tools from participatory qualitative methods, this qualitative assessment was carried out using a mix of tools including participatory focus group discussions (pFGDs), scoping immersions, and digital storytelling (DST). Across Central Sulawesi and West Nusa Tenggara 16 pFGDs were facilitated with groups of beneficiaries (eight sessions with women and eight with men) along with seven pFGDs with groups of non-beneficiaries (mixed groups of women and men). The research approach commenced with a two-day scoping immersion in each community in order to help provide context for the research team and to get to know the communities. All teams stayed overnight in the communities they visited.



Women in Donggala Hill ranking their expenses from most to least expensive. In the center of the photo, fish is shown as a medium expenses that is one of the most important (red dots) and one that a number of women used the MPC cash for (blue dots).

Perceived Needs and Priorities

Priority: Food was one of the first priorities for most locations. People shared that one of their biggest worries after the earthquake had been providing basic food, mainly rice and cooking oil for their families. While families that owned larger paddy fields often had existing undamaged stocks of rice and were able to rely on this, those people working on others’ fields as day labourers or working in the city as waged labourers or in the service industry (restaurants, malls etc.) had a more difficult time as they did not have rice stocks at home. At the time of the fieldwork in May 2019, food remained a continuing need in most locations. People thought they would be able to fulfil this need themselves if they could resume their regular jobs.

Priority: Shelter, temporary and permanent, was noted as a priority in most locations as people needed ‘a place to stay’. Temporary options like tents and tarpaulins were not just a necessity for families who had lost their homes. Because of the continuing aftershocks, people shared that they had been afraid to go back inside their homes and could not sleep under open sky as they were worried about rain. Likewise, permanent shelter and house repairs remains a continuing priority across locations. This is not just a need for families whose houses collapsed or suffered severe damage, but even those with less severe damages explain that their houses need to be repaired before they can go back to fully using all of the rooms/areas as before.

Priority: Water was a high priority for some locations. Clean water for washing and drinking had been a problem right after the earthquake as the supply was limited and often muddier. In Palu Coastal*, where families had moved to a hilly area with no water source following the earthquake, people had to go back and forth from their homes to bring drinking water. In Donggala Coastal, the water line that supplied parts of the village had been damaged by the earthquake and people had to go to a stream two kilometres away or buy drinking water. A development organisation was supporting the community here to rebuild the water pipeline.

Cash Needs

As assistance in all locations had been sporadic and often disorganised, families had still needed cash to

Table: Priority needs immediately after the earthquake

	Priority 1	Priority 2	Priority 3
Palu Coastal	Tents, tarpaulins	Food	-
Palu Industrial	Food	-	-
Sigi Hill	Food	-	-
Sigi Lowland	Tents, tarpaulins	Food	-
Donggala Coastal	Food	Clean water (some areas)	-
Donggala Hill	Food	Tents, tarpaulins	Clean water (some areas)

	Needs that were met		Needs that were met partially
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*The report uses monikers for each location. These monikers correspond to contextual features of the study locations. The map on the cover shows the different location monikers.

Note: Compiled from participatory exercises and researcher observations facilitated with different groups in all study locations

meet their basic needs. Across the six locations, families had spent cash on food items like rice, instant noodles, and non-food items like soap, shampoo, diapers etc. even though they had received some of these items as aid. Others told us regular expenses such as utilities and repayment of loans had to be met.

Sigi and Donggala locations had also experienced short-term price increases for some items. For example, there had been temporary 25%-38% increases in the price of rice and Donggala had experienced 43%-51% increase in the price of cooking gas. Additionally, having to travel outside the village to look for assistance also meant that people in the Sigi and Donggala locations had spent more than usual on gasoline. People noted gasoline as an immediate need after the earthquake and recalled their frustration as it was not readily available in local kiosks and they had to pay exorbitant prices when they could find any.

The need for cash remains but reflects the changing needs of families. Across locations people explained that cash is necessary for *'just about everything'* especially since income-earning activities for men and women in the study locations have not been fully restored after the earthquake. Most people in the study locations are waged workers earning money on a daily basis (for working in construction, mining or also as hired farm labourers). Others who are farmers have been witnessing a steady drop in crop prices since before the earthquake. Those who felt responsible for meeting their own family's basic needs explained that they will be able to do so if their cash-earning opportunities resumed. For most, this means having/ resuming paid jobs like the ones they had before the disaster.

Market Situation

Kiosks and markets had re-opened within a few days to two months of the earthquake, depending on the damage and availability of stocked goods. In all locations, people have long-standing credit arrangements with local kiosks where people have been buying rice, snacks and other non-food items



A father in Sigi Hill placing his current needs according to those that have been fulfilled or not fulfilled as part of his group's ladder of needs.

like soap, shampoo, cigarettes and gasoline with an understanding to pay later when they have some cash. After the earthquake and tsunami, however, some kiosks in Sigi Lowland and Donggala Coastal which had allowed credit before had put up *'no credit'* signs in their kiosks. One kiosk owner in Donggala Coastal explained that she *'can only re-stock goods if I have money'* and giving things to people on credit under the current situation meant this would not be possible.

People's experience of MPCA

Wahana Visi Indonesia (WVI) implemented three different cash transfer programmes in the three study locations of Central Sulawesi. The cash transfer programmes have different criteria for eligibility and exclusion, cash amount, modality of the cash transfer and distribution frequency. With the exception of Donggala Hill, all other study communities only received MPCA from one organisation. In Donggala Hill those who had been excluded on eligibility grounds (i.e. the extent of damage to house) were later provided with IDR 1.5 million from a second organisation (Oxfam).

The ToR for this study asks:

'Was the rest of the community properly informed about the purpose and eligibility criteria of the cash assistance?'

'The whole community should have information about the programme' was a sentiment echoed across some locations. Where non-recipients had knowledge about the cash assistance programme, this was not through direct interaction with the programme but informal conversations between neighbours, friends, relatives or village officials. Non-recipients in Palu Coastal explained that they had been expecting to be invited to the socialisation but had later heard from neighbours and others that the socialisation was only for those who had their names on the damaged houses list and others should not attend. Men, especially, thought that the whole village should have received *'official'* information at the socialisation where people could have asked questions about their eligibility to WVI staff themselves as they did not trust the house damage data collected by the village office. In Donggala Coastal, civil servants had been informed of their ineligibility by the village head and discouraged from attending the socialisation.

The Cash Learning Partnership (CaLP) handout on *'Preconditions and key criteria required for effective cash transfer programmes'* states:

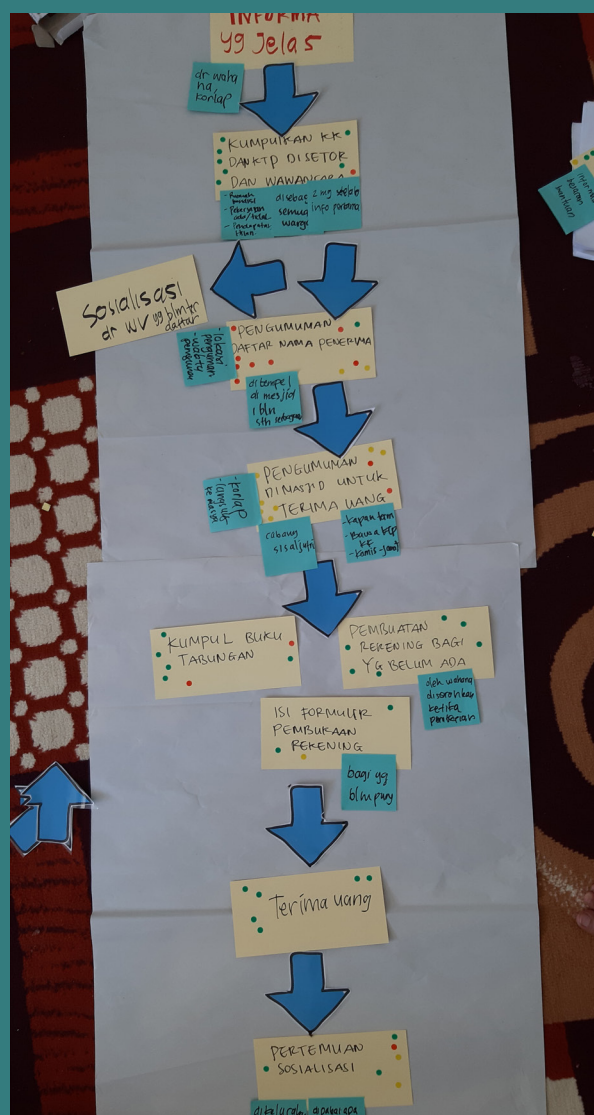
'Cash assistance, like all forms of aid, requires community and political acceptance and for the community to be part of the programme cycle, from design to implementation to monitoring and evaluation and project closure.'

While village heads had been consulted prior to programme implementation, community people had only been informed of the specifics of the programme at the time of socialisation as the programme was underway. With the exception of Sigi Hill, where only pregnant women and mothers of children under 7 were eligible for the cash assistance and therefore present, socialisations in other locations had included both men and women. In Sigi Lowland, although the information had been for mothers to attend, a few fathers had also been present. Fathers here received information directly from the village and sub-village heads as *posyandu* cadres were less involved with the programme.

All three districts had employed different ways to identify recipients for the cash assistance. In Sigi

The CaLP handout states:

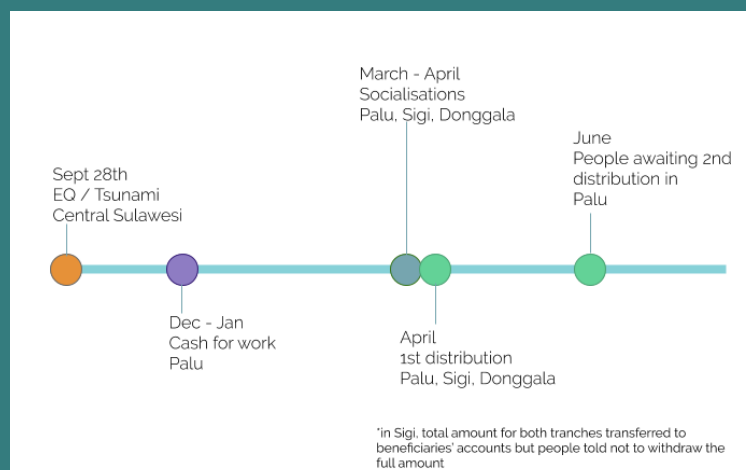
'A reliable beneficiary identification system is in place or can be established'



The finished mechanism diagram from women in Palu Coastal, showing that they would most like to change (red dots) how beneficiaries were announced.

2 While both Sigi locations had mobile banks come to the village for the first disbursement, women had to travel to banks in the city to withdraw the second disbursement. Recipients in Donggala and Palu had to travel outside the village to go to banks in or near Palu city.

Graphic: MPCA Programme Timeline in Central Sulawesi



where mothers of children under 7 and pregnant women were eligible, the programme had relied on *posyandu* lists and cadres were responsible to verify these lists and enrol women for the assistance. In Donggala and Palu, eligibility was based on level of damage to houses, the data for which had been collected by the village office a few weeks after the earthquake/tsunami. The programme had relied mainly on this data, and in the case of Palu, verified this with the recipients' list from WWI's Cash for Work programme which had been implemented in these locations earlier in the year. Reasons discussed in the box on eligibility (below) had resulted in dissatisfaction with how eligibility was determined.

People were generally satisfied with the socialisation process. There were, however, confusions around disbursement frequency and dates as well as documents required for registration. This was mainly because local partner organisations had not provided clear information, but also partly related to inconsistent rumours relating to disbursement in some communities.

The ToR for the study asks:

'What do beneficiaries think cash actors could do better in future projects in terms of the cash delivery mechanisms?'

'What were the beneficiaries opinions/views of the modality through which cash was delivered?'

'The MPC also contributes to financial inclusion through linking beneficiaries with the formal banking sector in parts.'

Across the Central Sulawesi locations people had an issue with the cash being disbursed through banks and wanted a programme where cash would be given to them *'in hand'* without *'bothering with the bank account or bank book.'* People in all Central Sulawesi locations had to travel to the bank to withdraw cash². Most people we met shared that they were not familiar with the banking system as they rarely used banks.

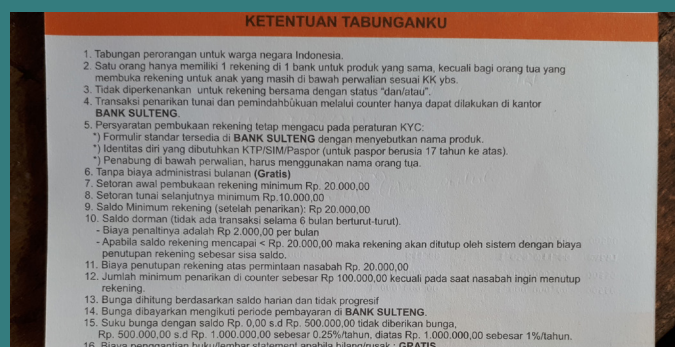
Table: Cash assistance programme matrix

Districts	Sigi Hill	Sigi Lowland	Palu Coastal	Palu Industrial	Donggala Coastal	Donggala Hill
Eligibility criteria	Households with children under seven years of age and/or pregnant women, excluding PNS		Households with damaged houses (full, partial, slight), excluding PNS		Households with damaged houses (full, partial, slight), excluding PNS	
Other criteria	Exclusion of families that earn more than IDR 2 million/month	None	- Elderly - < IDR 2 million/month - Waged workers - All PKH beneficiaries - PNS included	- Elderly - < IDR 2 million/month - Informal daily waged workers - All PKH beneficiaries	All PKH beneficiaries	All PKH beneficiaries included, amount based on house damage
Disbursed cash	2 x IDR 1 million per household		3 x IDR 2 million (full damage) 3 x IDR 1.5 million (partial) 3x IDR 1 million (slight)		1 x IDR 2 million (full damage) 1 x IDR 1.5 million (partial) 1 x IDR 1 million (slight)	
Who receives	Most women caregivers	Mothers/ women	House owner		House owner	

'Deductions', where banks were asked recipients to leave IDR 50,000 in the account as minimum balance, was also a reason for people to prefer cash in hand. People shared that IDR 50,000 was a 'valuable' amount for them and mothers in Sigi Hill told us that amount could be used for 'meals for three days for a small family'. In Palu Industrial, most recipients thought that the IDR 50,000 was part of the bank's administrative costs and did not expect to be able to use this amount. Very few people in the study locations had bank accounts previously (except Palu locations where accounts were created for them for Cash for Work) and most stressed that accounts were 'useless' as people did not have enough cash to save and any small savings they had were kept at home.

The ToR for the study asks:

'Did beneficiaries think the cash project came on time after the emergency, or would they have preferred to have the cash sooner after the emergency?'



Although the rules for this Central Sulawesi bank book state the the minimum balance is IDR 20,000, some people shared that they were told to leave IDR 50,000 or 100,000 in their accounts. In general, people also only found out about the minimum balance rules when going to take their money.

People mentioned being satisfied with the cash assistance amount and also did not mention issues with the timing of the disbursement. However, preference for receiving the cash assistance earlier (one to three months after the disaster) was clear. People shared that kiosks and markets had resumed by then and they could have used the money to buy the things they needed to fill the gaps in aid.

Eligibility

As WVI was implementing three different versions of the MPCA in the three districts, the eligibility criteria were also different. In the Sigi locations, women had been informed that the assistance was for pregnant women and mothers with children under 7 years old. In Palu and Donggala, people had been told that the assistance would be given to owners of houses that had been damaged.

Exclusion of the families of civil servants from the cash assistance was a uniform criteria across locations. In Donggala and Palu former civil servants were also excluded from assistance, presumably because they were receiving pensions.

Criteria based on having young children (targeting mothers of children under 7 years old and pregnant women) seemed to be more accepted than the targeting based on house damage.

Some non-recipients in Sigi Hill explained that it was easy for them to accept not getting the assistance as the criteria was well-defined – 'if you are pregnant or have a young child you will get it; if you are not, you won't'. Those eligible but excluded had been because they did not have proper documentation or had been away at the time of registration.

For locations where the eligibility was based on house damage, recipients were often dissatisfied with the way the house damage data had been collected. People in these locations shared that they distrusted the village officials to have made the right decision about the level of damage. Others explained that getting the assistance on the basis of the level of damage to the house did not seem 'fair' as aftershocks were still being felt. These aftershocks caused additional damage to the structure of the house but newer damage was not checked nor was the level of damage updated. In such cases, people wanted 'specialists' to verify house damage instead of relying on the data provided by the village office.



'Not accepting debt' – written on a kiosk selling gasoline in Sigi Lowland.



In some locations, people were encouraged by program staff to use the MPC money for children's needs. Parents in Sigi Lowland used the MPC money to buy toys after seeing neighbours purchase toys such as these bicycles for their children.

Use of cash assistance

People recalled being told in socialisations that the assistance cash was to be spent to satisfy their family's needs, with a special emphasis on meeting children's needs noted in the Sigi locations. Some items were prohibited to buy with the MPCA cash. While most of these prohibited items are what would traditionally be described as 'non-essentials' like cigarettes, alcohol and makeup, in the Palu locations people had been forbidden to pay their debt or take out new loans with the MPCA cash.

Debt repayment is one of the first things people in Donggala and Sigi mention having done with the MPCA money. Most people had credit arrangements with local kiosks and others had borrowed money from relatives or friends, typically to pay off their credit to kiosks and buy food and other items for the family. Repaying these debts was considered an essential expense by people. For example, in Donggala, men and women told us they had paid off their credit at the kiosks first so they could '*continue to take things on credit in the future*'. A few men in both Donggala locations shared that some of the credit had been from before the earthquake for things like rice and gasoline and they had been paying off the credit gradually. In Sigi Hill, one kiosk owner told us some people had

cleared their credit from his kiosk with the MPCA money which he recognised as the bills were '*new and big*'.

Apart from settling credit and paying off loans, most people across locations were using cash assistance to buy food items like rice, snacks like instant noodles and biscuits, vegetables, fish and cooking oil; non-food items like soap, shampoo, lotion, gasoline, cooking gas and materials for house repair (only for Donggala and Sigi Hill), and paying for services like electricity and mobile phone credit. All of these items were considered essential expenses, with families in every location saying that rice was one of the first things they had bought with the assistance cash.

The assistance cash had also been spent on meeting needs of babies and children like diapers and formula milk as well as to buy school supplies. In the Sigi locations, where mothers had been instructed to spend the cash on '*children's needs*', researchers noted that for some families a large part of the cash assistance was spent on buying baby walkers (Sigi Hill) and tricycles (Sigi Lowland). These cost between IDR 350-800,000 and parents said they had '*no choice but to buy them*' as children would insist on getting one when they saw other children in their neighbourhood riding theirs.

When cash comes long after the disaster people note different priorities. At the time of the cash disbursement families were often in a position to think about reconstruction and even investment rather than recovery. Other seasonal events with financial implications e.g *Lebaran*, start of the school year also affect how cash assistance is viewed and used. The assumptions around cash transfer need to be carefully reviewed so that the system operates in the way intended and meets its intended purpose.

Grievance Mechanisms

The ToR for the study asks:

'Did they (community) know how they could file a complaint about staff or services?'

'Have complaints been handled satisfactorily by the implementing agent?'

With the exception of the standard 'suggestions box' in some locations, grievance mechanisms where communities can make complaints or provide suggestions on the programme were absent. The study team came across only two instances of people registering complaints and both of these were through cadres and mainly because cadres took the initiative to approach implementing partners. Any future programming should note the necessity to have a useful and clear process to register grievances.