



## A Comparison of Voucher and Cash Transfer Modalities for Diversification in Nutrition and Enhanced Resilience (DiNER) Fairs in Guatemala

Edward Walters – Technical Advisor Agriculture and Markets, CRS

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## EXECUTIVE SUMMARY

CRS launched a series of DiNER (Diversification in Nutrition and Enhanced Resilience) fairs as part a larger food security program responding to prolonged drought in the dry corridor of Guatemala. The fairs were utilized to provide quality seed, fertilizer, tools, livestock, and veterinary medicine to crisis-affected farming households. In Guatemala, initial fairs (2016, 2017) utilized a voucher mechanism, while the more recent fairs (2018, 2019) have used cash transfers. This study compares the two modalities, examining the differences in implementation, the advantages and disadvantages of each modality, and gives recommendations regarding the conditions under which each modality would be preferred.

In general, cash fairs were preferred to voucher fairs both in terms of beneficiary satisfaction and project management. In both focus groups and household interviews, participants reported that prices were more aligned with the market in the cash fairs than the voucher fairs where prices were set in the e-voucher system. Generally, beneficiaries did not negotiate prices in either fair, but it appears that the freedom of choice (to purchase outside of the fair or not purchase at all) pressured vendors at cash fairs to keep their prices competitive.

For the project, cash fairs were less costly and easier to manage than voucher fairs. CRS already had an established contract with a local bank to carry out cash transfers for beneficiary food security needs, so adding additional cash distributions for the fairs was relatively straightforward and timely. The cash fairs also required less staff and equipment than voucher fairs which utilized cards with chips, smart-phone card readers, and receipt printers.

In addition to reporting higher overall business revenue during the period of both voucher and cash fairs, two of the three vendors interviewed anticipated longer-term business relationships with new clients. One tree nursery owner was planning on adjusting her strategy to also sell directly to farmers. This result offers the promise of DiNER fairs as a means of expanding markets and enhancing “last mile” access for seeds and other inputs.

A major concern for cash programs directed at specific sectoral objectives is that the cash will be used for other purposes. This “leakage” was estimated to be 16% of cash distributed for the fair. This “leaked” cash was used mainly for poultry inputs, tools, food, and transport. The project was able to minimize the leakage by:

- Making products available in the fairs, such as chicks, tools and fertilizer, that were identified as high priority by beneficiaries.
- Conducting an educational campaign which not only addressed the technical side of livestock rearing, improved agriculture techniques, and recommended the quality seed and tools at the fairs, but also facilitated discussions on household budget management and joint decision making among spouses (Cash Plus<sup>1</sup>).
- Setting up a closed fair and distributing money in close proximity to the fair, so that the first purchase option for beneficiaries was at the fair.
- Giving families regular cash transfers for basic needs as part of the Superamos and Adelante projects. This enabled beneficiaries to spend the cash received at the fairs on products being offered there rather than reserving the money for other basic needs.

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<sup>1</sup> Cash Plus refers to cash distributions accompanied by complementary programming such as training and technical assistance

## BACKGROUND

In response to several years of drought, irregular rain and prolonged dry spells in the dry corridor region of Guatemala, CRS launched the first in a series of food security and child nutrition projects in 2016 – Superamos I, II, and Adelante. The projects provided vulnerable families with cash transfers for food items, education on nutrition and small livestock rearing, and conducted DiNER fairs restore productive agricultural assets.

The Diversification in Nutrition and Enhanced Resilience (DiNER) fair methodology is used to stimulate livelihood recovery and improve nutrition. The methodology brings together buyers (project beneficiaries) and vendors in a one-day market (fair). Standard DiNER fairs are designed to improve access to diverse seeds and agricultural inputs to enhance household nutrition and increase food security and resilience.<sup>2</sup> Products available at the fairs range from basic grain seeds, legume seeds, vegetable seeds, tools, and fertilizer to animal feed and small livestock. The fairs can include private sector input dealers (including paravets), community-based seed multipliers, and individual sellers while providing key promotional messages in agriculture, nutrition, and financial management.



*Photo 1: Farmer in Guatemala Shows Drought Stunted Maize (Canicula Prolongada. Oxfam, 2018)*

### Operation of the Superamos and Adelante Fairs

The two Superamos DiNER fairs provided beneficiaries with electronic vouchers to purchase goods at the fairs. After a multi-agency study<sup>3</sup> in 2018 that recommended cash be used for food transfers and in DiNER fairs, the cash modality was incorporated into the Adelante project. This study compares the voucher and cash modalities in these DiNER fairs.

The following table shows the transfer value and products offered in the Superamos and Adelante projects. The Superamos fairs offered mixed agricultural and animal husbandry inputs in both the August and November 2017 fairs. The Adelante project separated fairs according to season with a small-livestock focused fair in November 2018, and a seeds and tools focused fair in April 2019, prior to the main planting season.

**Table 1: Comparative Table of Superamos and Adelante DiNER fairs**

	Superamos II	Adelante
Modality (mechanism)	Voucher	Cash
Products offered	Both fairs: Seeds, organic fertilizers, agricultural tools, fruit tree seedlings, poultry and feed	Fair 1: poultry, poultry feed, vet medicines, tools, fruit trees, maize and bean seeds Fair 2: maize seed, vegetable seeds, tools, fruit tree seedlings, fertilizer
Transfer Value	Fair 1(Aug 2017): \$48 Fair 2(Nov 2017): \$48	Fair 1(Nov 2018): \$45 Fair 2 (April 2019): \$38
Beneficiary number	Fair 1: 4,912 Fair 2: 4,912	Fair 1: 4,438 Fair 2: 4,450
Vendors	5 - 6	5 - 8

<sup>2</sup> Catholic Relief Services. *Agricultural Fair and Voucher Manual*. Baltimore, MD, USA. 2017

<sup>3</sup> McClain, K. *Market-based Food Assistance in Guatemala: A systematization of experiences*. CRS, PCI. May 2018

For both cash and voucher fairs, vendors were contractually obligated to respect agreed upon price ceilings. For the electronic vouchers in Superamos, prices were fixed in the system. With the Adelante cash fairs, technically, prices were flexible downward.

The number of participating vendors in each fair was small, effectively reducing competition. For some types of products there was only one vendor. Furthermore, smaller local vendors were excluded by the requirement that they be fiscally registered in the Guatemalan tax administration. This was remedied in the Adelante DiNER fairs with the inclusion of local seed cooperatives, although the total number of vendors was still small.

The vendor contracts for both vouchers and cash fairs set quality requirements on the products offered for sale. The quality requirements led to DiNER fair prices being higher than similar (but lower quality) products in the market. Project staff inspected goods 15-20 days before the fairs to ensure they met quality standards. A quality control inspector examined such things as tools meeting specifications, the correct age of the chickens and their health condition, the size of the fruit trees, the absence of diseases in seedlings, and verifying that seeds offered by the suppliers were viable and healthy.

In addition to assets received in the DiNER fairs, complementary trainings were provided on family nutrition, improved agricultural practices and resilient rural livelihoods, and, using CRS' Families with Dignity approach, the joint responsibilities of men and women in caring for their families.

## OBJECTIVES

The use of cash is a relatively recent innovation in DiNER and seed fairs. To date, differences between the traditional voucher modality and cash have remained theoretical and not verified in the field. Few examples of cash modality in fairs exist.<sup>4</sup> The Guatemala context provides the opportunity to examine the two modalities under similar conditions through document review and interviews with farmers and vendors who had participated in both voucher and cash fairs in the Superamos and its follow-on Adelante projects.

Principal objectives of this study are to:

- Identify the differences between cash and voucher mechanisms in practice.
- Identify perceived advantages and disadvantages of each mechanism.
- Determine if participants prefer one modality over the other.
- Identify any differential effects on the market depending on the modality.
- Determine the degree with which cash is used for its intended purpose.
- Determine if one modality is less costly to implement than the other.
- Recommend under what conditions each mechanism would be preferred.

## STUDY METHODOLOGY

The methodology consisted of a literature review of secondary information and primary data collection. The literature review examined existing reports, proposals, and studies of the Superamos and Adelante projects. Of particular interest is the Informe final de Estudio de Aprendizaje Ferias Diner-Adelante, an internal CRS learning study which examined the Superamos and Adelante DiNER fairs. This study used household interviews, focus groups and key informant interviews with vendors and CRS staff to provide substantial information on the operation and results of the fairs.<sup>5</sup> The current study takes those results and collects additional information to delve into more detail on the cash and voucher mechanisms of the Adelante and Superamos fairs. Primary data for this study was collected through four focus groups, divided into separate male and female groups, with beneficiaries who had participated in both the Superamos voucher fairs and the Adelante cash fairs. Key informant interviews were held with three

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<sup>4</sup> Keane, J, Brick, D. Sperling, L. *Study on cash transfers for seed security in humanitarian settings*. A Feed the Future Global Supporting Seed Systems for Development activity (S34D) report. 2019.

<sup>5</sup> Pernillo, J. Informe final de Estudio De Aprendizaje Ferias Diner-Adelante. CRS. 2019

vendors who had also participated in both the voucher and cash fairs. Finally, the Adelante project manager was interviewed for her perspective on the fairs.

**Table 2: Focus Groups**

Community	Participants Men’s Group	Participants Women’s Group
La Unión, Los Vasquez	12	8
La Unión, La Colonia	12	12

Questionnaires (see in annex 1-3) were prepared by the author and reviewed by the Adelante project Monitoring Evaluation Accountability and Learning (MEAL) officer. The questionnaires were not tested prior to the data collection exercise. The focus groups and key informant interviews were carried out by the Adelante project MEAL officer between July 29 and August 9, 2019. The project manager was interviewed over Skype. Results were entered in an Excel spreadsheet and subjected to content analysis and comparisons across the different focus groups to triangulate responses.

### Limitations

The sample size was small – only 149 households in 6 communities had participated both in voucher and cash fairs. The small size of the sample reduces confidence in the results and limits wider generalization. Local seed banks only participated in the cash fairs and not the voucher fairs because they were unable to meet the requirement that the vendors be registered with the government, so they were not interviewed. This prevented capturing the perspective of most local suppliers on the fairs’ effect on longer-term client/vendor relations.

## FINDINGS

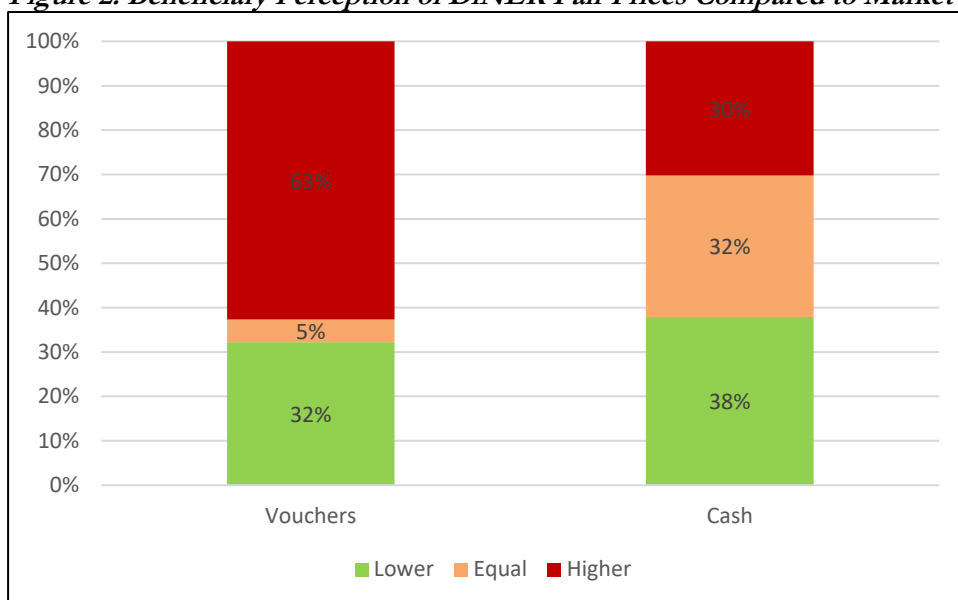
### Prices

Focus group participants universally expressed dismay that prices in the voucher fairs were inflated with respect to local market prices and that they were unable to negotiate prices. Voucher prices were set contractually between CRS and the vendors.

However, 3 out of 4 focus groups reported that during the cash fairs, prices were aligned with the local market prices. Although there were still a limited number of vendors, beneficiaries’ ability to take their cash elsewhere appeared to put pressure on vendors to make their prices competitive. However, although prices were not set in the cash fairs, focus group participants said they still were unable to negotiate prices. Project staff indicated that because of the high quality requirements for tools, those prices were above the market average. The quality requirements were the same for both cash and voucher fairs with products inspected 15-20 days before the event.

In the learning study, beneficiaries reported that at the voucher fairs, prices were higher than the market, while prices at the cash fair were consistent with prices in the local market. The majority (63%) of participants in the study felt that prices at the voucher fairs were inflated as compared to 30% who considered the prices at the cash fairs inflated. Conversely, 32% of participants in the study said that prices were lower at the voucher fairs than the market.

**Figure 2: Beneficiary Perception of DiNER Fair Prices Compared to Market (by Modality)<sup>6</sup>**



Household interviews in the learning study, revealed that cash users considered the cash provided to them to have greater buying power than the vouchers, i.e., they felt that the cash allowed them to purchase more items than the vouchers. The majority (90%) of Adelante participants believed that the cash was sufficient to purchase what they needed compared to 80% of Superamos voucher participants. For the voucher fairs, the product prices were fixed in the electronic voucher platform. For cash fairs, a ceiling price was agreed to beforehand, however, prices were flexible downward.

The number of vendors was limited for both the cash and voucher fairs because the project sought vendors with a large stock of products to meet demand. This limited the number of smaller, local vendors who could participate, reducing the benefit to the local economy. Because of requirements that vendors in the voucher fairs be registered with the government, local seed banks were only able to participate in the cash fairs. In both fairs, no more than three vendors offered the same type of product and in the case of fruit tree seedlings, there was just one. The small number of vendors reduced price competition in the fairs.

### Leakage

A frequent concern regarding sector-specific cash programs<sup>7</sup> is that the money will not be spent on the donors' intended use. In the case of Adelante DiNER fairs, all focus groups reported that the bulk of cash received was spent at the fairs. However, most participants had reserved some of the cash transfer for expenses outside of the fairs (leakage). When directly asked, participants reported that most had kept around 10% of the money received to purchase local seed from neighbors, pay for transport home, buy tools, or save for emergencies. However, in response to a question about the effects of the cash modality on the community, participants of one focus group reported that they had kept an average of 30% of the cash (around \$13) for local purchases outside of the fair.

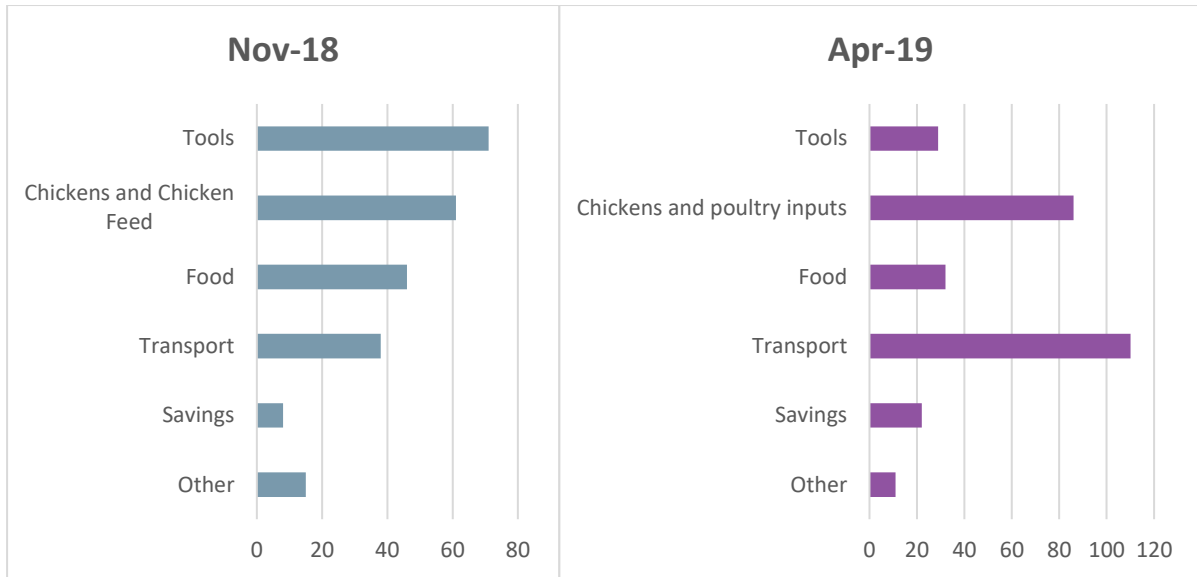
Post-distribution monitoring (PDM) results show that 63% of families reported not spending all their cash in the small livestock DiNER fairs, while 75% of participants retained money after the later seed/tools DiNER fairs. On average, individuals retained 16% of the cash distributed during the fairs. The following graphs shows what items were purchased with remaining funds. Looking at the amount of cash retained by the participants and the items they were purchasing with the remaining money provides an indication if the fairs were satisfying participants needs. It should be noted that families were also

<sup>6</sup> Pernillo, J. *Estudio de Aprendizaje Ferias Diner-Adelante*, CRS July 2019, p22

<sup>7</sup> Cash transfers are unrestricted, which means they can be spent as recipients choose.

receiving regular cash transfers for basic needs. This enabled them to direct their spending to products offered at the fairs rather than reserving the money for basic needs.

**Figure 3: Items Beneficiaries Spent Remaining Funds on after Cash DiNER Fairs (# of participants)**



Post-distribution monitoring after the November small livestock DiNER fair revealed the largest number of participants spent remaining funds on tools. Tools are important for men who will sell their labor during the planting season. This was closely followed by additional poultry and poultry supplies. Fewer people spent on food and transport home. Savings were a smaller portion of the cash use.

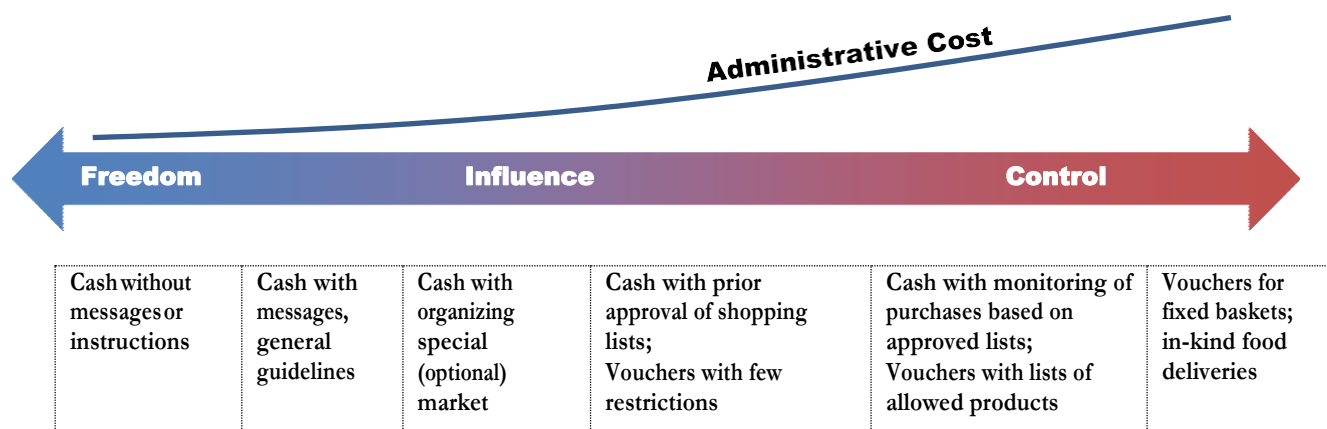
Spending of surplus funds varied somewhat in the Spring DiNER fair. Transport was the most frequent expenditure. The next largest category of spending outside the fairs was poultry and poultry inputs - families were most likely maintaining flocks that had either been supplemented or started in the November DiNER fairs. It is an intriguing result that some participants took their cash to purchase tools outside the fairs because tools were offered at the fair. Perhaps beneficiaries were looking for specific tools that were not available at the fair or perhaps they were looking for less expensive tools. Further examination on this topic is required. This was followed by food for the family and then savings.

### Management/Cost of Modalities

The figure below illustrates the expected decrease in administrative costs of unrestricted cash transfers as opposed to vouchers; the decrease in administrative costs parallels a decrease in project control over the use of the transfer. Additionally, the graph shows that as more restrictions/conditions are removed on delivery mechanisms, administrative costs decrease.



**Figure 4: Graphic of Variations within Modalities along a Scale of Control and Cost<sup>8</sup>**



The experiences of the Guatemala program align with this theoretical framework. For example, the voucher fairs and cash fairs were roughly the same size and scope but administrative costs for the cash fairs were lower than the voucher fairs. Similarly, voucher fairs required, on average, 40 staff members to distribute vouchers, manage the e-voucher systems and control the crowd. On the other hand, cash fairs required on average, only 12-14 staff. When comparing the two models, differences in the crowd flow were noted as well. During cash fairs, crowd flow was much better due to staggered entry from the bank after participants collected their cash. Lines at vendors moved more quickly without the need for voucher readers. The bank did not require staff for crowd management thus reducing staff requirements.

In addition to fewer staff requirements, cash fairs avoided the costs associated with the electronic voucher platform and the necessary equipment: android devices, receipt printers, the e-voucher cards with chips, and the 4% (roughly US \$1.7) transaction fee charged by the Red Rose platform. For the cash program, bank transfer fees were around US \$1.1 per transaction. CRS Guatemala had a pre-existing contract with the bank, so did not need to invest the time and effort required to contract new financial service provider. A paper voucher program would have had further costs such as the cost of voucher printing and the increased human resources required for voucher reconciliation immediately after the fair in addition to the burdens of counting the vouchers by the finance office.

### Effects on the Market

Focus group participants reported that money not spent in the fair was spent locally and thus boosted the local economy.

Cash fairs included 3 local seed banks whose participation and revenue benefitted the local economy. However, in both the cash and voucher fairs there were vendors coming from larger market centers and as a result the money generated from their sales did not benefit the community level economy. Focus groups reported that because of the distance to these vendors, they would probably not continue patronizing them vendors beyond the fairs. For vendors, the fairs provided a tremendous one-time bump to their sales. For the April/May 2019 cash DiNER fair, the tree nursery saw an increase of 229% in sales of seedlings. The two hardware stores showed a total increase of sales of 112% and 203% between April/May 2018 and April/May 2019 on those tools sold at the fair. Sales of these products in their



**Figure 5: Vendor Selling Tools at DiNER fair**

<sup>8</sup> McClain, K. Market-based Food Assistance in Guatemala: A systematization of experiences, CRS, PCI, May 2018, p 22

shops dropped 31% for the nearest dealer and 10% for the more distant dealer showing that some of the normal demand was satisfied during the seed fairs, but not dramatically for the second dealer. This indicates that, all other factors being equal, there is limited overlap of the seed fair clients with their normal clients, confirming focus group reports that they really didn't know the vendors prior to the fairs.

In terms of longer-term impact on their businesses, one hardware vendor reported new clients from one nearby village who she anticipated would continue patronizing the business in the future. The fruit tree nursery anticipated longer-term business from new communities where she had never sold before: "... *The people are made aware and make orders...mostly tree seedlings.*"

Nevertheless, the learning study reports only 20% of beneficiaries could recall the vendor who served them, indicating little possibility of patronizing these businesses in the future. Because most of the vendors were not local, they were previously unknown to the beneficiaries nor likely to be sought out in the future. The nursery reported planning on modifying its business model as a result of the fairs – expanding beyond its reliance on institutional purchases to reaching out and selling directly to farmers.

One concern of any transfer program is the potential negative effect on the market – the increase in demand can cause local shortages of the product potentially creating price inflation. The two more distant vendors reported seeing no price changes on their markets during the fairs. The nearer hardware store reported drops in the prices of some goods in town at the time of the of the cash fair as vendors sought to compete with the fairs and lure some of the participants to their stores.

In terms of ensuring an adequate supply of goods for the fairs, only one hardware vendor had supply issues during the voucher fairs. As she was waiting to be paid for the vouchers, she experienced a cash shortage resulting in delays for new orders. With the cash fairs, that was not an issue.

## Gender

Focus groups reported no real gender-based advantages or disadvantages to either modality. The project did adjust the location of the fair to a nearer site after the first round in response to complaints about the distance and concerns about security. Women's focus groups reported that keeping track of the remaining balance on the vouchers was difficult and cash was much easier.

In terms of deciding what to spend the cash/vouchers on, all focus groups said that couples decided jointly on what to purchase. Generally, couples divided the money so men could purchase tools and basic grains while women purchased poultry and vegetable seed. One group noted that couples made a budget before the fairs. Household decision making trainings prior to the fairs included an analysis of household resources for agricultural and livestock production which resulted in a family budget for the DiNER fairs.

A potential pitfall of cash includes anti-social uses (e.g., the purchase of alcohol) and appropriation of the cash by men. These were not evidenced during the fairs, which may be a result of conditions that all beneficiary couples participate in the Families with Dignity education program. All focus groups reported that the use of any remaining cash from the fairs was decided jointly by the couples. Furthermore, men and women reported that they paid the same prices at the fair. Vendors did not report any distinction in the way they treated or reached out to clients of different genders as a result of the fairs.

## Financial Inclusion

One theoretical secondary benefit of cash programs is the entry of the participants into the formal finance sector. Only one participant reported opening a savings account after the fairs. The low level of engagement was reported to be due to the distance to the banks, participants' low level of savings and small amount of money received.

## ADVANTAGES & DISADVANTAGES OF EACH MECHANISM

For the focus group participants, the advantages of cash far outweighed any advantages of vouchers. All focus groups cited the main advantages of cash were the additional control and choice it provides and the option of buying products outside of the fair, such as indigenous seed in their communities. Other advantages included the fact that vendors were forced to keep prices lower, and participants were able to better account for their spending in the cash fair than with the electronic vouchers. The latter was one of the main complaints about the e-vouchers – participants could not see the remaining money on their cards and so did not realize how much they had spent. All focus groups complained that with vouchers they had to spend all of the allotted money in the fairs. Due to this, one focus group reported that participants sometimes purchased unneeded products.

For vendors, cash is easier for them to manage and there are no delays waiting for payment from CRS. However, with vouchers that can only be utilized at the fair, vendors essentially have a guaranteed market. The perspectives of project staff align with those of the participants and vendors. They preferred the cash fairs because they were less costly and require fewer staff. The competitive pressure both within and outside the fairs encouraged vendors to keep prices competitive and offer promotions (e.g. providing sacks). Beneficiaries felt empowered.

Nevertheless, the project manager says a similar approach might not be appropriate for sudden onset disasters. She cites the 2-3 months of preparation of beneficiaries for the fair including training on family resilience in the face of recurrent drought; home gardening, poultry production and financial education. The trainings led to an analysis of household resources for agricultural and livestock production by couples and a budget for the DiNER fairs.

### What could be improved?

All focus groups wanted prices to be reduced in the fairs. Two of four groups wanted more variety at the fairs. Two recommended that the agricultural technical assistance continues beyond the fairs. Vendors would like a clearer understanding of products that communities need. For planting materials, some varieties are more appropriate for different conditions (e.g. low altitude vs high altitude) and had vendors been aware of the local agroecology beforehand, they could have adjusted their products accordingly.

### Preferred Modality

All focus groups preferred cash because of increased choice, the ability to keep cash for other needs, and the ease of monitoring spending during the fairs. Two of three vendors preferred cash while the third was ambivalent, generally expressing the advantages and disadvantages of both.

## CONCLUSIONS

In the Guatemala DiNER fair case, cash appears to offer more advantages than vouchers. Cash was preferred by participants, vendors and project managers. Cash was easier to manage by the project, vendors, and beneficiaries; cash fairs were less costly than voucher fairs; prices were more competitive in the cash fairs, and one found that, largely, cash was being used for its intended purpose. Cash also permitted vendors to resupply quickly without waiting for the voucher reimbursement process to go through. Nevertheless, there are caveats to recommending cash across the board for DiNER fairs.

Potential pitfalls of cash include anti-social uses and appropriation of the cash by men. We did not see any evidence that this was occurring during the fairs which may have been as a result of the requirement that all beneficiary couples participate in the Families with Dignity education program. In terms of leakage, post-distribution monitoring surveys report that participants retained on average 16.5% of the cash. Because cash is by its nature unrestricted, it is extremely difficult to control beneficiary spending. Nevertheless, the project was able to influence spending in a variety of ways:

- Setting up a closed fair near the cash distribution point, so that the first purchase option for beneficiaries was the fair.
- Conducting an intense educational campaign on the technical side of livestock rearing and improved agriculture techniques, and on household budget management and joint decision making among spouses.
- Families were also receiving regular cash transfers for basic needs. This enabled beneficiaries to direct their spending to products offered at the fairs rather than reserving the money for basic needs.
- Making products available in the fairs that were identified as priority by beneficiaries.

Because the Guatemala country program had been undertaking cash transfers through a local bank for several years, a relationship (and contract) with the bank had already been established and it was relatively easy to arrange for cash payments to project beneficiaries. Normally, undertaking an assessment of financial service providers, establishing a contract, and developing a system for distribution of the cash during the fairs takes some time and might prevent the modality being used quickly after a rapid onset disaster. Ideally, relations with a financial service provider will already have been established during pre-crisis preparation. Otherwise, one should plan a 1-2-month financial service provider contracting process.

In addition, because the project was undertaking an intensive educational campaign in the lead up to the fairs, a 2-3-month preparatory period was planned. If a project needed to conduct a more rapid response, these educational efforts might need to be abandoned or substantially reduced. The absence of sensitization and education surrounding the fairs could possibly have a negative effect on leakage, gender imbalance, and agricultural production outcomes.

Both cash and voucher fairs not only increased business for participating vendors during the period of the fairs but appear to have created new longer-term clients for two of three vendors interviewed, thus potentially expanding their markets.

### Further Research

The use of cash in DiNER fairs is a relatively recent innovation. However, cash transfers with sectoral objectives have grown in the humanitarian community but the evidence base for the effectiveness in meeting sectoral outcomes remains limited. Evidence is even more limited in the seed sector.<sup>9</sup> Programs are encouraged to test cash in seed fairs and document their findings in order to build up the evidence base on the practice.

Most cash programs consider that beneficiaries are best placed to determine their own needs, so “leakage” is a non-issue. However, with a more directed program looking at specific outcomes (such as seed and nutrition) the question becomes more relevant. In these cases, it would be interesting to

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<sup>9</sup> Keane, J, Brick, D, Sperling, L. *Study on cash transfers for seed security in humanitarian settings*. A Feed the Future Global Supporting Seed Systems for Development activity (S34D) report. 2019.

compare the leakage in a project such as Adelante that includes an intense campaign to influence spending (Cash plus) with a program that has minimal promotion efforts.

Fairs are an opportunity for vendors to establish longer-term relationships with clients they encounter at the fairs. Currently, little evidence has been collected on this. Examining the effect of fairs, specifically cash fairs, on expanding participant vendor business in the long-term would enable programs to understand the degree that this occurs and build-in measures to promote this secondary objective; and, examining the differences in building a long-term client base between smaller, local vendors in the fairs and those more distant enterprises with less connection to the communities.

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## Annex 1: Focus group guide

1. Could you describe the DiNER fairs?
2. Where do you normally source your seed?
3. Where do you normally source your tools?
4. Where do you normally source your fruit trees?
5. What do you think about the DiNER fair's implementation and follow-on?
  - a. Was the location of the fair reasonably accessible to you? Any concerns in accessing the fair grounds and returning home (safety, distance, etc)?
  - b. Where there products not available at the fair that you would have liked to purchase (type, variety, quality)? If there were products at the fair you would have liked to purchase but did not purchase, why?
  - c. How did you receive the money for the fair? Did you experience any difficulties in accessing the money? If so, please explain?
  - d. After receiving the cash, who decided what to spend the cash on? If a joint decision, prompt on influence of voice by different decision-makers
  - e. Were the prices in the Cash fair aligned with the market price at the time of the fair? Were you able to negotiate prices? Do you feel men and women paid similar prices for the same product and quantity? If no, please explain.
  - f. Were the prices in the DiNER fair aligned with the market price at the time of the fair? Were you able to negotiate prices? Do you feel men and women paid similar prices for the same product and quantity? If no, please explain.
  - g. Did you have any leftover money after the Cash fair? If so, why did you not spend it all at the fair? What did you use the leftover money for? Who decided on how to use the leftover money?
  - h. When you return to your home, who made decisions on the products purchased at the fair? Why?
  - i. Were the most important suppliers from the local area at the DiNER fairs?
6. Have you noticed any corruption within the process (during registration for the programme, before the distribution, during the distribution, at the cash point delivery mechanism provider, before or after receiving the cash)? Please explain.
7. Did you participate in a voucher DiNER fair? How would you compare voucher modality to a cash modality? What are the advantages and disadvantages of both types of fairs?

Modality	Advantage	Disadvantage
Cash		
Voucher		

8. Which modality do you prefer and why?
9. What have been the effects of the cash program on you and your community?
10. Did any of you open bank accounts or start mobile money accounts following DiNER fairs? (financial inclusion). Why or why not? If yes, any difficulties in opening or accessing bank accounts or the mobile money acct you establish? Who makes decisions on the use of the money in these accounts?
11. What could have been improved? Do you have recommendations for future interventions?

## Annex 2 : CRS staff questionnaire (Cash / Voucher)

1. Could you explain the functioning of the DiNER fairs?
2. Describe the effectiveness and administrative simplicity of the following:
  - a. Cash delivery option – Contracting financial service providers – setting up the cash program – working with financial service providers, other
  - b. Set up of cash vs. vouchers– e.g. recruitment/training of vendors, sensitization of beneficiaries, printing of vouchers, accounting of vouchers.
  - c. Staff required for fair (cash vs. vouchers)
  - d. Compare cost of set up and administration of cash vs. voucher DiNER (Do you have figures?)
  - e. Security and corruption issues (cash vs. vouchers) – forgery and misappropriation, corruption, security.
3. What has been the program's effect on markets, such as:
  - a. Have there been any multiplier effects (other local businesses benefitting)? Any difference between cash and voucher?
  - b. Market distortions cash vs voucher (on price, supply of goods)?
  - c. Any disincentive effects (e.g. on non-participating vendors, are vendors local)? Any difference between cash and voucher?
  - d. Where do farmers normally obtain these goods (seed, seedlings, tools)? What has been the effect of the DiNER fairs on their traditional source of these goods?
  - e. Any financial inclusion benefits e.g. people setting up bank accounts or mobile money accounts? Any difference between cash and voucher?
4. Compare cash vs. vouchers:
  - a. Are there more vendors with cash?
  - b. More local vendors with cash?
  - c. What do vendors need to participate in program (boost stocks, capital infusion etc.)
  - d. Compare the quality of goods provided in cash vs. vouchers?
  - e. Is there more negotiation observed with cash?
  - f. What is degree of leakage (use of cash outside of DiNER fair)? What were participants purchasing?
  - g. Is leakage a problem?
5. Beneficiary effects and preferences
  - a. Are there protection issues (cash vs. vouchers)?
  - b. Does either modality disadvantage women? Explain.
  - c. How does cash or voucher affect intra-household relationships?
  - d. Could you describe the effects on dignity of cash vs vouchers?
  - e. For those beneficiaries who have used both modalities, which do they prefer?
6. Which modality do you prefer? Why?



## Annex 3: Trader questionnaire

1. How long been you been in business?
2. Are you an independent operator or part of a larger organization?
3. How many branches do you have and where are they?
4. What geographical area does your business carry cover?
5. What are the main products that you carry?
6. How many other traders carrying like goods in your coverage area?
7. What products did you sell in the DiNER fairs?
8. Compare sales for these products during the month of DiNER fairs with sales the previous year during the same month.

Product	April/May sales quantity 2018	April/May sales quantity 2019 in fairs	April/May sales quantity 2019 outside of fairs

9. What was the effect on your business?
10. Has your client base changed since the fairs?
  - a. Number of clients?
  - b. Type of clients?
  - c. Your relationship with the clients?
11. Do you think that this was a one-time only effect, or do you think there were longer term benefits (e.g. creating new clients, expanding stock, expanding business...)?
12. Was there an effect of DiNERs on prices of these goods (with him/her and local market)?
13. Did you face any constraints in obtaining sufficient supplies (seed, tools, etc.) for the fairs? E.g. shortages from suppliers, lack of capital to purchase supplies, other?
14. Have ever participated in fairs using vouchers?
15. If so, how would you compare giving beneficiaries vouchers with providing them with cash (from the perspective of the vendor). Are there different advantages and disadvantages for women and men? If so, what are they?

Modality	Advantages		Disadvantages	
	Men	Women	Men	Women
<b>Cash</b>				
<b>Voucher</b>				

16. Since the DiNER fair, have you communicated with the male and female farmers who participated in the fair?
 

If yes, explain why you have communicated with them.

  - a. Ask about the quality of the product
  - b. Ask over questions on the use of the seed/product
  - c. Compare information over when and where the seed/product would be available
  - d. Share information about new products on offer
  - e. Other

Has your level of communication varied from cash fairs and voucher fairs?
17. In your opinion, the cash / coupon fair is influenced (specify if there is any difference between cash and coupons):
  - a. Where do you sell product (s)? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
  - b. Who sells the products? 1. None 2. A little 3. A lot a lot 4. A lot  
Please explain
  - c. Who is the product sold to? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
  - d. What is the delivery method of the sale (family stores, mobile vans, etc.)? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
  - e. How are the products packaged? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
  - f. When is the product (s) sold? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain

- g. What kind of products to sell? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
- h. How do you communicate with your clients? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
- i. How do you seek to understand customer preferences and needs? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
- j. How to reach the poorest farmers? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
- k. How to reach the women farmers? 1. None 2. A little 3. Quite a lot 4. A lot  
Please explain
18. For vendors / farmers associations: Has the cash / voucher fair changed your relationship with the community in any way? If not  
If yes, please explain the changes
- I know my community needs better
  - I have a stronger relationship with specific community members
  - I am in conflict with community members (i.e. my product(s) failed, poor negotiations, etc.)
  - My relationship is the same with community members
  - I engage with more diverse community members than before
  - Community members trust me more now
  - Other: \_\_\_\_\_
- If yes, please explain the changes  
Gender \_\_\_\_\_
- 
19. Did you learn something new about what your customers want (men, women, other categories) --  
- because of the fairs? Specify what type of fair and what was learned.
- Due to attending the fair, are you now looking to understand the different needs of your clients? Yes/no
  - Due to attending the fair, are you now looking to understand the different needs of your male clients? Yes/no
- 
20. Have you made any changes to specifically reach customers with products? If so, what changes have you made?
- Hire female sales staff to engage with female customers
  - Work with local dealers / stores to supply seeds / varieties that women community members have demanded
  - Package products in smaller portions to make them affordable for customers.
  - Last mile point of sale: use of community agents, village shops, mobile vans
  - Communication aimed at women.
  - Products / varieties brought that the farmers preferred.
  - Actively interacted with women during the fair.
  - Clients served based on order of arrival, served first rather than based on gender
- Other: \_\_\_\_\_
- Future fairs
21. Would you participate in future fairs? If not  
Please explain
22. If you participated in a future fair, what type of fair would you prefer: coupon, cash, or either? Why do you prefer this type of fair? What could have been improved? Recommendations for future interventions?