



Addendum on Cash Assistance to Refugees to the January 2011 Memorandum of Understanding between the United Nations High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP)

1. INTRODUCTION

1.1 The Memorandum of Understanding between the United Nations High Commissioner for Refugees (UNHCR) and The World Food Programme (WFP) (hereafter the "Global MoU") establishes the framework for the partnership and collaboration between the two agencies and details their respective roles and responsibilities in relation to food security for refugees and other persons of concern. Concluded in January 2011, the Global MOU remains valid and essential for managing the collaboration between UNHCR and WFP (collectively "the Agencies").

1.2 According to the roles and responsibilities established under the Global MoU, UNHCR leads in ensuring the delivery of protection, basic services and non-food needs to refugees, asylum-seekers, returnees and stateless persons (hereinafter referred to as "persons of concern")¹ and WFP leads in meeting their food assistance needs. The increased use of cash assistance, including unrestricted or multi-purpose cash grants,² as a modality of assistance by both UNHCR and WFP, creates important new opportunities for meeting humanitarian needs in ways that restore and enhance individual dignity and also increase operational effectiveness and efficiency. Fully realising these opportunities requires enhanced mechanisms for collaborative and complementary action that maximize synergies and avoid duplication.

1.3 In line with its mandate and accountabilities to ensure protection and solutions, UNHCR delivers and coordinates multi-sectoral assistance and services to persons of concern, including through cash assistance. In line with its mandate and accountabilities to promote food security, WFP provides food assistance³ to persons of concern, including through cash assistance. National governments and international and national humanitarian and development actors too usually contribute to the overall responses, including through the provision of various forms of cash assistance directly to persons of concern. Both agencies recognise the responsibility of national governments to ensure the conditions and lead coordination for effective humanitarian action, including through cash assistance.

¹ UNHCR's persons of concern include refugees, asylum-seekers, internally displaced persons (IDPs) protected/assisted by UNHCR, stateless persons and returnees (returned refugees). This Addendum does not directly address coordination between UNHCR and WFP in situations of internal displacement, which are governed by the Inter-Agency Standing Committee framework for coordination; however, the Agencies will refer to the relevant principles and practices it establishes where both agencies are delivering assistance through cash to an IDP population.

² "Multi-purpose cash grants" are regular or one-off cash transfers to a household to cover, fully or partially, a set of basic and/or recovery needs that span across different sectors. In the context of refugee situations, multi-purpose cash grants will support protection and solutions outcomes.

³ Food assistance refers to the sets of interventions designed to provide vulnerable and food-insecure populations access to food. It includes both strengthening or implementation of policies, market and delivery systems and transfer instruments such as in-kind food, vouchers or cash transfers that assure access to food.

1.4 Through this Addendum, UNHCR and WFP commit to a collaborative, complementary and inclusive approach to cash assistance for persons of concern with clear and predictable roles, responsibilities and arrangements that maximize efficiencies and the effectiveness of assistance and realise synergies between the Agencies and partners based on their respective mandates, accountabilities, expertise and capacities.

1.5 UNHCR and WFP recognize that the design and delivery of cash assistance is further enhanced when other national and international actors with complementary expertise are also engaged. The Agencies will collaborate in a manner that supports the primary role and responsibilities of governments and also engages the broader humanitarian community as relevant in contexts including United Nations agencies, non-governmental organisations (NGOs), development actors, private sector service providers and cash programming networks and alliances in order to draw upon and contribute to collective expertise and capacities.

2 PURPOSE AND VISION

2.1 This Addendum to the Global MoU guides the cooperation of UNHCR and WFP on cash assistance, with governments and partners as relevant, where they are both engaged to assist persons of concern.

2.2 The guiding objective of the Addendum is to ensure that humanitarian assistance delivered through cash strengthens and contributes to the protection of persons of concern and meeting their basic needs including food security and nutrition. Working in support of governments, UNHCR and WFP recognize that they together offer significant technical and operational expertise and capacities which are relevant throughout the process of providing cash assistance designed to meet both food and non-food needs of persons of concern from analysis, assessment, preparedness, planning and other "upstream" activities to the transfer and delivery of cash and pertinent assistance, monitoring and other "downstream" activities.

2.3 The Agencies envision that all stakeholders and partners with relevant technical and operational capacity to add value to the humanitarian response implemented through cash assistance in a given context should also participate in the operational arrangements contemplated under this Addendum.

3 CORE PRINCIPLES

3.1 WFP and UNHCR agree that the following core principles will guide and provide the foundation for their partnership and collaboration on cash assistance:

a. Cash assistance to persons of concern contributes directly to their protection and should be programmed to support UNHCR's protection and solutions responsibility and accountability, and its overall coordination of the collective response to their needs.



b. Cash assistance should be decided upon, designed and implemented in consultation and collaboration with communities taking into account, on one hand, actual or potential protection, contextual and other risks and, on the other hand, the benefits to be accrued from the use of cash as a modality of assistance.

c. Cash assistance should be delivered to persons of concern in ways that are simple and easily accessible for the recipients and maximize the value of the assistance they receive. The Agencies commit to secure and fully realise the efficiency gains that cash assistance presents and avoid parallel systems or the duplication of financial instruments.⁴

d. The effectiveness of cash assistance should benefit from the engagement and contributions of stakeholders and partners at each stage of the programme process from early warning, preparedness, needs assessment, response analysis and planning through the delivery of cash transfers to monitoring and reporting and related feedback mechanisms. Programming will be enhanced where UNHCR and WFP, together with partners, agree in advance on the key results they seek to achieve collectively in the immediate and longer-terms.

e. The cash assistance delivered should, to the extent possible, adapt to, utilise, complement, support and leverage existing country social protection and safety nets and delivery systems.

f. Meeting the basic needs of persons of concern requires coordinated efforts of multiple international and national humanitarian and development actors including national governments, the private sector, UN and other international or regional agency players, NGOs, civil society organisations and first responders, to maximise effectiveness, efficiency and the level of assistance transferred to the beneficiaries. UNHCR and WFP intend and expect that independent and direct assistance from international and national partners would include cash grants to persons of concern to meet multiple needs, including food and nutrition.

4. OPERATIONAL APPROACHES

4.1 UNHCR and WFP will collaborate in a comprehensive manner on cash assistance for persons of concern through all programme phases.

4.2 Preparatory activities

4.2.1 Early warning and preparedness

4.2.1.1 UNHCR and WFP will explore the appropriateness and use of cash assistance from the outset of a refugee or other emergency situation involving persons of concern of sufficient scale to require the attention of both agencies. Accordingly, the Agencies will coordinate on early-warning and jointly undertake regular geographic or situation-based risk analyses and joint contingency-planning exercises that include an assessment of readiness for the utilisation of cash assistance where appropriate. The Agencies will seek and ensure the participation of the other in such preparedness activities and will share relevant early-warning information and contingency plans where these cannot be developed jointly. The Agencies will collaborate in establishing shared cash delivery arrangements where required.

⁴ Such financial instruments may include, *inter alia*, bank accounts, ATM cards, mobile money and cash out options at money agencies.



4.3 Upstream activities

4.3.1 Situational analysis and joint needs assessment

4.3.1.1 UNHCR and WFP shall analyse and consider the fullest range of information available to understand the needs of persons of concern, the capacities and responsiveness of markets and the infrastructure and financial services available to support the delivery of cash assistance.

4.3.1.2 In refugee contexts, UNHCR coordinates multi-sector needs assessments with governments and partners. In accordance with the Global MoU, UNHCR and WFP will conduct Joint Assessment Missions (JAMs) to understand the overall food and related non-food needs of the population. UNHCR and WFP should jointly define and assess in a collaborative manner the food security and socio-economic vulnerability of persons of concern where additional data and information may be required.

4.3.1.3 UNHCR and WFP shall undertake a joint and coordinated response analysis to determine the appropriateness and feasibility of cash as a modality on its own or within a blend of response options. Each Agency will share secondary data and information relevant for response analysis to allow for expanded understanding of the situation and avoid duplication of assessment and analysis.

4.3.2 Targeting

4.3.2.1 Where UNHCR and WFP determine that the targeting of cash assistance for persons of concern is necessary or appropriate, the Agencies will jointly develop and agree upon the targeting methodology guided by a protection-focused and evidence-based approach.

4.3.2.2 The targeting of food assistance to refugees, where appropriate and feasible, will be conducted in line with jointly agreed *UNHCR-WFP Joint Targeting Principles*.

4.3.3. Data Sharing

4.3.3.1 UNHCR and WFP recognize the importance of jointly analysing and sharing relevant data to ensure that cash and other assistance is effective and avoids duplication. To provide a framework for their collaboration, UNHCR and WFP will conclude a further addendum to the Global MoU on data sharing, based upon jointly agreed technical and programmatic requirements, the principles of purpose specificity and proportionality, and accountability to the interests and protection of refugees.

4.3.3.2 While maintaining internal system independence, the Agencies will work to achieve the inter-operability of specific functions of their respective systems – primarily WFP's corporate beneficiary identity and entitlement management system (SCOPE) and UNHCR's registration, case management and assistance tracking system (*proGres*) – to ensure efficiency and effectiveness of assistance. The Agencies will explore comparable data inter-operability relationships with other humanitarian and development actors and governments, as appropriate, in ways that are accessible by multiple partners in compliance with data privacy and protection principles.

4.3.3.3 For the same purposes, UNHCR will provide WFP with data and appropriate contact information on individuals and households eligible for cash-based assistance in a timely manner to enable it to meet its established assistance responsibilities. For its part, WFP will provide UNHCR updated post-distribution data and monitoring information on recipients of its cash assistance including those who were eligible but did not collect cash assistance.



4.3.4 Management of funding in specific circumstances

4.3.4.1 In refugee contexts where a donor requires that funding for cash transfers intended to meet both food and non-food needs of refugees shall be contracted through one single agency, WFP and UNHCR commit to pursuing a joint and coordinated approach in developing the relevant operational and funding proposals. UNHCR will typically act as the umbrella applicant for and facilitator of such funds, with funding for cash transfers, their management and related upstream and downstream programmatic activities allocated amongst the parties to the joint proposal. It is recognised that an alternative approach may be required to serve the best interests of the people of concern in exceptional contexts, for example, on account of prior ongoing programmes, established capacity, scale, organisation and economies of scale of related cash transfer operations.

4.4 Delivery of cash assistance

4.4.1 Preference of private sector delivery mechanisms

4.4.1.1 UNHCR and WFP will seek to deliver cash assistance through private sector service providers taking into consideration their availability, accessibility, programmatic constraints and cost-effectiveness, with a view to maximizing efficiency and effectiveness and take advantage of the changing market-based payment innovations.

4.4.2 Shared cash delivery arrangements

4.4.2.1 UNHCR and WFP commit to deliver cash assistance through shared cash delivery arrangements that simplify the process from the perspective of persons of concern wherever feasible.

(a) Existing service provision

4.4.2.1(i) WFP and UNHCR will adopt common cash delivery arrangements through which both agencies have equal and direct access to the financial service provider irrespective of which agency procures or enables the service. The feasibility to use common arrangements will be further informed by country-level analysis and decision-making.

(b) Joint procurement of services

4.4.2.1(ii) Wherever feasible and cost-effective, WFP and UNHCR and other partners at the country level will seek to jointly procure financial services based on a shared set of criteria that is consistent with the operational requirements of the Agencies.

(c) Separate procurement of new services

4.4.2.1(iii) In situations where WFP or UNHCR needs to separately procure financial services, each will consider the other agency's requirements in order to avoid duplication and maximise cost efficiency gains. The feasibility of such arrangement is context-specific and will be determined locally.

4.4.2.2 The Agencies will not charge any management or other fees related to the use of shared cash delivery arrangements.

4.5 Downstream activities

4.5.1 Monitoring

4.5.1.1 UNHCR and WFP commit to collaborate on joint monitoring of assistance provided to persons of concern including through post-distribution monitoring (PDM) to ensure that their protection, basic food and non-food needs are being addressed effectively.

4.6 Accountability to affected populations

4.6.1 UNHCR and WFP commit to integrating a gender, age and diversity approach as well as operationalising accountability to affected populations in line with the *IASC Principals Commitments on Accountability to Affected Populations*.

4.6.2 WFP and UNHCR will establish mutually-agreed complaints and feedback mechanisms consistent with each agency's commitment to accountability to affected populations and related policies.

5. COMMUNICATION

5.1 UNHCR and WFP commit to joint institutional communication on the objectives, value, targeting and timelines for cash assistance in order to ensure that persons of concern are aware and fully informed. They further commit to developing and implementing a common and coordinated external communication and advocacy strategy on technical and policy learning, operational best practices and specific initiatives undertaken by the two Agencies and partners.

5.2 The Agencies will endeavour to ensure that all external communications products relating to common cash assistance (including announcements, internet postings, hand-outs, flyers, brochures, posters and other physical or digital materials) are formulated, branded and communicated to appropriately reflect the joint and complementary nature of the activities and the respective contributions of the two Agencies and relevant partners and donors.

6. GLOBAL IMPLEMENTATION

6.1 The Common Cash Support Mechanism

6.1.1 WFP and UNHCR will establish a Common Cash Support Mechanism to provide coordinated and effective support to country operations in implementing the core principles and operational approaches set out in this Addendum and help resolve operational challenges in regard to implementation of cash assistance at the country-level in line with the spirit and principles of this Addendum. The Common Cash Support Mechanism will be a "virtual" joint service that brings together management and technical counterparts at UNHCR and WFP to provide regular, predictable and coordinated joint support to field operations including those responsible for donor relations and funding, data sharing and identity management, technical needs assessment and targeting, finance, legal and programme aspects. The mechanism will be open to partners to engage with and take advantage of its services.



6.1.2 UNHCR and WFP will develop Terms of Reference for and define the membership and working modalities of the Common Cash Support Mechanism which will also ensure that issues and challenges arising in field operations that are not explicitly covered by this Addendum or require clarification or agreement by the Agencies are managed smoothly and appropriately through consultation at the Headquarters level and that joint guidance is communicated to the respective country offices.

7. GENERAL PROVISIONS

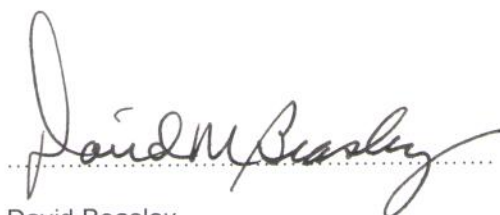
7.1 This addendum will come into effect on the date of its signature. It may be modified at any time by mutual written agreement.

7.2 All other provisions of the Global MoU shall, except as otherwise changed or modified by this Addendum, continue to remain valid and applicable, including for purposes of the relationship and arrangements established under this Addendum.



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United Nations High Commissioner
for Refugees

Date: 15 May 2017



David Beasley
Executive Director
World Food Programme

Date: May 15, 2017