

Anticipatory Humanitarian Action Project 2024

Overview

Rahat, an open-source financial access platform, was selected as a grantee of the GSMA Innovation Fund for Anticipatory Humanitarian Action 2024, which received funding from the UK Foreign, Commonwealth & Development Office.

This collaboration brought together Rahat, GSMA, and Danish Red Cross as partners.

Rahat developed and piloted a multi-signature-based anticipatory action module within an existing cash and voucher assistance (CVA) platform. This innovative solution aimed to facilitate the timely dissemination of Early Warning communications and efficient distribution of cash support for households residing in disaster prone areas.

The project was focused on two flood prone districts in Terai region of Nepal:

- Kanchanpur District – Laljhadi Rural Municipality and Punarbas Municipality
- Kailali District – Janaki Rural Municipality and Tikapur Municipality.



Objectives

The integration of the Rahat system into anticipatory action efforts aimed to enhance the efficiency, transparency, and accessibility of cash-based responses before and during crises.

The key objectives of this intervention were:

- To strengthen **anticipatory cash assistance** for Vulnerable Groups
- Enhance **Early Warning Communication (EWC)** through digital solutions.
- Improve **transparency, accountability, and real-time monitoring**.
- Increase **financial inclusion** and **digital literacy** among beneficiaries.
- **Scale** and **institutionalize** anticipatory action mechanisms

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**33000+**Total
lives impacted**5400+**Total
direct Users**43000+**Number of
early warning
SMS and IVR sent to
beneficiaries**1-2 hrs**Time taken to
send information
after the trigger
actions**5**Number of training
session conducted**30**Number of
community session
on DFL**800+**Number of community
members who
received Digital
Finance Literacy
Trainings**98%**Proportion (%) of
beneficiaries who report
taking proactive steps to
prepare for floods after
receiving earl warning
communications from
Rahat

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Lessons Learned

1. Effectiveness of Early Warning Systems (EWS)

- **98.3%** of beneficiaries found early warning communications helpful for proactive decision-making.
- **IVR (Interactive Voice Response)** was **more effective** than SMS in reaching populations with low literacy.
- **Localized** and **multilingual communication** (e.g., Nepali and Tharu) is **critical** for inclusivity.

2. Cash Assistance Successes and Challenges

- **Cash assistance** through Namaste Pay (mobile money) and bank accounts was largely **effective**.
- **80%** found Namaste Pay reduced delays.
- **95%** of bank transfer recipients appreciated the timeliness of the process.

Challenges included:

- **Low digital literacy** and **KYC compliance** issues.
- Mobile network **limitations**, especially in rural areas.
- Bank method **lacked integration** with blockchain, **reducing** full transparency.

3. Digital Financial Literacy (DFL)

- **DFL sessions** were well received, **97%** of participants felt more prepared.
- Content on **wallet use**, **fraud prevention**, and **cash withdrawal** was appreciated.
- **Language barriers** and **lack of hands-on practice** limited some participants' comprehension.

4. Accountability and Transparency via Blockchain

- The **multi-signature trigger mechanism** and **real-time dashboards** improved **transparency** and **trust**.
- Stakeholders could **track cash flow** and **engagement** effectively.
- Still, **manual interventions** and **lack of full automation** reduced system efficiency.

5. System Usability and Scalability

- System shows potential to **scale**, but is **limited by infrastructure, digital skills**, and **field-level resistance**.
- **IVR messages** were especially effective, but communication still needs to account for **language** and **literacy gaps**.
- Field staff preferred phone calls over digital tools due to unfamiliarity.

6. Municipal and Community Engagement

- Municipal ownership was limited, which reduced **local buy-in** and **sustainability**.
- Volunteers and ward officials played **key roles** in implementation and coordination.