Inter-Agency Coordination Turkey

Cash-Based Interventions Technical Working Group

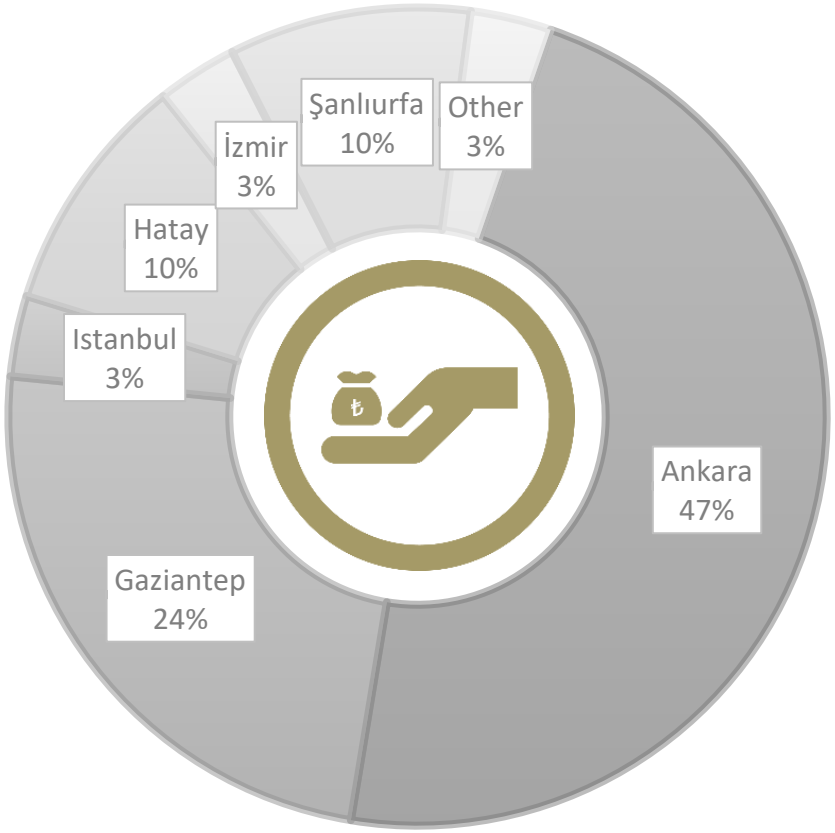
Ad-hoc Meeting

26 April, 2022

Agenda

1. Welcome & Introductions *(5 mins)*
2. Review Action Points & Announcements *(10 mins)*
3. Recap: Post-Distribution Monitoring of Cash-based Interventions *(IA/IM, 15 min)*
4. Present: ECHO Tehmatic Policy on Humanitarian Cash *(ECHO, 45 min)*
5. **A**ny **O**ther **B**usiness *(5 min)*

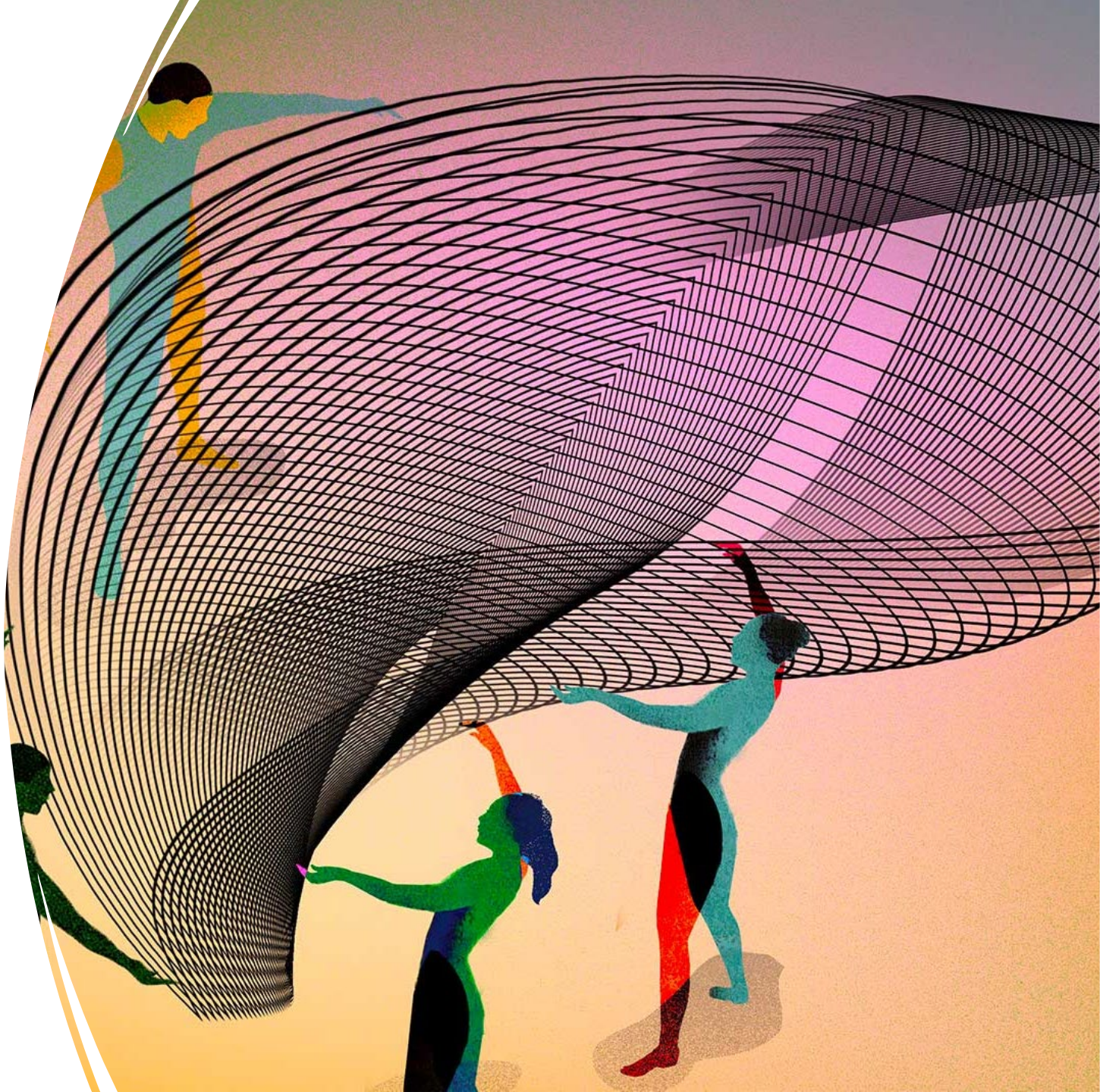
Welcome & Introductions



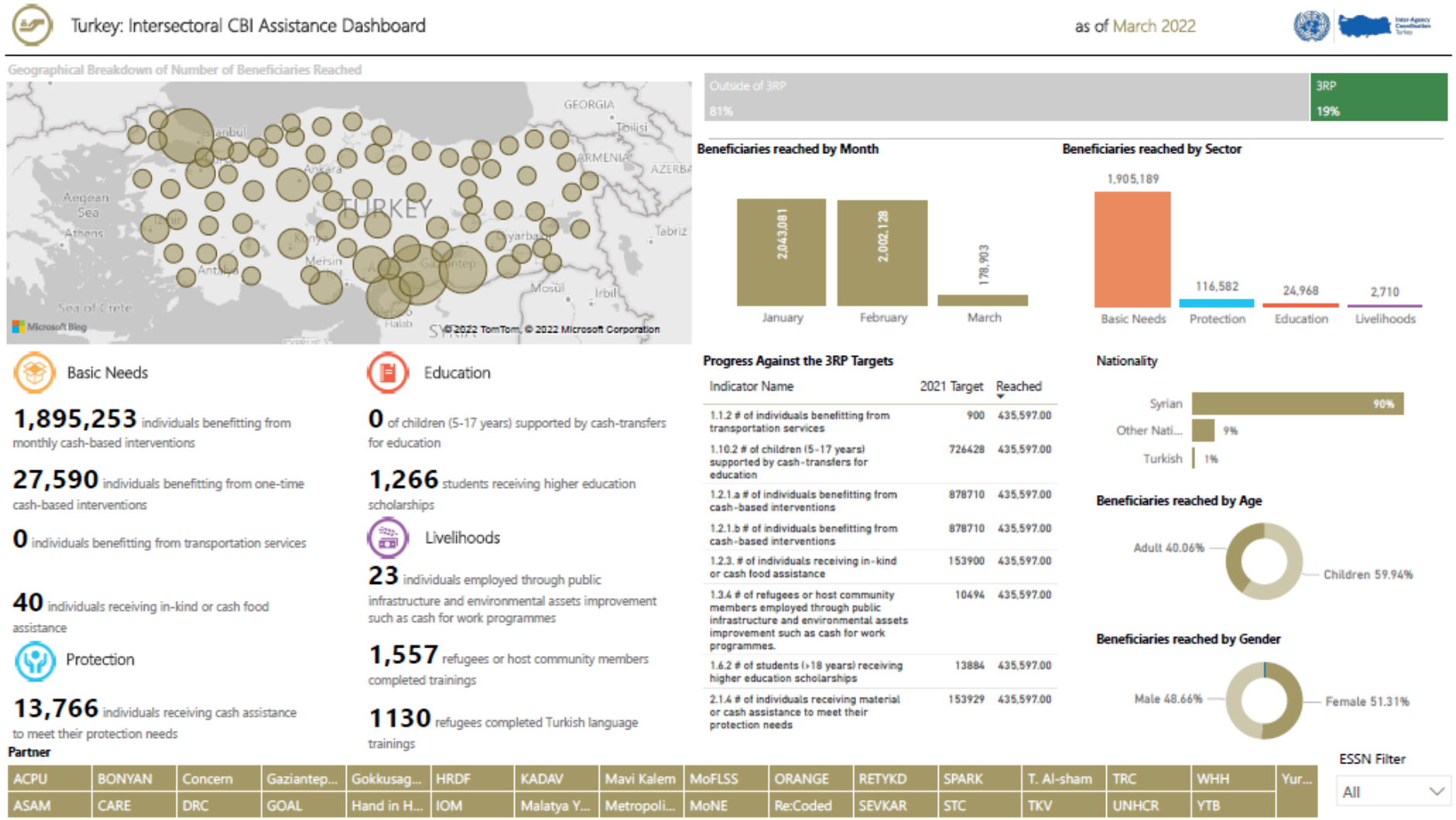
TRC	**İzmir BB-Mülteci**	**REALs**
DG ECHO	**Masası**	**WHH**
US Embassy, PRM	**ASAM**	**WVI**
IOM	**TAS**	**AlResala Foundation**
IFRC	**WSA**	**ASAM**
World Vision SR	**HIHFAD**	**FAO**
Welthungerhilfe	**GIZ**	**URC**
CARE	**INGEV**	**UNRCO**
ILO	**Violet Org. (Menekşe)**	**Concern WW**
İGAM	**Malatya Şam Derneği**	
UNHCR	**UNFPA**	

Announcements

- CARE continues to provie technical support to CBI TWG,
- **Complementing technical advisor application is open**,
- Email to unver@unhcr.org, share your years of experience in CBI, area of interest and the support that you can provide.



CBI Program Updates



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Recap: Post-Distribution Monitoring of Cash-based Interventions

welt hunger hilfe

For a world without hunger

CONCERN worldwide

SEVGİ ve KARDEŞLİK VAKFI

PDM is conducted to assess the impact and effectiveness of the cash assistance through key indicators.

PDM helps implementer to measure -and communicate- the success of the intervention.

Feedback gathered from beneficiaries is taken in consideration when doing program design and revisions.

Recap: Post-Distribution Monitoring of Cash-based Interventions

PDMs allow **cash provider to understand;**

- Situation about debt, income, and coping strategies of households,
- Access to needs and services,
- Impact of cash in decreasing protection risks,
- Effectiveness of transfer modality and amount,
- Impact of cash on market, accesbility and prices,
- Safety and security risks for CBI.

Recap: Post-Distribution Monitoring of Cash-based Interventions

Points to consider while conducting PDM;

- Selection criteria, sampling method,
- Data collection modality
- Possible limitations due to the Covid-19
- Protection concerns,
- Obtaining relevant provincial governorates' permission,
- Fine tuning the survey with respect to target population.

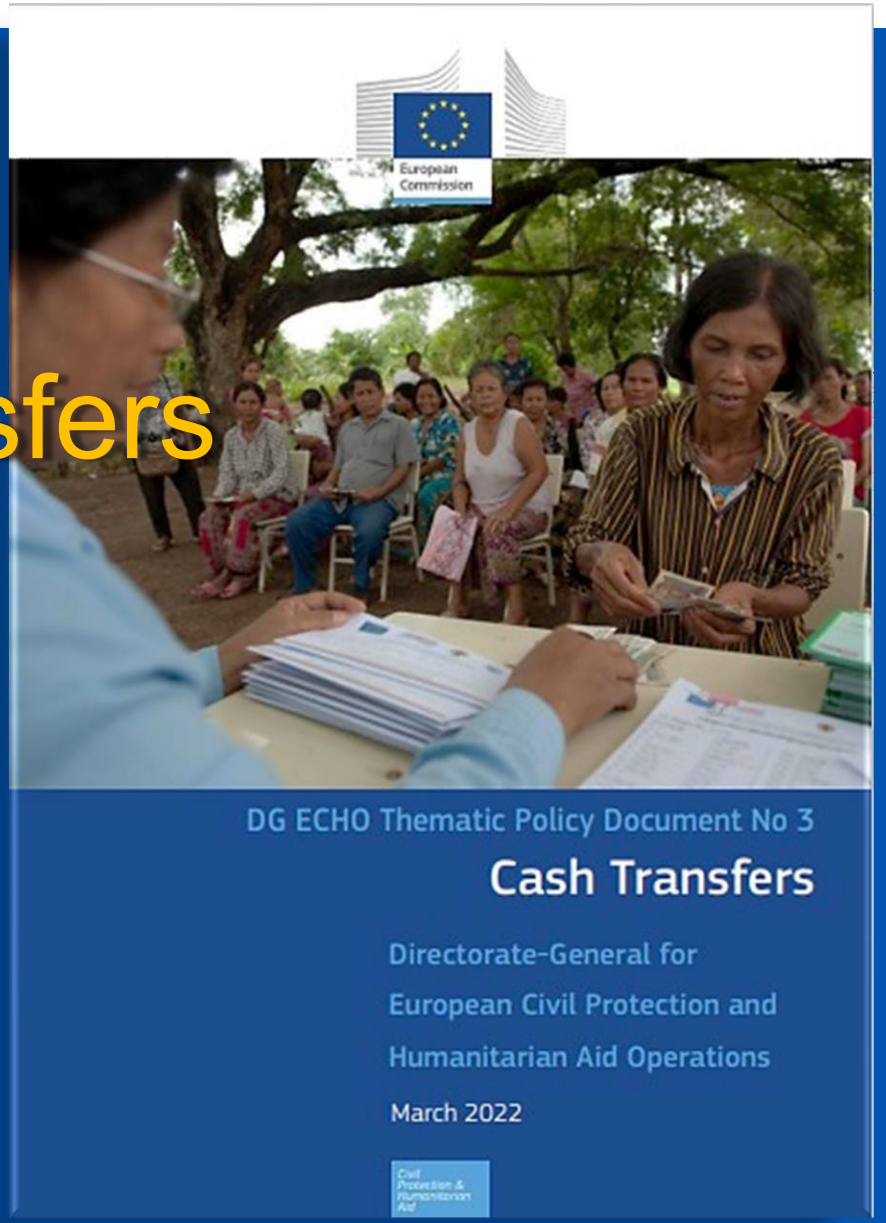
Recap: Post-Distribution Monitoring of Cash-based Interventions

Recommendations by members;

- Sharing of PDM findings and lessons learnt,
- Prevent repaeting efforts, avoid making the same mistakes,
- Encourage improvements through learning from each other,
- Benefit from existing contracts, established linkages, proven practices,
- Partners can at least target to share their PDM highlights with beneficiaries, if entire PDM is internal.
- Consider sharing the PDM finding highiglhts with refugee and host community.

DG ECHO Thematic Policy Document No 3 Cash Transfers

Ad-Hoc CBI TWG Meeting
26 April 2022
Ankara, Turkey



Presentation Overview

- Evolution of the Policy
- Overview
- What is new?
- What does the Policy mean for the Partners?
- Overview of Annexes
- Q&A

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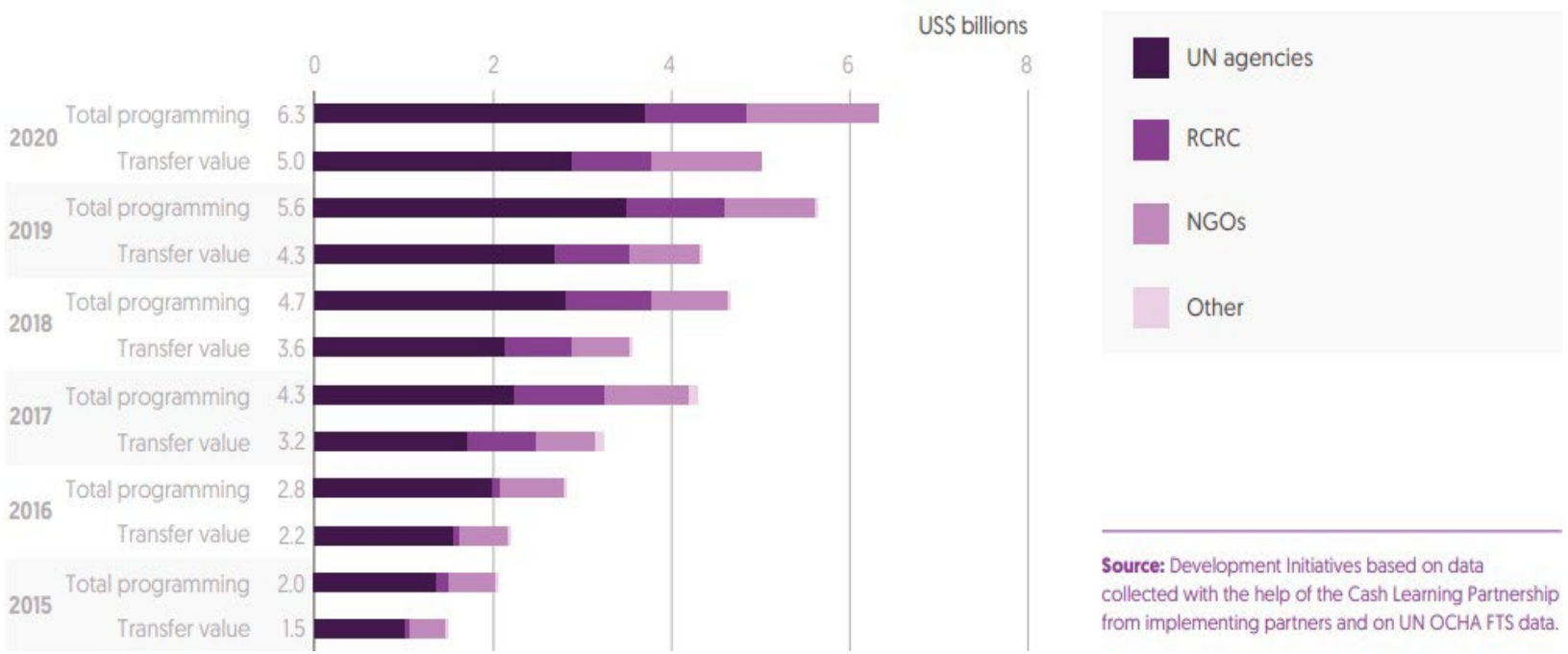
The broader context for cash assistance

Growth in volumes of humanitarian cash and voucher assistance continued in 2020

Total funding for humanitarian cash and voucher assistance, 2015–2020



Source: Development Initiatives based on data collected with the help of the Cash Learning Partnership from implementing partners and on UN OCHA FTS data.

- Evidence base on efficiency and effectiveness of cash – explicit **focus on cash**
- **Increased use** of cash globally
- DG ECHO's commitment to deliver 35% of assistance through cash

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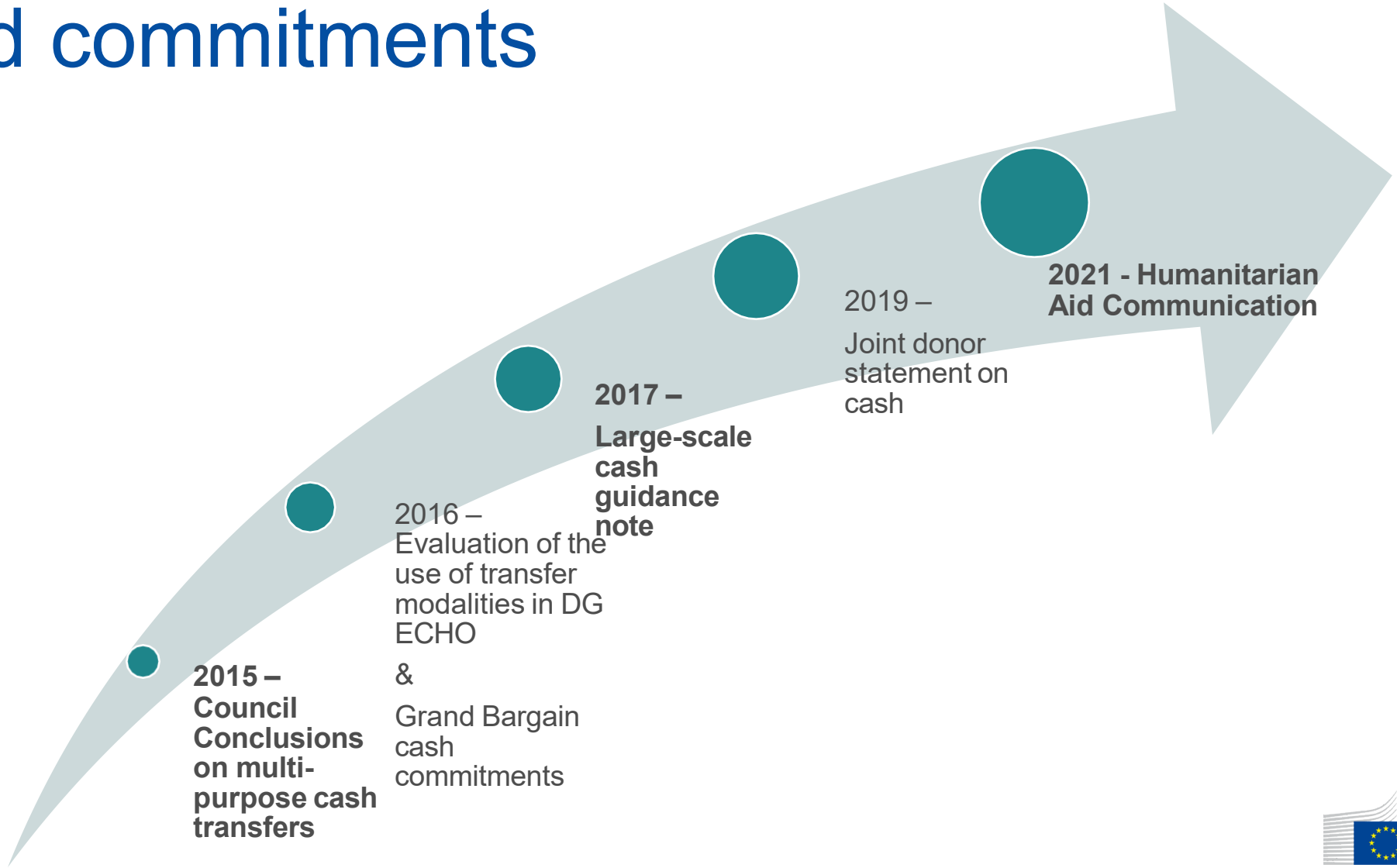
How the policy build on other ECHO policies and commitments



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Overview of the policy

Targets DG ECHO humanitarian partners and staff as main audience

Applies to all cash programmes

Aligns with Joint Donor Statement on humanitarian cash transfers

Sets out DG ECHO's expectations for quality cash assistance

Considers multi-purpose cash for basic needs

Applies to MPC and cash/vouchers for specific sectoral outcomes

What is new?

- A more **comprehensive document**
- Focus on **cash over vouchers**
- Linkages between **cash and social protection**
- Multiple avenues for **innovation** (digitalisation, market support, group cash transfers)
- **Interoperability** and **data protection**
- Linkages with other **humanitarian reforms** and policy developments

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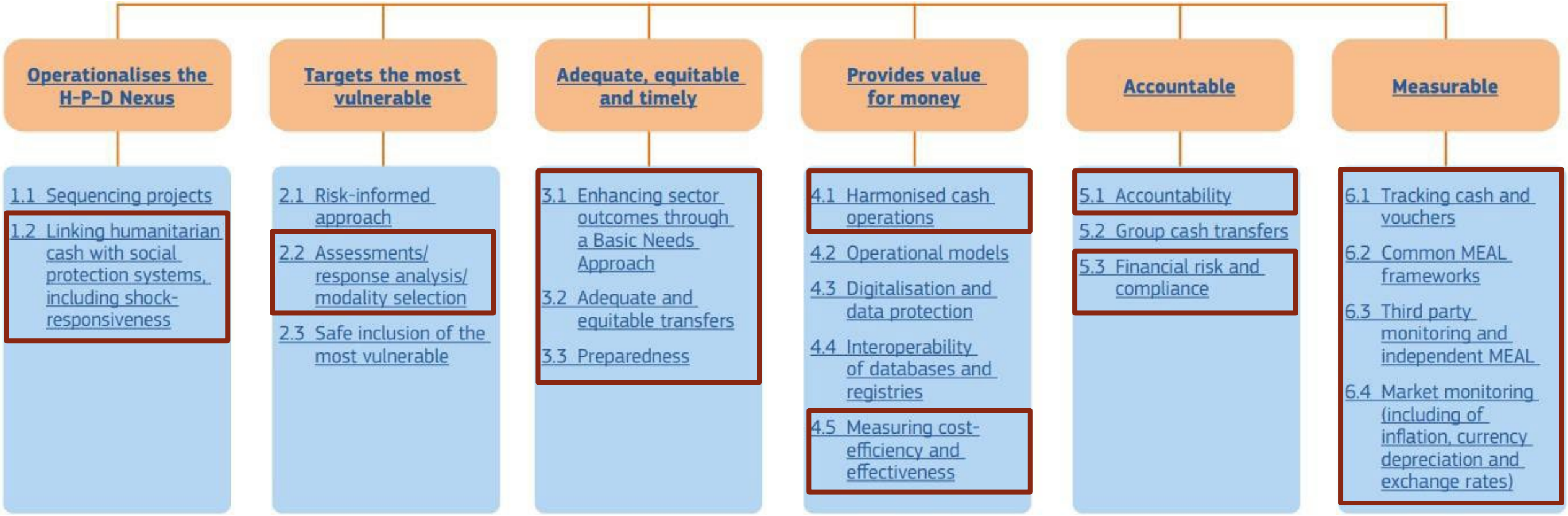
Overview of outcomes

Cross-cutting themes:

- Centrality of protection, gender, and risk informed approaches
- Disaster preparedness
- Linkages between humanitarian cash and social protection
- Greening
- Localisation



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Linking humanitarian cash with social protection systems, including shock-responsiveness

Operationalises the H-P-D Nexus

1.1 Sequencing projects

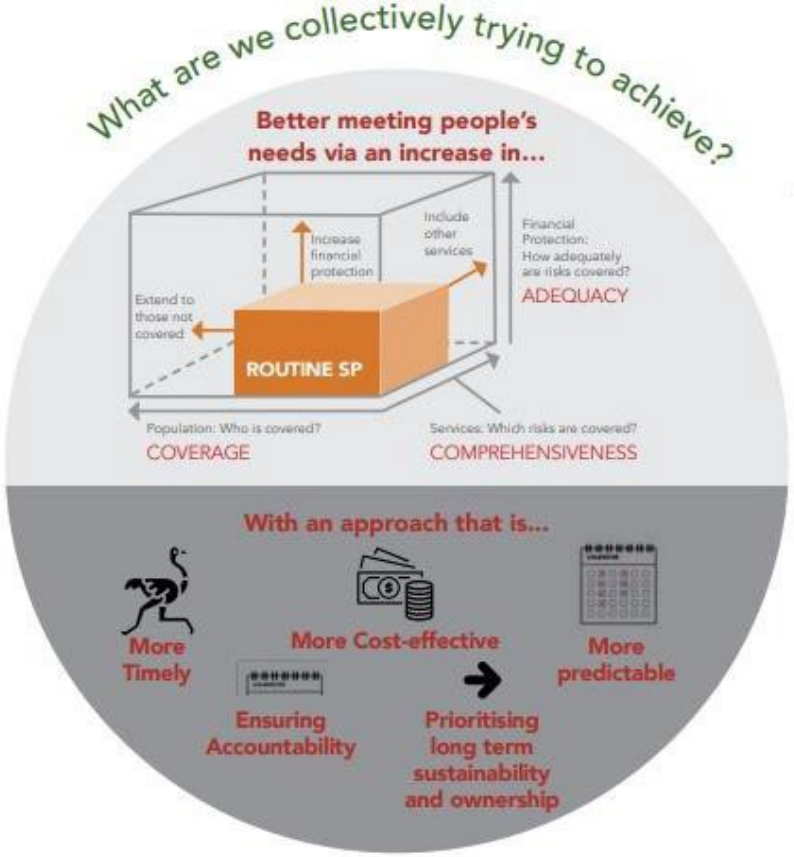
1.2 Linking humanitarian cash with social protection systems, including shock-responsiveness

Why?

- Strengthen resilience/reduce impact of shocks
- Facilitate scaling up of systems

How?

- Pilot design and operational features to facilitate the transition of the programme or caseload into an SP system
- Link with existing SP systems at different points in the delivery chain
- Contribute to the adaptation of shock-responsive SP systems and programmes



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Risk-informed approach

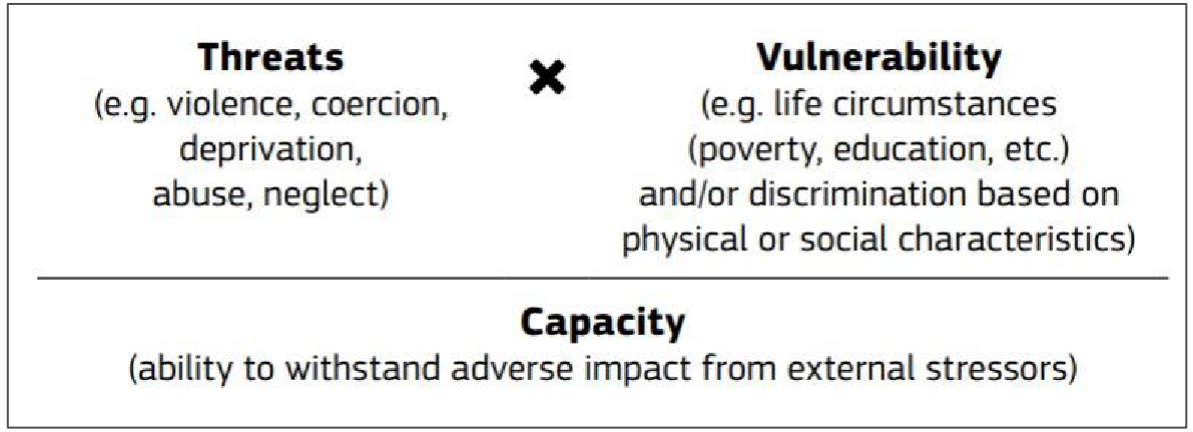
Targets the most vulnerable

2.1 Risk-informed approach

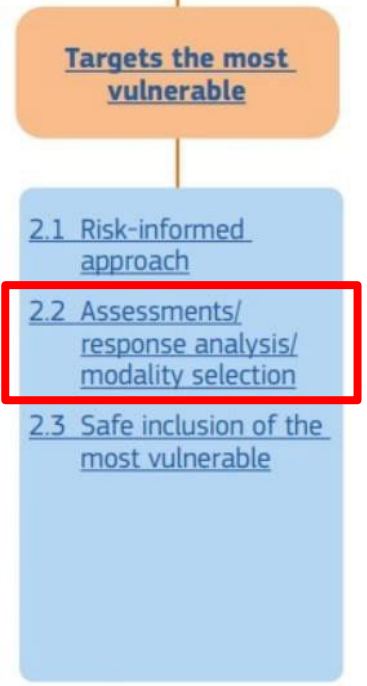
2.2 Assessments/ response analysis/ modality selection

2.3 Safe inclusion of the most vulnerable

- Targeting based on needs alone
- Assessment and understanding of all risks and hazards
- Prioritise safety and dignity and avoid causing harm.
- Specific considerations & specific risks :
  - Safe access to markets/assistance
  - Protection risks associated with different delivery mechanisms
  - Data protection
  - Intra-household and community power dynamics



Assessments, response analysis and modality selection



Voucher

Type: commodity
or value/e-voucher or paper

Key considerations:

- Control of beneficiaries' purchases to achieve desired outcome of assistance
- Better option where delivery of cash is difficult and/or puts people at risk
- Possibility of reduced monopolistic behaviour and price fixing at inflated rates
- Loss of choice/flexibility
- Potential lower cost-efficiency resulting from operational costs

- Multi-sectoral and inter-agency assessments as basis for a needs-based and people-centred response
- Capacity of markets and services to meet humanitarian needs
- Operational feasibility of cash assistance (FSPs & regulatory environment)
- Robust response analysis including gender-age and protection risk analyses
- Leading to optimal mix of modalities, with systematic consideration of MPC to meet basic needs

Enabling sector outcomes through a basic needs approach

- **The basic needs approach (BNA)**, seeks to address people's multiple needs in a coordinated and demand-driven way
- DG ECHO **prioritises MPC to meet basic needs** complemented by sector-specific assistance and timely referrals
- Measure collective outcomes of the BNA

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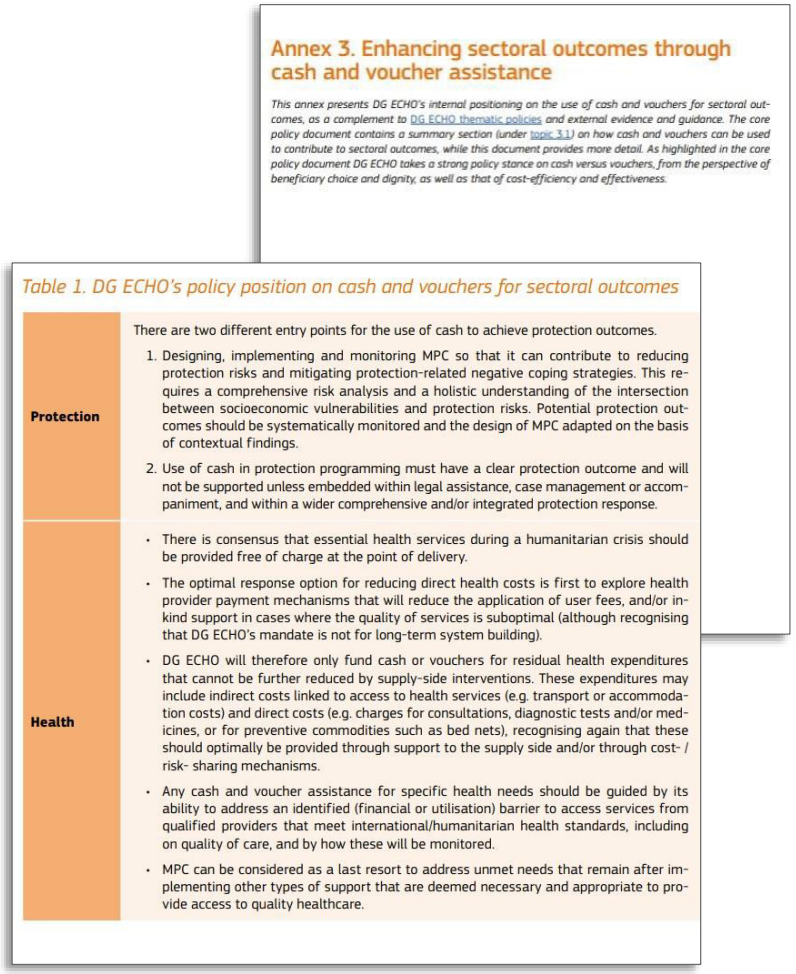
Enabling sector outcomes through a basic needs approach

Adequate, equitable and timely

3.1 Enhancing sector outcomes through a Basic Needs Approach

3.2 Adequate and equitable transfers

3.3 Preparedness



Annex 3. Enhancing sectoral outcomes through cash and voucher assistance

This annex presents DG ECHO's internal positioning on the use of cash and vouchers for sectoral outcomes, as a complement to DG ECHO thematic policies and external evidence and guidance. The core policy document contains a summary section (under topic 3.1) on how cash and vouchers can be used to contribute to sectoral outcomes, while this document provides more detail. As highlighted in the core policy document DG ECHO takes a strong policy stance on cash versus vouchers, from the perspective of beneficiary choice and dignity, as well as that of cost-efficiency and effectiveness.

Table 1. DG ECHO's policy position on cash and vouchers for sectoral outcomes

Protection	There are two different entry points for the use of cash to achieve protection outcomes. 1. Designing, implementing and monitoring MPC so that it can contribute to reducing protection risks and mitigating protection-related negative coping strategies. This requires a comprehensive risk analysis and a holistic understanding of the intersection between socioeconomic vulnerabilities and protection risks. Potential protection outcomes should be systematically monitored and the design of MPC adapted on the basis of contextual findings. 2. Use of cash in protection programming must have a clear protection outcome and will not be supported unless embedded within legal assistance, case management or accompaniment, and within a wider comprehensive and/or integrated protection response.
Health	• There is consensus that essential health services during a humanitarian crisis should be provided free of charge at the point of delivery. • The optimal response option for reducing direct health costs is first to explore health provider payment mechanisms that will reduce the application of user fees, and/or in-kind support in cases where the quality of services is suboptimal (although recognising that DG ECHO's mandate is not for long-term system building). • DG ECHO will therefore only fund cash or vouchers for residual health expenditures that cannot be further reduced by supply-side interventions. These expenditures may include indirect costs linked to access to health services (e.g. transport or accommodation costs) and direct costs (e.g. charges for consultations, diagnostic tests and/or medicines, or for preventive commodities such as bed nets), recognising again that these should optimally be provided through support to the supply side and/or through cost- / risk- sharing mechanisms. • Any cash and voucher assistance for specific health needs should be guided by its ability to address an identified (financial or utilisation) barrier to access services from qualified providers that meet international/humanitarian health standards, including on quality of care, and by how these will be monitored. • MPC can be considered as a last resort to address unmet needs that remain after implementing other types of support that are deemed necessary and appropriate to provide access to quality healthcare.

- The achievement of specific sectoral outcomes will depend on whether other basic needs are being met
- **Restriction:** DG ECHO prioritises cash over vouchers
- **Conditionality**: should always be fully justified
- **Cash for Work:** Not funded to meet basic needs objectives

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Example: Enhancing sectorial outcomes through CVA - **Protection** (Annex 3)

- 1) Designing, implementing and monitoring MPC so that it can contribute to reducing protection risks and mitigating protection-related negative coping strategies:
  - Protection risk analysis
  - Targeting
  - Referrals
  - Monitoring of outcomes
  - MEB includes protection expenses

- 2) C or V explicitly for protection outcomes:
  - Context-specific analysis and objectives
  - As part of case management (one-off or recurrent assistance)
  - Vouchers if cash exacerbates protection risks

Adequate and equitable transfers

Adequate, equitable and timely

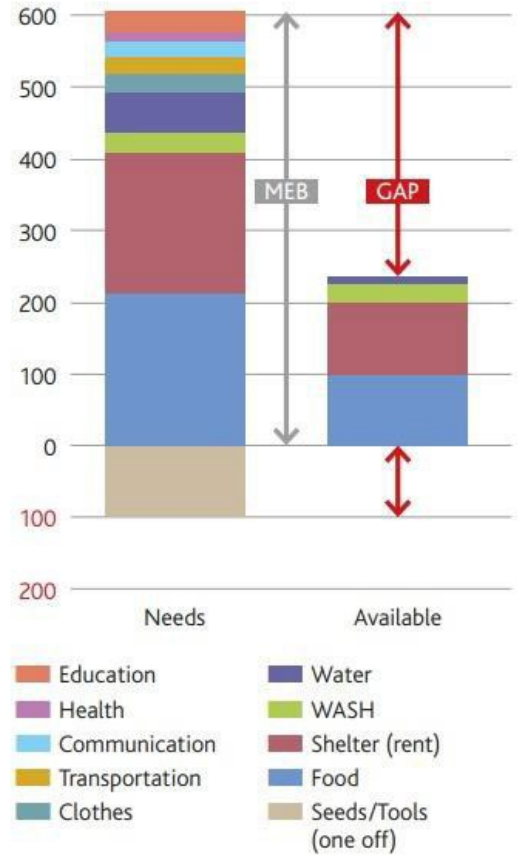
3.1 Enhancing sector outcomes through a Basic Needs Approach

3.2 Adequate and equitable transfers

3.3 Preparedness

- A single (one-off or recurrent) payment to meet multiple basic needs
- Transfer Value (TV) based on a Minimum Expenditure Basket
- TV harmonised across the response
- MPC based on the estimated gap between MPC and what beneficiaries can contribute themselves
- Sector-specific TV based on estimated costs of specific items or services
- MPC complemented by top-ups to meet seasonal or time-bound needs, and/or for specific vulnerabilities
- TVs adapted based on market monitoring data

Figure 5. Example calculation of the minimum expenditure basket and gap



Source: UNHCR (2015).

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Timeliness

Adequate, equitable and timely

3.1 Enhancing sector outcomes through a Basic Needs Approach

3.2 Adequate and equitable transfers

3.3 Preparedness

Box 6. Preparedness for linking humanitarian cash and social protection systems

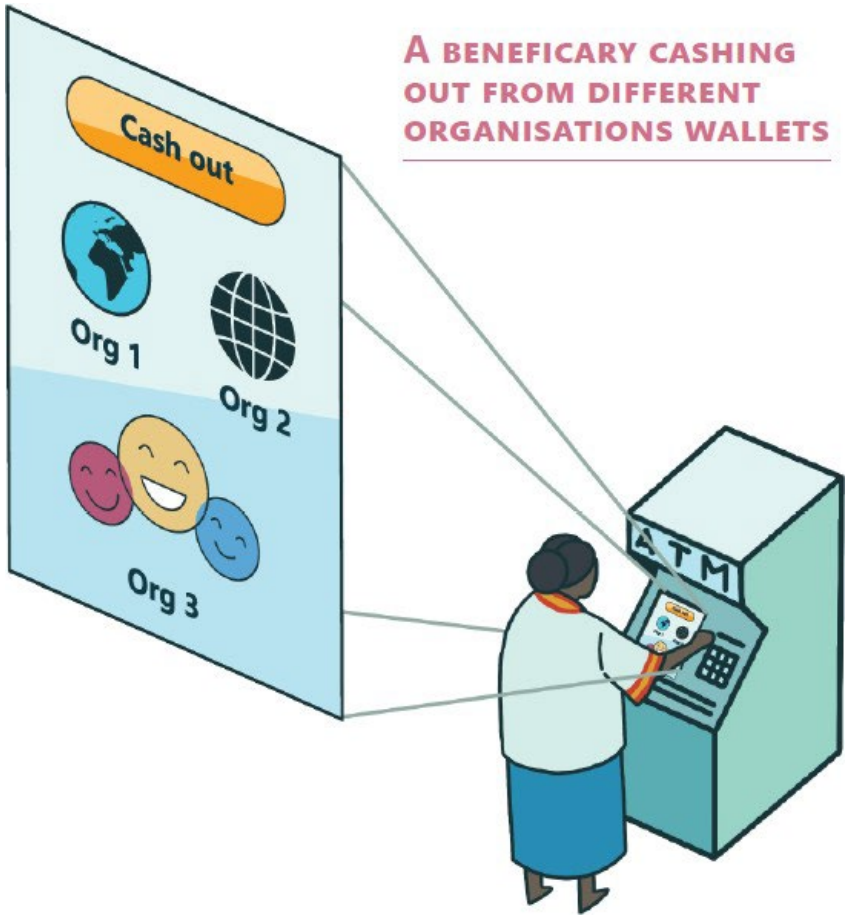
Cash preparedness should also involve mapping the elements of existing social protection programmes that can be used and/or linked with humanitarian cash assistance. The analysis of these programmes should assess their readiness to respond to shocks through cash assistance and identify points for convergence. Cash preparedness can contribute to SRSP by improving the comprehensiveness, coverage and adequacy of existing cash-based social safety nets. Areas of potential linkages as part of cash preparedness include identifying opportunities for using common or interoperable registries of vulnerable households, pre-agreements on beneficiary selection criteria and required documentation (particularly for households not currently enrolled in safety nets); and building the interoperability of systems to facilitate rapid payments, whilst ensuring data protection requirements.

- DG ECHO expects partners to invest in **contextual, organisational & programmatic** preparedness for the use of cash
- Active coordination through the CWG
- Preparedness as an enabler of timely response:
  - Emergency/rapid response mechanisms
  - Crisis Modifiers
  - Anticipatory action

Harmonised cash operations

Provides value for money

- 4.1 Harmonised cash operations
- 4.2 Operational models
- 4.3 Digitalisation and data protection
- 4.4 Interoperability of databases and registries
- 4.5 Measuring cost-efficiency and effectiveness



- Harmonisation drives efficiency and effectiveness
- Common programming approach = streamlined systems → reduced fragmentation and simplicity for beneficiaries
- Collaboration for mapping, assessment and contracting of FSPs
- Digital do no harm
- Common payment platforms

Measuring cost-efficiency & effectiveness

Provides value for money

- 4.1 Harmonised cash operations
- 4.2 Operational models
- 4.3 Digitalisation and data protection
- 4.4 Interoperability of databases and registries
- 4.5 Measuring cost-efficiency and effectiveness

- Optimal cost-efficiency whilst maintaining quality and impact
- Cost-efficiency alongside relevance, effectiveness, feasibility and appropriateness
- TCTR as the measure of cost-efficiency
- TCTR targets are contextual but minimum of 85:15 for large-scale programmes
- Effectiveness measured through outcome indicators, as part of common MEAL frameworks

$$TCTR\ of\ the\ ACTION = \frac{Total\ net\ transfer\ value\ of\ cash}{Total\ cost\ of\ the\ Action\ including\ indirect\ costs}$$

	TYPE OF ACTION	TOTAL COST	TRANSFER VALUE
2	Actions with **one cash result** combined with **other transfer modalities** *e.g.: Cash for food, vouchers for fresh food, In-kind for farm inputs (fertilizers and seeds).*	**Calculate TCTR for the entire ACTION**	
		Total cost: Use Total cost of the Action. (Components A, B, C).	**Transfer Value**: use the sum of net transfer values of all transfer modalities used (cash + vouchers + in-kind) as per SECTION 4.2.5 and budget.

TCTR is calculated as described in the large-scale cash guidance note but applied to all modalities

$$TCTR\ of\ the\ ACTION = \frac{Total\ net\ transfer\ value\ of\ cash + vouchers + inkind}{Total\ cost\ of\ the\ Action\ including\ indirect\ costs}$$

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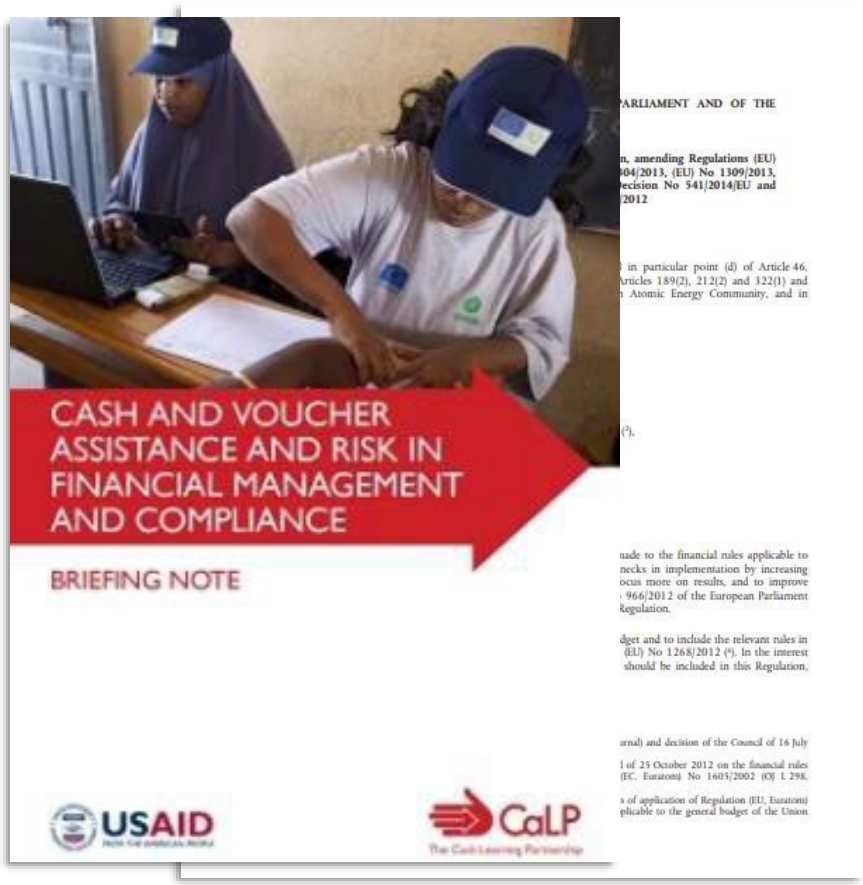
Financial risk & compliance

Accountable

5.1 Accountability

5.2 Group cash transfers

5.3 Financial risk and compliance



- Adequate measures to ensure cash reached beneficiaries without losses or diversion
- Compliance with AML/CTF legal frameworks and EU regulation
- No vetting of beneficiaries required for humanitarian aid
- Consider alternative options in a context of bank de-risking
- Analyse financial/banking system and associated risks

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Tracking cash & vouchers

Measurable

6.1 Tracking cash and vouchers

6.2 Common MEAL frameworks

6.3 Third party monitoring and independent MEAL

6.4 Market monitoring (including of inflation, currency depreciation and exchange rates)

- Cash and vouchers are distinct modalities of assistance
- Cash and vouchers should be disaggregated and tracked separately
- For large-scale cash: all activities and costs related to cash delivery should be under a separate result
- The intended objective and use of cash should also be tracked. Use DG ECHO's MPC category if proposed value is sufficient to meet multiple needs

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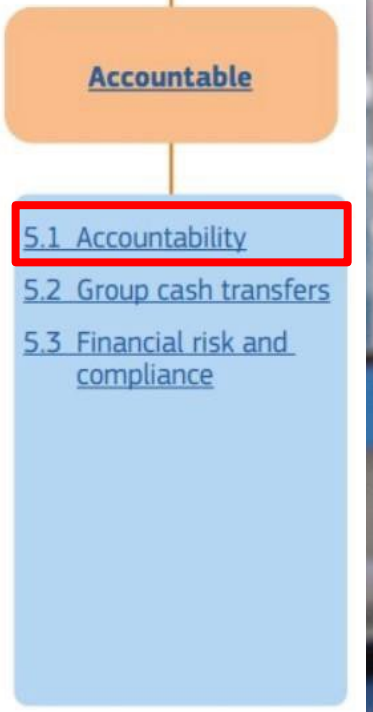

Accountability to affected populations

- Safe and accessible mechanisms:
  - Participation
  - Understanding and working within the local and national communication landscape
  - Information exchange and dialogue
  - Complaints and feedback mechanisms (CFMs) and grievance redress mechanisms (GRMs)
  - Response
  - Referrals
  - Zero tolerance of SEA, abuse & harassment
- Mechanisms should ideally be independent as a common service across the response

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Common monitoring, evaluation, accountability & learning frameworks

Measurable

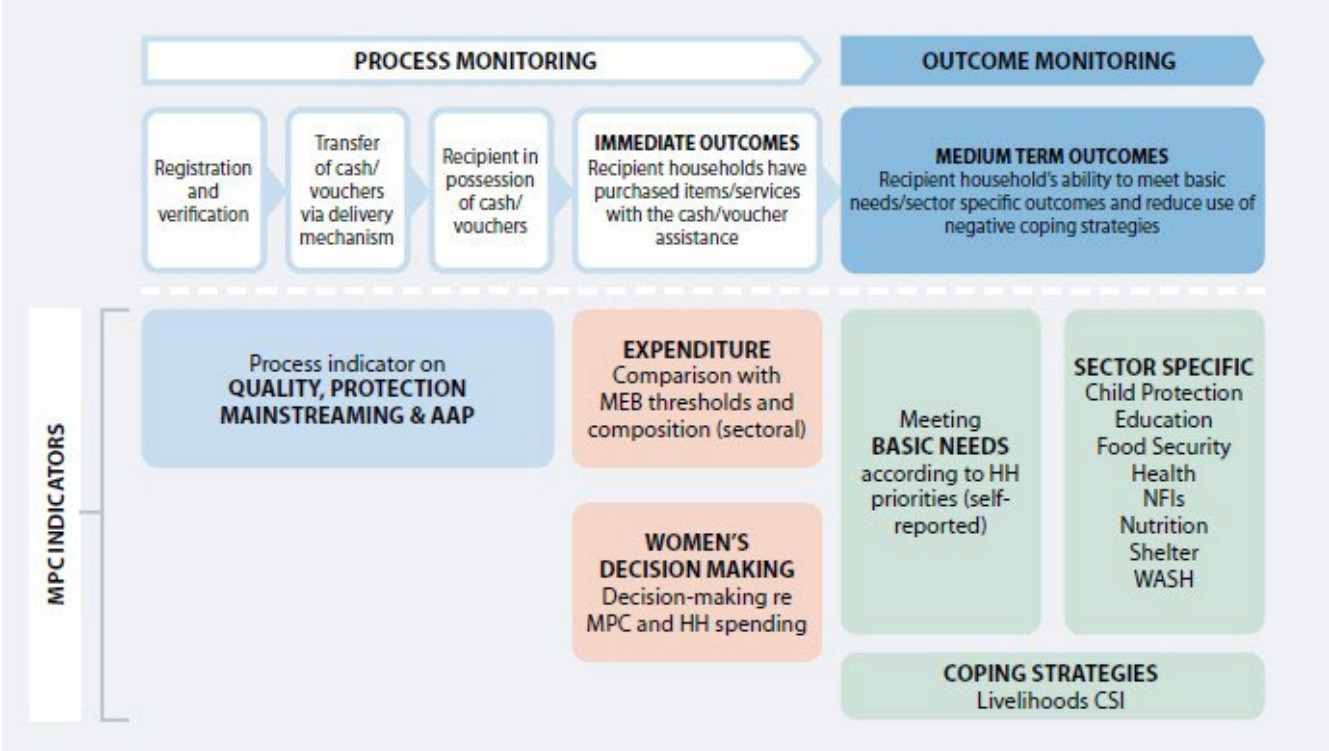
6.1 Tracking cash and vouchers

6.2 Common MEAL frameworks

6.3 Third party monitoring and independent MEAL

6.4 Market monitoring (including of inflation, currency depreciation and exchange rates)

- Monitoring registration, verification and cash delivery: safe? efficient? meet purpose?
- PDM: cash received safely? right person? right amount?
- As part of Basic Needs Approach: monitor the collective outcomes of layered interventions
- MPC: use cross-sectoral outcome indicators from Grand Bargain guidance
- Common MEAL frameworks



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Third-party monitoring & independent MEAL

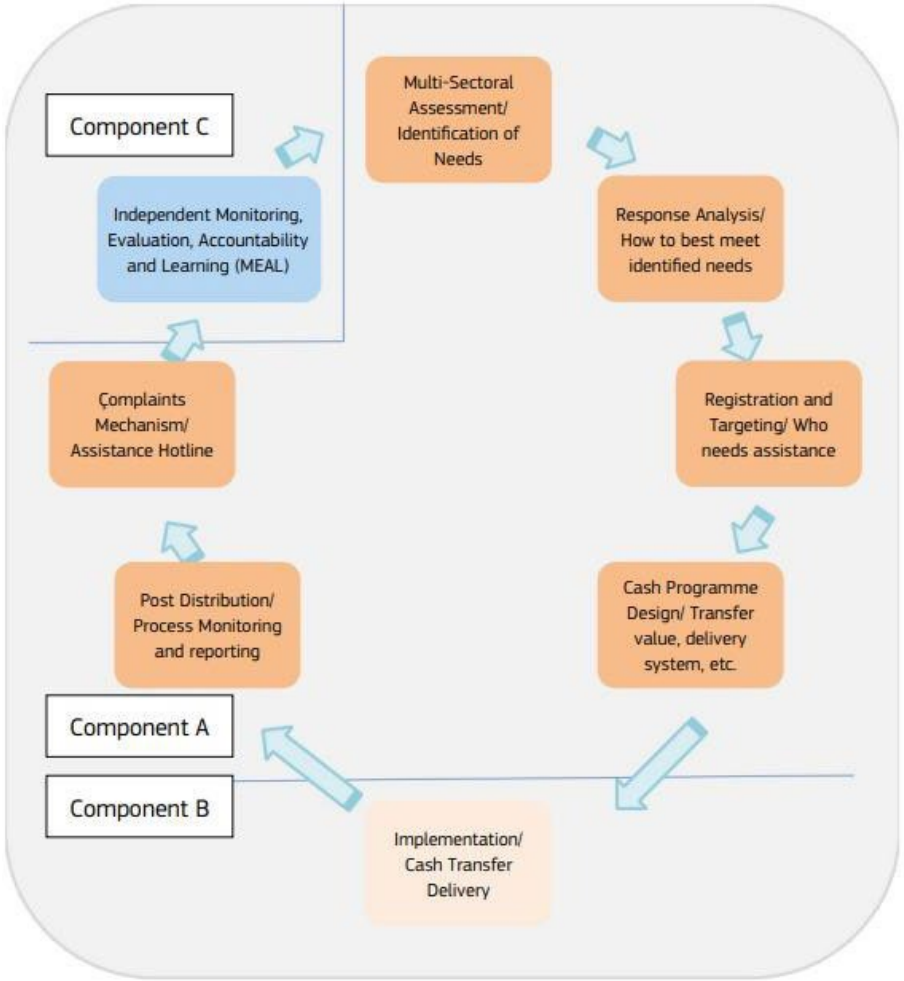
Measurable

6.1 Tracking cash and vouchers

6.2 Common MEAL frameworks

6.3 Third party monitoring and independent MEAL

6.4 Market monitoring (including of inflation, currency depreciation and exchange rates)



- Independent MEAL as a foundation for accountability. Large-scale cash→ contracted separately. Smaller programmes → one partner conduct on behalf of others
- TPM as a way of collecting independent data on beneficiary perceptions and preferences
- Evaluations – based on common outcome indicators and VFM methodologies

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Market monitoring

Measurable

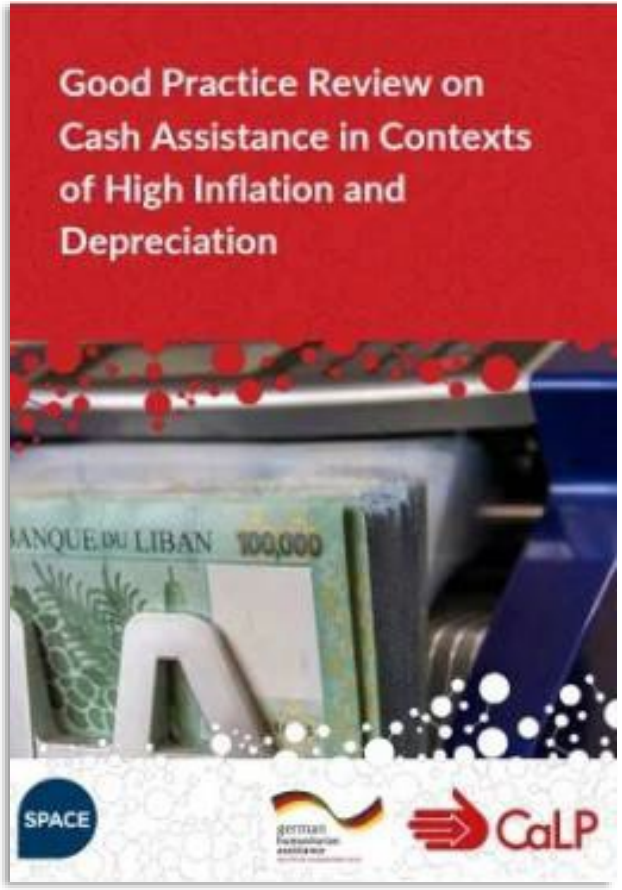
6.1 Tracking cash and vouchers

6.2 Common MEAL frameworks

6.3 Third party monitoring and independent MEAL

6.4 Market monitoring (including of inflation, currency depreciation and exchange rates)

- Understand the context: inflation trends, macro-economic and regulatory environment
- Agree on triggers for reviewing cost of the MEB and associated TVs
- Joint market monitoring initiatives
- Regular monitoring of the MEB with increased frequency in contexts of high inflation/depreciation + monitoring of parallel exchange rates
- Possible adaptations: ↑ TV, shift to hard currency, shift modalities



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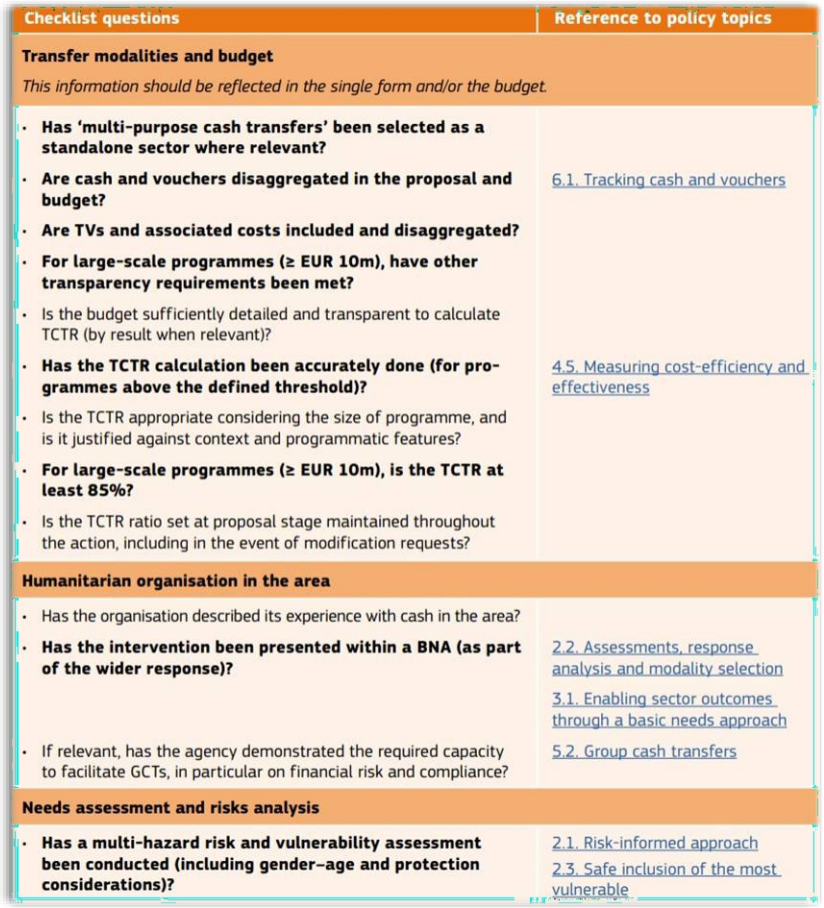
Checklist for appraising cash projects and results



Checklist questions	Reference to policy topics
Transfer modalities and budget *This information should be reflected in the single form and/or the budget.*	
• **Has 'multi-purpose cash transfers' been selected as a standalone sector where relevant?**	
• **Are cash and vouchers disaggregated in the proposal and budget?**	6.1. Tracking cash and vouchers
• **Are TVs and associated costs included and disaggregated?**	
• **For large-scale programmes (≥ EUR 10m), have other transparency requirements been met?**	
• Is the budget sufficiently detailed and transparent to calculate TCTR (by result when relevant)?	
• **Has the TCTR calculation been accurately done (for programmes above the defined threshold)?**	4.5. Measuring cost-efficiency and effectiveness
• Is the TCTR appropriate considering the size of programme, and is it justified against context and programmatic features?	
• **For large-scale programmes (≥ EUR 10m), is the TCTR at least 85%?**	
• Is the TCTR ratio set at proposal stage maintained throughout the action, including in the event of modification requests?	
Humanitarian organisation in the area	
• Has the organisation described its experience with cash in the area?	
• **Has the intervention been presented within a BNA (as part of the wider response)?**	2.2. Assessments, response analysis and modality selection 3.1. Enabling sector outcomes through a basic needs approach
• If relevant, has the agency demonstrated the required capacity to facilitate GCTs, in particular on financial risk and compliance?	5.2. Group cash transfers
Needs assessment and risks analysis	
• **Has a multi-hazard risk and vulnerability assessment been conducted (including gender–age and protection considerations)?**	2.1. Risk-informed approach 2.3. Safe inclusion of the most vulnerable

- Designed to mirror the single form and be used for proposal review and monitoring
- Some mandatory requirements (in bold)
- References relevant sections of the policy
- Sections:

- Transfer modalities and budget
- Humanitarian organisation in the area
- Needs assessment and risks analysis
- Response analysis
- Data protection
- Beneficiaries
- Gender and age marker
- Logic of intervention
- Preparedness
- Monitoring & Evaluation
- Implementation
- Field coordination

Annexes overview

Annex 1 - Large-scale cash guidance note (Annexe 1 of the policy)

Annex 3 – Enhancing sectoral outcomes through CVA – Protection

Annex 3 – Enhancing sectoral outcomes through CVA – Health

Annex 3 – Enhancing sectoral outcomes through CVA – Nutrition

Annexe 3 – Enhancing sectoral outcomes through CVA – Education

Annex 3 – Enhancing sectoral outcomes through CVA – Shelter and Settlements

Annex 3 – Enhancing sectoral outcomes through CVA – WASH

Annex 3 – Enhancing sectoral outcomes through CVA – Food security and Livelihoods

Annex 4 – Total Cost to Transfer Ratio (TCTR) guidance for cash programmes

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Thank you!

Q&A

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THANK YOU