



**UNHCR**  
The UN Refugee Agency



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# 2016-2019

## **UNHCR IMPLEMENTATION OF THE POLICY ON CASH-BASED INTERVENTIONS**

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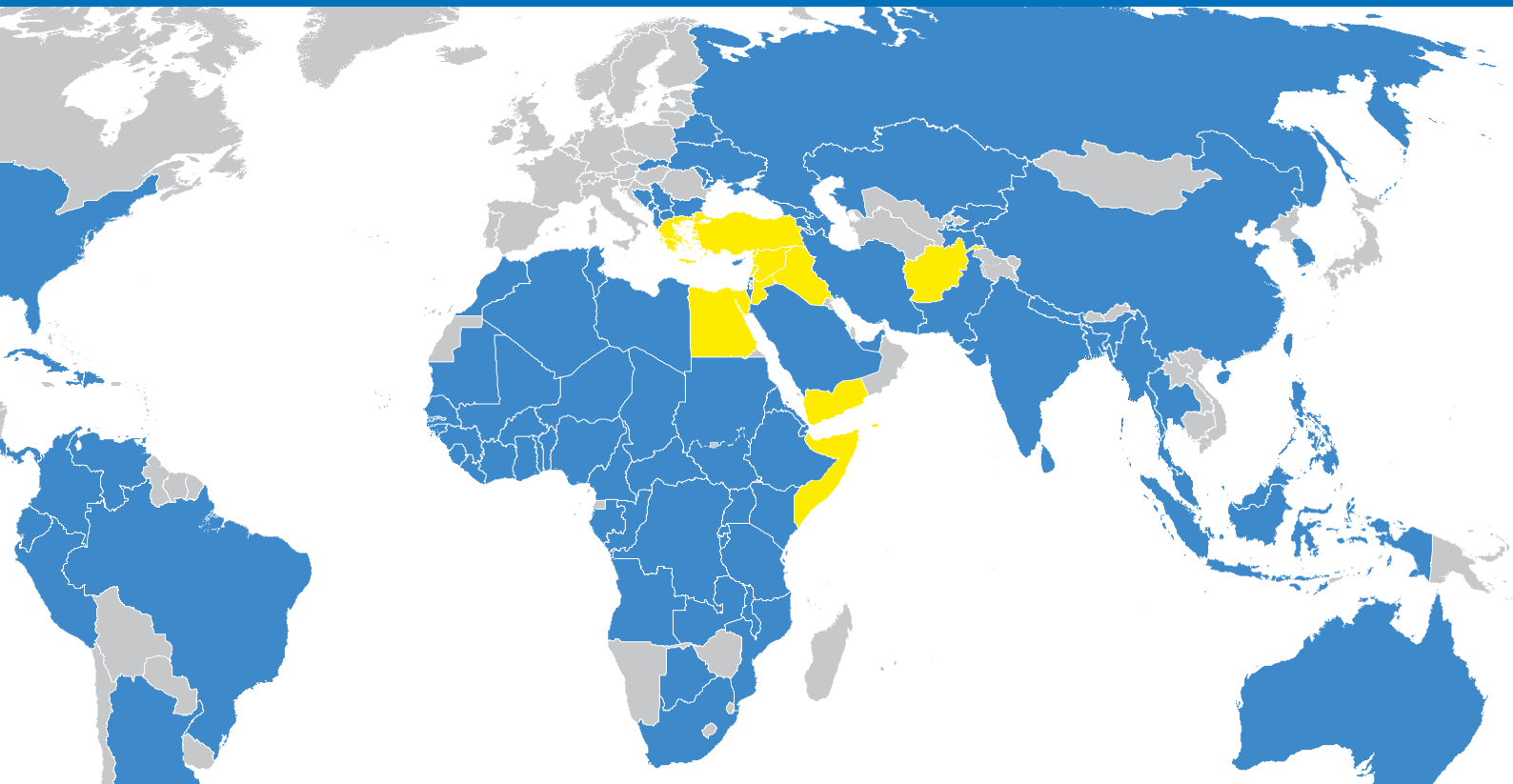
**Progress and Next Steps**

This document summarizes the main progress made by UNHCR towards its institutionalization of cash assistance following the 2016 launch of the five-year [Policy on Cash-Based Interventions](#) (Policy on CBI) and [Strategy for the Institutionalization of CBI](#). It also outlines UNHCR's strategic direction of cash assistance in 2020 and beyond.

UNHCR has significantly contributed to the Grand Bargain cash workstream in terms of increasing the volumes of cash assistance and improving quality with a particular emphasis on reaching protection and sectoral outcomes, gender considerations and the mitigation of risks.

## 10 LARGEST CASH OPERATIONS IN 2018

- 1 Lebanon 2 Jordan 3 Greece 4 Iraq 5 Yemen 6 Egypt 7 Turkey 8 Syrian Arab Republic 9 Afghanistan 10 Somalia



COUNTRIES WITH UNHCR CASH PROGRAMMES

33

2015

+100

2019

95%  
unrestricted  
cash



5%  
vouchers



More than  
**20 Million**  
people receiving  
cash assistance



**\$2.4 Billion**  
cash assistance  
reaching people



**35%**  
mobile  
money



The achievements below account for progress against the four main outcomes outlined in the Policy on CBI:

## 1. SCALE UP THE USE OF CASH

### VOLUME, REACH AND PURPOSE

In line with its Grand Bargain commitment to double the use of cash as a proportion of its assistance by 2020, UNHCR has delivered some USD 2.4 billion since 2016 (some USD 570 million in 2018, a 14 per cent increase since 2017; baseline USD 325 million 2015). Cash assistance now exceeds in-kind assistance. Building on three decades of experience in multi-sectoral assistance and cash, and through a [Basic Needs Approach](#), UNHCR uses cash for a wide range of purposes, including protection, basic needs, education, shelter, health, livelihoods and protection against winter conditions. Most of the cash (95 per cent) is disbursed without restrictions giving the choice to refugees and others of concern on how best meet their own needs. Some 10 per cent of the cash was provided for return and integration in such operations as Afghanistan, Somalia, Chad and Rwanda. One third of the cash was provided for specific protection purposes. UNHCR responded with cash assistance in new refugee emergencies, including in Bangladesh, the Venezuela situation, the Cameroon situation in Nigeria and to meet the urgent needs of internally displaced people (IDPs) in Niger.

## OUTCOMES AND IMPACT

Monitoring and evaluation in operations show that cash, together with in-kind assistance and services, can contribute to preventing displaced populations from resorting to negative coping strategies, such as removing children from schools, child labour and begging, survival sex, early marriage or returning prematurely to conflict zones. Overall, post-distribution monitoring in UNHCR operations suggest that a majority of the refugees, IDPs and others of concern are content with the distribution process and could find what they needed in the local markets and services. Evaluations on cash assistance have been conducted in [Jordan](#), [Lebanon](#) and [Greece](#).

## EFFICIENCY

A PricewaterhouseCoopers (PwC) study of UNHCR's three largest cash operations – Afghanistan, Lebanon and Jordan – found that up to 93 cents of each dollar went to people of concern, with the cost dropping to as low as 88 per cent in a more conservative cost allocation scenario. The range of 88 to 93 per cent compares favourably with other humanitarian agencies delivering cash assistance. The study highlighted, however, that the cost of delivering cash would vary with the size and maturity of the programme, with new operations requiring higher initial investments.

## 2. BECOME “CASH PROFICIENT” AT ALL LEVELS AND ACROSS ALL FUNCTIONS

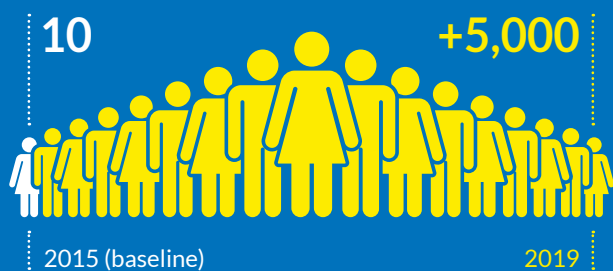
### CAPACITY-BUILDING

A major mind-set shift on cash assistance has taken place in UNHCR. Since 2016, UNHCR has trained some 5,000 UNHCR and partner staff on cash (baseline 10 staff). [An independent mid-term external evaluation of the capacity-building strategy](#) concluded that its implementation has been very successful, reaching beyond the set goals. It concluded that a critical mass has been reached by training and that the various training packages were appropriate and achieved their objectives. The number of CBI officers has also increased from a handful to over 100, including 50 per cent national staff, now working around the world in 35 field operations, as well as CBI officers based in the required functions at Headquarters.

### TOOLS, GUIDANCE AND RESEARCH

UNHCR has developed the necessary processes, tools and systems for cash assistance, which have been made available to the humanitarian community. They include for example the [Cash Feasibility and Response Analysis Toolkit](#), [Cash Assistance and Gender – Key Considerations and Learning](#), [Market Assessment Companion Guide and Toolkit](#), CBI Monitoring Toolkit and [CBI Protection Tips](#). In collaboration with partners UNHCR has conducted several research and reviews, most notably the study: [Multi-Purpose Cash and Sectoral Outcomes: A Review of Evidence and Learning](#), which emphasized the need for mixed modalities, including in-kind and cash assistance in combination with access to quality essential services to realize the most impact. See guidance, research, reviews and tools [here](#). Internally, UNHCR has developed and implemented many tools for operations, including Standard Operating Procedures for cash and a comprehensive toolkit for contracting of financial services. This has supported the completion of 60 new contracts with financial service providers and the increase of the use of digital payments in 35 per cent of UNHCR operations using cash.

#### Staff and partners trained



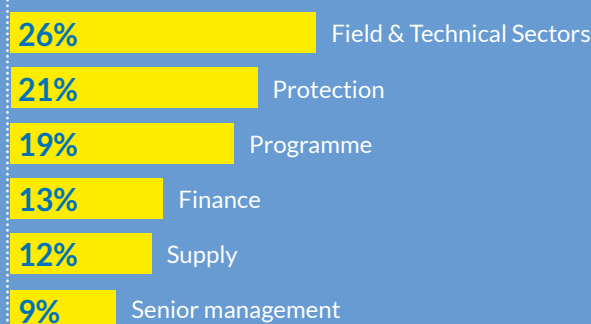
#### Number of CBI officers



#### Breakdown of Trained Staff



**+80** Number of countries where staff have been trained





## CASH AND FINANCIAL MANAGEMENT

As part of UNHCR's corporate data eco-system [PRIMES](#), UNHCR has developed [CashAssist](#) – UNHCR's Cash Management System – which ensures that cash transfers are made to refugees, IDPs and others of concern in a timely, efficient and accurate manner, while avoiding duplication and minimizing fraud. [CashAssist](#) is being rolled out in UNHCR operations. It allows UNHCR and partners to deliver cash assistance to vulnerable populations while ensuring financial management and compliance. UNHCR has also enhanced the accountability in the cash delivery through the increased use of biometrics through UNHCR's PRIMES Biometrics Information Management System (BIMS).

UNHCR has standardised the [Common Cash Facility](#) clause in its contracts with financial service providers (FSP), which provides humanitarian actors with direct and equal access to the same FSP with the same conditions and fees. UNHCR's [Data Protection Policy](#) is an important cornerstone of the FSP procurement processes, systems and tools. Strengthening financial management and accountability of cash assistance, UNHCR has implemented a financial control framework and adjusted all internal systems to cash assistance. Cash is part of UNHCR's corporate risk register, contributing to risk analysis and accountability.

## 3. EMBED CASH IN PROTECTION AND SOLUTIONS STRATEGIES

### CASH FOR PROTECTION

Cash is – along with other assistance and services – an integral element of UNHCR's country-specific protection and solutions strategies. One third of UNHCR's cash is designed to meet specific protection purposes such as urgent needs of refugees and others of concern in for example Iran, Jordan, Syrian Arab Republic, Turkey and Ukraine. Cash assistance in Kenya, Morocco, Tunisia and South Africa assisted people with specific needs and also covered subsistence needs of unaccompanied children in Ethiopia, Sudan and Yemen. Survivors and people at risk of sexual and gender-based violence (SGBV) received cash assistance, along with counselling and livelihoods support, in the Democratic Republic of Congo (DRC), Morocco, Lebanon, Ecuador and the Republic of Congo. UNHCR is increasingly using cash to prevent and respond to SGBV and has conducted [research in Ecuador, Lebanon and Morocco](#) and developed guidance and training on this topic. UNHCR has also mainstreamed cash in its gender equality focus and released in 2018 [Cash Assistance and Gender – Key Considerations and Learning](#). Studies have shown that cash assistance can render women and girls



less vulnerable to sexual exploitation and negative coping strategies, and have a positive impact on intra household relations. Working closely with the private sector, UNHCR and WFP have implemented a joint project to mitigate the risks of abuse of power in cash assistance in nine countries.

## FINANCIAL INCLUSION AND LIVELIHOODS

UNHCR has quadrupled the use of cash for livelihoods increasing from 18 to 54 countries. Cash is now an integral element of UNHCR's forthcoming [Global Strategy for Economic Inclusion 2019-2023](#). UNHCR is increasingly leveraging its cash to promote financial inclusion, and has facilitated refugees' access to formal bank and mobile money accounts among other in Rwanda, Cameroon, Iraq, DRC, Ethiopia, Kenya, Niger, Zambia, Jordan and Uganda. In partnership with the GSM Association (GSMA), UNHCR produced the report [Displaced and Disconnected – Connectivity for Refugees](#) focused on documenting the legal and regulatory requirements for refugees and other displaced persons to access finance and mobile connectivity. UNHCR has continued its work to negotiate the

ID-related legal requirements for displaced, which has proven a significant barrier for legally activating a mobile connection, opening a bank account or accessing a mobile money wallet, resulting in the marginalisation around the access to information, communication and cash assistance. Use of formal, refugee-owned payments mechanisms also facilitate displaced people's access to remittances, which are a significant source of income in many refugee communities.

## CASH FOR EDUCATION

Having doubled the use of cash for education since the launch of the Policy, UNHCR is rapidly moving towards direct implementation of cash assistance for education. The [Cash for Education: A global review of UNHCR programmes in refugee settings](#) concluded that cash assistance has a positive impact on school enrolment, attendance and educational outcomes of girls and boys. In the Democratic Republic of Congo (DRC), this approach has proven very useful. Refugees highlighted that having the opportunity to pay the school and teachers themselves significantly improved their status in the community and their influence on their children's education. UNHCR's new Refugee Education

2030: A Strategy for Refugee Inclusion promotes increased use of cash in line with the [Cash and Education: Direction and Key Considerations](#).

## CASH FOR SHELTER

UNHCR has increased the use of cash for shelter significantly, going from some USD 7 million in 2016 to USD 41 million in 2018. Cash for rent is a key component of the urban response and is supported by newly developed guidance. Cash for shelter also results in value for money. In [Kakuma](#), in northwestern Kenya, refugees build their permanent shelters at 11-14 per cent lower costs than the implementing partners. Cash for shelter is also more and more part of cash grants for basic needs in emergencies, including in Niger where UNHCR assisted hard-to-reach internally displaced persons with mobile money.

## CASH FOR RETURN AND SOCIAL COHESION

Since 2016, UNHCR has transferred some USD 200 million in cash to assist returning refugees. The use of cash reduced logistics overheads associated with in-kind repatriation assistance packages, while also ensuring that returnees have resources available to rebuild their lives and livelihoods, make their own choices and stimulate the local economy in the areas of return. Returning refugees used cash to purchase basic household items and food, secure interim shelter and pay for educational expenses. UNHCR has developed guidance on cash grants for voluntary repatriation.

UNHCR has also used cash in the context of increasing social cohesion. When refugees shop in the local markets and contribute to the local economy, host communities see a stake in their presence. Studies in several countries show that cash delivered to refugees produces an income multiplier for host communities. [A joint study with CDA Collaborative Learning Projects](#), founder of the *Do No Harm* framework, on the effects of cash assistance on social cohesion in Kalobeyei settlement in Kenya, highlights the importance to maximise the potential social cohesion outcomes early on in programme design.



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## SOCIAL SAFETY NETS AND SOCIAL PROTECTION

In line with the objectives of the Global Compact of Refugees and building on the World Bank IDA-18 initiative, UNHCR is leveraging and aligning cash assistance to link with national social protection systems. Recently, the governments of Cameroon and Chad agreed for refugees to access the national social safety net. Actions are informed by the [UNHCR Mapping of Social Safety Nets for Refugees – Opportunities and Challenges](#), which explored the potential for alignment between humanitarian cash assistance and social safety nets in forced displacement situations. It was followed by the guidance: [Aligning Cash Assistance with National Safety Nets in Refugee Settings](#). In [Cameroon](#), UNHCR has implemented a transitional safety net, mirroring the transfer value and timing of the national social assistance programme.



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## 4. PURSUE COMMON CASH APPROACHES AND PARTNERSHIPS

### COMMITMENT TO COMMON CASH APPROACHES

In December 2018, the four principals of UNHCR, WFP, UNICEF and OCHA committed to deliver cash assistance through a common cash approach. The [statement](#) is in line with UNHCR's common cash delivery approach, which promotes collaborative approaches for cash transfer mechanisms that maximise efficiency and predictability, ensure effective coordination, leverage the expertise of all partners and maximise economies of scale. Collaboration with WFP has significantly increased based on global frameworks for collaboration, including the [Cash Addendum](#) to the 2011 MoU, the WFP/UNHCR Data-Sharing Addendum and [Joint Targeting Principles](#). Several good practices on cash

collaboration have emerged in operations (such as in Bangladesh, Ethiopia, Niger, Uganda and Zambia) through joint field support missions, joint strategies for cash, joint/harmonized transfer mechanisms, joint assessments, and joint feedback mechanisms, targeting and post-distribution monitoring.

### THE COMMON CASH FACILITY: PARTNERING WITH 28 ORGANISATIONS

UNHCR has rapidly rolled out the [Common Cash Facility \(CCF\)](#), establishing cash transfer services managed by the private sector but available to all partners on the same terms and conditions. In Jordan, the CCF provides cash assistance to vulnerable refugees outside of camp. As more partners have joined the facility, increasing the volume, bank fees for cash transfers have fallen from as high as 5 per cent to 1 per cent. [An independent review by the Cash Learning Partnership \(CaLP\)](#) concluded that the CCF is a secure, efficient and innovative cash transfer approach that has enabled predictable cash payments at scale to refugees, while streamlining multiple organizations' cash transfer programmes. It has reduced costs and duplication, and has resulted in improved efficiency, accountability and coordination of cash assistance activities. The model has been replicated in various contexts and for other transfer mechanisms.

### HARMONISATION OF CASH ASSISTANCE WITH NGOs

In Greece, the collaborative cash assistance approach through the Greece Cash Alliance (GCA) provides monthly cash assistance to more than 52,000 refugees and asylum-seekers. The GCA is a partnership between UNHCR and five international NGOs. The GCA has harmonized the cash programme through ensuring that refugees receive cash assistance on one single card. The GCA also uses a single monitoring framework and the same financial service provider through a Common Cash Facility (CCF) approach adapted to the Greek context, bringing together the humanitarian cash volumes to achieve economies of scale. For more information, see [here](#).





## UNHCR DIRECTION AND PRIORITIES FOR CASH ASSISTANCE 2020 AND BEYOND

Refugees, asylum-seekers, internally displaced and other vulnerable populations will receive cash assistance through collaborative cash systems in which UNHCR works in close partnership with governments, the private sector, UN agencies (in line with the Common Cash Statement), community-based and local partners and development actors. Whenever possible, UNHCR will work through and link vulnerable populations to existing national systems under the leadership of the host governments.

Within this collaborative system, UNHCR's key priority for cash assistance in 2019 and beyond are for **VULNERABLE POPULATIONS TO:**

### **HAVE INCREASED ACCESS TO CASH ASSISTANCE INCLUDING IN EMERGENCIES**

Building on the institutionalisation process and the existing ability and readiness to deliver cash in almost any operation, UNHCR will focus on the rapid use of cash in emergencies, where appropriate, building on preparedness, feasibility assessments and response analysis. In line with its collaborative focus for cash assistance, UNHCR's common cash arrangements will continue to be available to all partners – small or big. Overall, particular attention will be paid to increase the access of vulnerable populations to cash for shelter and education, including in emergencies and as part of multi-purpose cash, when appropriate.



## PROGRESSIVELY EMPLOY SUSTAINABLE APPROACHES AS OPPOSED TO SHORT-TERM ASSISTANCE

As a key element of the Global Compact on Refugees and a means to contribute to the Sustainable Development Goals, cash assistance will be leveraged to enhance opportunities for refugee inclusion in national systems and services and adaptive social protection, and contribute to a transition from aid to development and self-reliance. UNHCR will address the challenges around the legal and regulatory requirements mandating that an individual's ID is authenticated before accessing a mobile connection, bank account or mobile money wallet. UNHCR's cash assistance will be linked to existing development efforts and plans. Financial inclusion will be a key focus along with transitional safety nets and/or aligning cash with social protection, when appropriate, as a transition for refugees to full inclusion. Scaling up the use of cash for livelihoods to support self-reliance is a key priority. UNHCR will continue cash for return while prioritising social cohesion and coexistence outcomes in the design, implementation and monitoring of cash assistance.

## BE PART OF A DIGITAL FINANCIAL ECOSYSTEM IN WHICH PERSONAL DATA IS PROTECTED

UNHCR's ultimate goal is to empower displaced people to address their needs through a range of technologies and being part of a digital financial ecosystem, rather than simply delivering assets. Interoperability of beneficiary and cash management systems, including with social registries, and a range of integrated technologies are required for this. UNHCR will continue investment in interoperability and PRIMES, including the use of biometrics as a core technology enabling the delivery of assistance in an accountable manner. The implementation of UNHCR's Data Protection Policy remains a cornerstone of the cash assistance strategy going forward, including the increased use of specific data protection impact assessments and data-sharing agreements.



## ACCESS CASH AND SERVICES AS PART OF A BASIC NEEDS APPROACH

While continuing the systematic scale up of cash delivery to vulnerable populations, UNHCR will significantly invest in quality service delivery (including health and education). UNHCR's comprehensive and holistic basic needs approach will be strengthened and implemented in additional operations with a continued mixture of modalities to deliver assistance and protection, including through cash, in-kind and services, as well as relevant referral systems. Emphasis will be put on better linking technical sectors and cash assistance so to ensure refugee well-being and programme outcomes. Strong monitoring of cash assistance and data analysis will inform and adjust UNHCR's programming.

## RECEIVE CASH THAT "DO NO HARM" AND HELPS TO ADDRESS SPECIFIC PROTECTION RISKS

UNHCR will seize every opportunity that cash presents by making changes to cash assistance to reap the largest impact for protection outcomes, in such areas as gender equality, child protection, community-based protection and the prevention of and response to SGBV. Good quality and disaggregated data is a key element for this purpose. Ensuring the sustainability of protection outcomes however requires continued investment in UNHCR's core business and "complementary activities" as well as better linking up with national protection services and development efforts.

*Do no harm* will be at the centre of all activities. Along with other risks assessments such as on markets and security, UNHCR's protection risk assessments as an obligatory element before launching cash assistance will continue to inform programming decisions and design. That populations receiving cash assistance have access to complaints and feedback mechanisms will continue to be essential.



## BE ASSISTED IN AN ACCOUNTABLE MANNER THAT MAXIMIZES AVAILABLE RESOURCES AND ADDRESSES RISKS

UNHCR will continue strong financial management and accountability through further mainstreaming of the corporate and comprehensive financial control system. This will include global roll-out of UNHCR cash management system *CashAssist* and further mainstreaming of cash in the enterprise risk management system. Emphasis will continue to be put on having standard operating procedures in place for cash assistance in operations. UNHCR will also invest in mitigating the risks in cash assistance focusing on enhancing the regulatory framework for financial services to refugees and others of concern, the contracts, capacity and work with financial service providers.



### MORE INFORMATION

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October 2019

