

Through its Key Initiatives, UNHCR's Division of Programme Support and Management (DPSM) shares regular updates on interesting projects that produce key tools, practical guidance and new approaches aimed at moving UNHCR operations forward.



Sri Lanka / Tamil refugees / The first group of Sri Lankan refugees returning by sea from India under UNHCR's voluntary repatriation programme registers at a mobile branch unit of the Bank of Ceylon at Colombo port for UNHCR repatriation assistance. / UNHCR / G. Amarasinghe / October 2011

**A FLEXIBLE, INNOVATIVE TOOL TO ADDRESS MULTIPLE NEEDS**

A focus on seeking alternatives to camps, and the increasingly urban nature of displacement crises requires new ways of reaching out to those in need of protection and assistance. Cash-based interventions are an important tool in such settings, going hand in hand with harnessing new technologies, fostering partnerships within and beyond the humanitarian community, and tapping into existing systems to deliver assistance and protection, including public-private partnerships and national social protection schemes.

Although cash-based interventions are a particularly strong tool in urban settings where there are viable market and banking systems already in place, they can be equally useful in rural areas and in camps, where markets grow increasingly dynamic as more people settle in these areas. Cash-based interventions can be used to address a variety of needs, such as to provide access to food, water, health care and other services, to build and support livelihoods, support shelter needs, and facilitate return and reintegration.

*A dedicated team is working at Headquarters to support the institutionalization, scale up and systematic use of cash-based interventions in UNHCR operations worldwide.*

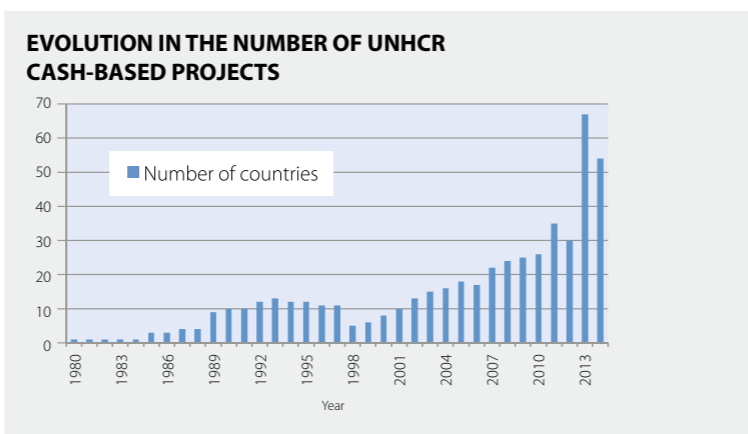
# Cash-Based Interventions

**EMPOWERING REFUGEES TO MEET THEIR OWN NEEDS**

**UNHCR has formalised its commitment to systematically consider and scale up the use of cash-based interventions (CBIs) and programming to offer refugees a cost-effective tool that can empower them to determine and meet their own needs, increasing dignity, choice and protection, both during displacement and upon return.**

This initiative follows the humanitarian community's move towards cash-based interventions and is consistent with the multi-sectoral nature of UNHCR's refugee mandate. DPSM is coordinating with other UNHCR divisions and the regional bureaux to develop the necessary resources and tools to ensure

programmes are well-designed, effective, cost-efficient, and are maximising protection potential. Currently, UNHCR is implementing cash-based programmes in more than 60 countries, worth over 100 million USD.



Syria / Distribution of financial assistance to IDPs by UNHCR staff and Bemo Bank employees at UNHCR and Omran Company warehouses. / UNHCR / B. Diab / November 2012

## OBJECTIVES

UNHCR's cash-based interventions seek to increase protection by reducing the risks faced by displaced populations. By enabling refugees to meet their priority needs through flexible and appropriate assistance, harmful coping strategies, such as survival sex, child labour, family separation

and forced marriage, can be avoided. Multiplier effects from cash-based interventions directly benefit the local economy and can contribute to peaceful coexistence within host communities. An immediate increase in people's purchasing power also allows them to actively protect their assets and invest in the recovery of their livelihoods.

EXAMPLES IN DISPLACEMENT SETTINGS		
	Objective	Country
Emergency, protracted, return	Cash grant to provide for basic needs for urban displaced*	Egypt, Ethiopia, Lebanon, Jordan
	Cash grant to provide for basic needs of vulnerable groups in camps*	Chad
	Seasonal cash grant to provide for increased expenditure during winter	Jordan, Afghanistan
Camp and out of camp (rural and urban)	Cash grant for host communities to renovate homes to host displaced people	Lebanon
	Food vouchers to provide access to basic foods	Syria
	Milling vouchers to cover for milling cost of food aid cereal	Sudan
	Fresh food vouchers to diversify diet as a complement to food distribution	Kenya
	Vouchers to provide access to non-food items in supermarkets	Ecuador
Low and middle income	Vouchers to provide access to core relief items in a fair	DRC
	Health insurance to provide access to health care	Iran
	Shelter grant for returnees	Sri Lanka
	Cash grant to facilitate the socio-economic reintegration of returnees*	Mozambique, Honduras, Afghanistan

\* multi-sectoral initiatives

### Update from the field

## CASH-BASED INTERVENTIONS IN THE SYRIA CRISIS

UNHCR is currently providing the most vulnerable Syrian refugees in Jordan, Lebanon, Egypt and Iraq – as well as those displaced within Syria – with cash-based assistance. In Jordan, UNHCR has been using iris-scanning technology since February 2012 to verify refugees' identities and streamline the distribution of assistance, effectively eliminating the risk of double-registering and fraud. After receiving a notification via SMS, refugees are able to withdraw their assistance from Cairo Amman Bank ATMs using their eyes, rather than a card and pin code, which can easily be lost, forgotten or stolen. Individuals typically need not remove their glasses or contact lenses to be identified by the specially designed iris camera which reads the imaging of the eyes' unique rings, furrows and freckles to access the information stored in a massive online database.

## DELIVERY OPTIONS

Cash-based interventions are distributed to beneficiaries through various mechanisms. The table below provides a brief summary of the different transfer modalities.

Different delivery mechanisms for cash and vouchers		
Immediate Cash	Direct cash payment	Cash handed out directly to recipients by the implementing agency.
	Delivery through an agent	Cash delivered to recipients through a formal or informal institution that acts as a 'middle man', e.g. money transfer agents, post offices, traders, or microfinance institutions. Does not require an account.
Cash Accounts	Pre-paid card	Plastic card usable in ATMs, used for cash grants and vouchers. Requires network connection.
	Smart card	Plastic card with a chip, valid in point of sale devices, used for cash grants and store purchases. Does not require network connection.
	Mobile money	SMS code that can be cashed out in outlets, used for cash grants and vouchers. Requires network connection.
	Bank account	Personal bank accounts or sub-bank accounts that are used to deposit cash grants. Requires formal ID and often formal residence.
Vouchers	Paper voucher	Paper token that is handed out directly to the recipient and is cashed out in designated outlets.
	Mobile or e-voucher	SMS with voucher code or plastic card used at point of sale. Requires network connection.

## HOW DO CASH-BASED INTERVENTIONS INCREASE PROTECTION?

Cash-based interventions address important protection risks, particularly by minimising the need to resort to negative coping mechanisms through meeting basic needs. Cash-based interventions increase refugees' dignity by allowing them to determine their own priorities and how to address them.

Cash-based interventions are also a less visible form of assistance than in-kind aid and thus reduce the risk of extortion or theft. Studies have shown that other risks, such as diversion of cash, gender-based violence, or security concerns can usually be overcome through good programme design and monitoring.

## WHAT COMES NEXT?

### Building on the success of past cash and voucher programmes, DPSM will:

- Roll out its Operational Guidance for Cash-Based Interventions in Displacement Settings and accompanying standard operating procedures, including through training
- Reinforce and strengthen expertise through a network of partners
- Further increase the evidence base through monitoring systems and studies
- Optimise the use of new technologies, such as iris scans and smart cards
- Scale up cash-based programmes in the field