

Mercy Corps vendors empowered by the Red Rose ONESystem reach more customers

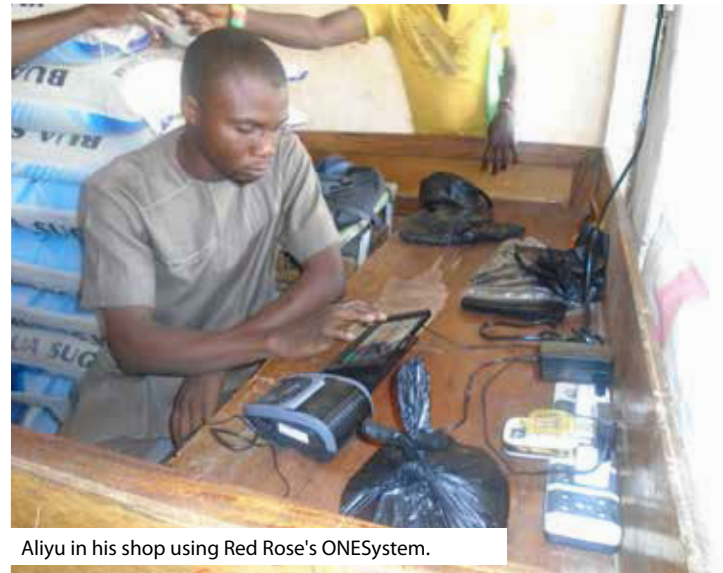
Nigeria has been plagued by violence and economic inequality for years. Political conflicts and insecurity caused by insurgent groups has resulted in many internal displaced people (IDPs), especially in the north eastern states of the country. At least 1.2 million people have been displaced in recent years, leaving their loved ones, homes, schools and businesses behind. Today, many Nigerians face tremendous difficulty in accessing basic services and commodities. Cash and voucher transfers are being used by NGOs to respond to a wide range of humanitarian needs, giving purchasing power to disaster or conflict-affected people. These transfers enable beneficiaries to meet their needs for food and non-food items, provide access to basic services or to support emergency livelihood recovery. These programmes are also essential to empower local businesses that have the challenge of operating in disrupted markets, especially in areas where financial services are hard to access.

For many places in Nigeria, paper vouchers are adopted as the primary modality of assistance by humanitarian agencies. As the number of the IDPs increases and the people in need spread out over wider areas, it has become more challenging for NGOs to manage paper voucher projects. Printing, distributing and reconciling paper voucher transactions consumes a great deal of time, especially as these programmes often involve reaching populations who are dispersed or have become isolated geographically. The additional resources used in paper voucher activities limits NGOs' time available for assessments, monitoring, and other critical tasks. Beneficiaries also face extended waiting periods, as well as expensive and sometimes dangerous journeys to and from the distribution sites. As usage of paper vouchers by agencies becomes more widespread, shopkeepers also have the challenge of keeping track of and managing these vouchers.

Mercy Corps introduces the Red Rose ONESystem to Nigeria

"We want to thank Mercy Corps" says Aliyu Iliyasu, a shopkeeper selling pulses and other food commodities in the marketplace of Gombe; "they have provided electronic vouchers to their beneficiaries and now my customers use smart cards instead of paper vouchers. This makes our lives easier as vendors, but it is also better for our customers."

Mercy Corps was the first NGO in Nigeria to introduce Red Rose's ONESystem, a secure electronic cash payment solution, with a project funded by USAID's Food for Peace program. Designated vendors like Aliyu, are equipped with handheld POS terminals using One App, the Red Rose application. One App is a user friendly vendor interface that helps track purchases on a real-time basis. Contrary to the paper vouchers that can easily be stolen, lost or torn,



Aliyu in his shop using Red Rose's ONESystem.

beneficiaries are given personal smart cards that are secure and can only be accessed by a PIN number. Android handsets are easy to use and help vendors select their preferred food items from the touch screen, make calculations and complete transactions in just a few minutes.

A win-win for vendors and customers

The ONESystem improves operational efficiency and helps traders respond to more customers. This is an effective way for businesses to get more customers through their doors, faster and safer than using traditional delivery methods.

"These handsets are not only easy to use, but also help us to sell more in a short time" says Aliyu. "As

Gombe marketplace



you know, paper vouchers come in different amounts. Sorting them out takes so much time. This process leads to long queues of 20-30 people in front of the shop. When I was dealing with paper vouchers, it used to take me almost 2 hours to serve 20 people in. Now it only takes 20 minutes. When I look at my daily sales, I can see that I gain more, because I serve more people. Also at the end of the day, I don't have to count the paper vouchers to see my daily income. I can find this information at a click of a button. All I have to do is to close my shop. Moreover, I don't have to prepare vouchers for the next morning and worry about losing them."

Almost 40 vendors, more than 3500 beneficiaries

In the beginning Mercy Corps, aiming to support local markets for sustainable recovery, initiated its electronic cash transfer project in the northeast region of Nigeria with a pilot covering 8 vendors and 500 beneficiaries. Witnessing the success of the initiative, which also helped stimulate trade in local markets, Mercy Corps decided to expand the project. Today, more than 3,500 beneficiaries in Gombe State are purchasing food through 36 designated vendors in various communities using the ONESystem. Mercy Corps is revitalizing local economies by increasing the volume of trade and number of vendors while helping communities recover and build resilience.

As the ONESystem tracks and records every transaction, Mercy Corps can easily evaluate the programme's impact. Through the dedicated monitoring and evaluation function of ONESystem, Mercy Corps has real-time data about ongoing purchases, market prices and the buying preferences of beneficiaries. This helps Mercy Corps monitor and keep its programme relevant and fit for purpose. The ONESystem also allows flexibility to make changes in the project when necessary. Furthermore, this real-time information enables Mercy Corps to clearly demonstrate the project's impact to its donors with greater accountability.



A Mercy Corps vendor in his shop.



A scene from Mercy Corps vendor training in Gombe.

Adrian Ouvry, Humanitarian Advisor for Mercy Corps in Nigeria

states that the vendors with their project are very positive about using ONESystem e-vouchers. "Once their initial reluctance to use and trust the technology has been overcome, they almost all become enthusiastic users, and prefer the system to the paper voucher alternative. The amount of activity in local markets where Mercy Corps vendors are active has gone up: their confidence in increasing the supply of goods, because of the increasing demand stimulated by the project, has had a positive knock on effect for all users of the markets" says Ouvry.

He also points out the benefits of the monitoring and evaluation features of the ONESystem and says: "We can track levels of activity, and quickly spot anomalies or problems requiring our attention. This might be prices

becoming too high for certain commodities, or beneficiaries who are not using their cards, or vendors having difficulty making transactions: we can pick up on all these kinds of issues in real time and start to deal with them, without having to go out to the markets to physically verify activities (although we continue to do that periodically as well). Of course there are always many details that need to be worked out at start up and scale up phase and some small hitches to overcome, but with the close support of the Red Rose team, the platform has now been well established and is working well. The training provided by the Red Rose team and ongoing remote support has been first class: we are very happy to be working with them. We are pleased to note that now several other agencies want to start using this system in different parts of Nigeria, spreading the benefits further."

