

Cash Working Group: Market-Based Response in Greece
Recommended Minimum Expenditure Basket (Multi-Purpose Grants)

Market-Based Response: providing beneficiaries with:

- debit cards with or without the possibility to withdraw cash
- or internal/third-party voucher systems(POS)

1.) Purpose of the Cash Working Group Recommended MEB

- Develop consistent, harmonized and coordinated approach for all refugees and migrants in Greece to meet their needs through market-based programming that is empowering and dignified.
- Provide concrete plan for shifting the overall emergency response from in-kind distributions to market-based response. This is inclusive of a transition period in which there would be phased reduction to in-kind support through initial voucher/cash programming.
- Decrease conflict and tensions through clear, transparent and consistent programming across all sites and in urban areas.
- Increase overall emergency response efficiency and effectiveness. Market-based response will reduce logistical costs as well as reduce wastage from people receiving items that are not matching their perceived needs.
- Allow parents and individuals dignity in selecting how to meet their own needs and priorities.
- Support local Greek economy by promoting sales and service provision around sites and in urban areas.
- Facilitate the phased return of control of food preparation to refugees and migrants in accommodation sites as a key component of the implementation of communal kitchens and market based food response

2.) Background and Rationale

In recent years, there is an increasing commitment from donors and humanitarian actors to use cash transfers as a response modality *where appropriate* to meet multiple needs of the affected population in rapid onset and protracted emergencies. There is a growing evidence that cash transfers give people choice and make humanitarian aid more accountable to crisis affected people, can help to make scarce resources go further, and can leverage the opportunities created by the global expansion of financial services, including digital payments, and the growing number of social safety nets¹.

“Currently, cash-based interventions have been focused on meeting basic needs. Moving forward, it is expected that cash is gradually used in sectors, where feasible and appropriate, and to move from in-kind to a cash-based transit modality for assistance to the extent possible. This

¹ Doing Cash Differently: How cash transfers can transform humanitarian aid Report of the High Level Panel on Humanitarian Cash Transfers: September 2015:11

approach will be linked where feasible with a multi-sector/purpose approach and with the strategy to support local communities. UNHCR and partners will ensure that cash-based interventions are carried out with a protection-centred approach and UNHCR will ensure coordination with all partners involved.”²

The Minimum Expenditure Basket (MEB) is defined as what a household requires in order to meet basic needs – on a regular or seasonal basis – and its average cost. Determining the MEB serves three functions as holistic reflection of needs of affected populations³. It is a primary tool to develop a cost and market based expression of minimum needs that is representative of what cash will be used for. The calculation is not an exact science but a rational estimation of funds absolutely needed by an individual and family of 5 members and family of 7 members. The calculations are based on average family size of the target population and expected family need. It is to note that family amounts are not generated by a ratio of individual values, rather calculated by factoring in savings and sharing of a family of 5 and 7. Hence the amount allocated to a family of 5 is not equal to the value calculated by multiplying the individual amount by 5.⁴

The working group in Greece was conscientious of the potential for a negative public opinion towards providing refugees and migrants with cash support that would be above the amounts currently allocated to Greek vulnerable families through the country’s social safety net program. The group are aware of the negative impact the austerity measures are placing on vulnerable families and considered how to avoid social tensions between these households and refugees. The calculation for the MEB took into consideration the therefore to Greek minimum consumption standards in consideration of the poverty line, minimum wage, or social safety nets.

In Greece, the national Cash Working Group developed a Minimum Expenditure Basket with 2 separate recommended transfer categories for People of Concern (PoC):

- PoCs living in Accommodation Sites managed by the Greek authorities.
- PoCs living in Urban Shelter Apartments provided by humanitarian agencies;

The Current Models:

Accommodation Sites are locations where refugees and migrants are staying in emergency shelters (tent, RHU, Isobox) and provided with Meals and Non-Food Items by government and non-government actors. The population in these sites range between 100 and 4000 people. The humanitarian programming at each of these locations varies as there are currently no final standards or guidelines. Even at the best sites, residents are experience gaps in humanitarian aid. The CWG propose that a market-based approach is the most efficient and effective way to meet individual needs of PoCs.

² UNHCR RRM RP May 2016

³ CaLP MultiPurpose Cash Grant Guidance

⁴ Based on best practices??

Urban Shelter Apartments are provided to refugee and migrant individuals and families as alternative to the emergency shelter sites. Within this option there is no in-kind support thus the total amount of MEB would be needed to meet basic needs.

For the sake of expediency and temporal contingency, however, the utility of a Minimum Expenditure Basket in the Greek refugee response is essential in beginning programming now and context far outweighs at this point a much more sophisticated treatment of the issue by debating qualitative and quantitative methods. The Cash Working Group reviews and updated the MEB calculation every 6 months.

3.) Formulation and Findings

The Cash Working Group worked on the formulation of the MEB over the past several months. It is agreed that this response calls for a flexible, innovative and systematic approach to address and deliver much needed humanitarian support to the most vulnerable refugees and migrants stranded in Greece. The MEB is loosely defined as what an individual or a household is likely to purchase to meet its recurrent needs for a day, a week or a month and the average costs associated with it⁵. The Inter-agency CWG finalized the development of an MEB that comprises the basic needs for food, shelter, non-food items, health and transportation for the refugees and migrants.

The following were taken into consideration during this process:

- Rapid cash transfer feasibility assessments⁶ undertaken in Athens and various islands by different humanitarian actors over the course 2015-2016
- Beneficiary needs assessments – both surveys and focus group discussion on target group prioritized needs. Basic needs are defined by affected households themselves, International Humanitarian Law and Sphere Standards⁷
- On-going post distribution monitoring and beneficiary satisfaction surveys
- Cash Learning Partnership (CaLP) Guidance, Best Practices and Lessons Learned⁸
- Prices from local markets and access
- Response support where people are receiving in-kind versus not receiving in-kind
- Greek Government social protection programs (conflict mitigation/ supporting social cohesion)

The following section presents how the final value of the MEB was calculated and additional relevant justifications. Since the situation is still rapidly changing the group determined

⁵ Lebanon Cash Consortium (LCC), 2016.

⁶ Save the Children Feasibility of cash transfer programming, and meeting operational cash needs in Greece, August 2015; CRS, Technical recommendations for cash based response in Greece Refugees and Migrants Crisis, January 2016; CRS technical recommendation for CBI to address refugee crisis in Greece March 2015; IOCC Feasibility and Appropriateness in the context of IOCC's humanitarian response to the refugee and migrants' crisis in Greece [Kos and Chios Island], November 2015.

⁷ Operational Guidance and Toolkit for Multipurpose Cash Grants, December 2015:8

⁸ <http://www.cashlearning.org/english/home/>

current MEB good enough to begin programming but will need to be revised every 6 months in order to be able to adapt programming based on context change.

Multi-purpose Grant Minimum Expenditure Basket (MPG-MEB)

Greece Monthly Minimal Expenditure Basket No In-Kind Provided			
Item	Individual	Family up to 5	Family up to 7
Shelter*(being provided)	0	0	0
Food	91.50	320.25	388.88
NFI (hygiene)	16.07	34.77	38.96
NFI(clothing and child)	4.50	48.08	55.34
Health	10	20	30
School Supplies	0	7	14
Phone Credit	10	10	10
Transportation	9.8	9.8	9.8
Total	141.87	449.90	546.98
Transfer Amounts	EUR 140.00	EUR 450.00	EUR 540.00

Transition Amounts: Reduced from Complete MEB to reflect in-kind items being provided				
Item	Individual	Family up to 5	Family up to 7	% Reduced
Shelter (being provided)	0	0	0	
Food	45.75	160.125	194.44	50%
NFI (hygiene)	6.428	13.908	15.584	40%
NFI(clothing and child)	4.5	48.08	55.34	
Health	10	20	30	
School Supplies	0	7	14	
Phone Credit	10	10	10	
Transportation	9.8	9.8	9.8	
Total	86.478	268.913	329.164	
Transfer Amounts	EUR 90.00	EUR 290.00	EUR 330.00	

Food Amount: The food minimum expenditure basket was defined and calculated based on the formula adopted by WFP⁹ in Lebanon for the Syrian refugee response in 2014¹⁰ based on the preference of different types of food items to meet their daily nutritional and energy requirement. Similarly, the quantity/portion of food items was calculated based on the Sphere Project Standards for the daily energy requirement of 2,100 kcal per person per day. The following table and figures present the composition of a preferred food basket, the daily energy requirement and the daily recommended ration per person per day and the price of food items based on the market information.

Caloric needs for children range from 1000-2,200 depending on age thus the calculation for a family of 5 is calculated at a ratio of total caloric needs when estimated that there are 3 children per family.

Table 1: Composition of preferred food basket, amounts required and price per ration.

Item	Grams/person	% of minimum food basket	price/unit	price/ration/day
Medium grain rice	100	14.9	2.5	0.37
Bulgur	130	19.4	2.5	0.48
Pasta	50	7.5	1.5	0.11
pulses	60	8.9	4	0.36
Sugar	50	7.5	1	0.07
Sunflower oil	33	4.9	2.5	0.12
iodized salt	5	0.7	2	0.01
Canned meat	38	5.7	7.5	0.42
Milk	20	3.0	1	0.03
egg	20	3.0	2.5	0.07
bread	70	10.4	3	0.31
Lemon	30	4.5	2	0.09
leaves	65	9.7	6	0.58
Total (€)	671	100.0	38	3.05

Non Food Items (NIFs) Combined Hygiene, Clothing and Child

The total value for NIFs for individual adults and households with five members of beneficiaries is estimated at 21€ and 43€, which covers the needs of basic non-food items such as tooth brush, soaps, socks, shampoo, underwear, etc. Similarly, the total value of NIFs for children is

⁹ World Food Program

¹⁰ CRS Technical recommendation March 2016 and WFP Lebanon Price Monitoring Report, April-June 2014, <https://data.unhcr.org/syrianrefugees/regional.php>

estimated at 39€ for a family of five people for a month. The composition of children NFIs include disposable nappies, baby wipes, socks, underwear and nappy rash cream.

MEB for health, school supply for children, transportation and communication:

Based on the priority needs that identified, the CWG defined the MEB for health, school/education supplies, transportation and communication, and – despite the fact that some needs are met through humanitarian actors on irregular basis, assistance – there are further unmet needs particularly in relation to young children. The total value allocated for health, school/education supplies, transportation and communication at a household level is estimated at 20€, 7€, and 10€ per month respectively.

Comparison with the existing government social support and market value:

The total value of the MPG-MEB for refugees and migrants in Athens was estimated taking into account the annual income of the host communities to avoid unnecessary tension and negative impact on the prices of basic food and non-food items for the host communities.

As previously mentioned, the MPG-MEB factored in the cost of monthly minimum Greek family food basket, unemployment benefits and other social safety nets such as solidarity support. This is particularly important given the fact that the current financial crisis and troubled economic conditions affecting Greece at this time. The following table presents the amount of benefits provided under the unemployment support and social safety net programs in Greece.

1.) Table 3: Unemployment benefits and social safety net support in Greece

	Unemployment Benefits/ month
Individual	360€
Family (2 members)	396€
Family (3 members)	432€
Family (4 members)	468€
Family (5 members)	504€
Family (6 members)	540€
Family (7 members)	576€

- a. Poverty line= 665 euros per person per month and up to 1,397 for a couple supporting two underage children.
- b. Legal minimum wage is 684 € per person per month

CTP and Protection

Protection integration is important in the design of humanitarian programs, in order to minimize the risk and to maximize the benefits. Moreover, to promote meaningful access, safety and dignity, protection mainstreaming should be considered throughout the programme cycle while designing humanitarian assistance/programme.

Furthermore, the tips for Protection in Cash-based Interventions¹¹ from the guide for Protection in Cash-based Interventions was used as a guidance to mainstream protection.

4.) Operationalization

The Cash Working Group is advocating for the strategic transition of the overall refugee and migrant response in Greece away from in-kind distributions to a Market Based Solution. This type of response will increase empowerment and dignity of beneficiaries, whilst increasing equity of distributions and support. Overall this will also be more effective and efficient reducing costs of implementation.

Within the current situation with most accommodation sites not having (nor allowing) for kitchen facilities, there is limited opportunity for immediate overall transition into a market-based response. The Cash Working Group is advocating for the approval of the Shelter and NFI working group communal kitchen strategy. This essential step will improve the dignity of the response and quality of life of refugees and migrants at the accommodation sites. Overall the most common complaint is food, particularly in relation to cultural appropriateness, nutritional value for children and people with health requirements, and the actual distribution system consistently. The planned construction of communal kitchens allows the opportunity to transition into a market-based response where families can purchase their own cooking supplies and feed themselves.

Transition Plan:

Currently there are limited market-based programming being conducted in the overall Greece Migrant and Refugee response. Most of refugees and migrants basic needs are being covered through in-kind distributions that vary between location and actor. These distributions are not meeting needs of all individuals, especially young children and those with special health needs. In order to responsibly transition from the in-kind to market-based response, there needs to be a timeframe in which both modalities are used to cover needs. The Cash Working Group is recommending the above amounts during this transition period with gradual change to the complete amount once the communal kitchens are in place or individual cooking appliances are allowed. This will allow for the transfer modality, registration and feedback systems to be tested before the complete transition away from in-kind distributions to a market-based response.

¹¹ Guide for Protection in Cash-based Interventions, Page number 7 <http://www.cashlearning.org/downloads/erc-guide-for-protection-in-cash-based-interventions-web.pdf>

There is an overall need for humanitarian organizations to agree to this strategy in order for there not to be duplication of support.

Note: there maybe a few accommodation sites where a market-based response will not be feasible as the location is without any access to markets. It is expected that there will be very few such instances – ongoing assessments of the sites and market areas to finalize the numbers and locations. In these exceptional cases it will be necessary to continue in-kind distributions.

5.) CWG Recommendations:

a) To the Sectors: Application of the MEB

Program sectors – particularly those who consider monetizing assistance in part or in full – should base transfer amounts on the MEB.

Sectors planning to provide sector-specific cash or vouchers to beneficiaries should coordinate with the Cash Working Group in order to standardization of practice among humanitarian response, maximizing on lessons learned and avoiding duplication.

b) To all actors:

Adhere to common programming ensuring equity and cohesion.

c) To CWG and ISWG:

It is recommended that the Minimum Expenditure Basket is reviewed every 6 months and updated based on post distribution monitoring and market monitoring data, as well as any significant changes in context.

d) To all actors planning to or already engaging in COMMUNAL KITCHENS PROJECTS in accommodation sites:

SITE TYPOLOGY	SITE TIMELINE	KITCHEN/COOKING APPROACHES (using any of the 1 -3 definition types)
Tented open camp in semi-urban or rural area	LONG TERM	1. New base build of communal kitchen unit/s (<i>respecting minimum technical standards + material composition options outlined in this strategy on page 6</i>). 2. Retrofit existing building/s within camp where selection is justifiable based on site layout, structural safety and cost effectiveness (<i>respecting strategy's minimum technical standards</i>). 3. Rehabilitate former commercial/industrial kitchen within camp (<i>respecting strategy's minimum technical standards</i>).
	SHORT TERM	4. Demountable or mobile kitchen facility (<i>respecting strategy's minimum technical standards+ material composition options outlined in this strategy on page 6</i>).
Commercial / industrial warehouse site	LONG TERM	5. Adapt communal kitchen unit design to site-specific infrastructure, providing fixed stoves for families to cook independently in designated shared space/s.
	SHORT TERM	4. Demountable or mobile kitchen facility (<i>respecting strategy's minimum technical standards+ material composition options outlined in this strategy on page 6</i>).

Ideally the programme should incorporate a phased implementation of the Multi-Purpose Grant Minimum Expenditure Basket (MPG-MEB)^[1] alongside the construction/establishment of communal kitchens so persons of concern have means to transition to providing for themselves.

^[1] Cash Working Group, 'Market-Based Response in Greece: Recommended Minimum Expenditure Basket', version May 2016.

IMPLEMENTATION PHASE	Local Market Access (Green or Orange Score*)	Incentivize / Create Market Access (Red Score*)	No possibility of Market Access
INITIAL	<p>Provide limited cooking facilities (exclude approach 3 from table above) for supplementary meals or snacks only. Retain standard military/catered pre-packaged meal distributions.</p> <p>Limited = Number of stoves provided to be based on figure of site population, focus group discussions with key PoC informants to determine 'supplementary' needs, + kitchen space available.</p> <p>Maximum ratio of 1 stove per 10 families**</p>		
INTERMEDIARY/ TRANSITION	<p>Remove 1 – 2 military/catered pre-packaged meals and introduce the Transition MEB. Transportation tranche of MEB could cover public transport cost to markets beyond 2km from site/s (orange score).</p>	<p>Remove 1 – 2 military/catered pre-packaged meals and incentivize nearest market sources to travel within walking distance of site/s to establish mobile/regular (or permanent) raw food shops and meal vendors. Introduce a food voucher system for these vendors.</p>	<p>Remove 1 – 2 pre-prepared and packaged meals. Governmental site management to replace these with the delivery of raw foods/dry rations for the PoC to be able to cook themselves.</p>
	<p>Access to restaurants and cafes would enable PoC to choose what type of freshly-prepared meal/s they wish to consume for when they do not have access to the communal kitchen or they simply do not want to cook themselves.</p>	<p>Access to newly created food vendors/markets would enable PoC to choose desired meal ingredients for cooking and the freshly-prepared meal/s they wish to consume for when they do not have access to the communal kitchen or they simply do not want to cook themselves.</p>	<p>These deliveries should be based on household orders to ensure appropriate choice and quantities of ingredients. As per current food distribution setup, Government will be held accountable for quality control of raw food and dry ration deliveries.</p>
	<p>Increase the number of communal kitchen structures or stoves within a single kitchen space (where a site is restricted to one location for a communal kitchen). Ensure a minimum ratio of 1 stove to 8 families**</p>		

FULL	Completely remove the remaining army/air force/catered meal distributions and introduce the complete MEB package.	IF POSSIBLE, completely remove the remaining army/air force/catered meal distributions and increase the capacity of mobile/regular (or permanent) raw food shops and meal vendors. Retain food voucher system for these vendors. If impractical, do not completely remove catered meals and remain at “intermediary” phase.	All pre-prepared and packaged meals replaced by the delivery of raw foods/dry rations of the PoC.
	The final increase of communal kitchen structures or stoves within a single kitchen space (where a site is restricted to one location for a communal kitchen) to reach “full phase” scale. Ensure a minimum ratio of 1 stove to 4 families**		

KEY:

* Reference to Market based Programming Question and Indicator in Accommodation Sites:

** = Final stove to family ratio chosen by implementing agency/ies will be informed by an in-depth contextual analysis of population groups, cooking needs, cultural considerations, site-specific kitchen infrastructure parameters etc.

Question: Are the site residents able to reach supermarkets, pharmacies or other types of stores?		
Indicator: Site residents able to access local markets.		
Green: Distance to stores is 2km or less /up to 10km with public transportation.	Orange: Distance to stores is more than 2km and less than 5km / up to 20km with public transportation.	Red: No stores available in nearby distance 5km and above with no availability public transportation.

NB FOR IMPLEMENTATION TABLE:

1. These implementation phases and market-based approaches are not strictly exclusive.
2. It will be crucial to monitor that all families are able to satisfy their individual dietary needs by preparing or purchasing all their daily meals and snacks. For agencies pursuing MEB (market analysis, design and monitoring of system) and/or the food stuff supply (delivery and distribution of raw food materials) within a communal kitchen rollout, their accountability to cover X population for X amount of time must be firmly guaranteed.

Appendix A: Benefits of Market Based Response

Flexibility and Choice:

Provision of cash transfers provides an opportunity for the beneficiaries to choose what they need and want, instead of pre-defined handouts of items or food defined by humanitarian organizations. Such rightful return of meal consumption control enables independence and increased self-respect.

Dignity:

In allowing beneficiaries to control what goods and services their households need, cash transfers are considered by many as more dignified than receiving goods in kind, and recognize beneficiaries as active participants in providing for the welfare of their families. Furthermore, it is a dignified approach for refugees and migrants who have experienced violence and trauma in their places of origin, at hands of smugglers and making the perilous sea journey. Families or households are able to plan and prioritise, and in particular meet the needs of children.

Empowerment:

The availability of cash gives households a sense of restored power over their immediate situation. In addition, there is evidence that receiving cash may empower women within the household. Past experiences and evidence shows that cash is beneficiaries' top preference for humanitarian assistance.

Health:

The ability to purchase food they wish to either prepare or consume immediately would lead to culturally-appropriate eating habits among accommodation site-based refugees and migrants. The current levels of food wastage and, in turn, presence of rodents and other health hazards in sites would be significantly reduced with the eradication of pre-packaged meal distributions.

Excellent market and banking infrastructure:

Despite the current economic crisis, Greece has a well-developed economic system and the markets are well integrated in the Euro zone. According to CRS' Market screening done in January 2016¹², as well as information shared by the CWG, markets in urban areas are robust, such as in Athens metropolitan area, or islands such as Lesvos.

Greece has an established financial infrastructure for the use of prepaid cards at points of sales (POS). Additionally, there are more than 5000¹³ ATM machines available throughout Greece.

Supporting local economy:

The injection of cash through the distribution of financial assistance has a multiplier effect on the local economy in comparison to in-kind distributions. (ADD) The distribution of in-kind assistance, specifically non-food items, requires extensive procurement procedures that support the international market and decreases the level of financing carried out in country. Through the provision of financial assistance, humanitarian organizations are in a position to support refugee and migrant populations in Greece, meanwhile enabling a secondary outcome of improving the economic situation of the host community.

Reduces negative coping strategies:

When aid is given in kind, families are often forced to seek cash in ways that may be detrimental. Evidence shows that cash transfers reduce the negative coping strategies used by beneficiaries.

¹² CRS, Technical recommendations for cash based response in Greece Refugees and Migrants Crisis, January 2016

¹³ IOCC report, November 2015:20.