

DPSM

KEY INITIATIVES Update



Sri Lanka / Tamil refugees / Sri Lankan refugees, the first group of returnees by sea from India under UNHCR's voluntary repatriation program register at a mobile branch unit of bank of Ceylon for the UNHCR repatriation assistance in Colombo port. A group of 37 refugees (15 families) arrived by a commercial ferry in Colombo port after an overnight voyage from Tuticorin in Tamil Nadu, southern India. / UNHCR / G. Amarasinghe / October 2011

Cash & Vouchers

CASH-BASED INTERVENTIONS

A focus on seeking alternatives to camps, and the increasingly urban nature of displacement crises, require new ways of reaching out to those in need of protection and assistance. Cash-based interventions are an important tool in such settings.

A recent Senior Management Committee meeting formalised the commitment of UNHCR to consider cash-based interventions systematically. It concluded that the issue with cash-based interventions is no longer whether to scale up, but how to ensure that it is done properly, maximising the protection potential in terms of dignity and choice.



An Introduction to Cash-Based Interventions in UNHCR Operations



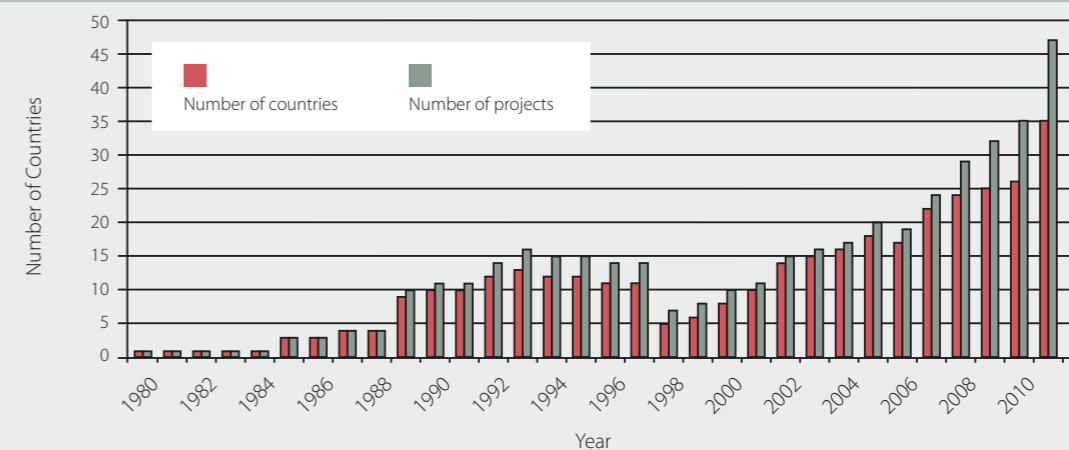
DPSM, in collaboration with other Divisions, just launched "An Introduction to Cash-based Interventions in UNHCR Operations" to encourage and support the scaling-up of cash-based interventions systematically in on-going and new operations.



Despite UNHCR's extensive experience in the use of cash grants, cash-based interventions have untapped potential. Current operational trends have triggered renewed consideration of how UNHCR can best maximise the potential for using cash-based interventions.

Cash-based interventions go 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.

Evolution in the number of UNHCR cash-based projects



A multi-sectorial working group will continue its work at HQ to support the systematic use of cash-based interventions.



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

OBJECTIVES

The main aim of all UNHCR cash-based interventions is to increase protection by reducing the risks faced by affected populations. Critically, by satisfying essential needs, resorting to harmful

coping mechanisms can be avoided. An immediate increase in people's purchasing power also allows them to protect their assets and/or 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
	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

Story from the field

UNCONDITIONAL CASH GRANTS THROUGH ATMs IN JORDAN

Since 2007, UNHCR has provided monthly unconditional cash grants to 11,000 vulnerable refugees in Jordan through a partnership with Cairo Amman Bank. Funds are channelled through the bank each month, and refugees are informed by SMS when they can withdraw money, using their personal ATM card. The cash has played a balancing factor in maintaining the financial stability of the refugees and improving their dignity. The cash is used for basic needs, mainly rent (94%) and food (90%). Only 1% of the beneficiaries felt that the money was misused by the families. The overall beneficiary satisfaction rate in relation to both the type of assistance and the delivery mechanism was at 98%. In addition, the overhead costs of the programme are minimal; in 2011, these were only 2% of the total budget. At the moment the bank uses iris scanning in a similar programme for Syrian refugees to receive their money.

DELIVERY OPTIONS

Cash and vouchers can be delivered to beneficiaries through multiple mechanisms. The table below provides a brief summary of the different transfer modalities.

Transfer modality	Description
"Cash in envelope" or direct cash payment	Cash handed out directly to beneficiaries by the implementing agency.
Paper voucher	Paper token that is handed out directly to the beneficiary and is cashed out in designated outlets.
Delivery through micro finance institutions and trader networks	Cash delivered to final beneficiary through a formal or informal institution that acts as a "middle man".
Bank account	Personal bank accounts or sub-bank accounts that are used to deposit cash grants. Requires formal ID and often residence.
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. No network connection required.
Mobile money	SMS code that can be cashed out in outlets, used for cash grants and vouchers. Requires network connection.
Mobile voucher	SMS voucher code used at shops. 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. Having the means to satisfy basic needs through cash based-interventions can minimise survival sex, child labour, family separation, forced marriage and other types of abuse. Cash-based interventions also contribute to the dignity of refugees by enabling them to determine and address their own priorities.

Concerns are nonetheless sometimes voiced that cash-based interventions may create other risks, such as gender-based violence, diversion of cash for anti-social purposes, corruption and increased security risks. Recent evaluations of UNHCR cash-based interventions have, however, concluded that such concerns are generally unfounded, or at least, can be overcome through good programme design and monitoring.

WHAT'S NEXT?

- Develop Operational Guidance for the use of cash-based interventions in displacement settings and Standard Operating Procedures (2013), to be rolled out through training
- Reinforce expertise through a roster of experts and standby partners
- Further increase the evidence base through monitoring systems and by participating in studies and evaluations of cash-based interventions
- Optimise the use of new technologies
- Scale up operations in the field