

# Multi-purpose CASH PROGRAMMING

## Designing an inter-agency response in Lebanon

1. Overview of the Lebanon inter-agency multipurpose cash programme
2. Rationale and Process
3. Key lessons learned for future inter-agency processes

ENN technical meeting, 2<sup>nd</sup> October 2014



Save the Children

# WHY MULTIPURPOSE CASH in Lebanon?

## CONTEXT AND BACKGROUND

- Lebanon as a test-case for large-scale multipurpose unconditional cash assistance since winter 2013/14:
  - Conditions in place for effective cash programming:
    - strong financial institutions
    - responsive markets
    - financially literate population
  - Demonstrated impact of cash assistance at household and market level
  - Imperative to increase effectiveness of the response in context of dwindling resources
- Ambition to meet multiple sectoral objectives through sustained cash assistance to refugees



## PROGRAMME DESIGN – key features

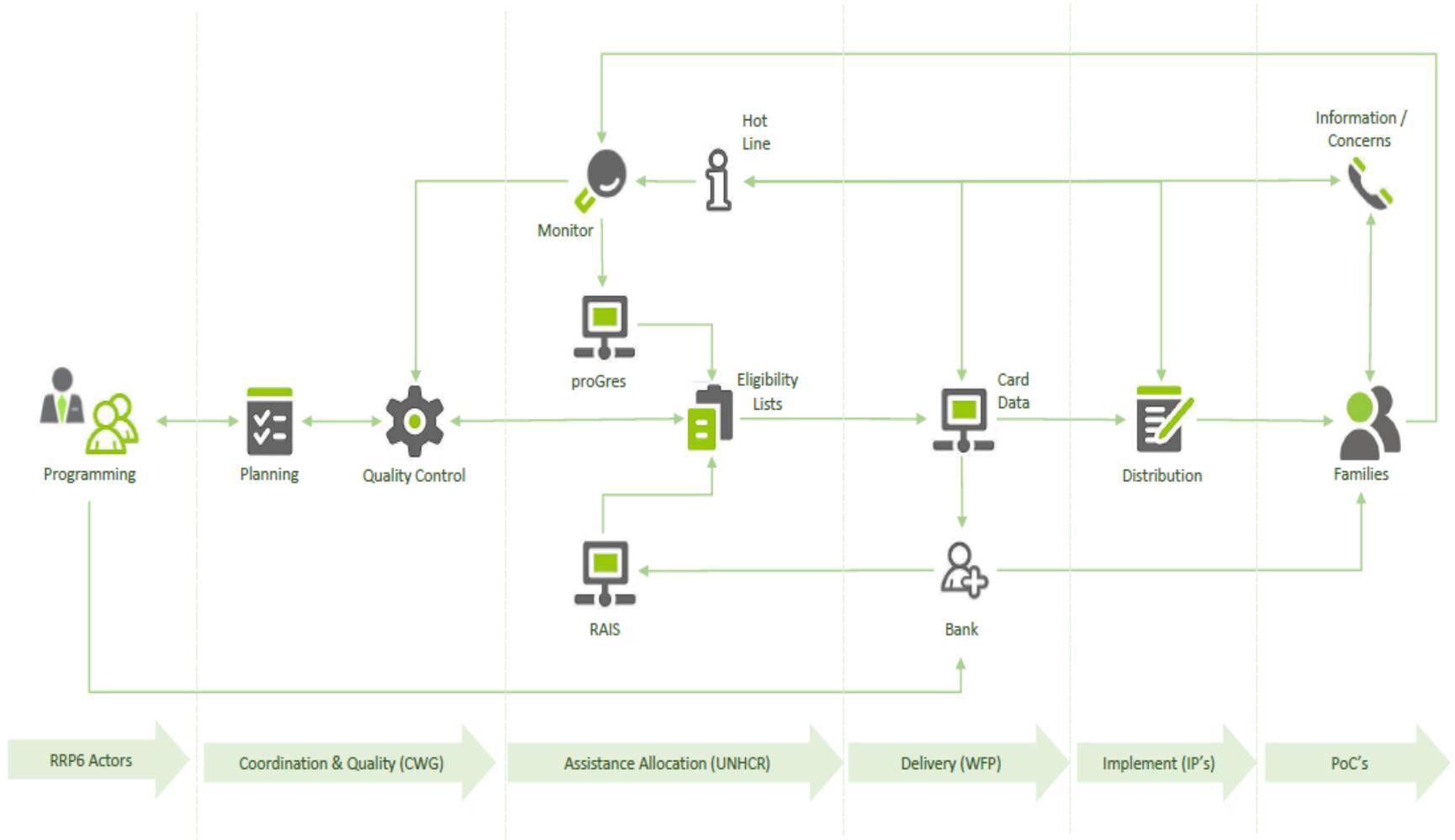
- **Key objective:** To prevent the increase of negative coping mechanisms among severely vulnerable Syrian refugees during the period of cash assistance
- **Target population:** Economically vulnerable Syrian Refugees
- **Targeting methodology:** An inter-agency Targeting Task Force developed 2 tools to measure economic vulnerability through Proxy-Means Testing (PMT): 1) a pre-identification 'bio-index' applied to the UNHCR ProGres database; 2) a verification index applied through household-level questionnaire; these divided the population into 4 categories of vulnerability
- **Target numbers:** 28% of Syrian refugees (circa. 66,700 households as of June 2014), in Category 4 (highly economically vulnerable; unable to meet the SMEB)

## PROGRAMME DESIGN – key features (2)

- **Monthly cash transfer value calculation:**
  - Survival Minimum Expenditure Basket (SMEB): This includes the minimum food required to meet 2100KCAL/ day, the minimum NFI, rent in Informal Settlements, minimum water supply required per month. Clothes, communication and transportation are calculated based on average expenditures.
  - 175 USD per month intended to complement monthly income to meet the Survival MEB; intention to increase cash transfer value during the winter months

| To Calculate Proposed Cash Assistance:   | \$ value |
|--|----------|
| <b>SMEB</b>  | \$435    |
| <b>Minus midpoint of Severely Vulnerable income (using expenditure as a proxy)</b> | \$110    |
| <b>Minus average food assistance package provided by WFP</b>                       | \$150    |
| <b>TRANSFER VALUE</b>  | \$175    |

# Recommended CTP Operational Set-up



# LESSONS LEARNED FROM WINTER 2013/14 CASH ASSISTANCE PROGRAMME

**Rapid operationalisation** of programme, delivered across multiple agencies , but gaps in programme design:

## **I. TECHNICAL: Lack of input from cash programming specialists**

- No baseline market assessment; and last-minute stove market assessment not acted upon
- Cash transfer value based on perceived sector-specific needs (fuel and stove costs) not household income gap

### **Box 1 : Inter-agency winterisation cash assistance programme**

- **Key objective:** Meet winter fuel and stove needs
- **Target population:** Economically vulnerable Syrian Refugees above 500m and/or in sub-standard housing
- **Targeting methodology:** Proxy-Means Testing (PMT) and geography
- **Target numbers:** Circa. 87,700 households
- **Monthly cash transfer value:** \$550 per household over 5 months

# LESSONS LEARNED FROM WINTER 2013/14 CASH ASSISTANCE PROGRAMME (2)

## 2. OPERATIONAL: Timing challenges and competing priorities

- Two parallel targeting processes (for food assistance and winter cash)
- Two new electronic delivery mechanisms (e-voucher and ATM card) introduced simultaneously



ATM card training & helpdesk  
Bekaa, Lebanon, November  
2013

# LESSONS LEARNED FROM WINTER 2013/14 CASH ASSISTANCE PROGRAMME (3)

- Desire and willingness to:
  1. **HARMONISE** cash programme design including targeting, monitoring and delivery mechanisms
  2. **SCALE-UP to longer-term scaled-up multipurpose cash** assistance as a strategic shift within the response
  
- Next steps were: for Cash Working Group & coordination structure to apply best practice, focused on:
  1. Checking assumptions on the feasibility of cash assistance
  2. Developing common objectives and an inter-agency M&E framework
  3. Improving and streamlining operational design, with objective of establishing a one-card system for the delivery of WFP food assistance and multipurpose cash assistance

# THE DESIGN PROCESS – KEY LESSONS LEARNED

- 1. Imposing harmonisation?** Objective was to ensure coordination through enforcing recommendations of CWG, but no agency willing to relinquish ‘sovereignty’; key role of donors
- 2. Operational pragmatism**  
Need strong decision-making to arbitrate technical discussions
- 3. Challenging sectoral divides**  
Need for holistic analysis of household needs, enabling beneficiary choice



# THE DESIGN PROCESS – KEY LESSONS LEARNED (2)

## 4. Applying BEST PRACTICE IN CASH COORDINATION

- Distinction between strategic and technical coordination
- Need for formalised working linkages with WGs and within broader coordination architecture

## 5. Favours Optimality over territoriality

- Need to seek common modality across agencies including U.N.
- Optimise number of partners

# THE DESIGN PROCESS – KEY LESSONS LEARNED (2)

## 6. Engaging government from outset

- Alignment of nature and value of assistance with poverty line and minimum wage & when appropriate with social protection programmes
- Address concerns (acceptance; market impact) with evidence

## 7. Developing a joint budget

- Sector-specific budgets prevent overall vision of need, and of resulting gaps in assistance
- Overall budget facilitates tackling of multi-causal problems (i.e. nutrition)

# PROGRAMME DESIGN – WHERE ARE WE NOW?

- **CWG** has played a key **leadership** role, reinforced through an elected **core group**, strongly backed by **donor support**
- Initial beneficiary lists produce
- Design of M&E framework
- Small(ish) scale of programme implementation (UNHCR, Save the Children, CARE, Solidarites)
- But **major hurdles** remain:
  - complex targeting & 2 different indices (food vs. cash assistance)
  - one-card system not operationalised
  - no centralised M&E system



Authentication at cash card distribution, Bekaa

# MULTI-PURPOSE CASH IN FUTURE – CONCLUSIONS AND RECOMMENDATIONS

- **Strong decision-making essential** on divisive technical issues
- Discomfort will persist, so need **robust impact evaluations** to provide thus providing continued evidence to **overcome risk aversion to scaling up** funding for CTIP
- To achieve multi-sectoral outcomes (i.e. nutrition), **radical change is required in sectoral and agency-based structure**, supported by exemplary leadership
- **What should we aspire to?**
  - One agency leading on cash delivery across a response;
  - Distinct role for individual agencies (i.e. through a consortium model)
  - Strengthened and empowered CWGs