

Quick Guide on the Use of Conditional Cash Modality Shelter Cluster Emergency Response

1. Introduction

This document serves as a guide for the Yemen Shelter Cluster to pilot the use of cash modality for emergency response, specifically in providing Emergency Shelters, Shelter Repair Kits, and NFI assistance to the most vulnerable households. Based on feedback from this pilot, a review will be conducted before the end of 2024 to incorporate lessons learned and update this guidance.

The Shelter Cluster 2023 Market Assessment results show that most IDPs prefer cash-based assistance, which enhances resilience and stimulates the local economy. The assessment also indicates the accessibility and availability of shelter materials in the market. However, given the market dynamics, partners are advised to assess the market and affected population preference through specific questions based on the SC market assessment tool integrated into their own needs assessment to ensure that the decision to use cash modality is appropriate, accessible, and addresses protection risks. It is also recommended that focus group discussions be conducted with communities where feasible.

IDP communities in Yemen often favor emergency shelters as they can be maintained or upgraded using locally available materials, unlike tents, which must be replaced entirely. Despite the **2015 HCT No-IDP-camp policy** restricting the provision of tents and their unsuitability for Yemen's climatic conditions, IDP communities in Marib as an example, have expressed a preference for specific types of tents, which is recommended to be provided through a voucher modality or other feasible modalities.

2. Key Considerations:

- Ensure the market is functional and accessible, considering local building practices.
- Identify and mitigate potential risks associated with cash delivery to ensure its safety and optimize its effectiveness.
- Provide conditional cash assistance for emergency response complemented by technical support.
- Ensure accountability of the affected population through clear communication and feedback mechanisms.
- Protect the local environment.
- Promote multi-sectoral or integrated approaches.
- Adhere to all humanitarian principles, including confidentiality and Do No Harm principles
- Consider in-kind assistance or alternative cash delivery mechanisms for populations without identification documents.

Cash provided for emergency shelter response shall continue to be conditional, achieving specific shelter outcomes. This approach helps mitigate the impact on the physical safety and psychological well-being of households while ensuring compliance with structural and environmental standards.

This guiding note is limited to the delivery of Cash for Emergency Shelter/NFI Response while highlighting the potential complementarity with other responses, including Multi-purpose Cash Assistance (MPCA). While MPCA is intended to address basic needs, complementarity with Cash for Emergency Shelter/NFI can be considered, provided eligibility criteria are met.

3. Implementation procedures and conditionality:

The cash transfer aligns with the average value of the Shelter Cluster emergency assistance package per household, including transportation and installation costs. For Conditionality, 80% of the assistance package enables households to meet basic minimum emergency shelter or NFI needs through cash, with the remaining 20% provided after conditions are met. This approach ensures the safe provision of **Conditional Cash Assistance** for emergencies related to conflict, eviction, fire incidents, floods, and other climate emergencies. Here are the key steps in the implementation process:

- Conduct a one-day coordinated sector-specific or multisectoral rapid needs assessment following an emergency to determine the affected population's shelter needs and vulnerabilities.¹
- Assess the availability, accessibility, and affordability of goods in the market.

¹ For partners who lack resources to deliver assistance, please coordinate with or refer needs to the relevant Sub-National Cluster Coordinators.

- Use the YE SC targeting and prioritization assessment tool to identify the targeted population and their preferences for assistance.
- Inform communities about the assistance package, cash value, and conditionality.
- Agree with targeted households on the transfer mode and deliver the first installment within 72 hours to a maximum of 7 days following an emergency. Ensure completion of 2 installments within three weeks.
- Release the second installment based on proof of purchasing items from the first installment observed by on-site monitoring.
- Provide technical support as part of on-site monitoring, adjusting strategies to mitigate protection risks or challenges households face, ensuring the shelter response's quality, effectiveness, and standards.
- Conduct post-distribution monitoring and share reports with the Shelter Cluster, including lessons learned.

4. Mode of Cash Transfer

In Yemen, the most common modes of cash transfer or delivery used by partners include a) **Mobile money agents**, b) **Hawala agents**, c) **Beneficiary bank accounts**, and d) **Cash collection (over the counter) or direct cash**. It is advisable to conduct a risk analysis of the various mechanisms to make an informed decision and prevent harm. This analysis should address challenges related to households that may not have the necessary identification documents to receive cash assistance through financial institutions.

5. Transfer value² per assistance package:

The Transfer Value (TV) includes the cost of materials and transportation and **does not include the organization's operational costs**.

No	Activity	Transfer Value	1 st Installment	2 nd Installment
1	Emergency Shelter	\$400	\$320	\$80
2	Shelter Repair	\$120	\$95	\$25
3	NFIs	\$245	\$195	\$50

6. Hybrid Modalities (In-kind and Cash)

Depending on the situation, households may prefer a hybrid approach involving both In-kind and Cash modalities. This can be due to limited availability and accessibility to goods in local markets, potential protection and environmental risks, poor infrastructure (including roads), limited financial institutions, high transportation costs for materials that may burden households, and limited community capacities. This mechanism can also be used when partners have partial In-kind kits and can complement the remaining items through cash assistance.

When this approach is chosen, partners could provide an agreed percentage of the assistance in-kind and the remaining portion in cash in consultation with the targeted households.

7. Conclusion

While the sector has established guidelines for implementing cash modalities for various shelter assistance, including house rehabilitation, rental support, and NFIs, this guide provides a comprehensive framework for implementing emergency cash-based assistance effectively and efficiently. It emphasizes the importance of conducting thorough assessments, engaging with communities, and ensuring accountability. By following the key considerations and implementation procedures outlined in the guide, organizations can enhance their emergency response capabilities and better support vulnerable populations in Yemen.

The guide also highlights the importance of considering hybrid modalities, where appropriate, to address specific challenges and ensure that assistance is tailored to the unique needs of each situation. Overall, the guide serves as a valuable resource for organizations working in the Shelter and NFI response, providing guidance on maximizing the impact of cash assistance while minimizing risks and ensuring accountability.

² The transfer value should be provided in the Yemeni Riyals equivalent, based on the exchange rate available at the implementation time. The transfer values are the amounts provided to households, covering materials, transportation, and installation expenses. Please note that these values did not reflect the operational costs of organizations, such as staffing for technical support, movement, verification, monitoring, etc.