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Case studies of Cash Transfer Programs (CTP) Sri Lanka, Lebanon and Nepal



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Solidar Suisse
Humanitarian Aid Unit
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I. Introduction

The nature of humanitarian crises is changing. More people are in need and for longer. Today's emergencies, both man-made and natural, are putting the humanitarian system under severe strain. Cash Transfer Programming (CTP) is increasingly recognized as an effective and efficient tool to meet a wide range of disaster-affected population needs while preserving dignity. Cash transfers give people choices and make humanitarian aid more accountable to affected people while making scarce resources go further. They can leverage the opportunities created by the global expansion of financial services, including digital payments, the growing number of social safety nets.

One of the highlights at the first-ever World humanitarian summit in Turkey in 2016 is the agreement between more than 30 of the biggest donors and aid providers, which aim to get more means into the hands of people in need. "The Grand Bargain" commits donors and aid organizations to provide 25 per cent of global humanitarian funding to local and national responders by 2020, along with more un-earmarked money, and increased multi-year funding to ensure greater predictability and continuity in humanitarian response. This includes amongst other the gearing up of CTP.

Cash transfers have a long history. Cash was provided by the Red Cross in the 1870–71 Franco-Prussian War in response to famine in nineteenth-century India, and in Botswana in the 1980s. The response to the 2004 Indian Ocean tsunami was a turning point for cash transfers, as several aid agencies piloted them as an alternative to in-kind aid. Over the past decade, cash transfers have become a more common approach to supporting people's survival and recovery from crisis.

The humanitarian aid unit of Solidar Suisse has an extensive experience in the planning, implementation and evaluation of CTP and conducted several cash projects in the recent years. Building on its experience and strengthening its internal disaster preparedness, the organization acknowledges the increasing importance of CTP in humanitarian interventions. With the creation of a cash focal point, Solidar Suisse aims to further develop and strengthen the approach in-house through continuous learning and adaptation.

The presented case studies examine three CTP – in Lebanon, Nepal and Sri Lanka – that were implemented in the last five years. The findings are based on Post-Distribution Monitoring, Lessons-learned workshops and focus group discussions held with randomly chosen beneficiaries of the projects. The results support and confirm the numerous studies on CTP from a wide range of humanitarian actors in the recent year: Cash is in many contexts a better way to help people and stimulate markets and represents value for money compared to in-kind alternatives. The obvious concerns about using cash – that it might cause inflation for key goods in local markets, be more prone to abuse and corruption or diversion, more difficult to target and more likely to be controlled by men and so disadvantage women – are not borne out by the evidence.

II. SRI LANKA : CONDITIONED AND RESTRICTED CASH GRANTS FOR SMALL BUSINESS DEVELOPMENT



Background

In 2009, the 27-year armed conflict ended in Sri Lanka. The heavy fighting in the final year of the war led to a massive loss of human lives, widespread physical destruction of infrastructure, assets and production inputs of the local population and the displacement of around 520,000 people. In the frame of a large-scale resettlement program led by the government, more than 490'000 returned to their home towns in Northern-Province of Sri Lanka by the end of 2012

Snapshot: Sri Lanka	
Type of disaster:	Complex emergency
Objective:	Livelihood recovery and income generation
Number of beneficiaries:	885
Cash grant value:	CHF 300 (LKR 40'000)
Number of instalments:	3
Time of distribution:	2010 -2014

Solidar Suisse responded to the large needs amongst returnees with a rehabilitation program, which included a component aiming at the early recovery of livelihoods of beneficiaries. The approach consisted of providing vulnerable returnees restricted cash grants to restart their livelihood activities. Selected livelihood trades included for example Grocery Shops, Livestock keeping, mobile Vegetable Shop, Dry Fish Making, Home Garden, Boat and Engine Repair, Sewing/Tailoring Service.

Beneficiary selection and targeting

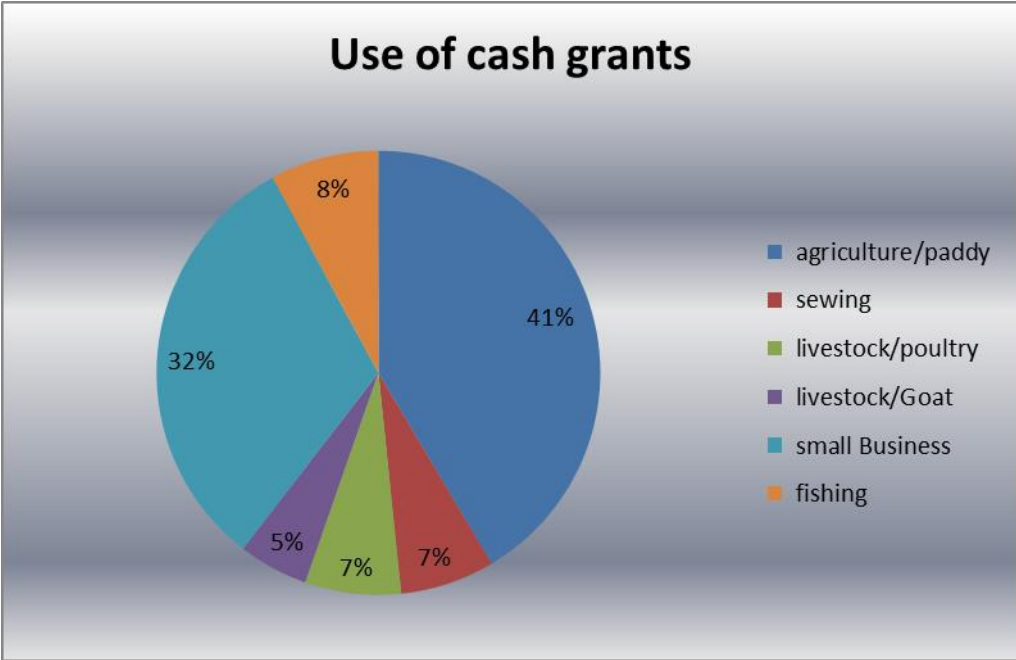
The selection of beneficiaries was done in a participatory manner closely involving the targeted communities in the process. Selection criteria included socio-economic vulnerability and displacement status, assessed through a household questionnaire, based on cluster provisions. Findings of the assessment were cross checked through a community led approach. A thorough complaints mechanism was put in place through which beneficiary lists were publicly displayed for three to five days, and each complaint handled individually by means of a grievance committee.

Transfer mechanism

The cash grants within the project were conditioned and restricted, meaning that the purpose of the grant was determined before and had to be used by the beneficiaries for livelihood recovery (condition). Additionally, the foreseen second and third instalment was only paid out based on progress against agreed milestones (restricted). Monitoring visits served to counsel the beneficiaries financially and to trigger the next payment. Solidar Suisse partnered with a local bank branch.

Use of cash transfers

Overall, the cash grants were used according to the jointly elaborated small business plans that were elaborated between the project team and the beneficiaries (97%). Average household incomes increased by 60% from LKR 9'300 at baseline to about LKR 15'000 at the end of the project.



III. LEBANON : UNCONDITIONAL CASH GRANTS FOR MOST VULNERABLE SYRIAN REFUGEES



Background

Over 4 million people have fled Syria since the start of the crisis in 2011. Lebanon hosts over 1.03 million Syrians who are registered with the United National High Commission for Refugees and it is estimated that the unregistered refugees amount to another 400'000 persons. This puts the country's infrastructure and limited resources under considerable strain. Solidar Suisse has opened up a country office in Nabathie in the southern part of Lebanon in 2012 with a registered refugee population of around 24'500 persons¹. It implements amongst other an assistance project to Syrian refugees with monthly unconditional cash grants aiming to support them to cover their basic needs. The project is aligned with the humanitarian response plan of the country and coordinated with the national cash working group. The first phase of the project started in 2014/15 and was extended for the fourth year in 2017. An amount of U\$ 175 based on the prescriptions of the cash working group is provided to 400 highly vulnerable Syrian refugees.

Snapshot: Lebanon
Type of disaster: Protracted crisis
Objective: Contribute to meet basic needs
Number of beneficiaries: 400
Cash grant value: U\$ 175 / monthly
Number of instalments: 12
Time of distribution: 2014 - 2017

Beneficiary selection and targeting

The beneficiary selection was based on the Refugee Assistance Information System of the UNHCR, a huge database that suggests recording all Syrian Refugees in Lebanon, at least

¹ 2016, UNHCR Refugee Assistance Information System (RAIS)

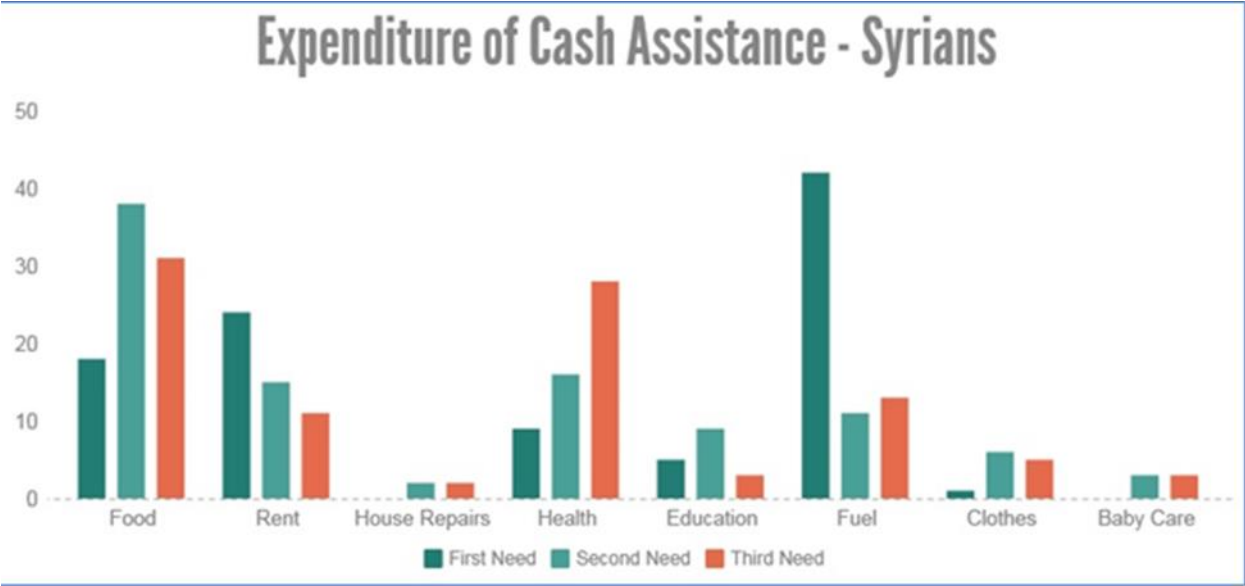
those who are officially registered. Based on a sophisticated algorithm combining demographic and socio-economic variables that should allow a better capturing of vulnerability and poverty levels, Syrian refugee households are categorized into four vulnerability levels according to the scoring obtained (1. severely, 2. highly, 3. mildly and 4. least) vulnerable. According to the set standards by UNHCR and cash actors in Lebanon, only severely and highly vulnerable HHs are eligible to receive cash assistance. Since the number of registered severely and highly vulnerable cases in Nabatieh exceeded by far Solidars' caseload, the beneficiary list for UCA III encompassed only severely vulnerable HHs. The beneficiary HHs were selected as the ranking provided in RAIS starting from the most severely vulnerable case.

Beneficiaries per age group and gender						
Age Group	Male		Female		Total	
	Individuals	in %	Individuals	in %	in numbers	in %
0-4	276	23%	294	22%	570	22%
5-17	541	44%	597	44%	1138	44%
18-24	33	3%	75	6%	108	5%
25-59	353	29%	375	27%	728	28%
60 and >	5	1%	20	1%	25	1%
Total:	1'208		1'361		2'569	

Transfer mechanism

The dissemination of the cash grants materializes with e-cards, a kind ATM card. Solidar Suisse partners in Lebanon with Liban Post, the national post service with agencies throughout the country. All beneficiary households that were previously selected through RAIS were visited and informed about the purpose and course of the assistance. Four distribution points were organized and beneficiaries clustered in geographical groups. Every household received an e-card to encash monthly the grants at Liban Post. Beneficiaries are informed via mobile phone short messaging system (SMS) at what date the grant is ready to collect at the counter. Liban Post receives every month a list of the eligible beneficiaries.

Use of cash grants



IV. NEPAL : UNCONDITIONAL CASH GRANTS FOR EARTHQUAKE-AFFECTED POPULATION



Background

The 7.9 magnitude earthquake which struck on 25 April 2015 and the aftershocks affected more than a million households across Nepal, with nearly 9,000 casualties and close to 18,000 injured. More than half a million homes were fully destroyed and another 310,000 damaged. Nine months after the earthquake, Solidar Suisse with its partner organization Helvetas started an unconditional Cash Program in eight villages in the Sindhupalchowk district, one of the hardest hit in northern Nepal. The local population, mainly subsistence farmers, has lost nearly everything, from their houses to agricultural assets and livestock. A rapid assessment revealed furthermore that around 40% are not food-sufficient for the coming six months due to the reduced crop yield in 2015. With an unconditional cash grant of U\$ 250, the assistance aimed to protect and replace lost (agricultural) assets and to reduce food insecurity of the most vulnerable households in the eight villages.

Snapshot: Nepal
Type of disaster: Earthquake
Objective: Asset replacement and food security
Number of beneficiaries: 2'500
Cash grant value: U\$ 250
Number of instalments: 1
Time of distribution: February 16 – January 17

Beneficiary selection and targeting

Out of the around 7'600 households in the project area, 2'500 economically poor and socially marginalized households were selected to benefit from the assistance. Inclusion criteria were the socio-demographic composition of the households and based on a nationwide aligned scorecard questionnaire. Social mobilisers from the local partner organization conducted door to door visits to all households in the project area and filled in the questionnaire during

the interviews. The data was evaluated and households included in into the project according to the scores obtained and considering a fair repartition throughout the eight villages.

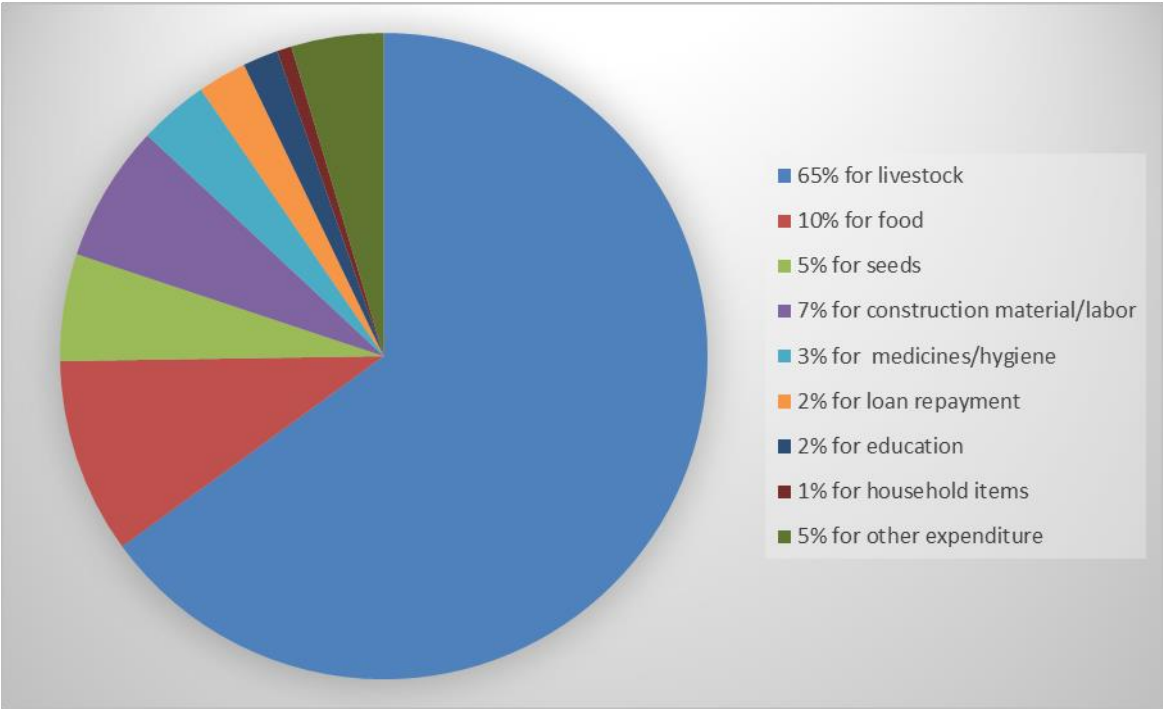
Check recipient		
Male	1'400	57%
Female	1'256	43%
Total reached	2'456	100%

Transfer mechanism

To bring the money to the households and reduce security risks, the project partnered with one of the banks on the ground. The selected households received a bank check that was distributed during distribution days in each village. The scope and purpose of the project were explained again and financial counseling provided during the collection. In coordination with the bank, beneficiary households were assembled in groups of 100 and indicated the date on which they can encash the check on the bank. This ensured that households didn't have to queue too long at the bank and that liquidity was guaranteed.

Out of the 2'500 selected beneficiaries, only 2'457 came to collect their check on the distribution day and 2'456 effectively encashed it on the bank counter.

Use of the cash grants



The diverse use of the cash grants suggests that the needs of the different households were manifold and that with a cash approach, the selected households had the freedom of choice to procure what was most important for them. During the focus group discussions, all beneficiaries appreciated that the assistance was in cash and unconditioned.



Foto: Reto Gerber/ Solidar Suisse



Solidar Suisse | Quellenstrasse 31 | Postfach 2228 |
CH - 8031 Zürich
Zentrale: 044 444 19 19 | www.solidar.ch