



# UNHCR CASH ASSISTANCE AND COVID-19

## Main Findings from Post-Distribution Monitoring

This document outlines the main findings from UNHCR's Post-Distribution Monitoring of cash assistance conducted in 13 countries during the COVID-19 pandemic. It presents results ranging from the use of the cash assistance, changes in expenditures and whether markets were functioning – to cash recipients' access to basic needs and resorting to negative coping mechanisms. It also summarizes UNHCR's cash assistance during the pandemic that is complementing the government response.

## UNHCR CASH RESPONSE TO COVID-19

The COVID-19 response has demonstrated that UNHCR is fit for purpose to deliver cash at scale and rapidly. In collaboration with governments and other partners, more than 65 UNHCR operations have launched new cash initiatives and/or expanded existing cash assistance, reaching some 3 million vulnerable people by the end of June 2020. While the main aim is to work towards inclusion of refugees and other vulnerable in the social assistance efforts of governments, access remains limited. UNHCR's cash assistance complements the government efforts by contributing an additional safety net for vulnerable refugees and others of concern – those left behind.

COVID-19 has had a disproportional negative impact on vulnerable groups, including displaced, who often enjoy limited human rights and depend on humanitarian assistance and/or informal labour. In March, the average monthly wages of surveyed Jordanian and Syrian workers were reduced by more than 40% and in Turkey a protection survey revealed that over half of respondents had lost their jobs. In Malaysia, 80% of the refugees reported a loss of income. In the Americas, COVID-19 has significantly impacted the livelihoods of persons of concern who work in low-wage informal employment, have little or no savings or access to loans, and often do not qualify for government social protection schemes such as unemployment benefits, social allowances or other type of cash transfers. In Africa, the pandemic has exacerbated an already fragile situation where assistance has been reduced globally due to funding shortfalls over the past few years. Refugees in at least eleven countries<sup>1</sup> are receiving rations of 80% or less than the minimum standard required to meet food needs – some of which have been in place for years – and have limited opportunities to meet their needs outside humanitarian assistance.

### Monitoring cash to mitigate socio-economic impacts in Malaysia

In Malaysia, UNHCR provided urgent cash assistance to mitigate the socio-economic impacts of COVID, which hit hard urban refugees globally. Some 80% of the cash recipients experienced loss of income during the movement control order in Malaysia. 85% of respondents received the cash in time to meet their most urgent essential needs, with food, rent and utilities being the top expenditures. More than 30% felt that UNHCR's cash assistance had significantly improved their living conditions while over 60% highlighted that cash assistance had reduced their feelings of stress. Following the lifting of the movement control order, only 50% of the respondents were able to earn some income of whom some two third earned half or less of their previous income. Despite the overall positive impact of cash assistance, some 80% of the households resorted to negative coping strategies to meet basic needs, highlighting that the unmet needs are vast despite assistance.

While the volumes are far from sufficient to meet basic needs of vulnerable people, cash assistance has proven to be an efficient means of getting support to affected people fast, providing protection, empowering families to meet their basic needs, and mitigating some of the negative socio-economic impacts of COVID-19. UNHCR operations are adapting existing cash assistance, introducing new approaches and technology, designing new cash grants and targeting criteria to assist new vulnerable populations, developing exit strategies, increasing the use of digital payments, adjusting systems and complaints and feedback mechanisms and, where appropriate, aligning cash assistance with the government social assistance.

Innovative cash assistance practices in the COVID-response from 25 operations can be found here:

[UNHCR Cash Assistance and COVID-19: Emerging Field Practices I and II](#)

<sup>1</sup> Cameroon, Chad, CAR, Nigeria, Ethiopia, Uganda, South Sudan, Kenya, Tanzania, DRC, Malawi, Angola and Zambia. Refugee Food Assistance Update September 2020



## FINDINGS FROM POST-DISTRIBUTION MONITORING

UNHCR monitors cash assistance through its corporate Post-Distribution Monitoring (PDM) tool which directly surveys cash recipients on such areas as the use of cash, the related challenges and their overall situation vis-à-vis basic needs. The data is used to inform and adjust programming for cash assistance. The findings in this report presents UNHCR's monitoring data during COVID-19 in selected countries across the regions.<sup>2</sup>

<sup>2</sup> Azerbaijan, Belarus, Costa Rica, Greece, Guatemala, Iraq, Jordan, Lebanon, Malaysia, Montenegro, Serbia, Turkey, Uganda. Summary figures and graphics are based on interviews with 2,606 households that were selected among cash assistance recipients. Sample size varies between the operations.

### The use of cash assistance

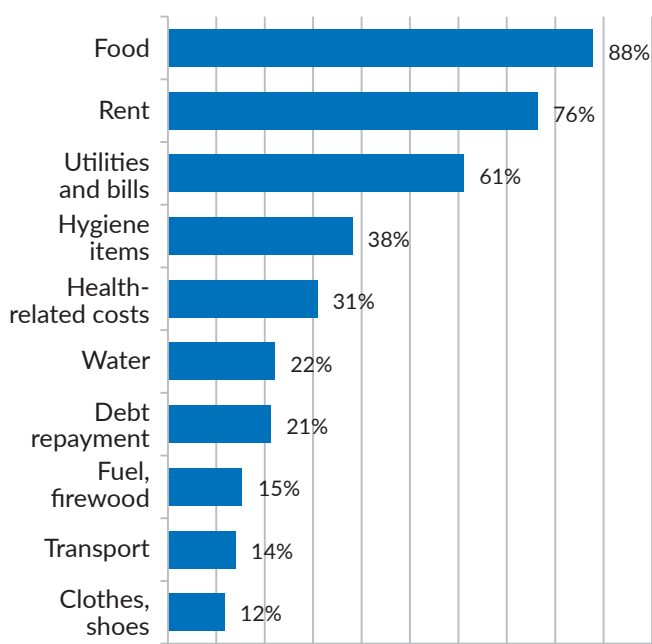
Findings from several countries suggest that cash assistance has helped refugees meet their basic needs and effectively tackled some of the immediate, negative socio-economic consequences of COVID. In all operations, notably Greece, Jordan, Lebanon, Uganda, and Malaysia, refugees stated that cash assistance has helped them reduce the financial stress and loss of income caused by COVID and helped improve their living conditions.

Overall, refugees are spending their money to meet immediate basic needs: food, rent, utilities, hygiene items, and health are the largest expenditure categories. The monitoring highlights that expenditure on hygiene items has increased significantly following COVID-19.



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Expenditure and Use of Cash



## Cash preference and markets

Despite wide-spread movement restrictions, 88% of the households reported having access to the key services and items they need in the market. It seems access to quality services and items prioritized by the cash recipients has so far not been negatively affected by COVID-19 in the contexts surveyed, although price increases are reported in some contexts, such as Costa Rica, Jordan and Uganda. A clear majority prefers cash as assistance modality (80%) while a limited proportion indicates a preference for a combination of cash and in-kind. A minority of respondents (20%), experienced some challenges with receiving, keeping or spending the cash. These largely relate to COVID measures affecting withdrawal and spending in view of movement restrictions as well as challenges with using new digital, cash delivery mechanisms. These findings suggest that more sensitization and capacity-building may be required.

Households reported an increasing trend feeling at risk when receiving, keeping or spending the cash assistance. This is largely linked to the fear of contracting COVID and related restrictions. For example, in Guatemala and Montenegro, both reporting high proportions of feelings of unsafety, the overwhelming majority stated that such fear was linked to COVID. In Greece, more than half of the respondent believe they are somewhat or very likely to become infected. However, this varied from context to context. In Lebanon, none of the families surveyed reported a feeling at risk.

## Cash Assistance Monitoring in Jordan – Access and Process

Jordan hosts close to three quarters of a million refugees, most living outside of camps. The majority are vulnerable, unable to independently maintain a dignified life. In this context, UNHCR Jordan’s unconditional monthly basic needs cash assistance is a lifeline for many. The PDM results suggest that the distribution modalities of the monthly cash assistance generally work well – over nine respondents out of ten received the assistance on the day they were expecting it and were able to collect it at an ATM close to their place of residence. A minority of respondents (fewer than 10%) felt unsafe or at risk withdrawing or spending the cash, with fears of theft appearing greater than fear of catching COVID-19. Most cash recipients would not trade the cash assistance for a combination of cash and in-kind support. The feedback on service delivery is broadly positive, and the helpline well-known. Like in previous years, and in line with the fundamental purpose of the monthly cash assistance, refugees mainly spent their grant on rent and food.



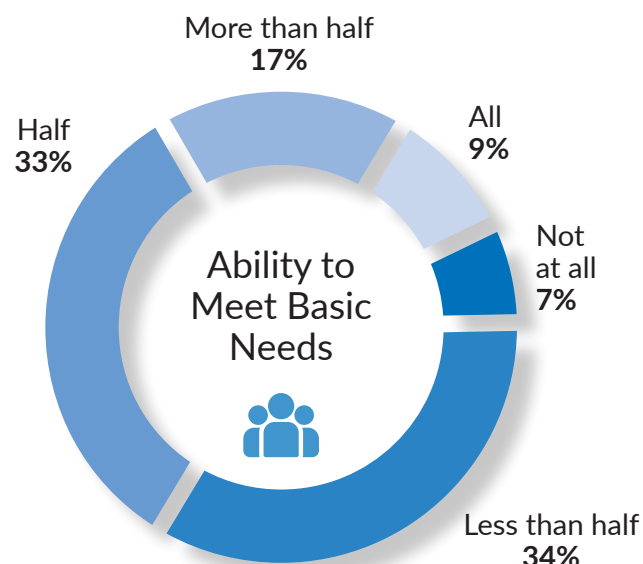
## KEY INDICATORS

- Top expenditures food, rent, utilities, hygiene and health
- 88% can find what they need in the markets
- 74% cannot meet more than half of their basic needs
- 83% are engaging in negative coping mechanisms

## Meeting Basic Needs

While cash assistance has helped refugees cover some of their basic needs, major gaps remain. The situation is concerning for refugees due to their often-limited rights (i.e., freedom of movement, right to work, access to land etc.), affecting their ability to meet their needs. 74% of the refugees can meet only half or less of their basic needs while over 40% of the respondents stated that they could not even meet half of their basic needs. In Lebanon, 93% of families reported that cash assistance enabled them to meet their needs, to some extent, with the majority saying it enabled them to meet only less than half their needs. Over 90% of the surveyed families in Lebanon used the cash for food.

In Jordan, most respondents stated not being able to meet more than half of their basic needs. Of the respondents who fall in this category, close to two thirds (64%) note that they are unable to afford enough food, while 27% struggle to pay their rent. Slightly over half find themselves to afford appropriate shoes and clothing. Particularly worrying given the 2020 context, 31% of respondents in Jordan note that they cannot afford to pay for health costs. Many (60%) of the respondents had had to resort to borrowing money in the four weeks prior to data collection. This debt is a perceived safety concern for many.

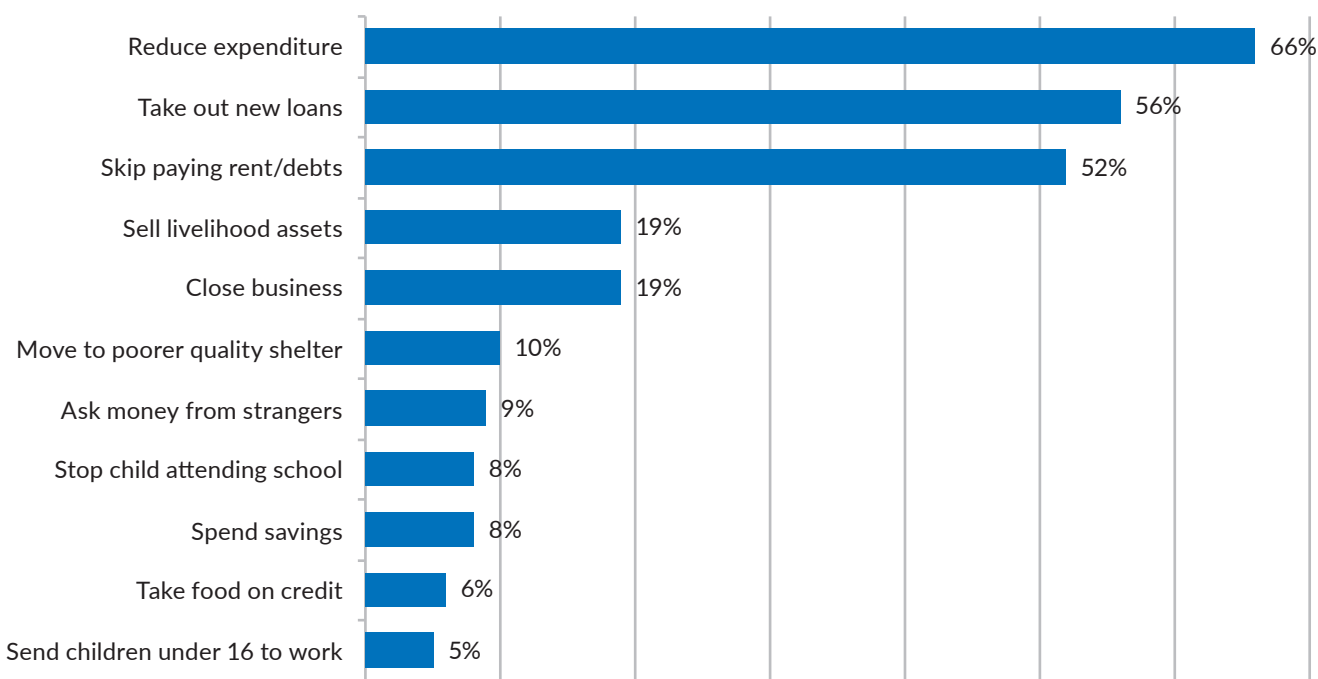


## UNHCR and WFP Joint Monitoring of Cash Assistance for Urban Refugees in Uganda

Following the restrictions and measures of the government to curb the spread of COVID 19, many refugees were unable to engage in their regular casual work, leaving them vulnerable with challenges to meet basic needs. WFP and UNHCR are jointly providing one-time cash assistance to all urban refugees in Kampala through mobile money. The joint PDM demonstrates that over 74% of refugees were able to withdraw the assistance within one kilometre from their home. Food, rent, health costs, utilities, fuel and hygiene items were among the top expenses. 60% of the cash recipients had experienced a recent increase in prices of commodities, such as rice and beans. Almost all (95%) emphasised that the cash assistance improved their living conditions and reduced financial burden. A majority prefers receiving cash assistance (68%) or a combination (25%) of cash and in-kind. The use of negative coping strategies remained high. 68% of respondents also resorted to using their savings indicating decapitalisation due to COVID.

## Engaging in Negative Coping Mechanisms

83% of surveyed households, ranging from 48 to almost 100%, engaged in one or more negative coping mechanisms to meet their basic needs, representing an increase from pre-COVID. Turkey, Malaysia, Montenegro and Uganda reported high figures way over 80%. In Jordan, food-related coping strategies have become more frequent in the past six months, particularly for the Syrian beneficiary cohort. In the surveyed countries, reducing spending to buy food is the most common coping strategy (66%), followed by taking loans and skipping payments. In urban areas where refugees access (informal) income, households commonly reported selling livelihoods assets, closing down businesses and using up savings. The subsequent decapitalization will have long-term negative impacts on the socio-economic wellbeing of the households, which will last beyond the pandemic. More severe coping strategies, such as begging or moving to less protected shelter, are less common but remain at a concerning 9% and 10%. Extreme negative coping strategies, such as child labour, is reported by 5% of households, and early or forced marriage and/or recruitment of children into armed groups, have been documented by protection monitoring across regions. These protection risks demonstrate a need for continued investment in humanitarian assistance coupled with robust protection interventions and case management.



### Monitoring Cash Assistance for Hygiene and Communication in Greece

UNHCR Greece increased the transfer value of the unrestricted monthly cash assistance for the 100,000 refugees and others of concern in the country to cover for COVID-related expenditure. Food remained the top expense, followed by hygiene items which increased significantly compared to pre-COVID average hygiene expenditure. Some 90% of the cash recipients stated that the additional cash contributed to communicating with friends and family, ensuring physical distancing measures, and meeting their needs for seeking COVID-19 related information. Over 80% said they spend more time on the phone and online, as compared to pre-COVID. Beneficiaries' own perception of risk of Covid-19 infection varies; however more than half (57%) believe they are somewhat or very likely to become infected. The cash recipients found the required goods and services in the market, at correct prices, and the overall satisfaction with cash assistance was high. Even during the pandemic, 74% of households reported a clear preference for cash assistance for hygiene items, while 12% and 11% would prefer respectively a combination of in-kind and cash or only in-kind for hygiene items.

### Monitoring of Cash Assistance for Refugees and IDPs in Iraq

The majority of refugee and IDP beneficiary households found the assistance to be helpful to cover for the costs of food and to repay debt. Almost all IDP households reported that assistance was distributed in time to meet their needs. Despite not being rated as a top priority need, the hygiene needs represented the highest decrease in need amongst households following the cash delivery (from 60% to 27%). The proportion of both refugee and IDP households reporting borrowing money decreased after receiving assistance, but refugee households seem to face more challenges than IDPs: refugee households reported more frequently resorting to coping mechanisms than the IDP beneficiary households and they also more frequently reported a lack of availability of cash liquidity. The most cited impact of COVID 19 related restrictions was the impossibility to go to work due to movement restrictions followed by impact on business activities and lack of money. Almost all refugee and IDP beneficiary households reported being either satisfied or very satisfied with the cash out process.

### Monitoring of Cash Assistance to the Most Vulnerable in Costa Rica

In Costa Rica, UNHCR increased the amount of unrestricted monthly cash transfers for COVID-19, targeting older adults, people with chronic diseases and those directly affected by the pandemic. The results of the PDM indicate that households used the transfers to buy food (99%), hygiene items (84%) and to pay rent (81%). Over 90% of households declared that they found the goods and services in need in the markets. Almost 60% of households perceived an increase in the market prices in the last four weeks. 58% of households believe that the help received from UNHCR significantly improved their living conditions and 52% of households felt that the assistance significantly reduced their feelings of stress. Despite this, 84% of the surveyed households cannot cover all their basic needs, and over 25% of the households have taken new loans to meet needs.

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