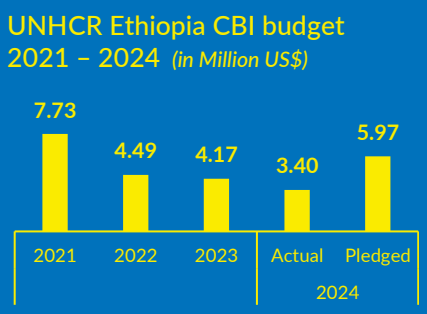
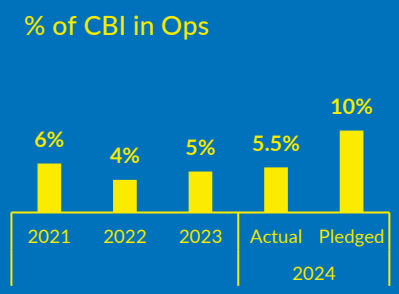
CBI for elderly and refugees with serious medical conditions during the COVID-19 pandemic in UNHCR Sub office Melkadida, Somali region, Ethiopia ©UNHCR





2022 – 2024 CBI Strategy Overview

Aligned with the 2022-2024 Cash-Based Intervention (CBI) strategy in Ethiopia, operational objectives are multifaceted with a focus on enhancing the protection, dignity, and resilience of the people of concern. The strategy aims to go beyond immediate assistance, striving to improve long-term outcomes for beneficiaries. Key priorities include facilitating access to basic services and livelihood opportunities, recognizing that economic empowerment is fundamental to sustainable well-being. Additionally, the strategy seeks to play a pivotal role in strengthening the local market and promoting social cohesion.

By injecting financial resources directly into the hands of individuals and communities, the CBI strategy aspires to create a positive ripple effect, fostering economic growth and fostering connections within the community. Overall, the anticipated outcomes encompass not only meeting immediate needs but also contributing to the broader goals of self-reliance, community development, and resilience among the targeted population. Provide an overview of the current status and achievements of CBI in Ethiopia, such as the number and profile of the beneficiaries, the amount and frequency of the transfers, the sectors and locations covered, and the impact and feedback of the CBI.

Challenges and Mitigation Measures

The encountered challenges in our ongoing CBI operation underscore the imperative for enhanced coordination, harmonization, and standardization across sectors and regions in Ethiopia. The diverse contextual differences between regions necessitate tailored solutions, as evidenced by challenges such as limited Financial Service Provider (FSP) coverage

in remote locations, unavailability of operational marketplaces, logistical issues, and varied mobile network coverage.

These challenges highlight the need for more evidence-based and context-specific CBI design and implementation. Addressing these gaps requires a comprehensive approach, involving measures like the development of a country-wide Minimum Expenditure Basket (MEB) in collaboration with the Cash Working Group (CWG), onboarding additional FSPs and Mobile Money Service Providers (MMSPs) for comprehensive coverage, and conducting market assessments to overcome limitations in the procurement and distribution of Non-Food Items (NFIs).

Proactive steps, such as establishing agreements, engaging alternative communication strategies in areas with poor mobile network coverage, and securing sufficient funds for liquidity constraints, are indicative of our commitment to improving the robustness and reliability of our delivery systems and monitoring mechanisms. Capacity building initiatives and strategic human resource planning further contribute to building resilience and ensuring the successful scaling up of CBI operations. Continuous advocacy with Refugee and Returnee Service (RRS) to address documentation challenges reflects our dedication to refining and optimizing our approach as we navigate the dynamic operational landscape.

Refugees and Internally Displaced Persons in Ethiopia as of January 2024

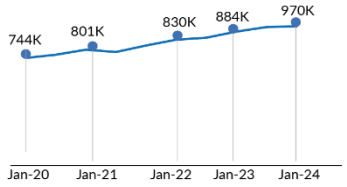
Sources : UNHCR (Refugees) and IOM-DTM (IDPs and IDP returnees)

970,299
Refugees and Asylum seekers
Females: (53%) | Males: (47%)
955,493 refugees | 7,688 asylum seekers
228,665 households | Average family size: 4
Main country origin: South Sudan (44%), Somalia (32%), and Eritrea (18)

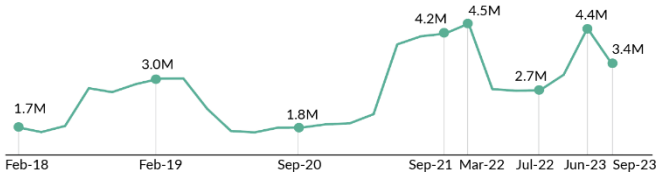
3,459,881
Internally Displaced Persons (IDPs)
Female: (51%) | Male: (49%)
701,449 households

2,530,101
IDP Returnees
552,773 households
Female: (52%) | Male: (48%)

Refugees trends | 2020 - 2024



IDP population trends | 2018 - 2023



Main Activities and Steps for CBI Scale-up

Internal and External Coordination

- Establish a dedicated internal MFT with representatives from key functional areas, such as Protection, Programme, Admin/Finance, Project Control, IT, IM, Registration. encompass responsibilities related to compliance, market assessment, program design, procurement, risk assessment, infrastructure setup, monitoring, tracking, and reporting.
- Ensure effective external coordination, in line with IASC endorsed Cash Coordination Model Co-chairing the Refugee and Returnee Sub - CWG with RRS

Cost-Benefit-Analysis (CBA)

- Conduct a comprehensive CBA for all possible sectors. This includes evaluating the financial and operational feasibility of monetizing sectoral interventions (such as NFIs, Shelter, WASH, etc.) Assess the cost of providing the services against the potential benefits and efficiency gains of a CBA.

Vulnerability assessment (VA) and Prioritization

- Harmonize methodologies for vulnerability assessment and prioritization (including data collection tools, scoring systems...)

Market Assessments (MAs) and Cash Feasibility Assessments (CFAs)

- Undertake a thorough MAs to identify available goods, services, and infrastructure within the target areas. In coordination, with CWG and other operational partners.
- Analyze the local market dynamics, pricing structures, and the competitiveness of various goods and services.
- Conduct a detailed CFA to evaluate the suitability of CBI in the context. Includes assessing the ICT IS, digital literacy, access to banking and MMS, and any potential barriers to implementing CA transfers.

Financial and Mobile Money Service Provider

- Renewal of existing contract with Commercial Bank of Ethiopia while extending geographical coverage especially in newly accessible areas of operation such as Tigray Region
- Identify and onboard new Telecom and/or Mobile money service provides to expand geographical coverage, increase innovation, efficiency and ensure competitiveness.

Standard Operating Procedures (SOPs)

- Create new SOPs by consolidating similar programs to enhance clarity and reduce the overall number of country-wide SOPs.
- Incorporate changes related to the adoption of the new Enterprise Resource Planning (ERP) system, "Cloud ERP," focusing on finance, budget, and supply management.
- Ensure compliance with the Administrative Instruction on Financial Management and related Risks for Cash-Based Interventions "UNHCR/AI/2023/01," released on March 15, 2023, by incorporating changes to facilitate the use of UNHCR's cash management system, CashAssist (CA), wherever applicable.

HR

- Assess the current allocation of human resources within the CBI unit to ensure alignment with operational demands and strategic objectives.
- Clarify and refine the roles and responsibilities of each CBI staff and focal point to enhance accountability and operational efficiency
- Explore review of the CBI Unit, investigate the potential benefits and implications of restructuring the CBI unit to improve coordination, streamline processes, and enhance service delivery

Capacity Building

- Formulate a country-wide capacity building plan encompassing all relevant units and field offices to ensure a holistic approach.
- Execute country-wide training sessions specifically focusing on the newly developed CBI SOPs, emphasizing financial and administrative procedures related to CBI.
- Conduct country-wide training programs on the effective utilization of UNHCR's cash management system, CashAssist (CA), to enhance understanding and compliance.

Monetize, Scale-up and Exit

- Pilot and scale-up monetization in-kind assistance, where possible, based on the results of CBAs, MAs, and CFAs in the various regions.
- Identify and convert ALL sectoral and multipurpose cash within Partnership Agreements to Direct Implementation (if possible)
- Explore possibility of handing over beneficiary lists (especially IDPs) to Development actors and National Social Safety nets (NSSNs), where possible.

Monitoring and CFM

- Recruit a Third-Party Monitoring service provider to conduct regular country-wide Post-distribution Monitoring exercises for CBI programmes.
- Design sector specific PDMs according to each sectoral programme.
- Explore possibility of having a dedicated hotline specific for CBI related issues and/or queries.

Conclusion

Summary

The roadmap for scaling up Cash-Based Interventions (CBI) in UNHCR Ethiopia Operation is rooted in a comprehensive understanding of the country's context, operational challenges, and the 2022-2024 CBI strategy. Ethiopia, as Africa's third-largest refugee-hosting country, faces diverse challenges, from political instability to climate-related issues. Despite these challenges, the government maintains an open-door policy, reflecting its commitment to supporting refugees and asylum-seekers.

The 2022-2024 CBI strategy is designed to enhance protection, dignity, and resilience while fostering economic empowerment and social cohesion. The strategic priorities encompass access to basic services, livelihood opportunities, and strengthening the local market. The ongoing CBI operation has identified challenges such as contextual differences between regions, limited FSP coverage, logistical issues, and varying mobile network coverage. These challenges underscore the need for evidence-based, context-specific CBI design and implementation.

The main activities for scaling up CBI involve establishing a dedicated CBI Multifunctional Team, conducting Cost-Benefit Analysis for sectoral interventions, performing market assessments, executing cash feasibility assessments, expanding FSP and MMSP coverage, updating CBI SOPs, rolling-out a country-wide capacity building exercise on CBI and strengthening monitoring and feedback mechanisms. The roadmap emphasizes the importance of proactive measures, including the renewal of contracts, onboarding new service providers, aligning SOPs to global policies and procedures as well as exploring innovative solutions.

In conclusion, the roadmap underscores the importance of a strategic and adaptive approach to scaling up CBI operations in Ethiopia. By addressing challenges, embracing collaboration and innovation, and prioritizing the humanitarian impact, UNHCR can contribute significantly to the well-being and empowerment of displaced persons of concern in the country.

Annexes

1. Refugees & IDPs Statistics by Region December 2023
2. UNHCR Ethiopia Operational Overview Jan 2024
3. GRF 2023 - Ethiopia 2023 -Pledges summary
4. CBI Strategy - OneDrive (sharepoint.com)
5. UNHCR/AI/2023/01 Administrative Instruction on the Financial Management and related Risks for Cash-Based Interventions