



EU Cash Compendium 2019

Doing More Cash, Better

February 2019

Civil Protection and
Humanitarian Aid

Introduction

The European Union's humanitarian assistance is increasingly delivered in the form of cash, replacing, where possible, traditional in-kind humanitarian aid. Cash assistance is not only more efficient, but is also providing people in need with wider and more dignified assistance, giving them the flexibility to choose what to purchase based on their preferences. It also results in more aid directly reaching beneficiaries, which ultimately ensures the maximum impact for those in need and better value-for-money for donors and taxpayers. Finally, cash transfers support local markets, lay the foundations for communities' recovery and resilience, and can complement existing social safety protection systems.

Therefore, we believe that, where it is right for the context and in the best interests of beneficiaries, cash represents the most effective and efficient modality to provide aid to those who need it most.

This short publication starts at the eve of the World Humanitarian Summit, when the world's major donors and international organisations came together to sign the Grand Bargain, of which cash represented a central part.

Since then, the EU has been committed to constantly scale up the use of cash in its humanitarian operations, especially when cash is delivered in large-scale programmes to people who are caught up in protracted crises. We owe it to beneficiaries, donors and taxpayers to ensure that these operations are the best value possible. This is why we have sought to put these big cash programmes under scrutiny to see if we can make them more efficient, more transparent and more accountable – this is the rationale behind the Cash Guidance Note, described in this Compendium.

Cash poses a series of challenges to the way we work. We are seeing a greater role for new actors, such as private sector financial service providers, and perhaps a different role for traditional humanitarian actors, who should focus more on assessments and monitoring and less on the delivery itself. It was in this spirit that we launched a Preliminary Market Consultation, to explore the feasibility of contracting large-scale cash delivery on a commercial basis – also described in the EU Policy framework chapter.

The third part of this Cash Compendium contains a selection of some of our most prominent experiences with cash assistance. Several case studies coming from all over the world show that cash is a versatile, adaptable modality, which lends itself to a variety of contexts and crises.

Against the backdrop of growing humanitarian needs and limited funding, we have a moral obligation to improve the assistance we provide, as well as increasing efficiency and cost-effectiveness. I believe that cash is a compelling tool that can make our limited resources go further, while making us more accountable to the people we assist.

Monique Pariat

*Director-General
Directorate for European Civil Protection and Humanitarian Aid Operations (ECHO)*

Table of Contents

I. International frameworks	3
a. World Humanitarian Summit	3
b. Grand Bargain	4
II. The EU Policy Framework	6
a. The Cash Guidance Note	7
b. The Preliminary Market Consultation	9
III. Case Studies	10
1. Greece – Multi-purpose Cash Transfers for All Asylum Seekers	11
2. Turkey – Emergency Social Safety Net (ESSN)	15
3. Iraq – Harmonised Multi-purpose Cash Assistance for the Most Vulnerable Conflict-Affected Households in Iraq	18
4. Somalia – Streamlining and Harmonising Emergency Cash Transfers Programming Toward a Safety Net Approach	21
5. Lebanon – UNHCR-WFP Joint Cash Programme for Basic Needs	25
6. Jordan – UNHCR Cash Programme for Basic Needs	27
7. Afghanistan – Emergency Response Mechanism	30
8. Myanmar – Protection-focused Humanitarian Action for Displaced and Conflict-Affected People	32
9. Kenya – Integrated Emergency Drought Response to Save Lives in Kenya’s Arid and Semi-Arid Counties	34
10. Uganda – Multi-purpose Cash and Protection for South Sudanese Refugees	36
11. Mali – Cash Distributions to Foster Resilience for Food Crisis-Hit Households	38
12. Haiti – Cash Assistance to Improve Food Security for the Most Vulnerable Households Affected by El Niño	40
13. Guatemala – Cash Transfers to Secure Children’s Food and Nutrition Security	43

I. International frameworks

In recent years, international policy advancements have cemented cash transfers as a crucial component of humanitarian assistance. The global discussion on cash has highlighted the need to do more cash, and to do it better. The 2018 [State of the World's Cash Report](#), produced by the Cash Learning Partnership (CaLP), recorded a 40% increase in the value of assistance delivered in the form of cash and vouchers between 2015 and 2016. This advance is inextricably linked to some international framework milestones.

One of the earliest advancements was the [High-Level Panel on Humanitarian Cash Transfers](#), which was convened by the United Kingdom's Department for International Development (DFID) in 2015. The panel, which brought together global leaders from the humanitarian, development, financial, and academic sectors, examined the transformative potential of cash transfers for humanitarian responses. It explored the implications of scaling up cash for the financing and delivery of assistance, and with respect to the roles and responsibilities of national actors, the private sector and international humanitarian organisations.

In its final Report, [Doing Cash Differently: How Cash Transfers Can Transform Humanitarian Aid](#), the panel submitted 12 recommendations to the World Humanitarian Summit, which urged the humanitarian community to increase the use of cash in humanitarian operations, with greater cost efficiency, delivered through stronger, locally accountable systems. The report also recommended improving the coordination of cash transfers within the existing system to allow for economies of scale while avoiding duplication of programming and delivery infrastructure. Finally, the panel concluded by urging donors to look at activity-based funding by financing the delivery of humanitarian cash transfers separately from assessment, targeting, and monitoring.

a. World Humanitarian Summit

In May 2016, the first ever World Humanitarian Summit (WHS) called by the United Nations Secretary General took place in Istanbul. The Summit marked an unprecedented consultative process to improve humanitarian assistance, in which the humanitarian community was urged to scale up the use of cash-based assistance, wherever possible.

Overall, the WHS provided a unique opportunity to review the functioning of the humanitarian system. In the challenging context of an ever widening gap between the unprecedented scale of humanitarian needs and available funding, and the increasing variety of actors involved in humanitarian assistance, the WHS aimed at developing a clearer common understanding of how humanitarian assistance should function in order to better serve people in need, save lives and alleviate suffering.

The final commitment, on humanitarian financing, urged the humanitarian community to scale up the use of cash. It set forth the following:

“Commit to increase substantially and diversify global support and share of resources for humanitarian assistance aimed to address the differentiated needs of populations affected by humanitarian crises in fragile situations and complex emergencies, including increasing cash-based programming in situations where relevant.”

In the past two years since the first World Humanitarian Summit, donors, decision-makers, and non-governmental organisations have submitted self-reports on the commitments related to cash transfers. These reports demonstrate a significant scaling-up and shift towards cash amidst a wide range of actors. Furthermore, a WFP report highlights the increase in support to broader industry approaches and uptake of cash programmes, such as the [Cash Learning Partnership](#) (CaLP). CaLP, hosted by Oxfam, is a global partnership involving over 70 humanitarian actors who collectively deliver the vast majority of cash transfer programming, and aim towards radically increasing the scale and quality of cash transfer programming. The WFP report also spotlighted the Collaborative Cash Delivery (CCD) Platform and the European Research Council grants. The CCD is a network of 15 NGOs whose aim is to look at ways to make collaboration on cash easier to tackle inefficiencies, ineffectiveness, avoid duplications and confusion. In part this is through breaking down the cash programme cycle into modules that can be implemented independently and by different agencies in the CCD building upon comparative advantages of each.

b. Grand Bargain

The 2016 World Humanitarian Summit set the stage for the launch of the [Grand Bargain](#). The agreement aims to improve the way humanitarian aid is delivered by making it more effective and more efficient. The goal is to reach more people in need and spend less money on administration and overheads. As a major global humanitarian donor, the European Commission is at the forefront of the discussion and implementation of the Grand Bargain commitments.

In order to increase the use and coordination of cash-based programming, aid organisations and donors committed to:

- 1.** *Increase the routine use of cash alongside other tools, including in-kind assistance, service delivery (such as health and nutrition) and vouchers. Employ markers to measure increase and outcomes.*
- 2.** *Invest in new delivery models which can be increased in scale while identifying best practice and mitigating risks in each context. Employ markers to track their evolution.*
- 3.** *Build an evidence base to assess the costs, benefits, impacts, and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof.*
- 4.** *Collaborate, share information and develop standards and guidelines for cash programming in order to better understand its risks and benefits.*
- 5.** *Ensure that coordination, delivery, and monitoring and evaluation mechanisms are put in place for cash transfers.*
- 6.** *Aim to increase use of cash programming beyond current low levels, where appropriate. Some organisations and donors may wish to set targets.*

The first Cash Work Stream workshop, held in Rome in 2017, set forth six priority action points based on the Grand Bargain cash commitments. These action points are:

1. Measuring Cash
2. Donor Coordination
3. Cash Coordination
4. Measuring Value for Money, Efficiency, Effectiveness
5. Risk
6. Mapping of Cash Work

Together with CaLP, the EU is co-leading the Working Group focused on the first action point, ie. 'measuring cash'. The Working Group was formed to address the issue that there is currently no way to track the volume and type of cash transfer programming being delivered globally, and hence no way to track progress against the Grand Bargain commitment to scale up cash. The Working Group commissioned a first [scoping study](#), which explored technical and policy issues that are constraining progress towards better measurement and reporting of cash programming and suggested a number of options and ways forward.

In June 2018, on the occasion of the second Work Stream Workshop, the panellists outlined four key issues – coordination, capacity, evidence gaps, and recipient perspectives. Further, most participants indicated that they were in favour of separating reporting on cash and vouchers, and broad agreement was reached that greater disaggregation of quantitative measures is good in principle. During the donor coordination workshop, donors also agreed to systematically consider the use of cash transfers alongside other modalities, and to operationalise the consensus reached, to ensure coherence and coordination, while curbing fragmentation and unnecessary parallel systems.

The 41 organizations in attendance were in broad agreement that the humanitarian community had turned a corner with respect to cash assistance. The focus had shifted away from the need to scale-up cash, and towards doing more cash, better. This was exemplified in an [ODI report](#), which stated that cash was the best performing Grand Bargain Work Stream in 2017, with 89% of signatories reporting increased use of cash. In general, signatories felt that the high-level political investment in the Grand Bargain had provided a significant incentive for increased institutional effort in cash programming, particularly with regard to increasing the volume of cash and efforts to track cash within organisations and at a global level.

Going forward, participants established two new priority action points: linking humanitarian cash and social protection, and cash and gender.

II. The EU Policy Framework

The European Union, together with its Member States, has been at the forefront in the advancement and use of cash-based responses in humanitarian contexts. In 2017, cash transfers and vouchers made up over 38% of the European Commission's humanitarian aid, for a total of more than €990 million.

Alongside the international breakthroughs in the humanitarian community towards cash assistance, the European Commission has developed its own policy frameworks and tools to scale up and advance the use of cash in humanitarian operations.

Between 2014 and 2015, EU Member States, Switzerland, Norway, and the European Commission humanitarian aid department, with contributions from a wide group of humanitarian actors and stakeholders, drew up a set of [Common Principles](#) for multi-purpose cash-based assistance to respond to humanitarian needs. These common principles apply to humanitarian assistance as a whole, but take food assistance as the starting point. The principles were developed to ensure that multi-purpose assistance takes place in a way that upholds humanitarian principles, is appropriate to the situation, meets expectations in terms of effectiveness and efficiency, and is done in coordination with development actors.

Subsequently, the EU Member States adopted [Council Conclusions](#) on the principles, giving them political endorsement at EU level. The Council Conclusions highlighted the fact that there was significant scope to increase the use of cash transfers. Central to the Council Conclusions was the recognition that cash is advantageous in terms of better 'value for money', the potential for recovery and resilience building, allowing beneficiaries a wider and more dignified choice of assistance and the empowerment of vulnerable groups, as well as the contribution of multi-purpose assistance to making affected people the prime agents of response.

In addition to the Principles and Conclusions, the EU has also provided tools, guidance, and practical support for carrying out cash-based assistance. In 2013, the European Commission Humanitarian Aid department published a [Thematic Policy Document on Cash and Vouchers](#). In 2014 – 2015, the EU commissioned an external evaluation on the use of transfer modalities in humanitarian actions. The evaluation provided even more impetus to scale up the use of cash, as the key findings pointed to the fact that cash transfers are consistently more efficient to deliver than either vouchers or in-kind transfers, when used in comparable contexts. Further findings were that the European Commission's role in encouraging multi-purpose cash transfers is perceived as necessary and ahead of many donors and peers.

In light of the key findings of the evaluation, the European Commission has utilised the [Enhanced Response Capacity \(ERC\) funds](#) to increase the capacity of humanitarian actors to better carry out cash transfers. The ERC provides seed funding to initiatives that develop and roll-out new approaches to ways of working. These initiatives can later be integrated into permanent structures, ensuring continuity and long-term resources within the organisations. Among the most prominent ERC-funded actions are:

- 1. Increase the uptake of multi-purpose grants in emergency responses for more efficient and effective humanitarian action** (Save the Children with OCHA, 2016). The action aimed at improving the use of multi-purpose cash grants by creating an environment that promoted and enabled their use in a more coherent and coordinated way, creating a link to the existing humanitarian system. Timely technical support facilitated the planning, implementation, and evaluation of multi-purpose cash grants, while identified factors contributing to their success or failure informed future cash responses.
- 2. Next generation cash transfers in displacement settings** (UNHCR, 2016). The action sought to standardise and operationalise the use of cash in displacement settings at a wider scale, applying tools developed in previous project settings. This was achieved by: expanding the use of cash interventions across all operations through the transfer of knowledge and skills; mainstreaming cash transfers across core institutional functions, divisions and sectors; and developing a portfolio of cash intervention approaches. In particular, the action highlighted that protection-oriented cash interventions could specifically meet the needs of people affected by crises and displacement in a more efficient and effective way.
- 3. Enhancing capacity for cash transfer programming in humanitarian response** (NRC, 2015). This action addressed important gaps in cash transfer programming by establishing a cash and markets standby roster called [CashCAP](#), which allows the rapid deployment of professional and experienced personnel to guide the use of cash modalities across sectors, including multi-purpose cash. Additionally, the project developed specific guidance for remote cash transfer programming, which supports the delivery of cash in difficult-to-reach areas.

a. The Cash Guidance Note

After committing to increase the efficiency, effectiveness and strategic impact of its humanitarian assistance at the World Humanitarian Summit, and signing up to the Grand Bargain, the European Commission further expanded its policy toolkit on cash by developing a [Guidance Note on the Delivery of Large-Scale Cash Transfers](#). The guidance is backed up by the political endorsement of the Council Conclusions and the Commission's evaluation on the use of different transfer modalities, which recognises that the evidence base supporting the use of cash is extensive. It applies principally in cases where European Commission humanitarian aid provides large-scale funding to deliver cash transfers in a given country or for a given crisis, and where cash transfers make up a significant part of the overall response. The Guidance Note was first issued in January 2017 and updated in November 2017 after consultations with the European Commission's humanitarian partners and stakeholders.

The Guidance is addressed to all of the European Commission's humanitarian partners (the UN, international organisations, the Red Cross movement, and NGOs), as well as non-humanitarian actors with whom the European Commission may work to implement elements of cash programmes depending on the context and merit. The Note applies principally, but not exclusively, to protracted crises. The central elements of the Guidance are grounded in the core principles of enhanced

efficiency, transparency and effectiveness, and namely: common targeting criteria; a single registry or at least interoperable registries of eligible beneficiaries; a single payment mechanism delivering standardized transfer values through a single financial service provider, allowing top-ups by other agencies; a common feedback/grievance system; and a common results framework.

The Guidance favours streamlined contracting arrangements, based on a single delivery system for cash, and aims to enhance the transparency and comparability between costs in humanitarian responses. As such, an important element is to ensure that the amount transferred to beneficiaries is maximised, compared to the cost of delivery and core support activities. Thus, the Guidance highlights the total cost-to-transfer ratio as a standard way of measuring efficiency and encourages de-linking the volume of funds transferred to beneficiaries and other costs.

Large emphasis is also placed on ensuring coordination and a partnership approach that encompasses a wide range of actors. This includes engaging in a policy dialogue on the Guidance, and the alignment of cash transfers with social protection systems, where they exist. Further, the paper outlines the European Commission's willingness to explore partnerships with the private sector, multi-lateral development banks, and academia.

Finally, the Guidance Note recognises that there are three principle components involved in the delivery of cash-based transfers, and introduces the option of applying a full segregation of duties across the components. These are:

1. **Component A**, which covers all fundamental elements of a cash transfer programme cycle, such as programme design and coordination, needs assessments, targeting, beneficiary registration and enrolment, establishment and maintenance of a complaints/appeals mechanism, reporting, post-distribution monitoring.
2. **Component B**, which includes the pure delivery of the cash transfer, including the financial service providers' fees, card issuance, and other financial transaction costs.
3. **Component C**, which covers the independent Monitoring, Evaluation, Accountability and Learning (MEAL) of the entire programme.

The Guidance Note envisions that different partners will implement different components, drawing on their comparative advantages. The separation of payment delivery from other components represents a change in past practice, whereby each humanitarian organisation vetted and contracted payment services separately, leading in some cases to inefficient duplication in the selection and management of financial service providers. A separation of duties could also help reduce the need for all humanitarian organisations to acquire the skills and systems to work with financial services providers by relying on institutions (private sector or humanitarian) that already have the expertise to assess and implement payments in a humanitarian operation. To a large extent, the CCD approach to modularising the cash programme cycle is in line with this aspect of the Guidance, and should allow agencies within the network to implement different modules independently according to their comparative advantages, either within a consortium model or a 'cash alliance'.

Overall, the Note recommends that cash-based assistance follows the framework of a normal project cycle, wherein a harmonised cash transfer programme approach

and independent MEAL are the norm in any context, based on established best practices. Additionally, reporting requirements and visibility will remain the same as today. The Guidance Note, as revised, applies as of the 2018 funding cycle.

b. The Preliminary Market Consultation

Following the development of the Guidance Note, in 2018, the European Commission contracted a team of financial service experts to launch a Preliminary Market Consultation (PMC). The purpose of the PMC was to gain knowledge of the cash transfer/payments market through an independent consultation process and to consequently assess the feasibility of procuring payment services at the global, regional, or national level through an international tender open to both humanitarian and non-humanitarian partners.

The PMC analysed the extent to which different types of service providers could deliver cash effectively and efficiently, including cost implications and the level of interest of providers in responding to a global or regional tender. The PMC noted that several factors need to be considered before launching a tender for the delivery of cash. The European Commission will need to reflect further before taking this step.

III. Case Studies

Since the Cash Guidance Note was developed, a gradual application of its principles has taken place in a variety of contexts.

The following and final section of the Compendium highlights some of the projects that have implemented the recommendations outlined in the Note most prominently.

We start with **Greece**, where we moved from a fragmented approach to a mechanism that includes a single grant agreement with one partner, a single cash card and financial service provider, and a single database. Similarly, the Emergency Social Safety Net in **Turkey** utilises a single delivery platform, while coalescing the beneficiary registration to the national safety net. **Iraq** shows another example of a cash consortium promoting ultimate coordination and harmonisation among partners through common targeting criteria and transfer value, an interoperable database, and common delivery mechanisms. Finally, our partners in **Somalia** have streamlined their operations through the establishment of a consortium, which has significantly improved the design and performance of the programme and increased the segregation of duties across the three components.

The remaining case studies, covering countries in the MENA region, Asia, Africa, and Latin America, detail the delivery mechanisms being used, the reasons cash was the modality chosen, and the challenges and lessons learned.



A home away from home: family lunch in an apartment in Livadeia town, central Greece. ©EU/ECHO

COMPENDIUM FICHE

Greece - Multi-purpose Cash Transfers for all Asylum Seekers

Country
Greece

Number of Beneficiaries

Since April 2017, over 90,000 eligible individuals have received cash assistance in Greece at least once. The net number has been growing every month by an average of 2,000 people and is expected to keep increasing at a similar rate in 2019.

Partners

The UN Refugee Agency (UNHCR) together with the Greece Cash Alliance Partners, namely the Catholic Relief Services (CRS), Samaritan's Purse,

the International Federation of Red Cross & Red Crescent Societies (IFRC), the International Rescue Committee (IRC), Mercy Corps (MC) and CARE Germany (until July 2018).

Brief Description

Following the dramatic increase in the number of migrants and asylum seekers arriving in Greece, the Emergency Support Instrument (ESI) was launched in Greece in April 2016, with a lifespan of three years. The EU, as the main humanitarian donor, identified multi-purpose cash as the main assistance modality for affected populations to meet their basic needs with choice and dignity, while playing a role in peaceful coexistence. The identification, monitoring and monthly certification

of beneficiaries was conducted by UNHCR and partner staff, supported by UNHCR protection monitoring staff, and allowed for the referral of persons with specific needs or protection cases to the relevant focal points/services.

The medium-term objective was to implement a multi-purpose cash programme with national coverage for all asylum seekers in Greece, and hand it over to the Greek authorities at the end of the ESI activation. The Greek authorities were looking for a mechanism to assist all asylum seekers in order to implement the EU Directive on Reception. The monthly transfer ranges from EUR 150 for one individual to EUR 550 for a household of seven and above. These minimum expenditure baskets were designed to mirror the existing national safety net called Social Solidarity Income (SSI) targeting destitute Greeks.

A few NGOs were implementing emergency cash transfers at the beginning of the ESI in April 2016, with limited coverage and beneficiaries. DG ECHO selected six distinct partners in order to ensure a quick increase of coverage at national level and blanket coverage of all eligible beneficiaries. In parallel, the Greek Ministry of Migration Policy (the line ministry for the migration response) was leading the discussions on eligibility criteria and cash values. The objective in this initial phase was to rapidly increase the coverage of cash services to the whole population.

Through intensive coordination with the authorities and the Cash Working Group that included all cash actors in the response, DG ECHO aimed for a more efficient and a coordinated response through a single-delivery mechanism as of April 2017, following the Cash Guidance Note. As of April 2017, UNHCR became DG ECHO's single partner, with five other cash actors working in an Alliance. It became rapidly obvious to all parties involved that the number of actors in the Alliance was too high, and efficiency could be improved even more by reducing the number of actors. In the next (and final) contract, signed for 2018, UNHCR continued with only two implementing partners, IFRC and CRS, and agreed to lower the indirect costs (overheads) of the cash component from 7% to 5%.

Why cash?

Cash was the obvious choice to assist asylum

seekers staying in Greece for a prolonged period. Greece boasts a developed and well-functioning cash-based economy; ATMs are accessible all over the country; asylum seekers are dispersed in dozens of campsite locations and thousands of apartments all over the country. For all these reasons, in-kind distributions would be inefficient and extremely complicated for logistics. The main reason however was that cash assistance gives people choices and dignity and is the first step for them to integrate in a European context.

Delivery mechanisms

The mechanism of choice is prepaid electronic cash cards linked to a single financial service provider and one database (UNHCR'S ProGres version 4). The cards are loaded on a monthly basis following a monthly verification by UNHCR and its partners, with UNHCR sending the order to the financial service provider (FSP) to load the individual cards.

The cards can be used either to withdraw cash at all ATM points in Greece, or to pay for purchases at POS terminals in Greece. The card cannot be used outside of Greece. UNHCR covers all costs related to the withdrawal of money, no charges are imposed on beneficiaries.

What the project does differently

In its final form, the project provides a single-delivery mechanism through a single FSP, a centralised database managed by UNHCR but accessible to cash actors for operational use, and a verification mechanism that eliminates the financial risk related to duplication of beneficiaries, or fake identities. Last but not least, it has gradually evolved into the most efficient delivery mechanism due to a rationalisation of the implementing partners.

UNHCR and partners have established and staffed a national hotline to respond to all questions, queries, concerns, complaints and feedback regarding the cash assistance programme. The hotline is part of a national accountability system for the cash assistance project and the cash actors.

The accountability system is comprised of standard mechanisms for accountability and case resolution services accessible to people

of concerns. The second cornerstone of this accountability system is the helpline. The helpline utilises a routing system using the CommCare platform to effectively and efficiently manage the large volume of cases and the complexity of the cash-related issues across the response, such as multiple partners, geographical spread, specific case management follow-up in specific databases such as ProGres V4 and the FSP's platform. The platform can handle any type of feedback received, including calls, WhatsApp and Viber messages. Within CommCare there are predetermined answers (developed by UNHCR and its partners) provided to operators for the most typical questions to ensure accuracy and consistent messages.

The cash helpline is managed by CRS' Monitoring Evaluation Accountability and Learning (MEAL) department to ensure independence and neutrality of the helpline team. Although the vast majority of calls are for technical cash support, this neutrality contributes to increased beneficiary accountability and transparency. The helpline call center is staffed by multi-lingual operators for Arabic, Farsi, English, Greek, French, Dari, Pashto, Punjabi and Urdu.

For people living in sites, help desk personnel offers face-to-face support. Partners responsible for cash programmes in sites coordinate and manage a help desk in each camp where beneficiaries can ask questions, report problems with cards, receive information on using ATMs and cards, and physically replace cards.

Each partner is responsible for the management of the complaint mechanism put in place for their corresponding caseload and locations in order to ensure a timely and efficient response.

Moves towards the Cash Guidance Note approach

At the start of the programme in 2016, partners were operating independently. There was some degree of coordination, but due to the lack of a single database, partnerships with different FSPs resulted in a far from efficient response. DG ECHO chose to support this fragmented approach for the first six months in order to fast-track national and blanket coverage of beneficiaries, while actors would work out an alliance model in order to follow the Cash Guidance Note as of April

2017. The current mechanism adheres to the Guidance Note to a great extent, as it includes a single grant agreement with UNHCR, a single cash card and FSP, and a single database.

The main exception to the Cash Guidance Note concerns the contractual arrangements for components A, B and C, which are all included in one agreement with UNHCR, although separately identified. This is due to the specificities of the Greek context; in fact, it was deemed inefficient to have a separate partner for the three components for several reasons:

- a) the blanket coverage for all asylum seekers reduces the risk of conflict of interest;
- b) the number of beneficiaries is relatively small; and, most importantly,
- c) since its inception, the project was designed to be ultimately handed over to the Greek government. A "full package" would in fact be easier to hand over and be implemented by the Greek administration.

In the final agreement with UNHCR, the ratio between cash for the beneficiaries and all support costs is set at a minimum of 83/17. The ratio between component A and B is 91/9.

Coordination with safety nets/other projects

The ultimate goal is to hand the cash assistance over to the Greek government. The Ministry of Migration Policy has created a new Directorate under the Secretariat General for Integration with specific ToRs to design a programme to take over the DG ECHO-funded cash programme. The European Commission is providing technical assistance through UNHCR for this objective. At the time of writing, the target for the handover is January 2020.

DG HOME should start funding UNHCR as of February 2019, during the transition period leading to the takeover by the Greek government.

Challenges and lessons learned

The beneficiaries of this programme are currently living in more than 110 locations in Greece. This geographical dispersion poses a challenge for the monthly verification, which is essential in keeping

track of a relatively mobile target population.

One of the major lessons learned is on the importance of a single database managed by UNHCR through ProGress 4, which has been developed into a very useful and flexible platform with the addition of a specific cash module. The database allows regular reporting on several dimensions of the programme, including monthly snapshots that are publicly available, thus increasing the transparency and accountability of the cash scheme.

The Cash Guidance Note helped in the negotiation of the contractual arrangements with UNHCR, particularly regarding the efficiency aspects. Thanks to a clearly identified efficiency target, DG ECHO was able to obtain a lower indirect cost (overhead) of 5% related to the cash distribution component (component B).

Further, in 2017 DG ECHO insisted on the inclusion of an efficiency clause in the contract. This required several negotiation rounds with the partner, and ultimately resulted a much-softened language with little legal value. The inclusion of the efficiency target as an indicator at result level (implemented in 2018) allows instead for a measurable achievement, and serves as binding contractual obligation.

Coordination with other donors

DG ECHO is the sole donor. DG HOME will take over the funding as of February 2019, with the objective to hand the programme over to the Greek government in 2020.



Syrian family headed by a single woman benefiting from ESSN assistance in Gaziantep. ©WFP, Deniz Akkus

 **COMPENDIUM FICHE**

Turkey – Emergency Social Safety Net (ESSN)

Country

Turkey

Number of Beneficiaries

As of December 2018, 1,519,591 people, around 90% of whom are Syrians, as well as Iraqis, Afghanis and other nationalities. A total of 479,065 families have applied to the ESSN since the launch of the programme in late 2016 (~2,400,000 individuals); 53% of them met the ESSN criteria and were eligible to receive the ESSN assistance.

Partners

World Food Programme (WFP) in partnership with the Turkish Red Crescent (TRC/Kızılay) and the Government of Turkey, in particular the Ministry of Family, Labor and Social Services (MoFLSS).

Brief Description

Turkey is home to the largest refugee population in the world, hosting almost four million refugees. The vast majority of the refugees that have fled the conflict in Syria live outside the refugee camps under challenging conditions, and are struggling to build stable lives.

In collaboration with the World Food Programme, the Turkish Red Crescent and Turkish government institutions, the EU launched its biggest humanitarian programme yet: the Emergency Social Safety Net (ESSN), a single-card social assistance scheme that allows over 1.5 million of the most vulnerable refugees to meet their most pressing basic needs in a dignified way through cash assistance. The ESSN card is not just a cash debit card. It is an acknowledgement that, despite their hardships, refugees should have the right to choose how to manage their expenditures. With 87.5% of the total project funds going directly to the beneficiaries, the ESSN has good cost efficiency.

The ESSN also promotes social cohesion and creates a positive impact for host communities by allowing the refugees to participate in the daily life of the community and contribute to the local economy. Since November 2016, the ESSN has injected USD 613 million into the host economy.

Why cash?

Cash transfer programming has been a part of the response since 2012, but was largely localised (mostly in border area in Southeastern Turkey) and mainly through e-vouchers. However, the country context (upper middle-income country) offers the opportunity to further expand multi-purpose cash programming and a more dignified means of delivering assistance. The Financial Service Providers (FSP) are many (e.g. HalkBank, PTT, etc.) and have strong capacities and nation-wide coverage; the market system is robust and functioning; no protection risk has been associated to cash assistance in Turkey; and cash is very well accepted by beneficiaries.

Delivery mechanisms

The ESSN scheme provides refugees with a debit card which gives them access to a fixed amount of money every month. Refugee families receive 120 Turkish Liras per family member per month with an additional quarterly top-up depending on the size of the family. The ESSN card can be used in shops or at an ATM just like a normal debit card. Beneficiaries can use the money to buy whatever they need the most. The assistance is mostly utilised to cover the costs of food, rent and medicine.

The ESSN is based on the Turkish social assistance system database, and applications from beneficiaries are received by 1,002 local agencies of MoFLSS (the Social Assistance and Solidarity Foundations – SASFs). A targeting system has been developed to prioritise the most vulnerable among refugees. It is based on demographic criteria linked to economic insecurity and the inability of refugees to meet their basic needs.

What the project does differently

The ESSN is a multi-purpose cash assistance project implemented on a large scale and with nation-wide coverage, in a protracted crisis.

The Government's involvement in the response, its willingness to engage with international stakeholders, and the fact that the ESSN builds on the existing national social assistance system are key elements in enabling the provision of cash at large scale in Turkey. Changes of national policies and regulatory framework were necessary preconditions to the establishment of the ESSN. The ESSN is steered by a Governing Board, which is co-chaired by the Government of Turkey and DG ECHO, and composed of several national and international organisations and Government institutions.

The ESSN is substantially funded through the *EU Facility for Refugees in Turkey*, which was set up in 2015 in response to the EU Members States' call for significant additional funding to support Syrian refugees in Turkey.

Moves towards the Cash Guidance Note approach

The ESSN is already applying the Cash Guidance Note principles to a good extent. The ESSN is a large-scale cash transfer programme implemented through a single-delivery platform and with a beneficiary registration connected to the national safety net.

Moreover, the programme is implemented through a diverse partnership (WFP, TRC, MoFLSS, Halk Bank) where the roles of each partner interlay and cover, although not in an exclusive manner, the different components of the Cash Guidance Note. As per the Cash Guidance Note's suggestion to separate functions for better efficiency and

effectiveness, the diversity of partners implicated in the different steps of the ESSN guarantees a fair degree of segregation of duties within the programme, allowing independent monitoring within the different components. The ESSN is co-managed by WFP and TRC through a joint management cell (JMC) and has a complex division of labour involving relations with a number of ministries, local authorities, private sector and international organisations that operate in a complex public-private partnership under the overall responsibility and supervision of WFP. The principle behind the JMC is for WFP to train TRC and to hand over work streams when TRC reaches the desired management maturity. Over the last two years, WFP has ensured capacity building and transferring competences to TRC that foresees dedicated training on cash transfer programme management, reconciliation and internal controls, accountability, monitoring, anti-fraud and humanitarian principles. Each actor plays a role in the coherence and compliance with the national systems for social provision.

Coordination with safety nets/other projects

The ESSN is aligned with the response strategy of the Government of Turkey and is built on the existing Turkish social assistance system. As the main counterpart of WFP and TRC, the Ministry of Family, Labour and Social Services is in charge of ensuring compliance with the national regulations of the different aspects of the programme. The Social Assistance and Solidarity Foundations are the entities in charge, on the local level, of managing household applications, verifications and selection, in line with the programme standard operating procedures, and with the regulation of the Turkish social assistance system.

Moreover, the ESSN serves as the backbone of the refugee response in Turkey and offers a platform for humanitarian and development partners to channel the assistance. The Conditional Cash Transfer for Education (CCTE), launched by UNICEF and TRC, builds on the ESSN infrastructure, using the Kizilay kart (debit card) platform, to support school enrolment and attendance. UNDP is also developing a programme that will use the ESSN platform. It will aim to address language as one of the primary barriers of employment and access to services through the provision of cash incentive to participants.

Moreover, the ESSN includes a referral component to ensure that refugees with needs that cannot be addressed through the programme are referred to relevant government and non-government service providers for assistance.

Challenges and lessons learned

The diversity of partners involved in the implementation of the programme is a challenge but also a strength of the ESSN. The current operational model has reached a level of stability that can be defined as effective, given that it is successful in helping over 1.5 million refugees meet their basic needs on a monthly basis and improve their overall living conditions. All actors are operating together positively toward this same objective.

One of the most innovative aspects is that, from the very beginning, the ESSN built on the existing national social assistance system. However, associating the national system to humanitarian response challenged the accountability to the affected population and represented a constraint because of Turkey's policy and regulatory framework.

The findings of the European Court of Auditors' audit (published on 13/11/2018) showed that the main challenge associated with the accountability of the programme is the partial access to personal data, due to restrictions stemming from the Turkish legislation on data protection.

Coordination with other donors

Coordination is ensured through the ESSN Task Force and the Basic Needs working group.

Moving forward, further coordination with development stakeholders will be needed as part of a transition strategy in order to move from the current cash assistance toward a profiled integration of the ESSN caseload into the Turkish social assistance system and a progressive graduation outside the ESSN.



A woman buys groceries with cash distributed through the EU-funded project. ©EU/ECHO/Peter Biro

COMPENDIUM FICHE

Iraq – Harmonised Multi-purpose Cash Assistance for the Most Vulnerable Conflict-Affected Households in Iraq

Country

Iraq

Number of Beneficiaries

75,000 households (approximately 450,000 people)

Partners

The Cash Consortium for Iraq (CCI) includes the International Rescue Committee (IRC), the Norwegian Refugee Council (NRC), Oxfam, the Danish Refugee Council (DRC) and Mercy Corps as lead agency.

Brief Description

In March 2015, the CCI was established to spur a harmonised and coordinated approach enhancing the impact of multi-purpose cash assistance through increased reach, coordination, and harmonisation to better meet the needs of vulnerable conflict-affected households. In 2016, DG ECHO funded the development of a forward-looking strategy through 2019, where the CCI sets out three objectives:

- 1) To meet the relief and recovery needs of 420,600 vulnerable conflict-affected people

through high-quality conflict-sensitive cash-based programmes at scale.

- 2) To increase the use and effectiveness of cash policies and programming at the national and global levels, through evidence-based research and advocacy.
- 3) To optimise the CCI's institutional capacity and resources, in order to achieve greater efficiency and economies of scale.

The CCI has been able to leverage its wide funding portfolio and reach, harmonised approach, and proven common fund mechanism to effectively provide emergency assistance to newly and secondarily displaced households in out-of-camp, newly retaken or violence-prone areas. The common fund is a rapid response mechanism, which has since been replicated in other donor-funded instances due to its proven ability to promote agility by directing funding to the partner best positioned to respond to unanticipated needs as the context evolves. This innovative mechanism has enabled a more efficient use of DG ECHO's funding, and has the potential to contribute to a more effective response to supporting vulnerable households where markets are functioning. Any partner can scale up in any given area to respond to increased needs, without necessarily requiring another partner to join the same response.

Why cash?

The CCI adopts cash transfers as an appropriate, relevant and preferred humanitarian response modality to meet the critical basic needs of vulnerable households in conflict-affected out-of-camp communities across Iraq

- Markets in Iraq are functioning and accessible.
- There is a wide-reaching and accessible network of money transfer agents that are trusted and have reliable access to liquidity.
- Vulnerable households have a variety of critical basic needs that can be effectively met with cash assistance.
- 99% of beneficiaries prefer cash to in-kind assistance.
- CCI post-distribution monitoring surveys show 79% of vulnerable households that receive cash transfers reduced their usage of negative coping strategies, and 99.3% of beneficiaries reported being 'satisfied' with cash assistance from CCI partners.

Delivery mechanisms

To facilitate fund transfers in Iraq, the CCI partners use money transfer agents that currently provide the most efficient and accessible service in the country. Each CCI partner has individual agreements with money transfer agents. This approach increases access to liquidity in areas where multiple CCI partners operate, and allows for a more timely response because several money transfer agents can be engaged simultaneously.

Although the CCI is committed to exploring and piloting alternative cash transfer delivery mechanisms as conditions change, the network of money transfer agents remain the most comprehensive, flexible, and efficient approach to moving money in Iraq at present.

What the project does differently

- **Quality programmes:** The CCI has demonstrated strong technical expertise on multi-purpose cash assistance.
- **Scale:** A portfolio that grew to USD 48 million at the start of 2018, and engagement with multi-year donors, enabled significant expansion and program development.
- **Agility:** An average 18 days between assessment and DG ECHO-funded delivery evidences the CCI's ability to rapidly respond.
- **Influence:** The CCI, along with the Cash Working Group, has raised the profile of cash transfer in Iraq. CCI partners advocated for the establishment of a multi-purpose cash chapter in the humanitarian response plan; developed the first Survival Minimum Expenditure Basket to inform the transfer value in Iraq; developed an evidence-based and context-specific approach to targeting; and developed the strategy of integrated legal assistance.

Moves towards the Cash Guidance Note approach

The CCI promotes ultimate coordination and harmonisation. Partners developed, and utilise, common targeting criteria and a Survival Minimum Expenditure-based transfer value that were endorsed and adopted by the wider cash community. The CCI established an interoperable database, characterised by shared standards, a shared governance structure, automatic referral pathways, and data sharing agreements with non-CCI partners to promote interoperability,

efficiency and effectiveness across the wider cash community. Partners also use common delivery mechanisms to issue a standardised transfer integrated with in-house legal assistance to increase access to government social safety nets, and apply a common results framework across the portfolio. In doing so, the CCI reflects the goals of DG ECHO's Cash Guidance Note, tests a new model for efficient and effective cash delivery at scale, and draws upon shared CCI resources as well as influence in an attempt to enhance the overall humanitarian response.

Moving forward, and in accordance with contextual shifts, there is ongoing work to make further progress on:

- Coordination and harmonisation with Social Protection systems and mechanisms, in particular the MoLSA social safety net;
- Further developing the evidence-based and context-specific socio-economic eligibility model, in collaboration with the cash working group;
- Greater data sharing and interoperability with non-CCI partners through shared standards, technology, and governance.

Coordination with safety nets/other projects

The CCI provides in-house legal assistance to increase access to civil documentation and promote linkages with the social safety net. This strategy of integrated referrals to legal support was also endorsed by the Cash Working Group and adopted by the wider community.

Challenges and lessons learned

CCI partners divide geographic coverage to promote efficiency. The shared database enables duplicate checks, and households can be transferred to the partner best positioned to distribute quickly. In addition, the common fund provides all partners with access to funding to promote scale if required. Meanwhile, established trust, shared ways of working, and harmonised approaches enable joint responses to cover large, or densely populated, communities quickly if required.

Increased use of the Common Fund mechanism (across multiple CCI awards) has promoted efficiency and effectiveness since it is allocated to enable a rapid response to identified needs and prioritises

partners with access to underserved areas.

Main lessons learnt:

- **Collaboration:** The CCI's Steering Committee and Technical Working Group enables quick decision-making for collective action.
- **Targeting:** The evidence-based and context-specific eligibility model enables accurate targeting to identify households most in need of assistance.
- **Data:** The CCI's strong evidence-based systems (data collection, analysis, and sharing) can be leveraged to identify the most pressing needs and allocate resources accordingly. The shared database enables duplicate checks among CCI partners and non-CCI partners as well as greater accountability and automatic inter-agency referral pathways to increase access to other critical services.
- **Harmonised approach:** The harmonised and coordinated approach between CCI partners helps to mitigate the risks that would otherwise be posed by different assessments, cut-off scores, and transfer amount. Moreover, the harmonised ways-of-working enables effective collaboration at scale.
- **Influence:** Mandated harmonisation and coordination among CCI partners helped to spur wider harmonisation and coordination across the community.

Coordination with other donors

- **DFID:** Designed to promote scale, focus on chronic vulnerability requiring multi-month transfers to complement the CCI's EU-funded response, bolstered legal support, common funding to promote agility, research and innovation including Value For Money, support to the CWG.
- **OFDA-FFP:** The CCI was the first consortium to receive joint OFDA-FFP funding for cash assistance, and focuses on chronic vulnerability requiring multi-month transfers to complement the CCI's EU-funded response.
- **GAC IHA:** Emergency one-off and multi-month cash transfers with integrated legal assistance, with additional common funding to promote agility.
- **UNOCHA:** Includes the CCI partners best positioned to respond to needs identified by the cash working group.



European
Commission



In Somalia, the EU prioritises cash transfers so that people are free to get what they need from shops and markets. ©EU/ECHO/Anouk Delafortrie

COMPENDIUM FICHE

Somalia - Streamlining and Harmonising Emergency Cash Transfers Programming Toward a Safety Net Approach

Country

Somalia

Number of Beneficiaries

Approximately 167,000 households (1,002,000 individuals) benefited from emergency cash transfers over four actions in 2018. This included food insecure newly displaced people caused by the 2016/17 drought, in addition to the most vulnerable people from the protracted displacement caseload and host communities.

Partners

Concern Worldwide (CWW) as the lead of the Cash Consortium comprising Norwegian Refugee Council (NRC), Danish Refugee Council (DRC), International Rescue Committee (IRC), Save the Children (SCI), COOPI and ACTED/REACH; World Food Programme (WFP); Food and Agriculture Organization (FAO); International Committee of the Red Cross (ICRC)

Brief Description

The Emergency Cash Transfer (ECT) programme started in 2016 as a response to the drought crisis that threatened a return to famine conditions last seen in the devastating drought of 2011, in which 250,000 people are estimated to have died. The ECT has evolved from a relatively fragmented programme in 2016 to a much more harmonised and coordinated operation that is currently in place, including the development of a more cohesive operational model.

The 2018 ECT programme consisted of four actions implemented by four partners (CWW, WFP, FAO and ICRC) costing approximately EUR 45,000,000 and benefiting around 1,002,000 people (about 33% of the total caseload of beneficiaries assisted with ECTs by the entire humanitarian community in Somalia in 2018) in 45 out of 90 districts in Somalia. The programme aimed at addressing basic needs through ECTs mainly through multi-purpose cash transfers but also via a 'Cash+' approach (cash associated with support to livelihood recovery), using mobile money transfer technology. Beneficiaries were assisted with several monthly ECTs depending on their vulnerability. The monthly transfer values, ranging from USD 60 to USD 85 depending on the location, were determined in order to cover a share of the Minimum Basket Expenditure (MEB). The programme focused on building better and more robust cash transfer systems by working with all stakeholders involved in ECTs to streamline each stage of the cash-transfer process – from community registrations to payment aggregation, reporting, forecasting and coordination. The programme provided leadership towards the formation of a national safety net, incorporating work on identity management systems for improved aid coordination, mobile payment aggregation, participant de-duplication, data cleaning, biometric registration, dashboard creation and economic modelling.

Why cash?

Based on learnings from the Somalia 2011 famine response, multi-purpose cash transfers using mobile money transfer technology programming were the preferred response option to address basic needs in response to the 2016/17 drought. This is because 1) markets are functioning, 2) electronic payment systems are available and

3) unrestricted cash transfers have been used in Somalia since 2003 and are culturally appropriate in the Somali society, making ECTs faster and far more efficient than in-kind assistance in a context where road transportation of goods is a challenge due to insecurity.

Delivery mechanisms

Mobile money transfer technology using local private sector Mobile Network Operators (MNOs).

What the project does differently

The 2018 ECTs programme differs from the previous programme mainly because of:

- 1) increased geographical coverage;
- 2) improved timeliness due to the appropriateness of the context to ECTs (around market, payment system and cultural behaviour) allowing the programme to deliver more rapidly;
- 3) harmonised transfer values, transfer modality, Monitoring & Evaluation (M&E) and interoperable registries;
- 4) rationalisation of the number of partners delivering ECTs; and
- 5) closer collaboration with Financial Service Providers (FSPs) and MNOs.

Moves towards the Cash Guidance Note approach

At the start of the programme in 2016, partners were effectively operating independently and with limited coordination. The DG ECHO Somalia team decided to work with partners and the Cash Working Group to improve the coherence of the operation and, in particular, to harmonise key components (as above), thus improving the programme design and performance. An important part of the process was the decision of DG ECHO's NGO partners to come together firstly as a cash alliance in 2017 and then a fully-fledged consortium in 2018. This allowed an easier harmonisation process, and under the consortium, has enabled a degree of segregation of duties in line with the Cash Guidance Note – with individual members of the consortium taking the lead for some of the processes. Thus while Components A, B and C have not been separated out entirely, there is a shift in this direction that could be continued in the future. The main initiatives carried out by the programme in relation to the Cash Guidance Note are:

- **Component A:** The programme had two different initiatives moving toward the implementation of component A of the Cash Guidance Note.

The first initiative was the standardisation of M&E tools such as baseline, registration, and post-distribution monitoring forms that were adopted by several external partners and made available to other Somalia Cash Working Group members to facilitate sharing of best practices and harmonisation of efforts. The tools are translated into Somali and available in Excel and PDF formats. They cover topics including: household composition and demographics, income and expenditure, resource sharing, food consumption, dietary diversity, coping strategies, subjective indicators of wellbeing and ability to withstand shocks, intra-household decision-making on expenditure, process monitoring of cash disbursements, accountability and community engagement.

The second initiative was the promotion of data sharing through interoperability of systems to strengthen coordination capacity around deduplication of beneficiaries.

- **Component B:** The programme had two different initiatives moving toward the implementation of component B of the Cash Guidance Note, and namely:

1) the standardisation of the use of mobile money transfer technology to deliver cash.

2) the negotiation by the Cash Consortium with the FSPs around a harmonised reduced transfer fee for all consortium members.

- **Component C:** The programme had two different initiatives moving toward component C of the Cash Guidance Note, and namely:

1) at partner level, the use of REACH within the Cash Consortium as non-implementing partner to ensure independent M&E across consortium members. This initiative aimed at better segregating the duties within the Cash Consortium and uses a more neutral (non-implementing) partner to lead on the M&E of the consortium programme.

2) at donor level, the piloting of third-party monitoring through the Call Centre to monitor the main cash partners (Cash Consortium and WFP). Done in collaboration with DFID, which provided DG ECHO with access to their TPM, this initiative mainly looked at the three following issues:

- Have cash recipients received the expected amount of money? How is this cash assistance broken down by clan?*
- Do cash recipients report having to pay a “tax” or “commission”?*
- What percentage of cash recipients state spending much more than half/nearly all of cash on food?*

Coordination with safety nets/other projects

The programme was designed to generate learning and build evidence to feed into a broader donor-led initiative on the development of a safety net approach in Somalia with more predictable transfers. Discussions are currently ongoing to design the safety net and to evolve the ECT into a longer-term approach, and in particular to:

- 1) adapt the transfer value and frequency of transfer for a longer term approach;
- 2) modify the targeting criteria for core chronically vulnerable clients, while incorporating a shock-responsive element to the system; and
- 3) boost the interoperability of systems in preparation of the establishment of a future single registry that can eventually be managed by government.

Challenges and lessons learned

- Interoperability of systems & related data sharing are more than just technical issues. Data protection is critical in a context like Somalia and the change of mindset to a more open spirit regarding data sharing is a slow and lengthy process.
- M&E is significantly improved when data quality is strengthened through more targeted, less frequent data collection done at scale. The TPM and call centre have been instrumental in this regard.
- Learning partnerships are critical to generate knowledge and build evidence. For example, new technologies are offering great opportunities to improve ECTs but require significant investment in terms of human and financial resources.
- Collaboration with FSPs, MNOs and other relevant market and private sector actors is critical to improve market function and money transfer mechanisms.

Coordination with other donors

In regard to cash transfers, DG ECHO and DFID agreed to use the same transfer values in the same locations and promote the same transfer modality. This harmonisation process also aimed at better aligning with USAID Cash Transfer Programming, which is based on a food equivalent rather than an MEB covering multiple needs. Other donors also used the same harmonised DG ECHO/DFID value transfer approach.

Regarding a safety net, a Donor Working Group (DWG) comprising development and humanitarian donors was created in early 2018 and is currently chaired by the EU (DG ECHO/DG DEVCO). The primary role of the DWG is to support and ensure donor harmonisation and strategic oversight as it relates to the establishment and running of a safety net in Somalia. For that, the DWG is to be assisted for the technical aspects by a Technical Assistance Facility (TAF) expected to be in place by early 2019. A key task for the TAF will be to evolve the current ECT into a system better suited to a longer term safety net approach, including building in a shock-responsive component.



European
Commission



Family in an ITS in Qab Elias Camp. ©WFP

COMPENDIUM FICHE

Lebanon - UNHCR-WFP Joint Cash Programme for Basic Needs

Country
Lebanon

Number of Beneficiaries

The action covers 56,000 Syrian refugee households through two different schemes:

- i. Caseload #1: 23,000 households - full package by WFP. This programme is currently supported by DG ECHO, DFID, Germany and Norway.
- ii. Caseload #2: 33,000 households – USD 175 from UNHCR for non-food needs & USD 27/ person from WFP for food needs. The non-food component for this caseload is primarily funded through UNHCR un-earmarked funding.

While caseload #1 is assisted through one single multi-purpose cash transfer, caseload #2 splits the assistance between food and non-food components.

Partners

The UN Refugee Agency (UNHCR), the World Food Programme (WFP) + implementing partners (Caritas, World Vision, Makhzoumi Foundation, Sheild, PU-AMI, Danish Refugee Council, INTERSOS).

Brief Description

The war in Syria has had catastrophic consequences for civilians. Since 2011, more than 5.4 million people have fled Syria, an estimated 1.5 million of whom

(1 million registered) now reside in Lebanon, constituting more than one fifth of the country's population. An unprecedented humanitarian response has been mobilised, characterised both by standardised responses, as well as innovations across the main humanitarian sectors, e.g. education, health, water, sanitation and hygiene (WASH), protection and multi-purpose cash assistance.

Monthly cash assistance has become a primary modality that allows the most vulnerable refugee families to meet their most pressing basic needs in a dignified way.

Why cash?

Cash and vouchers have been used at scale in the region to meet refugees' basic needs since 2014, and 40% of humanitarian assistance in Lebanon is now delivered in the form of cash (compared to 10% globally).

The evidence generated in the WFP-funded study by Boston Consulting Group shows that cash in Lebanon is more effective and cost-effective than vouchers. Beneficiaries of cash (to cover food needs) have greater food security and dietary diversity outcomes than beneficiaries who receive vouchers. Beneficiaries also prefer cash as it gives them dignity and choice. One single cash transfer for basic needs therefore makes sense in Lebanon, where markets are functioning well and are able to absorb an increased demand. Cash is in the interest of the beneficiaries, donors and the taxpayers they represent.

Delivery mechanisms

Cash is distributed through a single card and managed through a single delivery platform, which allows beneficiaries to receive one or more cash transfers through the same card.

What the project does differently

The project is a unique hand-in-hand collaboration between UNHCR and WFP. The set up established by the two agencies facilitates a regular assistance to refugees on a monthly basis, with no interruptions. The programme has a good efficiency ratio of 88%.

Moves towards the Cash Guidance Note approach

In the spirit of the segregation of key functions, an independent monitoring and evaluation platform, CaMEALeON, has been established by the Norwegian

Refugee Council, Oxfam and Solidarités International, supported by CaLP, the Overseas Development Institute and the American University of Beirut. It is jointly funded by DFID, DG ECHO, Germany and Norway. The platform aims to reinforce accountability, value for money and promote learning around WFP's multi-purpose cash assistance to 23,000 households receiving multi-purpose cash assistance (caseload #1 assisted by WFP).

CaMEALeON is the very first example of independent monitoring and evaluation for a large-scale cash project, in full compliance with the DG ECHO Cash Guidance Note (component C). The independent monitoring and evaluation platform is currently only covering caseload #1.

Coordination with safety nets/other projects

The current set-up facilitates the transition (at least partially) towards other instruments, where caseload #1 could be transferred to the existing WFP's programme under the EU Regional Trust Fund in Response to the Syrian Crisis that is assisting vulnerable refugees and Lebanese.

Challenges

- Implementing adequate levels of segregation of duties, particularly regarding delivery of cash transfers through the same platform by one agency as opposed to multiple agencies.
- Achieving acceptable levels of budget transparency.
- Acceptance of independent monitoring scheme and openness to sharing data with an independent body.

Lessons learned

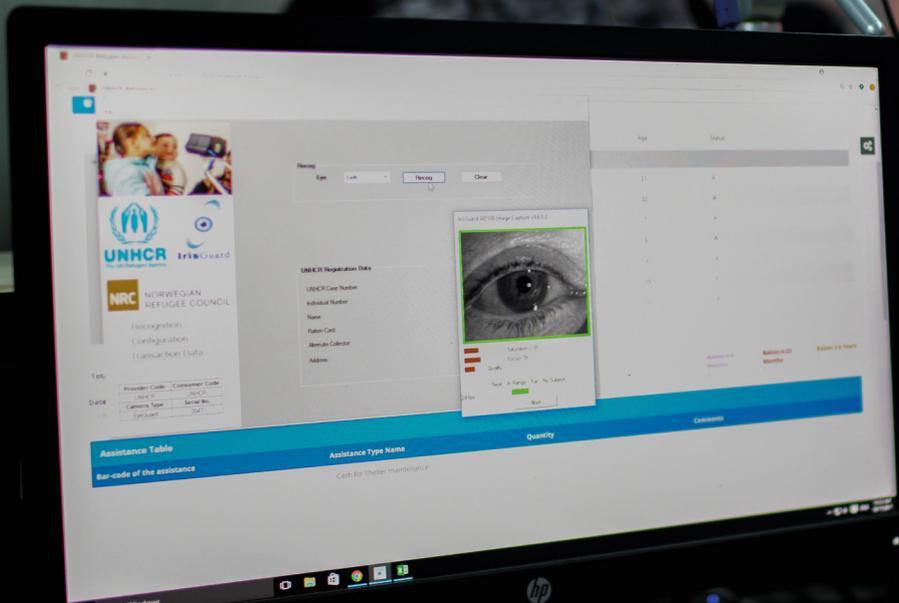
- Need to strike the right balance between the drive for efficiency versus effectiveness.
- Need to move towards joined approaches among donors for a streamline and efficient response.

Coordination with other donors

Since 2016, a very good collaboration has been established among the EU, DFID, Germany, and Norway with the aim of maximizing resources and streamlining the assistance to refugees. They are currently all funding caseload #1.



European
Commission



Refugee woman at a UNHCR registration point with iris recognition technology. ©Mohammad Hawari, UNHCR Jordan

COMPENDIUM FICHE

Jordan – UNHCR Cash Programme for Basic Needs

Country

Jordan

Numbers of Beneficiaries

30,000 refugee families

Partners

The UN Refugee Agency (UNHCR)

Brief Description

Jordan is currently hosting more than 1.3 million Syrians, including 659,000 registered refugees, who face rising vulnerability as their savings, assets and resources are long exhausted. 79% of registered Syrians live in host communities

in urban and rural areas; 83% live below the poverty line. 30,000 refugee families among the most vulnerable are assisted by UNHCR through monthly cash transfers, designed to cover their most urgent needs. With UNHCR monthly cash assistance, families can meet their needs in a dignified way and according to their priorities. Moreover, cash supports the families' efforts to remain economically active, and serves as a vehicle for financial inclusion.

Why cash?

Jordan is a middle-income country with functioning markets as well as a strong banking sector and an effective rule of law. For this reason, UNHCR is able to provide quality and

dignified assistance for the most vulnerable refugees through cash transfers at scale.

Cash provides the appropriate response to meet the essential needs of refugees as it enables them to purchase the goods and to access the services they need most according to their own priorities. Cash assistance respects the dignity of beneficiaries, and most importantly, refugees exhibit a preference for receiving cash assistance as opposed to in-kind assistance. Aid agencies can therefore reduce spending on logistics, and enhance efficiency by covering multiple needs (food, shelter, hygiene materials, clothing, health care, etc.) thereby cutting across the traditional sectoral approach.

Delivery mechanisms

UNHCR has established an iris recognition technology for registering refugees and distributing assistance.

Iris recognition technology reduces the possibility for error in the identification of refugees (an error of one per household in the registered household size, for example, would have total a cost of USD 25 million per year) and makes accessing assistance and services safer and easier for beneficiaries, as it is fraud-proof at the point of withdrawal.

What the project does differently

The innovative approach of iris recognition technology, made available by the Cairo Amman Bank, makes this project an excellent example of the beneficial uses of technology to deliver humanitarian assistance. Moreover, UNHCR has established a Common Cash Facility (CCF) – a platform that allows its 17 members to negotiate preferable rates with financial service providers under a single umbrella and to coordinate cash delivery among partners in order to guarantee complementarity and avoid duplications. Each beneficiary has a virtual account into which any of the participating agencies can transfer funds for various purposes, and uses iris recognition technology to identify themselves and access funds from the account (no ATM cards are required).

Moves towards the Cash Guidance Note approach

The UNHCR cash programme has applied the recommendations of DG ECHO's Cash Guidance Note on efficiency. In fact, the programme has an efficiency ratio of almost 98% of cash assistance going directly to the beneficiaries (based on known costs).

Concerning the segregation of functions within the programme, while UNHCR oversees all components (A, B and C), the monitoring is delegated to an independent institute subcontracted by UNHCR. If the programme were to continue for a long period, more could be done to enhance compliance with the Note. However, given the possible reduction of the refugee caseload over the course of the coming years, a dramatic modification of the current programme is not deemed appropriate at this stage.

Coordination with safety nets/other projects

The UNHCR cash programme coordinates with WFP's cash assistance programme. Although the two programmes are completely separate (e.g. different platforms, different delivery mechanisms), the two agencies try to make sure that the most vulnerable families receive a full cash assistance to cover both food and non-food needs. While the assistance is designed based on the minimum expenditure basket (MEB), UNHCR is only providing an amount that excludes the food component, which is provided by WFP food assistance (cash or voucher) through a separate system.

Moreover, given the protracted nature of the crisis (seven years as of 2018) and the growing poverty of refugees that are living below the Jordanian poverty line, donors and implementing agencies are exploring ways to progressively transition the cash assistance programmes into a more predictable programme (safety-net type) and ultimately integrate them into existing national social protection schemes.

Challenges and lessons learned

Cash transfers for basic needs challenges the sectoral mandates of humanitarian actors. The sectoral division within a cash programme for basic needs challenges the consistency and the efficiency of the response.

The two systems used by UNHCR and WFP respectively never completely align.

In addition, the difficulty for refugees in Jordan to access the formal job market, and to become self-sustained, makes this programme vital to vulnerable refugee families.

Coordination with other donors

Good coordination among humanitarian and development donors has been established in Jordan to guarantee the continuation of the cash assistance to the most vulnerable refugees, but also to explore venues for a transition into a more sustainable (safety-net type) programme, and ideally a later integration into existing national social protection schemes.



The Emergency Response Mechanism in Afghanistan. © EU/ECHO/Pierre Prakash

 **COMPENDIUM FICHE**

Afghanistan – Emergency Response Mechanism

Country

Afghanistan

Number of Beneficiaries

285,000 individuals under ERM7 (May 2017-Apr 2018); ERM8 is projected to reach over 300,000.

Partners

ACTED, Action Against Hunger (ACF), Danish Refugee Council (DRC), International Rescue Committee (IRC), Norwegian Refugee Council (NRC), Premiere Urgence Internationale (PUI)

Brief Description

The Emergency Response Mechanism (ERM) was established in 2011 as a tool to respond to multiple emergencies triggered both by the on-going conflict or sudden-onset natural disasters, in order to ensure the prepositioning and provision of multi-purpose cash assistance to those newly displaced. Partners operating in different regions follow a common approach countrywide, using a common assessment tool to verify eligibility, register beneficiaries, and define the level of assistance. The vulnerability criteria determine whether households receive a full survival minimum expenditure basket (SMEB), a half-SMEB or no assistance. These criteria include the Food Consumption Score, a reduced Coping Strategy Index, the household's debt level, and 'specific needs'

criteria e.g. disability, female-headed household, etc. The SMEB is developed based on an average household size of 7 and is calculated to cover food (2,100 kcal/day/person), non-food items (NFIs), shelter with access to water and sanitation (WASH), fuel, health and transportation. The ERM is designed to provide a 'stop-gap' to ensure survival in the first phase of displacement. For each cash response, a referral is also made to the WASH ERM partner for rapid WASH assessment and response.

Why cash?

People experiencing shocks in Afghanistan, mostly internally displaced, have a variety of needs. Surveys indicate they express a preference for cash, as a quicker, more effective and efficient way of delivering emergency assistance, which allows them to choose freely how to manage their expenses. The protracted nature of the crisis in Afghanistan suggests that market-integrated approaches should be used in place of in-kind commodity distribution wherever possible. A rapid market assessment is carried out prior to each response to ensure market functionality. In general, Afghan markets demonstrate high adaptability.

Delivery mechanisms

To transfer cash throughout the country, the ERM uses the traditional *hawala* system, whereby the money is paid through an agent. The majority of transfers are made directly from the *hawala* agent to the beneficiary household, with monitoring from the NGO staff. The *hawala* system is functional and adaptable throughout the country and allows coverage of hard-to-reach areas. ERM partners have developed common standard operating procedures to manage the transfers.

What the project does differently

The ERM is the only countrywide first-line response to use a multi-purpose cash approach in Afghanistan. It employs a common framework for assessment, targeting, registration, response and monitoring across six cash partners, thus ensuring reliability and predictability of response to new shocks. The project includes targets on timeframe, aiming at a maximum of eight days between notification and assessment, and eight days between assessment and response – enabling survival in a critical period.

Challenges and lessons learned

The ERM works in coordination with other first-line responders for food and NFI provision. In practice, this means that part of the food and/or NFI provision is given in kind instead of via cash, which reduces the beneficiaries' freedom of choice. Additionally, households have to attend three separate distributions to receive a full entitlement. The coordination can also be time consuming and delay all three avenues of assistance. The advantage has been to allow the ERM to reach more beneficiaries – but with less flexible assistance, raising questions of coverage vis-à-vis comprehensiveness and quality.

As a responsive mechanism, the ERM receives the vast majority of alerts of population displacement through the government system for identifying and verifying internally displaced persons (IDPs). This close cooperation risks compromising principles of actual and perceived neutrality and independence, as well as causing critical delays between displacement and the alert reaching NGOs.

The SMEB is a fixed basket developed in 2016 and adapted annually. However, the severe drought which started in mid-2018 has proved to be compounding needs, which means cash is often used first to repay high debts, and second to meet immediate needs. This means that negative coping mechanisms are still being resorted to despite ERM assistance.

Due to shrinking humanitarian space and access, an increasing proportion of responses take place in urban environments. This risks excluding rural IDPs because of limited access, security constraints and lack of information on the rural areas where they live. Due to limited social protection initiatives, a transition of ERM beneficiaries in urban environments to a new productive livelihood is challenging. The gap between this first-line response and more long-term prospects needs to be bridged, including by looking at urban responses more comprehensively, and by delivering additional assistance to target the most vulnerable through a protection-led approach. Individual NGOs providing recovery or development programming are expected to link ERM beneficiaries to their initiatives wherever possible.

Coordination with other donors

Continuous coordination with humanitarian organisations and donors is crucial in order to ensure that no duplication of services is taking place.



Enjoying a family meal in Myanmar. © Chris Terry/WFP, supported by the EU

 **COMPENDIUM FICHE**

Myanmar – Protection-focused Humanitarian Action for Displaced and Conflict-Affected People

Country
Myanmar

Number of Beneficiaries
A total of 5,401 displaced people living in five camps in non-government controlled areas (NGCA).

Partners
Danish Refugee Council with Oxfam-UK as an implementing partner.

Brief Description of the project

The project started in March 2018 for 12 months. Oxfam has worked with a local organisation, Kachin Baptist Convention (KBC) to provide food assistance to internally displaced persons (IDPs) in hard-to-reach border areas since 2012, with in-kind food assistance starting in August 2012.

Oxfam conducted a comprehensive market assessment in areas beyond the government-controlled area in April 2014. Based on the findings, cash and in-kind mixed modality was chosen as the preferred approach. Under the current project, all

IDPs in five camps and the bordering communities are eligible to receive food distributions. In four out of five camps, people received a mix of rice and cash. The remaining camp, Hkau Shau, received rice and other in-kind food items (salt, oil, chickpea/peanut) as it does not have enough camp-based retailers due to its remoteness. Oxfam strengthens its partner (KBC)'s capacity to deliver emergency relief and to reach remote communities, which international aid agencies, especially the UN, cannot access due to security restrictions.

Why cash?

From 2012 to 2016, Oxfam and KBC provided in-kind food support to IDPs living in hard-to-reach areas where market access was impossible due to the associated protection risks. The only nearby market is at the Chinese border and can be reached after crossing the Myanmar – China border. Throughout this period, Oxfam and KBC collected voices and concerns of IDPs through their post-distribution monitoring visits. Since the beginning of 2015, there has been a growing number of retailers/small market actors inside the camps and the demand for cash from IDPs has grown. Since then, Oxfam and KBC have aimed to support the IDPs in the NGCA camps with a more durable solution by shifting away from the in-kind response approach to cash-based programming. As a first step, Oxfam invested cash and market expertise in local organisations working in Kachin, especially in KBC. Along with a cash and market leadership training programme (the 'Emergency Food Security Leadership Programme') for local partners, including KBC staff, a participatory cash/voucher feasibility study was conducted in six NGCA camps in mid-2016. The study emphasised not only the feasibility of market access but also community perception on receiving cash with a specific focus on protection risks. Gender and protection issues were heavily featured in the study and response analysis. Following the assessment, cash was introduced in some IDP camps, and partners closely monitored market access and protection risks. The study confirmed that it is necessary to apply a combined distribution of rice and cash, since rice is not available in the camp-based retailers.

Delivery mechanisms

With support from Oxfam, KBC has developed and applied a Cash Transfer Handing Procedure. As there have been no financial service providers who

can help conduct a cash transfer program in NGCA camps, KBC provides direct cash transfer to IDPs. The beneficiary list is updated regularly and cash is provided on a monthly basis. Regular consultation is carried out to collect voices and concerns of IDPs, especially women.

Moves towards the Cash Guidance Note approach

According to the post-distribution monitoring results, cash interventions bring more benefits when IDP women can manage their money to meet their family needs. The injection of cash has also contributed to the expansion of camp-based markets, thereby supporting small-scale livelihood activities by IDPs.

Challenges and lessons learned

The first challenge was to ensure that the local partners accepted the cash programme, as KBC's operation team did not have policy or procedures on cash transfer programming. It is important to build organisational capacity in whatever cash programme is delivered. Technical capacity of programme staff on cash and market is still in need of improvement. Cash and voucher feasibility assessment should be done through a participatory approach, with the participation of key staff involved in implementing the project so that the capacity will be embedded among them. This will help to improve ongoing analysis and adaption/modification as necessary.

Coordination with other donors

DG ECHO has been closely coordinating with other donors such as DFID/HARP to promote complementary responses.



Beneficiary receiving cash through M-pesa. ©ACTED

 **COMPENDIUM FICHE**

Kenya – Integrated Emergency Drought Response to Save Lives in Kenya’s Arid and Semi-Arid Counties

Country
Kenya

Number of Beneficiaries
7,460 households, 44,760 persons

Partners
ACTED, Humanity and Inclusion (HI)

Brief Description of the project
The 2016-2017 drought affected an estimated 3.4 million people from 23 out of the total 47

counties in Kenya. This led to a massive loss of livestock and livelihoods, with high levels of food insecurity. This action aimed at providing an integrated, life-saving humanitarian response through unconditional cash, targeting some of the most affected counties in Kenya (Samburu and Mandera), and was implemented by ACTED as the lead agency and Humanity and Inclusion (HI) as a partner. The food assistance response through cash integrated nutrition and protection issues in its design and implementation, in order to maximise its impact. Further, the action was complementary to existing governmental responses and targeted



areas, and included households that were not previously covered. Therefore, it was aligned to the governmental response through the Hunger Safety Net Program (HSNP), in terms of the amount of cash and targeting.

Why cash?

Cash is widely used in Kenya so it was not a new modality. Markets in all the targeted counties were operational, functional, and accessible, and items were available in sufficient quantity and quality. Furthermore, there were already financial delivery mechanisms in place, and cash allowed the beneficiaries to purchase according to their needs and preferences.

Delivery mechanisms

The action utilised M-pesa to deliver cash to beneficiaries. M-pesa is a mobile platform, widely used in Kenya, which allows money to be sent using secure SMS text messages.

What the project does differently

The action integrated nutrition and protection aspects in order to improve the targeting and impact of the responses. Beneficiaries were targeted by combining nutrition indicators and the list provided by the governmental HSNP response. This was key to ensuring maximised impact, as many areas in Kenya accounted for emergency levels of Global Acute Malnutrition.

In addition, HI provided technical support in ensuring that the intervention was inclusive of persons with disabilities, the elderly and marginalised persons in the targeted communities. This was done by providing specific guidelines for each step of implementation to ensure that the cash response was inclusive. HI produced guidance, which all partners operating in the country can use to improve cash-based interventions, titled *Inclusion guideline for people with disabilities and older people in cash transfer programming*.

In line with the recommendations of the guideline, HI conducted a barrier analysis assessment and capacity building exercises with the staff of ACTED and local authorities. This helped the staff become aware of, and identify barriers that limit participation and access for the elderly and people with physical disabilities, which are often overlooked during

programming. The team developed household questionnaires and administered them at the household level to ensure that people with specific needs were reached during beneficiary selection process. Targeted measures were taken, with the help of family or neighbours, to ensure that people with special needs could access mobile money and could reach markets or other meetings.

Coordination with safety nets/other projects

On top of making use of the government's established lists of beneficiaries, the project was carried out in coordination with the HSNP shock-responsive mechanism. The amount of cash provided to beneficiaries was set in alignment with the government's response to the drought using the HSNP, and this allowed humanitarian actors to reinforce existing mechanisms.

Challenges and lessons learned

While HI was instrumental in identifying cases with special needs such as the disabled and elderly people within the community, there was no clear mechanism on how to go about the identified caseload to ensure that they were integrated into the ongoing social protection systems for various vulnerabilities.

Coordination with other donors

DG ECHO worked in close coordination with other donors who were supporting the governmental effort through HSNP, particularly DFID and DG DEVCO.

This has allowed for an exchange between donors and the government on improving the capacities of the social protection systems to respond to drought, as well as the role of the humanitarian response.

The action also helped establish a mechanism of coordination at the operational and strategic level in Kenya—the Cash Working Group.



Nyangai receives 336 000 Ugandan shillings at a cash point. ©Lydia Wamala / WFP

COMPENDIUM FICHE

Uganda – Multi-purpose Cash and Protection for South Sudanese Refugees

Country
Uganda

Number of Beneficiaries
13,156 persons

Partners
DanChurchAid (DCA), Mercy Corps (MC) and TPO-Uganda

Brief Description of the project
Fighting broke out in South Sudan in July 2016 and

triggered a massive unprecedented influx of South Sudanese refugees into Northern Uganda.

In only three and half months, from August to December 2016, more than 200,000 refugees were transferred to the newly established Bidibidi settlement, now one of the biggest in Africa, causing severe humanitarian challenges. This EU-funded action started at the end of December 2016 and provided cash transfers to newly arrived refugees in Uganda. DCA and its consortium partners delivered life-saving and protection assistance to the most vulnerable South Sudanese

refugees and host communities in three sectors: 1) Access to food and other immediate basic needs from the market through increased purchasing power (through multi-purpose cash transfers); 2) Community-based protection and initiation of dialogue between refugees and host-populations; 3) Livelihoods and food security through cash for work. The first component of the proposed action provided unconditional cash grants to People with Special Needs (PSNs) to buy fresh and nutritious foods and cover other unmet basic needs. It targeted the most vulnerable from the PSN list registered by UNHCR, and it was designed as a top-up of the food assistance provided by WFP.

Why cash?

Markets were functional, and the idea was to ensure flexibility of choice for the beneficiaries to respond to their own needs. In addition, the action set out to demonstrate that using cash for recently arrived refugees was feasible in a new refugee settlement.

Delivery mechanisms

In order to deliver the funds to the beneficiaries, the action uses Airtel Mobile Money, a mobile-based platform offered by one of the largest mobile telephone networks in Uganda.

What the project does differently

This intervention was the first of its kind to make use of multi-purpose cash and mobile technology for the refugee humanitarian response in Uganda. The partners designed a top-up multi-purpose grant to cover essential needs for the most vulnerable refugees. The partner also chose to use mobile technology although the infrastructure was outdated, which triggered further investments into mobile technology infrastructure and network.

The total value of the cash transfer is calculated to allow for the purchase of complementary food items high in micronutrients (such as vegetables, fruits and animal proteins) for dietary diversity and the prevention of micro-nutrient deficiencies, as well as bathing and laundry soap at 450mg per person/month, based on Sphere standards.

Moves towards the Cash Guidance Note approach

Since the beginning of the project, discussions on upscaling cash have progressed, with the idea to put in place unique delivery mechanisms and MEB (Minimum Expenditure Basket) in the course of 2019.

Coordination with safety nets/other projects

The response was done in coordination with WFP, as it represented a top-up of the food assistance provided by WFP. DCA also became chair of the first cash coordination group at field level, as they promoted its establishment in the West Nile region. Further, this has prompted UNHCR to keep on funding DCA after DG ECHO, to continue with the current strategy.

Challenges and lessons learned

Initially, DCA and MC intended to use only Airtel Mobile Money for cash transfers. However, in mid-April, the Uganda Communication Commission issued a directive that all SIM cards ought to be re-registered using a national ID, passport, or biometric IDs. While the issue of ID registration was being solved, partners used a different cash delivery system for a month (Security Group Africa, cash in envelop), and for the beneficiaries without biometric IDs, SIM cards were registered in DCA's name.

With Airtel Mobile Money, there were significant challenges in the initial stages of the cash distribution. These challenges included limited network coverage in the settlement, liquidity and lack of small change, and 'know-your-customer' (KYC) issues. However, the network improved after intense advocacy and negotiations with Airtel. Three base stations were soon constructed in the settlement with support from the UN Capital Development Fund, and the liquidity and KYC issues improved after Airtel brought in an aggregator and established permanent mobile money agents.



European
Commission



Cash distribution in Bamba, Mali. ©Oxfam

COMPENDIUM FICHE

Mali - Cash Distributions to Foster Resilience for Food Crisis-Hit Households

Country

Mali

Number of Beneficiaries

39,749 households, about 260,000 persons.

Partners

Five international NGOs (Action Against Hunger (ACF), Danish Refugee Council (DRC), Humanity and Inclusion (HI), Solidarités International and OXFAM) gathered in a “Common Framework”, a loose NGO consortium with a common pool of staff.

Brief Description of the project

The Common Framework on Seasonal Social Safety Nets (CCFS) in northern Mali aims at laying the foundations of resilience for poor households that are hardest hit by food crises and the political-military events of 2012/2013. This is done through the establishment of social safety nets based on monetary and non-monetary transfers.

The project ran from March 2014 to May 2015 and focused on three areas:

- Protection and rehabilitation of livelihoods with cash transfers or vouchers of a value equivalent to 100,000 CFA (EUR 150) per household;

- Food assistance and prevention of malnutrition, targeting pregnant and breastfeeding women and children (6-23 months), as well as nutrition screening, community mobilization and sensitisation;
- Capacity building, capitalisation and sharing of lessons learnt.

Why cash?

The use of cash was decided to complement large-scale food operations in order to cover needs other than basic food. Markets were able to support cash interventions, as long as general food distributions took place at the same time. In 2015, however, many partners have opted for commodity vouchers due to the deteriorating security context.

Delivery mechanisms

Local traders, microfinance institutions, phone company ORANGE. The unreliability of the phone network has led to partners developing alternative ways to distribute assistance (i.e. using the services of traders, microfinance institutions to actually hand the cash out to beneficiaries).

What the project does differently

Food markets function well and have made large-scale market-based responses possible since 2005. Cash programming is no longer an innovation although there is significant evidence that it is a more efficient way to deliver assistance than in-kind aid.

- Data collection format developed jointly with the National Safety Net programme.
- Community-based targeting using the Household Economy Analysis (HEA) framework, including a wealth ranking of households.
- Linking with long-term social protection initiatives.
- Nutritional objective.
- Common initiative of DG ECHO's NGO partners ensuring greater coherence.

Coordination with safety nets/other projects

In the medium term, the idea is to lay the foundations for a takeover of the project by the National Safety Net Programme, which, at this point, is only present in the peaceful South of the country. Hence the importance of a 'linking relief, rehabilitation and development' (LRRD) approach.

Challenges and lessons learned

- Joint framework by five NGOs: positive, as dialogue with the "big players" became possible.
- Common pool of staff: positive, as it improved M&E quality and harmonisation of approaches, but internal organisational issues became a challenge, as there was no clear lead among the NGOs (accountability, management).
- Initial census/data collection took too long, delaying the initial cash transfer to the peak of the lean season, instead of pre-lean season.
- Linking relief, rehabilitation and development: a follow-up funding came one year after the project through the Trust Fund. With the same partners as this CCFS, the EU Delegation has implemented a three-year resilience project along the same lines, to allow a medium-term approach. In that aspect, the CCFS played its role of a pilot phase, showing it was possible to introduce social safety nets programmes in Northern Mali.
- High-risk security context where a principled approach is extremely difficult, and where vouchers can be better adapted than direct cash.
- By strengthening coordination among DG ECHO's partners, there is a risk of weakening existing coordination mechanisms such as the Food Security Cluster and the Cash Working Group.
- Even if some foundations of resilience have been laid, one can only describe the project as the beginning of a recovery following the crisis. Five months after the end of the project, the food security indicators strongly declined in the lean season and the communities did not seem to have yet the intrinsic capacities to cope. What is needed is a medium-term support, which populations can anticipate.

Coordination with other donors

- EU Delegation: the programme was funded with development money, and had an LRRD/resilience objective. Follow-up funding has been made available through the EU Trust Fund for Africa and EDF funds under the KEY programme.
- World Bank: for initial census, to link work with National Register.
- FFP/ USAID: used the same approach for their partners intervening.



SIM cards distribution and set-up with drought-affected beneficiaries in Haiti. ©WFP Haiti

COMPENDIUM FICHE

Haiti - Cash Assistance to Improve Food Security for the Most Vulnerable Households Affected by El Niño

Country

Haiti

Number of Beneficiaries

The World Food Programme (WFP) provided general food assistance to 270,660 people through five monthly cash transfers from April to August 2016 in rural communes, where emergency food security needs were not already covered by the government or other humanitarian actors. The EU contributed a total of €5.5 million for this operation.

Partners

WFP and implementing partners: ACTED, AMUR, AVSI, Caritas Haiti, CESAL, CESVI and WHH.

Brief Description of the project

The project aimed to respond to acute food insecurity caused by the prolonged drought situation that affected the country from 2013 until 2016, which was exacerbated in 2015-2016 by the influence of El Niño.

The action addressed acute food and nutrition needs by distributing cash transfers to 270,660 individuals among the most affected, enabling them to meet their immediate needs for a balanced diet, and adding a small contribution towards the purchase of water, essential non-food items and basic services. Households received on average EUR 55 per month, representing 80% of the food basket, for five months. The first transfers were made during the lean season.

Integrated Food Security Phase Classification (IPC) 3 areas ('Acute Food and Livelihood Crisis') and people identified in IPC 3 and IPC 4 ('Humanitarian Emergency') were prioritised by complementing other interventions and avoiding overlaps with other food assistance responses addressing the drought.

Coordination efforts helped national institutions prepare rapid comprehensive assessments, facilitate timely decision-making by the government and other humanitarian actors supporting the emergency response.

Why cash?

Haiti endured three consecutive years of drought. It was estimated that half a million Haitians were facing crisis levels of food insecurity and need immediate assistance. Prices of staple commodities had doubled in some cases and, while the price of imported commodities had not risen, the depreciation of the Haitian gourde against the US dollar resulted in higher commodity prices.

The partner conducted in-depth analyses to choose the most effective way of achieving the results needed. Studies showed that cash transfer boosted market dynamics, improved beneficiaries' access to basic foodstuffs and their capacity to reimburse loans in shops, and enhanced access to basic social services. Cash transfers proved to be a cost-effective delivery mechanism that provides flexibility in responding to hunger and nutrition issues. They allow the organisation to tailor food assistance response to the needs of the beneficiaries.

Delivery mechanisms

Whenever possible, and mostly in peri-urban areas, WFP's partners made use of electronic cash transfers through mobile phones to deliver cash in points of sale. Lessons learned have shown that the density of the network of points of sales is an essential parameter when carrying out e-transfers.

In more remote rural areas, the limited network coverage and the ability to provide target groups with the necessary devices constrained the possible modality options. Cash in envelopes is still widely used in hard-to-reach areas.

What the project does differently

The partner distributed cash through a financial service provider, Digicel®, using mobile phone e-transfer technology. Beneficiaries were provided with a SIM card and allocated an e-wallet that was credited remotely.

Targeting was innovative as communities were placed at the centre of the process around a consensual situation analysis. Integrated Food Security Phase Classification (IPC) was used to prioritise communities (areas categorised in IPC 3 with households in IPC 4), where assistance was deliberately concentrated. WFP's implementing partners within the identified areas closely engaged with an informal network of local stakeholders to establish a list of potential beneficiaries through the application of a simplified frequency list methodology.

Coordination with safety nets/other projects

In November 2016, in response to Hurricane Matthew, the partner initiated a Cash Transfer Working Group, in collaboration with the existing partners in the Kore Lavi consortium under the leadership of the Ministry of Social Affairs and Labor (MAST in French) and with assistance from the Office for the Coordination of Humanitarian Affairs (OCHA). Workshops were organised to share successes and challenges and to identify opportunities and perspectives for cash transfers in Haiti, based on good practices. Their outcomes still guide the work of the Cash Transfer Working Group led by WFP and NGOs. Thanks to operational coordination, cash transfers were complemented with school feeding, supplementary nutritional feeding and Food for Asset activities under a resilience-building approach.

Challenges and lessons learned

Most of the beneficiaries cannot read or write, which forced them to rely on a third party to get their money.

At the end of the two ‘lessons learned’ workshops, participants agreed on the need for close identity verification of the beneficiaries at the time of disbursement. The WFP SCOPE registration system proved to be fast, reliable and financially traceable. This would facilitate and expedite the reconciliation process with the financial service provider the following time.

According to the results of the post-distribution monitoring reports produced by WFP during the intervention, the beneficiary households were able to meet their essential food needs during the lean season.

Coordination with other donors

Considerable efforts of coordination with humanitarian donors in Haiti (EU, USAID), the relevant UN agencies and WFP and other important implementing partners in the food assistance sector (mostly international NGOs) led to harmonised geographical targeting while successfully preventing the duplication of support and reduced assistance gaps.

Despite considerable advocacy efforts from the donors, the coverage of the most pressing needs of the population by the national response remained limited due to the lack of funding.

Food security and nutrition are concentration sectors of the EU Delegation in Haiti, which are programmed around a ‘linking relief, rehabilitation and development’ (LRRD) strategy. The EU humanitarian funds are meant to reinforce and protect the benefits of development actions, requiring the targeting of the same populations along a “continuum” of assistance.



European
Commission



Beneficiaries in Chiquimula queuing at a bank to receive their monthly cash transfer. ©Action Against Hunger 2018

COMPENDIUM FICHE

Guatemala - Cash transfers to secure children's food and nutrition security

Country

Guatemala

Number of Beneficiaries

17,100 individuals in 8 municipalities, out of whom 10,000 people (2,000 households) benefited directly from food assistance.

Partners

Action Against Hunger (AAH-ES), OXFAM, TRÓCAIRE, Gruppo di Volontariato Civile (GVC), Cooperazione Internazionale (COOPI), Arbeiter-Samariter-Bund (ASB) and Télécoms Sans Frontière (TSF).

Brief Description

The El Niño weather phenomenon (2014-2016) and the associated recurrent droughts exacerbated the food crisis in the Guatemalan Dry Corridor, putting more than 270,000 families at risk. Climate change, the decrease of basic grains crops and lack of employment added to the existing deficiencies of the country's social protection system. The humanitarian consortium, formed by seven European NGOs, suggested monetary transfers and complementary activities for a total of 2,000 households with extreme vulnerability, located in the departments of Chiquimula, Baja Verapaz, Quiché and Huehuetenango. The response focused on:

- Covering essential food needs for a total of 2,000 families throughout two periods of Seasonal Hunger (May–July) in 2017 and 2018.
- Complementing cash transfer with in-kind nutritional support to protect the most vulnerable individuals, and building capacity in local model farms.

Why cash?

Food assistance was delivered in the form of cash to cover the basic grain needs of the target population. This modality was chosen since it allows the response to support local markets, while letting beneficiaries buy the choice of products of their preference and the purchase of more nutritious foods, according to counseling advice.

Delivery mechanisms

Cash assistance was provided through bank transfers. The transfers were complemented by fortified flour to cover the food and nutritional needs of the household members most vulnerable to undernutrition: children under 5, as well as pregnant and breastfeeding women.

Cash deliveries were carried out through a network of banks that reached all the municipal capitals, and which had already made cash deliveries to beneficiaries of government programmes on other occasions. The banking system guaranteed that people would receive the money in one place securely, with a minimum commission per person (approximately EUR 0.90/transfer). Aid was differentiated according to the number of members in the family.

What the project does differently

More than 54% of final beneficiaries were children (19% between 0–5 years and 35% between 5–17 years). 49% of households had among their members pregnant and breastfeeding women.

For the detection and reference of acute malnutrition (MAM/SAM) cases, the technical staff of each organisation carried out an anthropometric standardisation process, which was then executed by ACH nutrition personnel.

Coordination with safety nets/other projects

The activities were coordinated with national social safety nets, such as the programmes run by the Ministry of Development (scholarships and money transfers for studies, food card and conditional cash transfers to mothers), in which the municipalities themselves played a decisive role. Through the members of the Municipal Commissions of Food and Nutritional Security (COMUSAN), community selection was prioritised by local governments. The Secretariat of Food Security and Nutrition (SESAN) assisted during the beneficiary selection process. In order to achieve good coordination, partners supported the involvement of the municipalities along with ministries and cooperation agencies related to the promotion of social safety nets.

Challenges and lessons learned

Institutional weakness at the national and municipal level represented a challenge for the implementation of the action, since in many cases there was no permanent staff for the follow-up of the actions from the beginning to the end.

The dissemination and institutionalisation of good practices were initially affected, but later overcome. Such topics include the relationship between chronic and acute malnutrition, nutritional vulnerability in children under 5 with disabilities, the effects of temporary migration on food security and nutrition, and the importance of food assistance within a social protection approach.

Coordination with other donors

The activities of the project were concurrently covered by other projects implemented in the area, coming from donors' funds (such as the Global Affairs Canada), and own funds of the Irish Catholic Agency for Development (Trócaire) and Télécoms Sans Frontière (TSF), for a total amount of EUR 200,000.

Close coordination with the Oxfam-led consortium was key to ensuring that the actions of both consortia were more effective while unifying the criteria for the delivery of food assistance and the monitoring of food and nutritional security.

