EMBRACING CASH-BASED PROGRAMMING IN THE SYRIA SITUATION

REGIONAL APPROACH

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UNHCR
The UN Refugee Agency

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[1] Still to be updated with Turkey and Lebanon figures.

Two-Tier Approach

The High Commissioner memorandum on 2015 prioritization highlights the importance of identifying more efficient and effective delivery. In particular the HC noted that:

> *"All UNHCR operations need to review the way we deliver protection and assistance against the standard of effectiveness and efficiency. Cash-based interventions have the potential to bring protection benefits through the dignity of choice, while reducing the operational costs associated with the delivery of in-kind assistance. The use of cash and cash alternatives, benefitting from new technologies, is often a more dignified way of assisting populations of concern, as it empowers people to determine their own needs and the best way of meeting them."*

Cash-based programming has also been identified by the Office of the MENA Director and the Syria situation countries as an efficient, effective and more dignifying form of assistance to respond to the needs of the Syrian refugees wherever relevant and possible. This consideration takes into account the predominantly urban/non-camp distribution of the refugee population, the cash-based economy and active market system in all Syria situation countries, with few localized exceptions, with the understanding that cash-based programming versus in-kind support increases responsibilities of people of concern to identify and meet their own needs and improves service delivery.

It is recognized that there is no "*one size fits all solution*" and each country operation will determine the specific objectives of the cash interventions based on needs assessment and consideration of context specific factors, including in coordination with Governments' and other actors' strategies. Moreover current cash assistance interventions build upon previous experiences and practices from before the Syria crisis.

The regional common denominator to UNHCR cash programming in the Syria situation countries is defined in a Two-Tier approach. Defining the objectives of cash-based interventions determines the type of assistance to be provided – one-off, or a longer-term incremental provision of assistance. The objectives of the assistance focus on beneficiaries' needs and consider protection outcomes and risk.

Tier 1 programmes are implemented on a monthly or regular basis and aim to meet basic needs of the most vulnerable among persons of concern preventing them to resort to negative coping mechanism. Tier 1 assistance is multi-sectoral and unconditional in nature but it should still define expected outcomes based on assessed and identified needs.

Tier 2 programmes aim to address specific needs (e.g. winterization, access to school) and are either a one-off payment, or are less regular and frequent than tier one.

Tier 2 assistance may trigger consideration to put in place conditionality, wherein mechanisms are in place to monitor that beneficiaries use the assistance to purchase the intended items. However the additional resources required to monitor the adherence to the conditionality by recipients should be well considered and factored in while designing the programme.

Table 1. Cash interventions by country in 2013						
Country	**Tier 1**	**Tier 2**				
	Basic Needs/ Multi-sector	Winterisation	Education	Health	Shelter	Specific needs/ Emergency
Egypt	√		√	√	√	
Iraq	√*				√	√
Jordan	√	√				
Lebanon	√	√	√			
Turkey		√				
Syria						√

*one-off

The table above shows the different cash interventions implemented by the Syrian situation countries in 2013 displayed according to the Two-Tier approach.

The plan for 2014 is to expand the use of cash-based programming by a) scaling up tier 1 cash assistance and b) assessing the different modalities of assistance currently used (including in-kind and service provision) and analyse whether they could be effectively and efficiently monetized. It is commonly agreed that while it is difficult to monetize protection response in general, health, WASH (hygiene kits), NFI, shelter and livelihoods could be partially or fully monetized.

Table 2. Cash based interventions planned by country for 2014						
Country	**Tier 1**	**Tier 2**				
	Basic Needs/ Multi-sector	Winterisation	Education	Shelter	NFI	Specific needs/ Emergency
Egypt	√	√	√			√
Iraq	√					√
Jordan	√	√				
Lebanon	√	√		√	√	√
Turkey	√					
Syria						√

Offices are encouraged to assess which thematic needs (e.g. winterization items, rental fees, hygiene kits, school supplies, and school fees) can be covered through cash transfers, thereby monetizing in-kind or service provision.

Text Box 1. Factors to consider when analysing whether cash is the appropriate response

- Market readiness
- Availability and access of goods and services
- Vulnerabilities
- Potential impact and specific objectives
- Flexibility
- Choice, dignity
- Targeting
- Staff and partner skills
- Organisational capacity
- Cost effectiveness
- Security risks
- Corruption
- Diversion

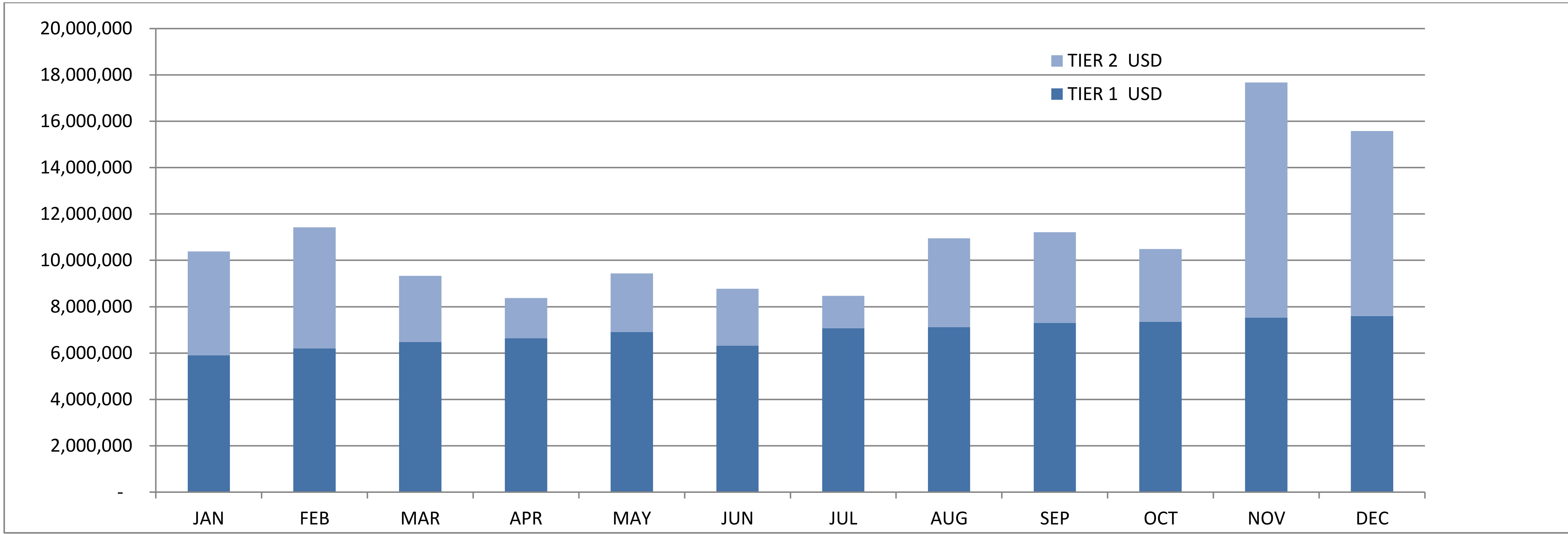
Detailed guidance identification and evaluation of the different response options, including cost efficiency and cost effectiveness analysis, will be found in the soon to be released UNHCR Operational Guidance – Cash-Based Intervention in displacement settings.

Indicators

- Specific objectives for Tier 1 and Tier 2 programmes are based on needs assessment, context specific factors and coordinated with Governments' and other actors' strategies.
- Tier 1 and tier 2 plans are reflected in cash programming budgeting
- Planning and reporting of cash-based intervention is done on a monthly basis
- Assessment to choose the most effective and efficient type of modality (in-kind, cash-based or service provision) is systematically done for all programmes.

The Two-Tier Approach will be also clearly reflected in cash programming budgeting and enhance monthly planning and reporting.

Figure 1. 2014 operational plans[2] (OP) for cash programming according to Tier 1 and Tier 2

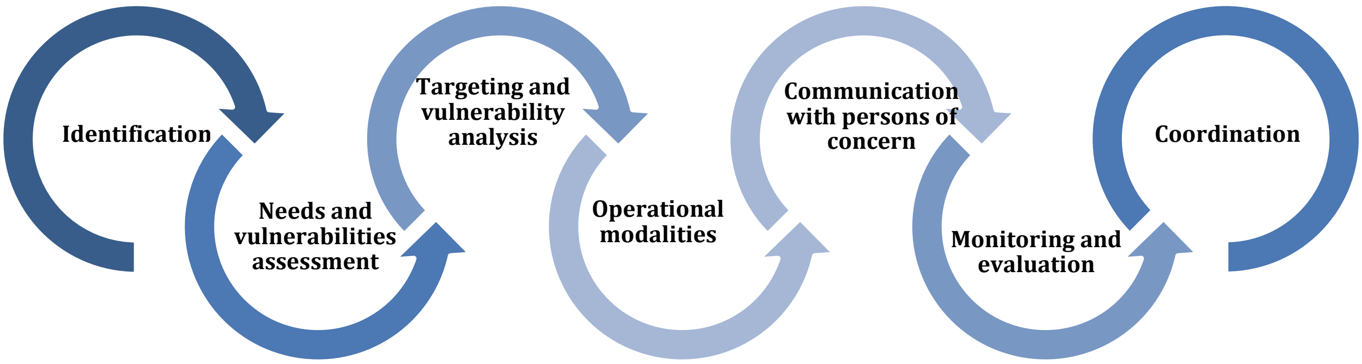


TIER		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
TIER 1	USD	5,899,753	6,200,544	6,484,779	6,634,249	6,908,386	6,319,553	7,069,467	7,124,133	7,303,466	7,358,132	7,537,465	7,592,131
TIER 2	USD	4,480,504	5,225,848	2,843,664	1,744,664	2,529,664	2,451,164	1,398,147	3,831,647	3,910,147	3,125,147	10,133,537	7,989,579
											GRAND TOTAL		**132,095,770**

[2] Still to be updated with Turkey and Lebanon figures.

Building blocks

The key building blocks for cash-based programming in the Syria situation have been validated during the Regional Cash Workshop conducted on 24 and 25 February in Amman and further refined in the Regional Targeting and Vulnerability Analysis Workshop conducted on 7 and 8 of May as following: i) identification, ii) needs and vulnerability assessment, iii) targeting and vulnerability analysis, iv) operational modalities, v) communication with people of concern, vi) monitoring and evaluation and vii) coordination.
Fundamental guidance for cash based programming and key reference for this paper is the UNHCR Operational Guidance – Cash-Based Intervention in displacement settings.



Building block one: Identification

Identification of persons of concern in the Syria situation is done through UNHCR Registration (ProGreS) or other means (e.g. Government counterparts, NGO partners). Identification, usually through registration, is the fundamental entry point to identification of people of concern who are vulnerable and may need assistance to meet their basic needs.

With the exception of Turkey, most Syrian refugees are identified through UNHCR registration. Mechanisms should be instituted to identify people of concern that did not register for various reasons, such as waiting periods, disabilities, lack of easy access to identification/centres, unaware of protocols).

Family should be the commonly used as basic unit of reference. The concept of family carries an element of "dependency" (declared status of dependency), and could extend to people that are not directly related to the persons, such as in the case where a family is taking care of a separated family, or the nephew. The definition of basic unit of reference will also help integrate cash-based programmes from different organization and improve coordination with partners.

To support cash programming it is necessary to guarantee a minimum data set for two main purposes: support targeting effort and ensure proper documentation and identify verification of beneficiaries.

Identification data can support the statistical analysis when it comes to targeting and identification of proxy indicators for economic vulnerability. Biometrics authentication (IRIS Scan) would help closing the gap between registration and delivery mechanism where technological solutions are available.

Identity of beneficiary at cash distribution points and outlets is fundamental and is to also to fulfil national Know your costumer (KYC) banking rules. Each refugee should have access to a valid identity document whether issued by UNHCR, the hosting government or the Syrian government. Biometrics authentication (e.g. IRIS scan) can dramatically improve delivery system and at the same time confirm and verify presence of persons of concern (PoCs) in country.

Indicators

- Identification of persons of concern is done, either through UNHCR Registration (ProGreS) or other means (e.g. Government counterparts, NGO partners).
- Family as basic unit of reference is traceable in identification data set (e.g. different case numbers can be linked as one family).
- Minimum data set for individual is available: 1) Name, 2) Surname, 3) Gender, 4) Age, 5) Disability, 6) Education level, 7) Occupation in Syria, 8) Picture or IRIS and 9) ID number (Passport, UNHCR registration code, etc.), 10) Cell phone number.
- All refugees have access to valid identity document (ID).

Building block two: Need and vulnerability assessments

The first step in developing objectives and modalities is for country operations to agree as to the needs and priorities of refugees (e.g. rent, basic needs, food, etc).

Assessments are undertaken through a home visits, focus group discussion and analysis of secondary data (including Post Distribution Monitoring results). UNHCR works with the implementing partners to determine the methodology, questionnaire and how the assessment data is analysed. Power relations in addition to gender issues should be considered also during assessment but in general at all stages of cash based programming.

In addition, assessments should be combined with market survey to determine if cash is the most appropriate way to meet those objectives.

For example, within an overall objective to address the economic vulnerabilities of the most poor to meet shelter and basic needs assessment methodology is then developed to assess current shelter and households' ability to address basic needs (average rent prices, utility costs, etc.). Simultaneously market assessment may be conducted to determine if cash is an appropriate modality to facilitate access to the necessary goods and services by assessing whether market systems can accommodate increased demand for quality goods/services without incurring in price increase.

Market assessments should be coordinated with other actors including the existing coordination structures (e.g. cash transfer working group and assessment task force) and by benefiting from the expertise and work of other agencies. The level and frequency of analysis should be proportional to the risk a programme poses to the local market[3]. In some cases, a brief review of existing information may be enough to decide that cash-based interventions are worth further consideration[4]. Market analysis is particularly important in the camp environment where local markets and communities have adapted to the long-term provision of in-kind assistance (and potential resale) or where slowly increasing demand eventually outstrips supply (e.g. rental accommodation).[5]

It is important to keep distinct what people need (e.g. shelter) and what they are vulnerable to (e.g. compromising their welfare through the use of negative coping strategies), from which criteria will be used to best target the people that have (or are most likely to have) these needs and vulnerabilities. If the overall objective is to ensure minimum living standards is therefore necessary to understand what people have to do to meet these minimum standards (hierarchy of needs).

Indicators

- Need assessment are conducted taking into consideration economic vulnerability.
- Programme objectives are set according to needs identified.
- Market surveys (or review of the existing information) are conducted and informed modality selection.
- Market surveys answer at least the following: Which critical markets should we considered? Are markets functional? Are markets responsive to demand? Are goods and services accessible? What are the likely impacts of a cash-based intervention?

[3] CaLP (2013) Minimum Requirements for Market Analysis in Emergencies, p.15.

[4] Draft UNHCR Operational Guidance for Cash-Based Interventions in Displacement Settings

[5] Ibid

Building block three: Targeting and vulnerability analysis

Targeting is not unique to cash-based interventions (CBI) but applied by UNHCR in different sectors (including protection, health, shelter, education and livelihood) and modalities (cash, in-kind, service provision). Targeting in UNHCR has been usually linked to the traditional UNHCR approach to ***"specific needs"*** groups while there are no structured UNHCR guidelines or methodology for vulnerability analysis and targeting when the aim is to identify and address ***economic vulnerability***[6]. Nevertheless the UNHCR operational guidance for CBI provides general guidance and it is here used as key reference.

Reasons for targeting include budget constraints, needs/capacity of PoCs, cost efficiency, dependency consideration and maximization of impact by targeting only those that at risk of not meeting their basic needs. In fact not all PoCs are economically vulnerable: some may have access to employment and labour, skills, savings, and networks that will enable them to access their basic needs.

All operations are already applying a targeted approach when implementing cash-based programming. However, methodologies for selecting and applying targeting criteria vary from country to country and often represent a major challenge. Specific needs criteria (e.g. women headed households, SGBV, elderly, etc.) are still the entry point for eligibility to cash assistance while correlation between these categories and economic destitution is not verified.

The use of need and vulnerability assessments will help determine which households are the most economically vulnerable and thus in need of economic support through cash based programming. The proposed regional approach for targeting links the needs and vulnerability assessment to the identification of proxy indicator for economic vulnerability. Economic vulnerability should be therefore the entry point when targeting for CBI as the aim is to address lack of economic access/coverage of basic needs (goods and/or services) to prevent/limit the use of negative coping mechanism. For both Tier 1 and Tier 2 it is necessary to clearly understand the objective of the intervention and understand what are the risks that we want to minimize.

It is also important to determine whether the targeting criteria are accurately capturing those vulnerabilities that can best be reduced by cash; cash is not the answer to everything.

The process for identifying criteria that are best indicators for economic vulnerability is schematized in the below text box.

[6] Refugee households that are actually or at risk of not meeting their basic needs and/or compromising their wellbeing due to socio-economic destitution.

Text Box 2: Identifying targeting criteria that are best indicators of economic vulnerability

Step 1: Identify 'Best guess' proxy indicators of economic vulnerability based on available information

- ✓ Ask refugees what they think characterises economic vulnerability
- ✓ Take into consideration rights in host country (access to services, employment, etc)
- ✓ Discuss criteria and rationale with stakeholders
- ✓ To be aware of false proxies (e.g. female headed households in polygamous families and poor data quality, inconsistent definition of specific needs, disability).

Example of proxy indicators for economic vulnerability:

- Families with high numbers of non-income earning members e.g. children, elderly, certain specific needs, and low number of potentially income earning-adults.
- Families with only one adult, chronic illness, disability, older household heads fit the above category.

A Burden Index or Dependency ration can be used as proxy indicator. This compares the number of people in a household that can't contribute economically versus the number of people that can't:

Ratio: $\dfrac{\textit{Number of people not able bodied}}{\textit{Number of able bodied adults}}$

Step 2: Define outcome variable or "vulnerability test" for use in verification

- ✓ Agree on vulnerability test with stakeholders
- ✓ Outcome variable should relate to objective of programme

Examples of outcome variables:

- Below minimum expenditure/per capita taking into consideration other assistance, (e.g. food).
- Living in crowded conditions (<3.25sq/pp).
- Living with inadequate sanitation (>20pp/toilet).
- Use of severe negative food and non-food coping strategies; compromising adults' and children's meals, borrowing money for basic needs, child labour, high risk behaviour, begging.
- Asset holdings (absence of basic, presence of luxury assets in household)

Step 3: Test for accuracy (inclusion and exclusion) and refine

- ✓ Pilot test on sample e.g. 100 randomly selected households before distribution to determine if proxy indicators accurate enough
- ✓ Ensure Safeguards including household visits for excluded persons and appeals mechanisms
- ✓ Use data from the pilot plus visits for case management, post distribution monitoring to periodically check validity of targeting criteria
- ✓ Use a questionnaire that includes relevant demographic information

Modelling[7] techniques can be used, when relevant and feasible, to statically identify the most crucial variables and best proxy indicators for economic vulnerability. Moreover correlation between needs assessment and ProGreS data, or other identification data set, could be found. In fact the data collected at identification stage represents the only source of data available for the 100% of the identified population whereas most household assessments are done on samples. In absence of such link assessment for each family need be conducted to determine adherence to targeting criteria.

Modelling is just another way of enhancing the targeting experience, and can be used in any of the targeting approaches, resulting in a stronger process based on statistics. The reason to do modelling is to be transparent on what we want to achieve and how, and to have a common understanding on what we go after. It is about defining the problem clearly, and look into cause and effect, as well as to find the proper solution. If cash does not assist on the reduction of economic vulnerability, then the approach should not be through cash assistance.

Modelling involves the decision and determination of what data provides relevant information and what does not. Dependent and independent variables are used to determine the target. Independent variables (e.g. single parent) are the cause factor, while the dependent tests the relationship between these variables: what are the characteristics that predispose someone to be more vulnerable? The formula resulting from the modelling will still bring an error margin however by using the right variables quality of the results are maximized.

Text Box 3. Application of modelling in the Syria situation countries

UNHCR Jordan and World Bank cooperation for improved targeting

The main objective of the study was to improve UNHCR targeting approach, specifically for cash assistance, by applying standard welfare modelling techniques to refugee data.

The data used for the analysis includes two data-sets: ProGreS (161,848 cases[8]) and Home Visit Database (16,000 cases).

The analysis revealed that an analysis of expenditures is better able to predict poverty compared to an analysis of income, largely due to the under-reporting of income.

The welfare model developed identified five variables present in both data-sets (ProGreS and Home Visit) that can reliably predict family expenditures and therefore poverty level: 1) Case Size, 2) Gender of Principal Applicant (PA), 3) Proportion of children to adults, 4) Occupation of PA, 5) Education of PA.

Surprisingly[9] female-headed households are associated with higher, not lower, welfare.

Results of the study will be used by UNHCR to improve its targeting approach (both data collection and analysis), and, by consequence, the effectiveness to improve the wellbeing of refugees.

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[7] *An econometric model specifies the statistical relationship that is believed to hold between_the various economic quantities pertaining to a particular economic phenomenon under study (Wikipedia).*

[8] A case is a processing unit, similar to a nuclear family headed by a Principal Applicant (Principal Representative).

[9] The Lebanon analysis also shows that female headed households are not necessarily poorer than male headed households and the correlation between women and reduced negative coping mechanism is strong

Lebanon Targeting Task Force

The analysis used different data sets: 1) quantitative data collected through focus group discussion to explore refugee perception of poverty and 2) quantitative data from the VaSyr assessment (1,400 records), from Verification data (28,000 records), and from the IRC tested index (350 records).

Key indicators identified: 1) Family size, dependency ratio, single headed household, 2) Living conditions (type of housing, occupancy, crowding, type of toilet), 3) Asset holdings (absence of basic, presence of luxury assets in household), 4) Coping mechanisms, 5) Debt to expenditure ratios, employment.

The analysis revealed that an improved Burden Index10 can be reliably used to do a first selection of the most vulnerable for the cash assistance programme based on ProGreS data.

However other means, e.g. referrals, targeted household visits, appeals, need to be used in combination with a household assessment questionnaire, to reduce potential inclusion error and over time reduce exclusion error.

Indicators

- Targeting strategies and approaches are defined and justified according to the particular context and situation (e.g. emergency vs prolonged, geographic, hosting situation, length of stay, Population planning groups (PPG), and access to PPG).
- Indicators for economic vulnerability have been identified according to the three-step process.
- Cash assistance is a modality to address economic vulnerability, and is not intended to replace interventions to address, e.g., protection or other vulnerabilities.

Building block four: Operational modalities

Cash assistance will be provided through various transfer modalities including unconditional cash grants to cover basic needs under Tier 1 and objective tailored modalities to cover specific needs (e.g. education, health etc.) under Tier 2.

The use of conditional cash assistance can support (and sometimes mandate) household actions (e.g. conditional cash grants, for example, is provided to families whose children regularly attend, and show proof-of-attendance to school). This application of conditionality should only be done where economic incentives can be demonstrated to encourage certain behaviour. Sometimes the obstacles (e.g. discrimination in schools, lack of facilities) cannot be addressed through cash interventions.

How much?

The cash transfer amount should be calculated based on the needs it expects to cover and the particular outcomes to be addressed by the assistance (e.g., average rent costs used to calculate support to shelter, “average cost of a basket of goods” for domestic items, etc.). Prior to this a programmatic decision regarding what programmes should be delivered through cash and what through in-kind and/or service provision should be made.

[10] A Burden Index or Dependency ration compares the number of people in a household that can’t contribute economically versus the number of people that can

Text Box 4. Description of cash transfer modalities[11]	
TYPE	**DESCRIPTION**
Unconditional cash transfers	Unconditional cash transfers are given with no conditions as to how the money should be used. However, it is assumed that if basic needs have been identified in the assessment, the money will be used to cover these needs.
Conditional cash transfers	The agency puts conditions on how the cash is spent, for instance stipulating that it must be used to pay for the reconstruction of the family home or cash might be given *after* recipients have met a condition, such as enrolling children in school or having them vaccinated.
Commodity or cash vouchers	A voucher is a paper, token or electronic card that can be exchanged for a set quantity or value of goods or services. Commodity vouchers stipulate the items or services (e.g. 5kg of maize; milling of 5kg of maize) for which the recipient can exchange their voucher. Cash vouchers have a specific value (e.g. $15) and can define a service and an item or a range of items (e.g. fresh food, shelter material) for which the voucher can be exchanged. Vouchers can be exchanged in pre-selected shops, with specified traders/service providers or at specifically organized fairs.
Cash for work	Payment for work on community or public works programmes which will improve or rehabilitate community services or infrastructure. Wages should cover basic needs, but be slightly below market levels to avoid competing with the labour market.

Market assessment and follow up surveys should be used as tool or basis for determining the value of cash transfer. There is a need within UNHCR to collect data from the market or use secondary data wherever possible. Synergies with the Supply Unit for conducting and analysing market surveys should be explored to make use of available in-house expertise.

For T1 cash assistance a Minimum Expenditure Basket (MEB) which reflects the minimum standard of living should be developed by analysing local market prices and beneficiary consumption patterns. The MEB will be then compared to the ability of the family to contributing to it (e.g. income including assistance received and remittances) to identify the transfer rate necessary to bridge the gap.

For T2 interventions the cost of goods and services (e.g. hygiene kits, fuel, school fees, etc.) in the local market should be used to calculate the amount of the transfer.

[11] Adapted from CaLP Advanced Cash Programming in Humanitarian Response and ODI Cash Transfer Programming in Emergency

Table 3. Minimum Expenditure Basket - Example adapted from Lebanon CTWG

Item	Item/expenditure description	Quantity / Person / Month	Unit	Unit Price	Total cost	Source of info
Non-Food Basket						
Fuel	Cooking gas	1	kg	750	750	NFI working group
	Petrol unleaded	20	lit	409	8,175	
Hygeine basket	Toilet Paper	4	Packs of four rolls	991	3,965	
	Toothpaste	2	75ml tube	2,313	4,625	
	Laundry soap/detergent	1	kg/lit	7,438	7,438	
	Liquid Dishes detergent	1	750 ml (Golden)	3,550	3,550	
	Sanitary napkins (pads)	3	packs of 20	896	2,688	
	Individual soap bars	5	125g	788	3,938	
	Shampoo	1	Bottle 500 ml (Pert)	4,750	4,750	
	Diapers				22,625	
Other services	Education				13,500	HH interview
	Health				116,667	
Utilities	Water (Cost per month)				34,667	
	Electricity (cost per month)				81,667	
	Legal issues and Transportation				112,167	
	Communication costs				37,500	
	Rent				450,000	
	Total non-Food		per household 5 members		**908,671**	
Food Basket						
Food Basket	**Total Food**		per household (5 members)		**238,284**	WFP minumum food basket
			TOTAL FOOD AND NON FOOD		**1,146,955**	

<u>"How?"</u>

The most appropriate <u>delivery mechanism</u> should be chosen weighting pros and cons of the potential payment methods. Special attention is paid to the acceptability and accessibility of the different options to person of concern. A set of minimum requirements (e.g. programmatic, financial, ICT, etc.) should be defined as a basis to compere mechanisms before making the selection.

In each operation the number of delivery mechanisms (for different areas, intervention and partners) should be limited and a common delivery platform possibly identified to support the different cash based interventions. Consideration to develop common delivery systems (e.g. WFP/UNHCR OneCard) in cooperation with other agencies should be done at the beginning of the planning process:

- Conduct joint feasibility assessment
- Consider joining the system if one organisation already has a system in place
- Look at different offers and consider if other partners could join the system

However it may not always be efficient and in everyone's interest to have a common delivery system.

Cash transfers through ATM cards have been adopted by most Syria situation countries because considered the most secure, dignified and cost-effective delivery mechanism for cash transfers. In fact transaction costs are relatively lower compared to other distribution methods, monthly transfers can be electronically uploaded, and it facilitates the scale up of assistance in specific time or need (e.g. winterization, back to school, Ramadan etc.).

Refugees using IRIS scan technology at ATMs in Jordan.

In coordination with the protection and data management team data protection considerations should be factored in when selecting and designing delivery mechanisms especially when considering electronic solutions. Recent research on cash and beneficiary privacy has been supported by the CalP, *“Protecting beneficiary privacy: Principles and operational standards for the secure use of personal data in cash and e-transfer programmes”*, and can provide useful guidance.

If cash delivery is not done directly (cash in hand/vouchers) by UNHCR or its partner, but through a financial service provider a procurement process for financial services provision should be considered and done in coordination with the Supply Unit for the tender and LAS for the legal clauses of the agreement.

Text Box 5. WFP/UNHCR ONECARD

During the WFP/UNHCR High Level Meeting on cash-based programming in September 2013, WFP and UNHCR agreed on the need to develop a programme of work to support cash and voucher transfers in large-scale emergencies, including the establishment of platforms and systems for joint programming.

However both organizations recognize that efforts to develop a common platform, such as a single card for transfers, will also require common approaches to market assessments, response analysis, and programme design. In the Syria situation countries, WFP and UNHCR aim to cover basic needs of refugees mainly through two different cash-based modalities:

- WFP **value-based food vouchers** to be redeemed at local shops.
- UNHCR monthly **unconditional cash transfers**. Other cash based interventions are also planned to cover specific needs like education, winterisation, shelter, urgent emergency needs (e.g. critical heath conditions) but are context specific and often conditional.

To accommodate both modalities in a single electronic delivery system (e.g. ATM card) could be challenging in certain environments where the financial system is not highly developed while in others platforms already exists or could be easily adapted to include:

1. Food commodity purchase at selected food retailer through points of sale using the wallet funded by WFP
2. Cash withdrawal through automatic teller machines (ATMs) using the wallet funded by UNHCR
3. Cash through ATMs using the wallet funded by other agencies who wish to join the platform

In Egypt and in Iraq WFP and UNHCR have launched joint procurement processes for the OneCard and are considered pilot experience for the joint platform.

Who in the family should receive cash assistance?

Due consideration should also be given in multi-member households as to who should receive the cash transfer. This should take into consideration cultural practices, control and access to resources without exacerbating traditional gender imbalance within the family. Gender analysis rather than gender assumption should inform appropriate solutions. This can be done through a combination of focus group discussions and household interviews.

"How long should cash assistance be provided to vulnerable families?"

Length of cash assistance should be defined and limited to six consecutively months. Re-assessment visits should confirm the continued family vulnerability before further assistance is provided for another period.

This also highlights the need to link cash and livelihoods interventions as exit strategies. Moreover national resilience plans need to be considered when designing the programmes. This offer opportunities to persuade host governments to invest in the systems and complement social safety nets and promote social cohesion between host communities and refugees.

It is also recommended that a case management system be put into place to work with households to identify additional needed support during the cash assistance period (provision of needed health care, family reunification, referrals for resettlement if appropriate, etc.).

Indicators

- Transfer modalities are chosen based on analysis of pros and cons and risk analysis of different options and considering the objectives of the programme.
- The transfer amount is calculated based on the needs it expects to cover and the particular outcomes to be addressed by the assistance.
- The Minimum expenditure basket (MEB) is developed by analysing local market prices and beneficiary consumption patterns and used as a mechanism to consider the amount of the cash transfer.
- A feasibility assessment for different delivery mechanisms based on a set of minimum requirements (e.g. programmatic, financial, ICT, etc.) is done prior to selection.
- Possibility to develop or join common delivery systems with other agencies is thoroughly explored at the beginning of the planning process.
- Data protections measures are considered and adopted in designing and implementing cash delivery systems.
- Procurement process for financial services provision is considered according to procurement rules (e.g. thresholds, etc.) and done in coordination with the Supply Unit.
- A gender analysis to take into consideration cultural practices, control and access to resources is conducted to determine who in the family should be the recipient of the cash.

- Length of assistance is defined and limited to six consecutively months.
- Re-assessment visit are conducted every six months.
- Cash assistance programmes are linked with livelihoods interventions as exit strategies.
- A case management system and referral mechanisms is in place to identify additional support needed for beneficiaries of cash assistance.

Building block five: Two-way communication with persons of concern

Outreach and two-way communication is important in any type of assistance, and even more important for cash-based programming. Moreover, and as cash programmes may potentially reduce contact with beneficiaries, it is even more important to put in place communication platforms and mechanisms. It is particularly critical to dispel rumours, mitigate potential fraud and assist in identifying marginalized potential beneficiaries who may be unaware of how to access assistance. Well defined and communicated targeting strategy can help reducing conflict within refugees and host communities. It would also help combat the perception that refugees are “better –off” than host community.

Communication with person of concern must have “two-way” features, thereby ensuring that information is being gathered from current and potential beneficiaries and host community members, analysed and regularly shared with decision-makers.

Outreach mechanisms to explain the process on how to access assistance and who is eligible/entitled to it should be considered as an integral part of the programme, especially when a non-traditional vulnerability criteria (e.g. burden score) is being used, to increase acceptance and avoid conflict. To ensure this communication team need to be fully aware of the targeting process, methodology and rational.

It is important to maintain some confidentiality regarding the elements of the formula or targeting criteria, as it avoids beneficiaries trying to forge the requirements. The process, however, should be made in consultation with refugees and messages should be delivered to ensure transparency of the process (not of the formula). In order to respect refugees’ “right to know”, beneficiaries must be informed on the possibility of verification of the accuracy of the information used or the possibility of people to seek reconsideration of the decision (we should avoid using the word “appeal”).

Complaint and review mechanisms should be in place and individuals and households should be clearly informed as to how these mechanisms can be accessed. These mechanisms together with as a careful designation of accountabilities to review complaints, and action taken should be described in the SOPs.

It was also noted that once a complaint is received, a lot of resources are required to address it. Communication of key messages is important to reduce the number of complaints. Review mechanisms therefore need to be very thought through to focus on the limited human resources and limited funding. Country operations are encouraged to utilize the resources already available. For example, in some countries there are already hotlines in place that could incorporate the review mechanism.

Common two-way communication tools/mechanisms used throughout the Syria situation countries are the following i) community centres, ii) community outreach volunteers, iii) hotlines, iv) referrals, v) SMS systems, vi) public information campaigns, vi) brochures, vii) mass and social media. The use of all or a combination of different mechanisms would be based on country specific communication strategy.

Financial resource requirements for outreach and communication should be defined and included in programme budgeting.

Indicators

- Communication strategy is defined and developed.
- Beneficiaries are informed on the possibility of verification of the accuracy of the information used for selection.
- Complaint and review mechanisms are in place and accessible to PoCs and standard operating procedure.
- Financial resource requirements for outreach and communication are included in the budget.

Building block six: Monitoring and evaluation

Monitoring has several purposes: a) to verify that the programme is being implemented as designed and problems can be adjusted for (e.g. non-adherence to targeting criteria, insecurity when collecting the transfer), b) to measure the outputs of the programme (e.g. how many cash transfer have been delivered) and c) to assess the appropriateness and effectiveness of the programme to meet the objectives (e.g. are we targeting the right people to have the effect we want on overall refugee well-being, is the transfer making their lives better?). These are often called process, performance and outcome monitoring respectively.

Monitoring framework should be developed to summarise process, performance and impact indicators to be collected and analysed through different tools (PDM, Baseline, Focus Group, etc.). Monitoring framework elements include: process & impact indicators, targets, how to collect indicators and how often, what is the sample size, how much is it going to cost.

A suggested monitoring framework with a minimum set of indicators has been defined during the Regional Targeting and Vulnerability Analysis Workshop to be used as a guiding tool to develop country-level frameworks. This will support improved reporting, analysis and decision making at country and at regional level. Outcome indicators that can measure effectiveness over time, collected periodically to determine trends (e.g. % access to adequate shelter as defined by a crowding index, or % assured of their well-being, as defined by a combined food and non-food coping strategies index, etc.) should clearly be defined according to cash assistance objectives.

Text Box 6: Suggested outcome and process indicators for cash programming in the region		
Objective: Coverage of basic needs (T1)		
	Indicator	**Target**
Impact/ Outcome level	Expenditure vs MEB	% gap coverage
	Coping strategies	% reduction/stabilisation
	Gender dynamics	To be defined
	Impact on children and elderly wellbeing	To be defined
For all cash-based programmes (T1 and T2)		
	Indicator	**Target**
Process level	Extent to which PoCs (cases) receiving their entitlement	95% of beneficiaries (cases)
	Extent to which there are barriers to collecting/using assistance	<5% of beneficiaries experience difficulties
	Timeliness of assistance	# of days delay vs plan
	Access to complaint mechanisms	# not able to access
	Access to review mechanism	% of application reviewed
	Cost to collect assistance	<1% of entitlement

Post Distribution Monitoring (PDM) exercises should be conducted with 5% of the beneficiary on a monthly basis. The PDM gather mainly process indicators (e.g. identified households are receiving the allotted transfer, timely disbursement of payments, transfer is sufficient to meet the identified needs.)

Periodic surveys to monitor outcomes indicators should be planned at the beginning of the project. A baseline exercise (prior to cash disbursement), a mid-term (or quarterly) survey and a final survey should be conducted with at least 3% of the target population to ensure that changes in outcomes indicators are captured and issues addressed.

Market surveys to monitor price, availability and quantity of goods, demand and trade situation is to be developed.

Monitoring opportunities arising from the use of automated/electronic delivery mechanism should also be considered. Review of electronic transaction report can be used to monitor whether cash transfers made to beneficiaries have not been used for a number of months and therefore inform targeted monitoring to specific cases. IRIS scan technology can go even further in assessing which selected beneficiaries are not present anymore in country. Iris scan/ATM cards can also track movement of beneficiaries by indicating place of withdrawal.

Indicators

- Monitoring frameworks are developed at country level and adapted to programmes objectives.
- Baseline, mid-term and final surveys are timely planned for and implemented.
- Post Distribution Monitoring (PDM) exercises are conducted with minimum 5% of the beneficiary on a monthly basis and results analysed and reported.
- Market surveys to monitor price, availability and quantity of goods, demand and trade situation are developed and implemented.
- Appropriateness of transfer amount is evaluated based on marked price analysis every 6 months and eventual modification adopted.
- Baseline exercise should be conducted prior to cash disbursement to at least 3% of the target population to ensure that changes in outcomes indicators are captured.

Building block seven: Coordination

Cash working groups have proven to be useful coordination structures and a very important means for UNHCR to exercise leadership in the region. Operations that have not adopted the use of such mechanisms are encouraged to establish cash coordination structures however decision should remain at the country level.

Since UNHCR is presently the lead agency in the existing cash coordination mechanism, UNHCR should establish the overall architecture of cash based assistance based on the Two-Tier approach in coordination with partners. This leadership offers overall cost-effectiveness, reducing the risk of multiple uncoordinated assessments, market surveys, differing criteria used by different agencies for the same caseload, multiple uncoordinated assistance programmes and post-distribution monitoring.

Multi-sector vulnerability assessments, transfer modalities and delivery mechanisms (including common platforms), targeting criteria and determination of coherent assistance scales are part of the terms of reference of the cash coordination groups and this vision has also been well appreciated by donors. It is important to stress that cash fora should not replace or duplicate sector coordination but acknowledge the cross-sectoral nature of cash programming.

The discussion regarding multi-agency common platforms (One Card/Guichet Unique) for cash assistance have been encouraged by some donors (cfr ECHO, DFID) in the Syria situation. The technical solution appears to be feasible in the countries that adopted/will adopt electronic delivery mechanisms (e.g. ATM card or IRIS) as technological platform are able to maintain separate wallets on the same instrument. However the donor push is focusing more on a strategic shift to same modality rather than just same delivery mechanism. In fact having different wallets on one card (e.g. WFP food voucher and UNHCR unconditional grant) in practice results in using the same instrument (e.g. ATM card) but with different purposes and approaches.

One common challenge in the cash assistance coordination is the absence/need of a technological platform to manage the information produced on cash based programming (assessments made, list of organizations providing cash, avoid beneficiary duplication etc.).

The Refugee Assistance Information System (RAIS) was noted as one of the formats already available that could be pursued. RAIS is currently operated in 104 locations in the region. In Jordan, an additional RAIS-related software module has been developed to support the recording by UNHCR and partners of information on cash-based programmes. The MENA Registration Unit is working on an upgraded version, including infrastructure, of RAIS comprising expanded facilities, as per agreed regional priorities, and engaged in the roll-out of RAIS in the region. In the meantime, UNHCR is at a corporate level currently finalizing the specifications for the development of a new version (4) of its corporate registration software system (ProGreS), the preparation of which needs to be informed by the above work. In the work with partners, data-protection mechanisms will be strengthened.

Other issues to consider regarding coordination of cash programming are:

- Acknowledgment of key role of WFP for all operations and in particular as a partner in the development and implementation of common solutions;
- The need for complementarity with government interventions;
- When relevant and possible coordination of cash assistance for Syrians and non-Syrians should move towards a coordinated approach.

Indicators

- The need for cash transfer working groups is considered by UNHCR as a forum for discussions, either as a specific sector working group or as a sub-group within the basic needs sector working group.
- Cash transfer working group are co-chaired by an NGO.
- Technological platform to manage the information produced on cash based programming (assessments made, list of organizations providing cash, avoid beneficiary duplication etc.) is developed and/or adopted (e.g. RAIS).
- Strategies are developed in complementarity with Government interventions
- Cash assistance for Syrians and non-Syrians uses a coordinated approach.