



Project Team Cash, SDC Humanitarian Aid  
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 Fact sheets on Cash Transfer Projects

## Cash for Herder Mongolia IV

## Khovd Aimag, Mongolia



**Implementation period:** Dec. 2005 – Nov. 2006

**Credit Proposal:** 7F-02323.04

**Budget:** CHF 395'000

**Beneficiary contributions:** 91.7%

**Personnel:**

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### **Situation**

According to data from the National Statistical Office, Khovd aimag is rated as one of the aimags with the highest poverty rate. The 'dzud' disaster between 1999-2002 affected 80% of herder families in Khovd and 14% of herder families (1500 families) lost all of their livestock and were deprived into deep poverty. More than 12,000 families in Khovd live below the subsistence level (63%). Poor people can barely afford their basic needs such as food, fire-wood, clothing and medicine. Most of

them have no other income unless they receive social allowance for needy children (monthly MNT 3000 per child= US\$2.5). Many families are trying to make their living by selling scrap wood for fires, scrap metal and vodka bottles, which they collect from garbage.

### **Aim of the project**

The cash assistance aimed to prevent vulnerable herders and poor households in Khovd Aimag from falling into deeper poverty by providing means to cover their urgent humanitar-

ian needs during the harsh winter and spring, thus contributes to ensure securer livelihoods.

### **Provided assistance**

The CFH IV addressed the 'extremely poor' families in Khovd, which have a monthly income per family member less than 2700 MNT (0.29 CHF). A total of 1,386 households received one-off cash assistance of MNT 200,000 (CHF 215).

### **Strengths**

Experience of the PIT in cash project implementation.  
 Involvement of relief manager and staff from JCS – capitalization of experience and knowledge in humanitarian aid project implementation.  
 Best practice and lessons learnt from the previous projects applied:

- Payment directly to savings accounts of beneficiaries.
- Organization of public meetings at local level to give transparent information and right expectations.

### **Weaknesses**

Delay in submitting reports and slow communications due to limited service of internet in Khovd.  
 Unclear definition to define poor families and no official method to calculate income of the households caused difficulties in selecting beneficiaries.



## Implementation issues I

### Assessment

An assessment mission by SDC in Khovd in October 2005 concluded that:

- Poor families and herders in Khovd were facing harsh winter and needed humanitarian assistance.
- In-Cash assistance is most appropriate response to this situation.

### Project Start-up

PIT set up its office in Khovd city and established Aimag Cash Committee in January 2006.

PIT, split into 2 working groups and supported by staff from Aimag Governor's Office, visited all soums and prepared beneficiary lists in cooperation with Soum Cash Committees.

### Registration

The main documents for registration are:

- The registration list of 'extreme poor' families with Social welfare offices.
- The animal census 2005, 'register A'.
- The registration of eligible families for child allowance.

### Verification

At least 10% of the beneficiaries were verified by the PIT working groups in soums.

Final approval for the beneficiaries' list was given by ACC and Project manager.

In cross-checking for duplicated entries, PIT used the existing network of Civil Regis-

tration and Information data in Khovd.

### Announcement

PIT groups announced CfH IV project and its eligibility criteria in the public meetings in each soum.

Final beneficiary list and detailed information on eligibility were posted at the local Khan Bank branches and Secretary Offices of soum governors.

Two weeks after the public announcement, beneficiaries were able to withdraw money from their savings accounts.

### Complaints

A template sheet to receive complaints was given to each SCC.

No complaints were forwarded to the PIT and Aimag Cash Committee.

### Payments

Cash contributions were transferred into personal saving accounts of the beneficiaries, opened in the Khan Bank Khovd.

The Bank waived all commission fees, contributing MNT.

Payment transfers were fast and secure thanks to the Khan Bank network in rural areas.

### Monitoring

A post payment monitoring was performed by the Center for Research and Development.

Main findings are:

- Most of the funding was spent in the local market.

- Purchase of animals and seed for cultivation was a high priority for the beneficiaries.
- Decision making on expenditure of the cash donation was made mutually by household head and his wife.

The monitoring report concluded that the cash donation in general considerably contributed to improve livelihoods of the poor.

### Lessons learnt

To minimize misuse of cash donations, it's recommended:

- Less involvement of local government officials.
- More participation of civil society representatives.

### Supporting measures

An information brochure was published and distributed to the beneficiaries.

The brochure helped in transparent information dissemination.

### Documentation

- 051205 KA Cash for Herder IV
- 060214 CfH IV ProDoc final
- 060720 CfH IV Mongolia 2006 Final Report
- 20060221 CfH IV, Press Release\_English
- 060721 Cash For Herders - Human interest story



## Implementation issues II

### **Infrastructure**

The PIT (5 members):

Project Manager: SDC HA NPO.

Co-Manager: JCS Relief Manager.

Assistants: SDC Media Officer, SDC Program Assistant, Driver – Assistant.

Local assistants:

- Chairman of the Aimag Social Policy and Coordination Department.
- Officer for Foreign Relations of the Aimag Governor's Office.

The Aimag government and MCRS local branch provided the PIT with working office.

### **Security measures**

Travel Security Rules and Guidelines of SCO UB was applied (e.g. no night driving, equipping each convoy with satellite phone and GPS).

Data security measures were established (e.g. back up procedures).

### **Best practice**

Best practices, experiences and lessons learnt from the previous cash projects were applied and contributed to the improvement of the project.

Public meetings for giving correct information for the locals were well appreciated by locals.

### **Partners**

The direct implementation partners were the JCS International (PIT member).

Aimac and soum governor's office (when assistance needed).

Khan Bank – in direct payment transfer to the beneficiaries.

### **Small Project**

Initially, it was planned to set up a fund in each soum to provide a low-interest, start-up loan to ex-herders and poor families.

The purpose of such fund was meant to help the people with innovative ideas and skills for small business by providing with seed money.

Implementation of the small project is mandated to ADRA Mongolia and the newly established Mongolian Swiss Development fund.

### **Special remarks**

- A strong social focus addressing the urgent needs of 'extremely poor' families and aims to contribute to securer livelihoods.
- Together with local TV, PIT made a video documentation on registration and selection procedures.
- Based on the implementation of the CfH IV in Khovd, a documentary movie was produced to show the overall significance and impact of the cash project in Mongolia.