



Concern Worldwide

Cash-based assistance, 2017

In 2017:

- *74% of Concern country programmes provided some form of cash-based assistance*
- *21% of all programmes implemented by Concern provided some form of cash-based assistance*
- *Approximately 1,130,808 people directly benefited from Concern's cash-based assistance*
- *The total value of cash transferred by Concern to programme recipients was more than €30 million*
- *Irish Aid was Concern's largest donor based on number of programmes supported whilst ECHO was Concern's largest donor financially*
- *30% of Concern's cash-based assistance was transferred electronically*

Introduction

Concern Worldwide (Concern), as other humanitarian and development agencies, is increasingly providing assistance in the form of cash to achieve programmatic objectives. The experience gained by Concern and other organisations shows that generally, where it is feasible and appropriate to do so, monetary assistance can have more positive outcomes for recipients than traditional assistance provided in-kind. Since 2016, Concern has actively taken steps to respond to the increased interest in the use of cash in humanitarian and development responses globally. This includes the institutionalisation of cash modalities; ensuring that cash modalities are always considered as part of our response analysis, as well as building individual and organisational capacity to improve our ability to design, implement and monitor cash-based interventions.

Part of Concern's institutionalisation effort required us to obtain a better picture of the scale and scope of our cash use across the organisation. In order to do this a survey was added to the annual reporting template to capture key data on cash-based assistance being provided in any given year. Data is then compiled and analysed.

The following summary is based on 2017 programme data and presents findings based on key features of programme design (modality, payment, conditionality etc.). It is the second in a series of reports; the first being published in 2017 based on 2016 programme data.

Findings

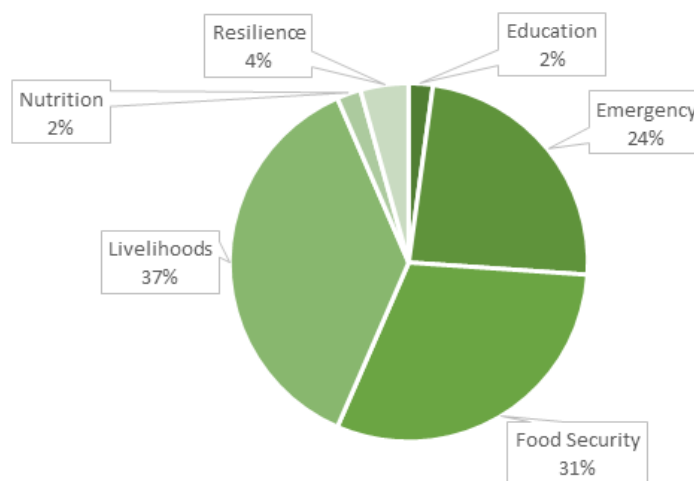
Scale

In 2017, 20 out of 27 countries (74% of total countries) provided some form of cash-based assistance to programme recipients. This is an increase from 2016 when only 14 countries provided some form of cash-based assistance. Countries providing cash-based assistance in 2017 include: Afghanistan, Bangladesh, Burundi, Central African Republic (CAR), Democratic Republic of Congo (DRC), Ethiopia, Haiti, Kenya, Lebanon, Malawi, Mozambique, Nepal, Niger, Pakistan, Rwanda, Somalia, South Sudan, Syria, Turkey and Zambia.

Across these 20 countries, 46 individual projects/programmes (21% of all programmes implemented by Concern in 2017)¹ provided some form of cash-based assistance. In the majority of cases (76%) cash was provided as part of a longer-term development or resilience building programme; whilst in 24% of cases cash was provided as part of an emergency response. This is very similar to the situation in 2016 (77% provided as part of a longer-term development programme and 23% as part of an emergency response). A number of countries used cash modalities widely. For example, in South Sudan Concern provided assistance in the form of cash in six programmes and in Pakistan, Concern provided assistance in the form of cash in four programmes.

The majority of Concern’s programmes (37%) providing cash-based assistance were designed to support livelihood development, closely followed by programmes designed to increase food security (31%). A breakdown of cash assistance provided by programme area can be seen in figure 1.

Figure 1: Cash-based assistance by programme area

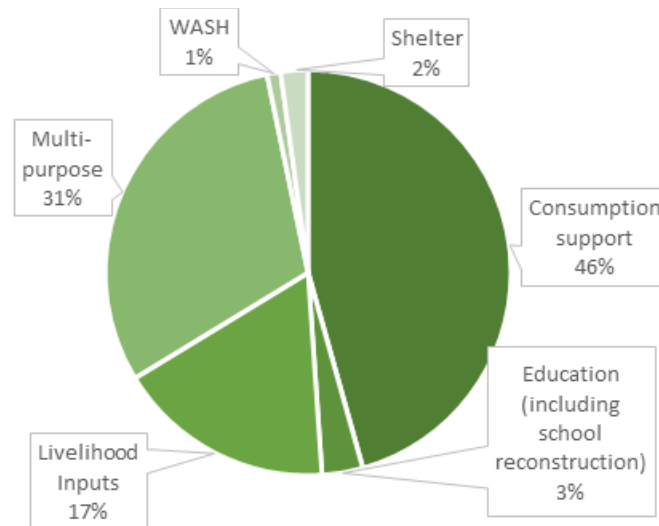


In terms of the specific objective for providing cash assistance, consumption support was reported to be the main objective – 46% of programmes provided cash to assist recipients to meet immediate food and non-food needs in 2017. This was also the main objective in 2016 (44% of programmes). See figure 2 for a detailed breakdown of objectives.

¹ According to the grant management system, a total of 153 programmes were implemented during 2017.

There has also been a growth in the number of programmes providing cash assistance for multiple objectives (multi-purpose cash). In 2017, 31% of programmes provided cash for multiple objectives which is up from 22% of programmes in 2016. Though the provision of cash for Water, Sanitation and Hygiene (WASH), shelter and educational objectives appears to be lower, these sectors (alongside health and nutrition) are likely to have been supported through multi-purpose transfers.

Figure 2: Cash-based assistance by objective



In total, Concern directly supported approximately 1,130,808 people (equiv. 194,720 households)² with cash-based assistance across all programmes in 2017 and distributed more than €30 million³. This is a significant increase from 2016 when Concern directly supported approximately 420,905 people and distributed more than €12 million distributed.

With regards to funding, 25 different donors supported Concern’s cash-based assistance in 2017. Irish Aid was the biggest donor in terms of number of programmes supported (33%; 15 different programmes) whilst, ECHO continues to be Concern’s biggest donor of cash-based assistance in terms of total transfer value (approximately €17.7 million in 2017)⁴.

Scope

Modalities

Cash assistance can be provided through providing cash (physical/electronic) or through the provision of a voucher which has a monetary value and can be redeemed for goods and services. Vouchers can then either be **cash vouchers** – have a cash value and can be redeemed for goods up to that value or **commodity vouchers** – be redeemed for a specific quantity of certain goods and services.

² These figures are approximate as some programmes targeted households whilst others targeted individuals within households and may have provided assistance to more than one household member. The aggregate household/direct beneficiary figures provided here were calculated using national average household size.

³ The latest figure was calculated to be €31,773,151 but again this is an approximate figure.

⁴ Two out of the seven programmes supported by ECHO received co-funding from other donors, though ECHO provided the highest proportion of funding.

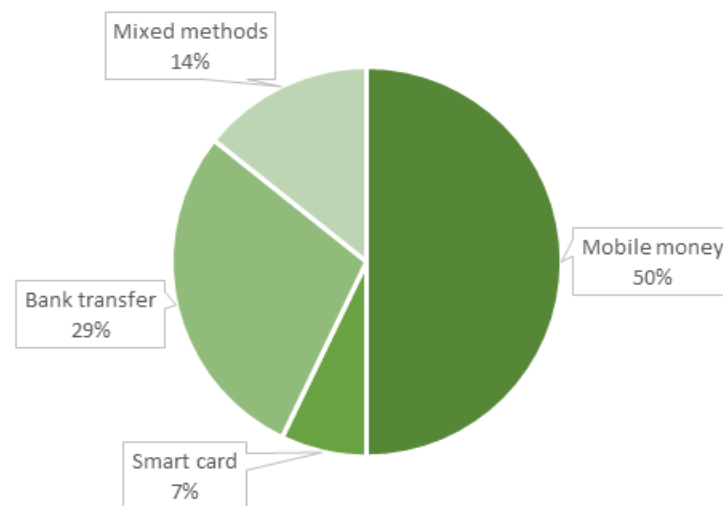
Of the 46 programmes providing cash-based assistance in 2017, 48% provided cash (physical/electronic) and 17% provided cash in the form of a voucher. It is not clear from the data whether these vouchers were cash vouchers or commodity vouchers. The remaining programmes reported using electronic payment systems which could either be cash or vouchers or multiple methods.

Payment Mechanisms

In 2017, Concern used a number of different payment mechanisms in order to deliver cash to recipients. By far, the largest means of delivery (70% of programmes; 32 programmes in total) was through manual payments either directly or via a third party. Whilst, 30% (14 programmes in total) provided cash or vouchers through an electronic payment mechanism.

Of the 14 programmes delivering cash electronically, the majority (50%) delivered cash via a **mobile money transfer system**⁵. Programme examples include the *Building Resilience of Vulnerable Communities and Institutions* programme in Bangladesh; *Multi-Sector Humanitarian Assistance to Drought-Affected Communities* programme in Sindh Province, Pakistan and *Emergency Response for Drought and Conflict-Affected Households* programme in Somalia. Delivery via a **bank transfer** made up for 29%. Programmes examples include the *Cite Soleil Urban Program* in Haiti; *Building Resilient Communities (BRCis)* programme in Somalia and various emergency responses in Bangladesh. Whilst delivery via a **SMART card** made up 7% of programmes. This was the *COSACA Drought Response* programme in Mozambique. Finally, 14% used **mixed methods**. This included the *DIRECT Response to Emergency Cash Transfers* programme in Zambia which, for learning purposes, piloted delivering cash via both a mobile money transfer system and SMART cards (alongside traditional manual distributions) to assess the efficiency of different payment mechanisms⁶.

Figure 3: Different types of electronic payment mechanisms used



⁵ The term mobile money transfer system applies to any payment that is transferred from one persons or organisations 'mobile wallet' or bank account to another through mobile phones.

⁶ Findings from this pilot can be found here:

https://www.concern.net/sites/default/files/resource/2017/09/the_direct_response_to_emergency_cash_transfer_project_a_synthesis_paper.pdf

Concern provided cash-based assistance to 3600 households affected by drought in Kenya in 2017.

This is a picture of Sororo Guya (54) receiving a cash voucher from Concern Worldwide at Basbalesa Health Clinic in Marsabit. The cash voucher was a financial lifeline during the drought.

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Conditionality⁶

Cash transfers can be 'conditional' or 'unconditional'. **Conditional** cash transfers attach certain requirements either on how the money is used or on receiving money for example, money is conditional on a recipient participating in a training or children being enrolled in school. If conditions are not met then recipients do not receive the assistance. **Unconditional** cash transfers are a direct grant with no conditions or work requirement attached.

50% of programmes providing cash-based assistance indicated having conditions attached. Examples of conditions included participants having to take part in **work activities**⁷ such as in the *Building Community Resilience to Shocks and Stresses* programme in the Central African Republic where participants were required to take part in road rehabilitation works in order to receive assistance or *REGRADE* programme in Ethiopia where participants are required to take part in natural resource management activities in order to receive assistance. Other types of conditions included taking part in **training activities** (e.g. the *Breaking the Cycle of Humanitarian Assistance Through Enhancing Resilience and Shock-Responsive Capacity* programme in Malawi) and **enrolling children in school** (e.g. the *Conditional Cash for Education* programme in Turkey). Whilst, 13% of programmes reported having soft conditions in place. **Soft conditions** refer to behaviour being encouraged but which is not mandatory in order to receive assistance. In 2017, as in 2016, most soft conditions related to the participation in training activities. Finally, 35% of programmes reported providing unconditional transfers and 2% of programmes (1 programme only) provided both conditional and unconditional transfers to different target groups.

Duration and frequency of transfers⁸

Of the 46 programmes that provided cash-based assistance in 2017, the majority (59%) provided assistance in tranches; either weekly, fortnightly or monthly over different durations according to programme objectives. Only 22% provided a one-off/lump-sum transfer. This is a different picture to 2016 where the majority of programmes (50%) provided one-off, lump-sum transfers and 24% of programmes provided assistance over a number of tranches.

⁶ In addition to conditionality, transfers can be restricted, where limits are set on how the transfer can be spent after it is received by the recipient or unrestricted, where there are no limits on the use of the transfer after it is received by the recipient. This data was not captured in the survey.

⁷ Otherwise known as cash for work programmes



Value

Unsurprisingly, transfer values ranged according to the programme objective as well as the duration and frequency of transfers. For example, in the *Amrao Manush (AOM)* programme in Bangladesh programme participants received a one-off lump sum transfer of approx. €110.50 to enable them to purchase livelihood inputs whilst in the *Enabling Graduation Out of Extreme Poverty* programme in Malawi programme participants received approx. €17.00 per month for 18 months to support consumption. Unfortunately, due to huge variations in the transfer value within some programmes it is not possible to calculate average values.

In terms of setting transfer values these were, for the most part, calculated based on market prices (43%) or on a minimum expenditure basket⁷ (36%). Other ways in which programmes calculated transfer values were to align it with the transfer rate of the national social cash transfer programme or daily labour rate (particularly relevant in cash for work programmes).

For the majority of programmes (76%), the value of transfer was fixed (the same each time a transfer was made) whereas in 24% of programmes the transfer value varied, either between participants (based on needs or types of works engaged in) or between transfers (taking into account inflation and fluctuating market prices).



Concern provided cash-based assistance to 170,034 individuals affected by drought in Sindh Province, Pakistan in 2017

This picture shows distribution agents verifying a recipients' identification prior to payment being made in Ropo Bheel, Tharparkar district.

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If you have any further questions on Concern's cash-based assistance or any feedback on this briefing paper please get in touch with Jenny Swatton, Social Protection and Safety Nets Adviser (jenny.swatton@concern.net)

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