

## Cash technical working group meeting

Venue: UNHCR Office, Kyiv (14, Lavrska St.)

Date: 26 February 2015

Time: 17h00-18h30

Participants: ECHO (will liaise with DFID), OFDA, UNHCR, UNOCHA, Save the Children, DRC, ACF, PIN (all in representation of the INGOs Forum), WFP, Food Security and Shelter Cluster Coord.

The purpose of the meeting is to agree among all the participants on the harmonization of the amount of the grant with regard to multifunctional cash. With beginning of the new program funding cycle many agencies have proposed drastically different standards to cash.

Outcomes of previous discussions (23.02.2015) within Shelter/NFI Cluster were presented by Marc Gschwend (UNHCR Cash Expert):

- *Rapid devaluation of the UAH.*
- *Govt. assistance to be considered when designing CBI.*
- *Baseline is for adult UAH 1500 UAH, for a child UAH 500 UAH, that means a family with 3 children: UAH 4'500 UAH (EUR 150 or USD 170).*
- *Cash grant shall cover a three months need of support of a household.*
- *Next revision of cash grant amount – may 2015 (conducted by Shelter/NFI Cluster).*

### *Actions*

- *Monitor the exchange rate between UAH and USD (Euro)*
- *Get formal agreement at Cluster level and Donors level*
- *Establish baseline market survey by the end of the first week of March (baseline indicator).*
- *Monitor market prices regularly*
- *Revise baseline of grants every three months*
- *Next revision: April 2015*

Discussion on multifunctional unconditional cash grant amount:

In the context of limited funding and significant levels of need, it is better to meet more of the most vulnerable by giving a less (as opposed to a smaller number of the most vulnerable with a higher value transfer of cash). This is also based on feedback from the \$300 USD per family transfer through the winterization program, and concerns that we were creating tensions between who gets/doesn't get and with host communities also. To abide by the Do No Harm principle and to mitigate protection risks, a lower average package of support was agreed.

- **For multi-sector cash over 3 months, we would give 1000 UAH per person (i.e. the equivalent 333 UAH per person per month).** This works out at 2,000 UAH per person over a 6 month grant.

- We would NOT be distinguishing between adults and children, with children getting less (500 UAH versus 1,500 UAH). All HH members to get 1000 UAH.

- We agreed the average HH size is 3 people. As we now have a fixed value per person in the HH (1000 UAH over 3 months) for extra family members we use the per head figure to increase the package size.

- **So for an average family of 3 people x 1000 UAH per person = 3,000 UAH (approx 95 Euro OR \$100 USD) over 3 months.**

- As the UAH is devaluating significantly we agreed we needed a fixed transfer amount in UAH, and it will be communicated between implementing agencies and donors what we would do with any unspent budget lines. The general feeling amongst INGOs was either a) reach more beneficiaries or b) increase package of support, especially if prices were going up.

- We also agreed to a minimum of market price monitoring every 3 months, starting April 2015. UNHCR to lead on this, supported by the Cash working group when functional. Monitoring of prices and noting trends in fluctuation, this information will be circulated also to the cluster and recommendations for adjusting the value of the support package (up or down, depending on the UAH value and market prices/affordability) would be proposed.

- The frequency of transfers was discussed but it was agreed this depended on whether work was in Govt/non Govt areas, and so was also limited by access. It was noted by SCI's the preference for regular, sustained support as opposed to one-off distributions for the most vulnerable. One-off cash injections are remain appropriate to meet immediate needs i.e newly displaced or newly crisis-affected. It was also noted due to the chronic nature of the crisis the longer term shift should also be towards some form of conditionality (i.e. cash for work) as a more sustainable means of supporting IDPs.

- Vulnerability criteria (Vulnerable & Extremely vulnerable) were already broadly agreed – all agencies had categories but most were similar (elderly, disabled, female-headed household, households with more than 2 children). It was suggested to follow the same method as proposed at an ECHO meeting to have a 'tick-box' approach as a basic way to separate vulnerable from extremely vulnerable. Agencies who have the capacity to do more in-depth analysis i.e household income, benefits received would do so, but this is time consuming and not possible for all agencies. It was noted that, in general, are more people who need of assistance than assistance available, and multiple filters to find the most in need are applied.

- Operational modalities would dictate how the cash is transferred, both in terms of mechanism (cash v voucher v in kind) and frequency. This is predominantly dictated by location and security and therefore complete alignment is not possible between agencies.

- Cash is a mechanism NOT a programme intervention itself, and as such all agencies had a responsibility to ensure their programme objectives were being met (i.e. families able to afford their rent/shelter repair/food package etc etc) through post-distribution, HH surveys and market monitoring, and feed this back through the Clusters. It was noted there was a need for greater inter-cluster coordination due to the increasing use of multi-sector cash.

- Agreed this is not an exact science and is just a starting point – very much subject to change based on monitoring/feedback, but we needed the new funding being released by the donors to be in alignment and coordinated, and to enable implementing agencies to move ahead with project proposals. Better to test it and adjust than not start at all.

Food Security Cluster and WFP outlined that this approach (for various reasons that were explained) cannot be applied to CASH for food actions.

Food Security Cluster Coord. arrived in country only recently and needs 10 days to come up with an agreed standardized per beneficiary per month Cash and Voucher amount in UAH. The mechanism to adjust/adapt the value of the food package can also be revised every three months based on market assessment. An agreed standardized daily caloric intake value per person to be recommended.

- Food Security Cluster presents its findings and recommendations with regard to cash grant for food not later than 09 March 2015.

All participants to share this recommendation:

- NGOs with their programme teams
- NGO Forum Steering Committee (DRC, SCI, PIN) to share with other NGO Forum Members.
- Donors to check with the HQs

ECHO would urge OCHA and the overall cluster system to adopt temporary measures to facilitate the cash and voucher WG regular meetings. Inter-cluster coordination should be also beefed-up.

END