



Cash-based Intervention Technical Working Group Turkey

CBI TWG Monthly Meeting Minute

19 November 2019

Ankara · Gaziantep · Istanbul

Chaired by Ahmet Ünver (UNHCR), Hiba Hanano (WFP)

Venue: UNHCR Yıldız Kule Office (Ankara), UN House (Gaziantep), WFP IAO (Istanbul)

Participants:

Ankara

Ahmet Ünver (UNHCR), Ali Muhtaroglu (ASAM), Arshad Jadoon (WFP), Ayman Sallawy Alhalb (TRC), Aysel Yüksel (UNFPA), Bahadır Murat Akın (ILO), Cansu Şengür (ASAM), Cemile Altıntaş (ASAM), Damla Öner (FAO), Fatih Alper Akalın (TRC), Gözde Gülgün (WFP), Hajer İşisağ (Embassy of Canada), Hanifi Kınacı (TRC), Hiba Hanano (WFP), Livio Mercurio (UNHCR), Melike Randa (Expertise France), Özgür Koç (UN Women), Özgür, Savaşçioğlu (UNHCR), Sevgi Kelly (UNHCR), Vlad Cozma (IFRC), Yiğithan Dağcı (WFP)

Gaziantep

Alyaman Salam (WATAN), Armaen Bin Abdullah (IOM), Bachana Jgarkava (IOM), Chris Bender (UNHCR), Dolunay Uğur (YALE), Faruk Acar (WFP), Ferah Seyh Elsebab (IOM), M. Anwar Kattan (Takaful Al Sham Charity), Radwan Mouket (URC), Sara Asadifar (UNHCR)

Istanbul

Arzum Karasu (WFP)

Agenda:

- 1) Welcome & Review of Agenda
- 2) Review of CBI Landscape Thematic Focus
- 3) Thematic Focus: Basic Aspects of CBI Programming
 - a. Transfer Modalities
 - Brief Introduction of Modalities
 - Delivery Mechanisms
 - Selection Criteria
 - Pros and Cons of Modalities
 - b. Conditionality and Restriction
 - c. Q&A
- 4) CBI TR Decision Tree – Emergency Cash Decision Tree
- 5) AOB

Action Points - Follow up Issues and Updates:

- ✓ Volunteers for NGO Technical Adviser Role please reach to co-chairs => **On going**

New Action Points from the Meeting:

- ✓ Review and analysis of cash programs in protection sector => **On going – Due Next meeting**

1. Welcome and Action Points from Previous Meeting:

- Members were given a brief introduction about what CBI TWG is and where it stands in the coordination structure. This group is co-chaired by WFP & UNHCR and it aims to serve all sectors that uses CBI as a tool. Programs may sit under different sectors; however, cash coordination is a cross-

cutting issue. Harmonization of CBI in a country context increases effectiveness of the response, ensures complementarity, decreases overlaps, competitions, gaps. This platform works for all partners who implement CBI programs and who are interested in discussing technical aspects and increase overall capacity.

2. Review of CBI Landscape Thematic Focus:

Highlights:

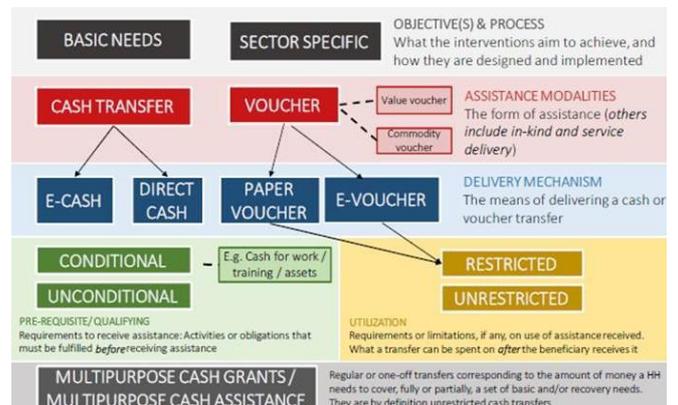
- The use of CBI has increased significantly in all sectors as cash support has the capacity to achieve dignity of PoC, reduce protection needs, mitigate protection risks, and contribute to local economy.
- Cash support is effective when it is combined with other types of support.
- CBI can also be used as a tool to strengthen inter-sectoral linkages (entry point, referrals)

3. Thematic Focus

a. Transfer Modalities

Transfer Modality / Distribution Model / Delivery Mechanism Matrix

Transfer modality	Distribution model	Delivery mechanism
Cash Transfers	Immediate Cash	Cash Collection
		Cash Delivery
	Cash Account	Individual Bank Account
		Group Bank Account
		Bank Card /Pre-Paid Cards e-money
Voucher Transfers	Paper Vouchers	Paper Vouchers
		Scratch Cards
	E-vouchers	Bank Card/Pre-Paid Cards
		SMS/e-transfers
		SCOPECards
Food in-kind distribution	Distribution of Food Rations	



Transfer Modality

It is a mode for distributing resources/ assistance to targeted beneficiaries. A transfer modality is a mean; it is not a project nor an objective on its own.

Most common transfer modalities are: In kind assistance, Vouchers and Cash.

In-kind Transfer Modality (Food in WFP's context)

- It is the assistance in the form of dry or ready to eat rations (cooked meals)
- It is a food transfer that targets individuals or households depending upon programme objective.
- Very common in humanitarian setting, at the onset of a disaster/ emergency. Where markets are not well integrated; weak supply chain. But it needs strong logistic and supply chain set up.

Voucher Transfer Modality

- It is the assistance in the form of paper or electronic entitlements. Usually redeemable at preselected retailers or fairs for a predefined list of commodities, not for cash.
- Targets individuals or households
- **Commodity voucher:** Redeemed for fixed quantities of specified food items.
- **Value voucher:** Redeemed for choice of specified food items with the equivalent cash value of the voucher.

Cash Transfer Modality

- Monetary assistance in the form of physical cash or electronic disbursement through formal or informal banking channels.
- Can be through:
Cooperating partner, Host government, Service provider, Enables direct access to marketplace, Freedom of choice, Financial inclusion.

Distribution Models

Distribution Model can be explained as method used to distribute assistance under selected modality.

- It relies on different commercial and technological solutions available on the market.
- Different delivery mechanisms and instruments can be used.
 - o Cash: Immediate Cash or Cash Account
 - o Voucher: Paper or E-vouchers
 - o Food in-kind: Distribution of Food Rations (either dry or wet)

Delivery Mechanism

Delivery Mechanism is the mode of receiving the assistance. Different mechanism can be identified for each distribution model.

Relies on the type of services, infrastructure and available beneficiary preferences.

- o Immediate Cash: Cash collection or cash delivery
- o Cash Account: Individual/group bank account, bank card (pre-paid) or e-money
- o Paper Vouchers: Paper vouchers or scratch cards
- o E-vouchers: Bank cards (pre-paid), SMS/e-transfer, SCOPEcards (WFP)

Delivery Instruments

Delivery Instruments are the items needed to physically make the cash or voucher transfer happen. And relies on the delivery mechanism used.

Examples of delivery instruments:

- ✓ Mobile phone
- ✓ A paper coupon
- ✓ A plastic card (for identification purposes)
- ✓ Magnetic strip
- ✓ cards Iris scanner
- ✓ Biometric scanner

Pros and Cons

Immediate Cash	
Advantages	Disadvantages
Fast intervention set-up	Higher corruption risk
No initial equipment investment costs	Administratively intensive
Does not require infrastructure	Increased security risk over time
Accommodates limited literacy level	Increased possibility of theft from beneficiaries
Can rely on existing rural banks/remittances cash system network already in place.	Significant monitoring required at payment site

Cash Account			
Mobile Money Account		Bank Account	
Advantages	Disadvantages	Advantages	Disadvantages
Flexibility for beneficiaries	Transaction fees for money transfer	Regulated by appropriate laws	Generally limited geographic coverage
Live transaction reports	Regulatory restrictions or lack of regulation	Financial risks managed by banks	Exclusion of beneficiaries without national ID
Reduces cost	Safety of transfer, in case of mobile theft	Reduces risk of corruption, money diversion	Partnership establishment may be time consuming
Reduces errors and fraud	Technology barrier for beneficiaries	Timely reporting	Higher degree of financial literacy potentially required from beneficiaries
Instant and safe transfers	Infrastructure (mobile coverage) may not be available everywhere	Promotes financial inclusion	FSPs are reluctant to engage if profits are not lucrative enough

Mobile phone-based transfers	
Advantages	Disadvantages
Instant and safe transfers	Infrastructure may not be available
Reduces errors and fraud	Regulatory restrictions or lack of regulation
Reduces cost	Beneficiary familiarity with the system

Easy to scale up	Requires adequate local presence		
Flexibility for beneficiaries			
Vouchers			
E- Vouchers		Paper Vouchers	
Advantages	Disadvantages	Advantages	Disadvantages
Eliminates many manual processes	May be time consuming to set up	Does not require infrastructure	Requires printing and storage
Gives beneficiaries the flexibility	Investment in technology may be time bound	No high initial equipment investment costs	Costly in the medium long term
Large-scale operations possible	Requires some degree of literacy	No high degree literacy and numeracy required	Relatively easy to counterfeit or misuse
Enables easy, fast and safe transfer	High initial investment on technology		Poor/non-existent tracking system
Reduces/eliminates risk of parallel currency			Risk of becoming parallel currency

b. Conditionality and Restriction

Conditionality and Restriction – Difference on Terminolog

Condition and restriction terminologies can be differentiated by the time; Condition relates to participation in an activity; Restriction is related to the use of assistance.

- **Conditional:** Imposes requirements on beneficiaries such as participation in work, training, attending school etc. The transfer is given after the recipient performed on a task or activity. Conditionality is before a beneficiary is entitled to an assistance (requirements)
- **Unconditional:** Type of assistance where there is no reciprocal demands towards the assistance provided.
- **Restricted:** When received assistance only allows the purchase of pre-determined goods from pre-determined stores. Vouchers of all kind are restricted transfers. Restriction comes after a beneficiary receives the assistance (utilization)
- **Unrestricted:** Refers to money provided to beneficiaries. Assistance can be utilized according to beneficiaries needs and preferences without any restriction.

Multipurpose & Multi-sector CBT

- Multi-Sectoral - a coordinated approach to assistance; such as Food, Health, Sanitation, Education etc.
- A range of sector needs are addressed by one organization/or by different organizations working together; Possibly using one delivery mechanism.
- Transfers are Multi-Purpose if:
 - o Transfer is unrestricted
 - o Recipients are targeted based on multi-sectoral criteria
 - o Single transfer value is calculated applying concept of different needs (basic needs approach)
 - o Well targeted multi-purpose transfers can reinforce hunger results while also achieving outcomes across multiple sectors.

The terminology of «multi» on transfers

- **The Survival Threshold:** Represents the most basic of needs, including minimum calorie requirements and the costs associated with food preparation and water (if purchased).
- **The Livelihood Threshold:** This includes the minimum food required to meet 2100KCAL/person/day, the minimum NFIs, rent in informal settlements, minimum water supply required per month, clothes, communication and transportation calculated based on average expenditures.
- **Multi-wallet Payment Solution:**
 - ✓ A one-stop solution
 - ✓ Very strong monitoring
 - ✓ Using one single platform
 - ✓ Multi-purpose payments through one card
 - ✓ Require strong database
- **Important Pre-Requisites for MPC:**
 - ✓ A holistic approach
 - ✓ Clear targeting criteria
 - ✓ Strong M&E system
 - ✓ Joint assessment and programming
 - ✓ Very strong coordination among partners
 - ✓ Centralised database to avoid duplications

- ✓Donor commitment
- ✓Challenging to manage expectations
- ✓Well-functioning Cash Working Group with broad-based representation

c. C. Questions & Answers

1. **Q:** What is the situation for CCTE and ESSN distribution channels?
A: It is multi wallet. They are using same distribution channel but from different wallets.
2. **Q:** Can you describe how crisis assessments is carried?
A: Any design of a programme is highly dependent on data. So before any implementation a rapid assessment is carried and then compared to data that is collected by the hosted country anti- crises and any additional available data.
3. **Q:** Who receives the money in the households? Is there any transfer modality for cash bashed programmes?
A: It depends on the objective of the programme. It highly dependent on the type and conditionality of the programmer. It is also linked to programme design. For instance, ESSN is Targeting the family. Vulnerability mapping (monitoring sessions) is the instrument of analysis. All the members of the household are signing a document that they will receive this support, hence they are aware of the aid provided and during monitoring, field monitor analyse the complaints.
4. **CBI TR Decision Tree – Emergency Cash Decision Tree.**
Both documents are attached to meeting minutes.
5. **AOB**
 - Bi-monthly Meeting Schedule
 - Cash Mapping Survey
 - Next Meeting**Next meeting:** is scheduled on Monday, 9 December, 13.30-15.00