



PEOPLE'S PERSPECTIVES OF MULTI-PURPOSE CASH ASSISTANCE IN EAST LOMBOK

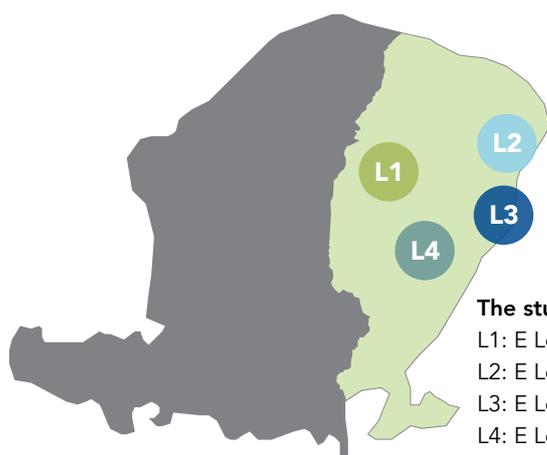
The Multi-Purpose Cash Assistance (MPCA) programme in East Lombok is a UNICEF-supported post-disaster initiative and a follow-up to the MPCA programme implemented in North Lombok and Central Sulawesi in 2019. The East Lombok MPCA was initiated to help support recovery following the July and August 2018 earthquakes in Lombok, which damaged over 129,000 houses and left more than 445,000 people internally displaced. However, with the arrival of the COVID-19 pandemic in March 2020, the programme was reconfigured to contribute to supporting beneficiaries to cope with the impact of COVID-19. The East Lombok MPCA built on UNICEF and its local partners' experiences in North Lombok, along with other development partners' experiences in Central Sulawesi.

Key findings that people shared:

- ▶ Imposition of **less restrictions on the use of the MPCA cash assistance enabled people to meet small credit payment obligations** which allows further credit to be taken and flexibility for savings.
- ▶ Smaller disbursements incur higher opportunity costs to collect and are used to pay off incidental debts while **larger tranches provide more tangible contribution to families' costs and the potential to reserve some as savings**.
- ▶ **Improved advance information about the timing of disbursements enabled families to manage their household finances better** – they could plan when to take and repay credit from kiosks or take out small informal loans. This reduce stress for beneficiaries and the certainty provides reassurance to credit providers of likely repayment times.
- ▶ **Feedback/complaint phone lines are rarely used** not because there are no complaints or queries but mostly because of culturally entrenched norms about seeming ungrateful or criticising service provision. Beneficiaries and the wider community prefer personal interaction to get questions answered, particularly from cadres, village officials or neighbours who are beneficiaries. This means it is crucial for cadres and village officials to have adequate and updated information regarding the programme.

How we captured people’s experiences of the MPCA programme

This assessment combined a variety of qualitative participatory approaches, such as scoping, participatory focus group discussion (pFGDs) complemented with informal conversations, along with a small-scale questionnaire survey. The data collection was in two phases: before/around the time of the first MPCA disbursements (baseline) and after the final disbursements (endline). To mitigate risks and ensure the safety of participants as well as our researchers, Empatika developed COVID-19 fieldwork protocols which included, among other steps: i) researchers taking a PCR swab test prior to travel, ii) mandatory use of a face mask during all data collection, iii) providing and requiring participants to wear face masks and/or face



The study locations:
 L1: E Lombok Highland
 L2: E Lombok Coastal
 L3: E Lombok Industrial Coastal
 L4: E Lombok Hill

shields during the pFGDs, and iv) only interacting with study participants in open-air/outdoor spaces. Fieldwork was conducted in March (baseline survey), July (qualitative baseline, following COVID-19-related programme delays), and August-September (endline survey and qualitative endline).

With whom did we interact?

Beneficiaries in four of the eight communities which had received the MPCA were included in the survey. Qualitative insights were gathered in three of these four communities. The names of the study locations are kept confidential and referred to by monikers in this brief.



Some of the COVID-related protocols the team used during the pFGDs included hand washing stations, providing hygiene kits (including a mask, extra filters, and hand sanitiser) to all participants, requiring face masks (for facilitators and participants), and using outdoor/open-air spaces for the discussions.

Table 1: Study Participants and Survey Sample

Methods & Tools	Baseline	Endline
Survey	528 (22% of total beneficiaries)	462 (19% of total beneficiaries)
pFGDs	60	60
Informal conversations	115	136

LIVELIHOODS RECOVERY

Following the earthquakes in 2018, livelihoods and incomes had begun to improve for most people in the study locations by early 2020. Most incomes for those engaged in agriculture, fishing or salaried returned to pre-earthquake levels within eighteen months of the earthquake, but the construction sector took longer to recover as rebuilding work was mainly contracted out to outsiders.

People shared that recovery had been difficult financially, but also psychologically as many of their homes were destroyed and they had struggled with the trauma of the experience. People then faced impacts from COVID-19.

80% of the beneficiaries surveyed at the endline mentioned their income had decreased since the pandemic restrictions began. Of these 51% said this was because there was less work available or there was less demand for their services.

Some reasons for this decrease were:

- ▶ **Post-pandemic drop in the prices of produce** like chili, garlic, corn, tomato and tobacco. While price decrease and fluctuation was a given for a 'normal' year, it had been unusually slow in picking up this year. There was also less demand from other provinces because of the pandemic and selling at the local markets for a lower price was people's only option for now. However, by the endline some prices had begun to normalise and people expected that the prices for their produce would improve in the coming months.
- ▶ **Waged farmers are the most affected.** Similar to insights from the qualitative baseline, the decrease in prices of produce has also affected waged farm workers who work less days as compared to before as landowners do not want to hire many workers to save costs. People hope that an eventual increase in the price of produce will remedy this situation and they could return to working and earning as before.
- ▶ **Small businesses are also struggling but accommodation providers seem to be doing better.** Businesses, which had picked up by the time of the quantitative baseline (March 2020), had either closed at the start of the pandemic or were not making as much money. Resumption of domestic tourism, since the lifting of the pandemic restrictions, has given a small boost to the previously struggling accommodation providers in two of the four study locations (E Lombok Highland and E Lombok Industrial Coastal).
- ▶ **Remittances have been unpredictable** as men working in Malaysia and other places have been unable to send money regularly. Men who were supposed to return to work in other provinces or countries had been unable to do so because of decreased demand due to the pandemic.



People shared that the prices of farm produce had decreased since the Covid-19 pandemic. In E Lombok Coastal, most women were involved in harvesting chili at the time of the endline fieldwork but shared that lower selling prices and landowners hiring less workers meant they might not earn as much as last year.

'We don't know when the price will increase but it will, so we don't give up'

- mother in E Lombok Highland

HOUSEHOLD COPING STRATEGIES

Credit and debt: Local kiosks

81% of beneficiaries noted at the endline that they had credit with local kiosks and 79% said they had to take more credit because their income had decreased (compared to 80% and 52%



A young girl helps refill gasoline containers for her family's small gasoline refill business. Many of the MPCA beneficiary families have multiple sources of income, such as a mother in E Lombok Industrial Coastal who started a gasoline business to deal with her husband's large decrease in work due to COVID-19.

at the baseline). This decrease in income is a consequence of the pandemic due to lower produce prices, less work as well as less demand for services and products by tourists.

People have long standing credit arrangements with kiosks which enables them to pay for things, mainly rice, snacks and non-food items like soaps etc. later. Credit can be paid in part and this is preferred as it allows people to continue taking credit. There is no specific time within which the credit has to be repaid, typically paid 'when we have money' and kiosk owners will allow up to a certain limit, for example, IDR 200-300,000 in E Lombok Coastal, before some of the credit is expected to be paid off.

Credit and debt: Informal borrowing

77% of beneficiaries had borrowed money since the pandemic compared to 79% who had borrowed since the earthquake. While this difference is slight and not significant, it could show that families had received IDR 4 million as part of the MPCA7 and felt less need to borrow. Similar to the baseline, most people had borrowed money from informal sources like relatives (39%) and neighbours (35%).

Across locations people shared that, when in need, they borrow money from their relatives or neighbours, in smaller sums (less than IDR 1 million) which typically did not have a fixed repayment time or interest attached. Bigger loans, from banks, are said to be taken by those who have salaried jobs, farm land owners or large kiosks owners who have a regular income, are eligible to take loans and are able to pay interest. Some People also take loans from travelling lenders (*bank keliling*) who come to the villages to provide loans.

Savings

Most families do not have cash savings – non-cash savings like livestock, jewellery are preferred as these can be liquidated when cash is needed. People in all locations told us they typically kept livestock like cows and chickens which could be sold when they needed cash with a few women, particularly in E Lombok Industrial Coastal, telling us they had bought chickens with the MPCA cash. Other women shared that they had gold jewellery which they count as savings. In all locations, a few women mentioned keeping some cash from the second MPCA disbursement as savings.

Future financial constraints

Since the pandemic restrictions had lifted in 2020 July, women shared that they were hopeful about their work and income returning to normal and did not seem very worried about coping financially for the next few months. People were looking forward to the approaching rainy season (November to March), expecting that with the lifting of restrictions they would have more work. Women in E Lombok Highland and E Lombok Industrial Coastal, where local tourism had resumed, were hopeful that kiosks would start doing better and prices of produce would begin improving.

USE OF CASH TO ACCESS BASIC GOODS AND SERVICES

Across locations women had been and still are in-charge of making regular spending decisions for the family, as also seen from the first MPCA study and most other immersion studies conducted by Empatika in Indonesia. Typically household purchase decisions, including for children, were already made by women and 97% of survey respondents said the MPCA money had been handled by the women in the family who had decided where and how to spend the cash.

Similar to the baseline, 76% of beneficiaries thought the main impact the MPCA grant had was improving the family's ability to provide food. 65% said the assistance had helped improve the family's ability to provide for children's needs. 17% felt that the assistance had helped improve their family's finances.



A kiosk selling a wide selection of snacks. All of the MPCA communities included in this study have at least a few larger kiosks that sell a variety of snacks. Mobile snack sellers, particularly in E Lombok Highland, are also common and parents share that these often prompt their child to ask for snacks throughout the day.

People recalled being told during the first disbursement (February and March 2020) that the money was to be spent for children's needs, with prohibition on spending on certain items. Beneficiaries in two locations shared that there had been restrictions on paying debt and buying jewellery initially (see table 2). However, there was no mention of such restrictions for the second disbursement, suggesting a change in communication from programme staff.

Table 2: Restrictions on use of MPCA cash for the first disbursements

Locations	Items/Services Allowed	Items/Services Restricted
E Lombok Highland	For children only, for healthy foods	Paying motorcycle instalments, buying new clothes/jewelry
E Lombok Coastal	For children only	Pay debt or buy jewelry/gold
E Lombok Industrial Coastal	For children's nutrition, buy gold (as saving), pay kiosk credit	Makeup items, cigarettes

People primarily spent the MPCA on:

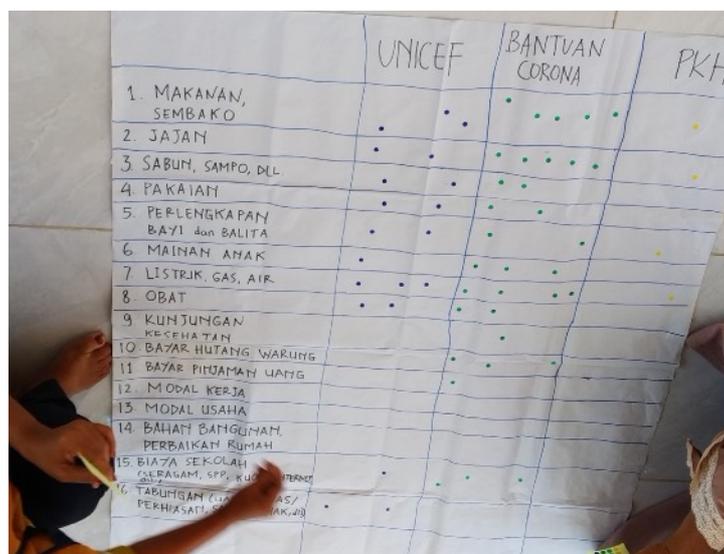
- ▶ **Rice and food items.** Rice continues to be one of the biggest expenses for families as people say having stock of rice at home makes them feel 'safe' and 'having rice, cooking oil and sugar, I feel secure' (mother, E Lombok Highland). 98% of the beneficiaries had bought food items (including fish, vegetables, cooking oil, sugar, salt, spices) and 97% had bought rice with the cash.
- ▶ **Baby needs.** 90% of families had bought things for babies and toddlers like formula milk, diapers and toys for toddlers and children. Some mothers who seemed relatively better off had bought bicycles for their children

'I'd rather get debt for snack money rather than have the kids cry'

- mother in E Lombok Highland

because it *'made them happy'*.

- ▶ **Small businesses and ventures.** We met some mothers who told us they had invested some of the assistance cash in their businesses (kiosks and *warung*) and others who had bought jewelry/gold, chickens or fertilisers and pesticides for their farms.
- ▶ **Snacking culture,** among both children and adults, in the study locations means many families had spent some of the MPCA on snacks, particularly in the E Lombok Highland location.
- ▶ **Clearing debt.** The research team observed that during the endline women were more forthcoming about sharing that they had used the assistance cash to clear some of their debt than they had been during the baseline, likely because more people had been told they could use the cash to pay their debt during the second disbursement. 64% beneficiaries had used the cash to pay their debt (at kiosks but also to clear some informal loans).



Women in E Lombok Industrial Coastal working on the expenses diagram looking at use of the MPCA assistance compared to government COVID-19 assistance and PKH.

In all locations, but particularly in E Lombok Highland, it seemed the MPCA had also allowed families to better plan their expenses over a short-term period with many mothers sharing that once they knew the timing of the second MPCA disbursement they had been able to buy things they needed on credit as they could be sure of being able to pay the kiosk once they had the money.

CASH ADEQUACY

Cash amount: 56% of MPCA beneficiaries had also received cash under the government's COVID-19 assistance and preferred the MPCA particularly as the amount had been more substantial. Women told us they were *'grateful'* and *'happy'* to have received the MPCA cash which, in combination with the COVID-19 assistance, had helped them cope with decreased income as a result of pandemic restrictions.

Although most knew about the initial plan of three MPCA disbursements, they preferred having received two disbursements of IDR 2 million each. People explained this preference saying not only was the sum (IDR 2 million twice) enough for daily needs, snack money for children, and in some cases small savings, but it also gave them *'something to look forward to'* after the first disbursement.

Eligibility: In general, **most beneficiaries along with other community members understood and accepted the eligibility criteria for the MPCA saying that it was clearer than the criteria for government assistance** like PKH or the COVID-19 assistance. With the exception of a few people in E Lombok Highland, who thought that since the assistance was earthquake-related everyone affected by the earthquake should

'It is like a lottery, if your name is picked you get it'

- mother in E Lombok Highland commenting on government social assistance programs



Part of a mechanism diagram completed by mothers from E Lombok Industrial Coastal. It shows, among other things, that there was a reduction in the number of disbursement points for the final distribution which mothers told us made the process more difficult for them considering the COVID-19 guidelines they were supposed to follow.

receive it, others across locations expressed satisfaction with the criteria saying it was easy to understand. While we came across a few women who fit the eligibility criteria but had been excluded from the assistance, this was so because they lacked proper documentation or had missed registration (either they had been away from the village for a long period of time, living elsewhere or, in the case of pregnant women, become pregnant after verification).

PROJECT PROCESSES

Communication

People appreciated the socialisation process for the MPCA, comparing it to the limited or no socialisation for government assistance programmes. The socialisation for MPCA had covered the eligibility criteria and objective for the programme which was appreciated by both beneficiaries and non-beneficiaries as it made it 'easier for us to understand why we did not get assistance' (non-beneficiary, E Lombok Highland).

In general, there were no grievances about lack in communication or information from the programme except when it came to the timing of the second disbursement in E Lombok Highland and Coastal and the first disbursement in E Lombok Industrial Coastal, all of which had been delayed because of the COVID-19 pandemic.

Grievance redress

Most of the beneficiaries were aware of the contact number provided on the programme booklet which they were given during the first disbursement. Although they knew that the number could be contacted in case of a complaint or query only 7% of women said they had actually contacted the number. Most women shared they were shy and felt that, for example, 'it wasn't appropriate to get the money and then complain about it, it shows we're not grateful' (woman, E Lombok Highland).

'We don't contact them because we haven't done anything wrong'

- mother in E Lombok Industrial Coastal sharing a typical perspective that people have about programme contact numbers

Women in all locations shared that instead of calling the programme staff they addressed their queries, for example, about the delay in second disbursement, to the cadres or the village officials or turned to their neighbours for help as they felt more comfortable discussing with them.

CHANGES IN LEARNING AND HEALTH DUE TO COVID-19

Schools and Learning

Online/remote teaching arrangement had become more regular since September 2020. Some junior and senior high schools had started more regular online classes for a few hours in a day or have students come to school in shifts for a few hours a couple of days a week (all locations). These

in-school classes were said to be 'unofficial' as school authorities did not have permission to reopen. Teachers and school principals told us they had asked students not to wear school uniforms when coming to school because they were worried about being reprimanded by Education Office officials. Like seen during the qualitative baseline in July, some teachers also used WhatsApp to give assignments to students.



Our researchers found that the reduction, or loss, of in-school time was harder on older children compared to younger ones. In general, younger children were happy to spend time playing outside around their homes, as is typical in these communities. Younger child did, however, also share that they missed meeting more of their friends at school, and parents shared that their children played closer to their homes compared to before COVID-19.

There are mixed feelings about remote/out of school learning with some students telling us they liked online classes as it was more 'relaxed' and they were able to take breaks when needed. Others preferred classroom learning though because it was easier to get explanations from teachers for things they did not understand and 'smarter friends can teach us what we don't know' (girl, junior high).

There were no clear instructions from the District Education Office as to the reopening of schools. A few schools had already installed necessary health protocols like hand washing stations at schools (although from observations, not always with soap available) and some others had distributed masks and provided socialisation to students about mask wearing and distancing.

Health services and current health situation

People were, in general, less worried about going to health facilities than they were at the start of the pandemic as there had only been one coronavirus case reported in one location (E Lombok Industrial Coastal). A few mothers were still worried about ensuing rumours if they visited the *puskesmas*, preferring to go to a health provider in the village instead. However, most agree that despite the gossip, they would visit the *puskesmas* if the ailment was serious.

Posyandu services that had been paused until July had resumed fully with additional health protocols, including pregnancy checks and immunisation of babies.



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