LCC

LEBANON CASH CONSORTIUM
الإتحــاد النـقـدي اللبـنانـي

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LEBANON
CASH CONSORTIUM

Lessons Learned from large scale cash-programming in Lebanon

2014 – 2017

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Acronyms

CaLP	Cash Learning Partnership
CBI	Cash-Based Intervention
CoP	Chief of Party
DFID	Department for International Development
ECHO	European Civil Protection and Humanitarian Aid Operations
FGD	Focus Group Discussion
HoH	Head of Household
IRC	International Rescue Committee
LCC	Lebanon Cash Consortium
MEAL	Monitoring, Evaluation, Accountability, Learning
MEB	Minimum Expenditure Basket
M&E	Monitoring and Evaluation
ODK	Open Data Kit
PMT	Proxy Means Testing
QIC	Qualitative Inclusion Committee
SCI	Save the Children International
SI	Solidarités International
SMEB	Survival Minimum Expenditure Basket
SOP	Standard Operating Procedure
TTF	Targeting Task Force
TMG	Technical Management Group
VASyR	Vulnerability Assessment for Syrian Refugees
WFP	World Food Programme
WVI	World Vision International

Introduction

In mid-2014, six INGOs (ACTED, CARE, IRC, Save the Children, Solidarités International and World Vision) created the Lebanon Cash Consortium (LCC) with the ambition of scaling up Multi-Purpose Cash Assistance to better assist the most vulnerable Syrian refugees, while improving coordination between actors in Lebanon.

The LCC was assisting around 2,000 Syrian refugee households in February 2015, and grew to a monthly caseload of more than 18,000 households at its peak in 2016. By transferring approximately 64 million USD over 2.5 years to Syrian refugee households across the country, the assistance provided by the LCC enabled them to meet their basic needs with dignity while indirectly benefiting the local economy.

As the LCC rapidly grew in a context where a cash consortium had not previously existed, and at a time when operational understanding of multi-purpose cash assistance was in its infancy, the LCC had a number of challenges to overcome.

On the programmatic side, the LCC had to scale up very rapidly (multiplying its caseload sixfold in less than a year), while ensuring nationwide geographical coverage. Moreover, an operational approach to multi-purpose cash had to be defined and harmonized across agencies in areas including targeting, delivery mechanisms and post- distribution monitoring. However, as the LCC is deeply embedded within the coordination architecture of the Lebanon refugee response, ensuring harmonization and coordination among major actors remained a challenge throughout the lifespan of the consortium - despite the LCC's achievements in doing so.

On the governance side, the LCC had to develop a common management unit and agree on decision-making mechanisms while dealing with its members' internal differences in terms of prioritization of the program, internal capacity, respective caseloads, and fundraising opportunities.

As the LCC expanded its operations and established its structure, it took time to mobilize sufficient resources (e.g. staff) to ensure equal participation among agencies considering the scale and resources of UN agencies.

Given the unique features of the response in Lebanon, including a high inter-reliance among actors in relation to the delivery mechanism and Information Management, it was challenging for the LCC to fully control various factors that affected its programme such as beneficiary database, targeting, transfer platform and relationship with the service provider. Despite this, the LCC was often able to respond more flexibly and quickly and make adaptations to its programme implementation.

The LCC is very proud of the significant achievements over the last three years. To reference just a few: the LCC has driven efforts to harmonize approaches and share and institutionalize best practices in cash delivery in Lebanon for instance in M&E; it has advocated for increased accountability to beneficiaries through the development of common messaging for beneficiaries; it has developed a strong focus on referrals to non-cash based services, protection mainstreaming, and evidence-based advocacy, and it has increased its cost efficiency, reaching up to 83% (i.e. 83 cents per dollar going directly to the beneficiaries).

Strong research based on a wide range of data and topics has been a fundamental component of the LCC program. Through robust monitoring, evaluation, accountability and learning systems, the LCC has contributed significantly to the evidence-base and lessons learned regarding MPCA in Lebanon, ultimately contributing to wider learning in the local context and beyond.

Given the fact that cash is becoming an increasingly used modality in humanitarian interventions (up to 42% of the total humanitarian budget could be allocated to cash-based programs in the future[1]), coupled with the evolution of the funding model for cash assistance in Lebanon, the former LCC agencies find it important to give to cash consortia and cash actors the benefit of the unique experience that was developed in Lebanon over the past three years. **As such, the lessons incorporates views shared by different partners within the consortium but not that of ECHO, the donor.** We hope this document serves to outline the experience of the LCC, including achievements and lessons learnt, for use by other actors.

[1] *« Drivers and Inhibitors of Change in the Humanitarian System»,*
GPPI, April 2016.

Background

Since the onset of the Syria crisis in 2011, Lebanon has become the country with the highest proportion of refugees per capita worldwide, with the highest refugee concentration in recent history. Estimates in the Lebanon Crisis Response Plan (LCRP) 2017 - 2020[2] indicate that Lebanon has hosted more than 1.5 million Syrian refugees, and as of December 2016, there are 1,011,366 registered refugees in the country (UNHCR, 31st December 2016)[3]. In a country where unemployment and informal labour levels were already high, the refugee population are facing an extremely precarious situation as they struggle to meet their families' needs, fall deeper into debt and rely on increasingly negative coping mechanisms to survive. Facing one of the most damaging effects of forced displacement, unemployment, refugees have few other options to make ends meet. Work opportunities are extremely limited, informal, poorly paid, and often exploitative, leaving refugees with limited means to sustain their household needs and guarantee decent living standards[4]. The difficult and costly access to residency and work permits (through sponsorship) for Syrian nationals have made the refugees' situation even more difficult with many fearing to be arrested when moving. More than 70% of Syrian refugees are living below the poverty line[5] and families are increasingly relying on negative coping mechanisms to compensate, including selling assets, sending children to work and reducing essential expenditures such as education and health. In addition, the pressure on the housing market means that the most vulnerable have limited access to affordable and adequate shelter - with many families living in substandard buildings, informal settlements and in overcrowded conditions. Basic services such as water and sanitation, solid waste management, health and education are also considerably underserviced despite the efforts of the humanitarian community and the Government of Lebanon (GoL).

2 Lebanon Crisis Response Plan (LCRP) 2017 - 2020, Available at: http://reliefweb.int/sites/reliefweb.int/files/resources/2017_2020_LCRP_ENG-1.pdf, Accessed on: 21st May 2017
3 Syria Regional Refugee Response: Inter-Agency Information Sharing Portal. Available at: http://data.unhcr.org/syrianrefugees/country.php?id=122, Accessed on: 21st May 2017
4 See for instance International Labour Organization, Assessment of the Impact of Syrian Refugees in Lebanon and their employment profile, 2013. Available at: http://www.ilo.org/wcmsp5/groups/public/@arabstates/@ro-beirut/documents/publication/wcms_240134.pdf
5 Lebanon Crisis Response Plan (LCRP) 2017 - 2020, Available at: http://reliefweb.int/sites/reliefweb.int/files/resources/2017_2020_LCRP_ENG-1.pdf, Accessed on: 21st May 2017

2. Cash-Based Interventions (CBI) in Lebanon

It is within this context, that the humanitarian community (including donors) have been increasingly relying on cash-based interventions – rather than in-kind basic assistance - as a way of delivering assistance to the affected population in Lebanon as part of the Syria response from late 2013. For example, food assistance provided by WFP transitioned from in-kind support, to paper food vouchers, and then to electronic cards for use in designated shops across Lebanon. As donor appetite for MPCA has grown, cash-based interventions have evolved in Lebanon and have included a wide range of activities across various sectors, including shelter, education, protection, WASH, food security, and basic assistance.

Considering that Lebanon is a country with well-functioning and elastic markets with a range of goods and services available, cash was determined to be an appropriate modality to enable every household to prioritize their individual needs. With the refugee population spread all over the country, living in different shelter types and with different needs and priorities, cash offered a flexible solution that enabled families to choose for themselves how to address their prioritised needs in a dignified manner.

Despite these advantages, it is important to emphasize that cash is not a 'silver bullet', and is instead one component of a comprehensive response in which other humanitarian actors have sought to ensure availability and accessibility of quality services such as health, education and water supply for all. Reflecting on the different needs that voucher and cash-based interventions were being used to deliver, actors delivering assistance in Lebanon opted to develop and roll-out a 'multi-purpose' cash approach in Lebanon in 2014. This entailed a single transfer that was intended to cover multiple survival needs of a refugee family. After the development of the Survival Minimum Expenditure Basket (SMEB) among cash actors in 2014, an appropriate transfer value was set at 175 USD per family per month, which was deemed to be the gap in a family's needs that could not be met through the family's own means or through food assistance already provided by WFP.

3. Establishment of the Lebanon Cash Consortium

In 2014, there were clear indications that the Syria crisis was going to remain as a protracted emergency leaving the displaced population in need of continued support. It is within this context that six international non-governmental organisations (INGOs) joined efforts to form the Lebanon Cash Consortium (LCC) - namely ACTED, CARE, IRC, SCI, SI and WVI - to provide multi-purpose cash grants to the most vulnerable refugee families across the country in December 2014. A consortium approach was adopted, in consultation with donors, based on the need to have national geographic coverage, to leverage the strengths of different actors' geographic presence in different areas of the country, to strengthen the coherence and coordination of multi-purpose cash delivery, and to improve efficiencies by having one common delivery platform (rather than different delivery mechanisms separately contracted by each agency). Since its inception, the LCC has therefore undertaken considerable efforts to unify approaches with other actors and ensure consistency regarding targeting, the delivery mechanism, and the frequency and amount of assistance.

The LCC delivered the first tranche of cash transfers in January 2015, reaching 2,000 households by February 2015. This was initially done through an electronic pre-paid card (using a platform established by WFP) which meant that beneficiaries could withdraw assistance directly at any ATM across Lebanon and spend it based on their household's priorities and needs. As of December 2016, the LCC, together with UNHCR, UNICEF and WFP, are still using the same platform to deliver all cash-based transfers through an electronic card which is usable both in designated shops for food assistance, and also for cash withdrawals at ATMs.

Definitions of Key Terms:

'Basic Needs': The items that people need to survive. This can include safe access to essential goods and services such as food, water, shelter, clothing, health care, sanitation and education.

'Vouchers': A paper, token or e-voucher that can be exchanged for a set quantity or value of goods, denominated either as a cash value or predetermined commodities or services, or a combination of value and commodities.

'Cash Based Interventions (CBI)': All programs where cash (or vouchers for goods or services) is directly provided to beneficiaries...individuals, household or community recipients''

'Multi-Purpose Cash': A transfer (either regular or one-off) corresponding to the amount of money a household needs to cover, fully or partially, a set of basic and/or recovery needs.

'Minimum Expenditure Basket (MEB)': Defined as what a household needs – on a regular or seasonal basis – and its average cost over time.

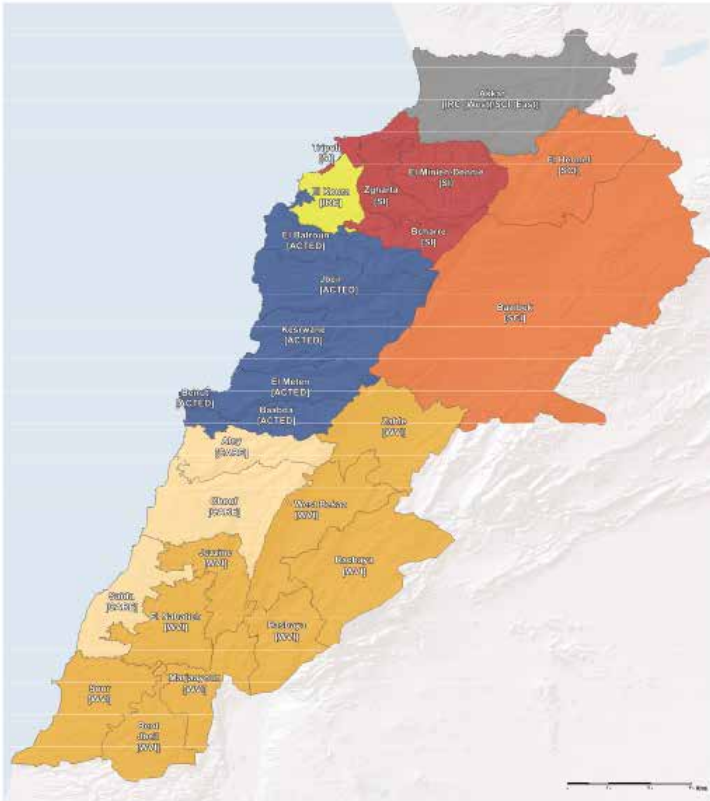**Source:** 'Glossary of Cash Transfer Terminology', CaLP,
http://www.cashlearning.org/downloads/calp-updated-glossary.pdf

Overview of the LCC's Delivery

LEBANON CASH CONSORTIUM
NGO Presence by District

FOR HUMANITARIAN PURPOSES ONLY
Production Date:
۲۲ May ۲۰۱۵

"The minute the money was in my hand I bought shampoo, fruits, and sweets for the children. My children have been through so much that they deserved something special, but the second time I used all the money to pay our debts," Salam a mother of 5 children living in Bekaa

"When I received the money, I paid all my debt. I used to borrow money from the grocery store, so I paid them back, and the first thing I did was prepare some Syrian traditional food for my children. They missed the taste of 'Makdous' (pickled eggplants), fresh apricot jam and black olives." Says Aida, 35, a mother of four, living in Bekaa

"With the 260000 LBP (175$) I pay the rent", says Satam, who came to Lebanon six years ago.

"We as family use the money to buy medicine, clean water, bread, vegetables and pay back our debt." Mahmoud a father of 5, living in Akkar

"With this monthly cash assistance, I feel safe and capable to cope with the crisis," Maryam a mother of 3, living in Bekaa

Total budget to beneficiaries **64.095.726,00 USD**

	March 2015	September 2015	December 2015	June 2016	October 2016	December 2016	May 2017
Approx. number of Households (all actors, LLC included), Across Lebanon	20.937	23.980	36.617	43.127	52.181	53.907	64.435
LCC	3.795	8.467	15.852	18.365	18.458	13.804	14.160
% Total budget that goes directly into the hands of beneficiaries	18%	35%	43%	43%	35%	27%	22%
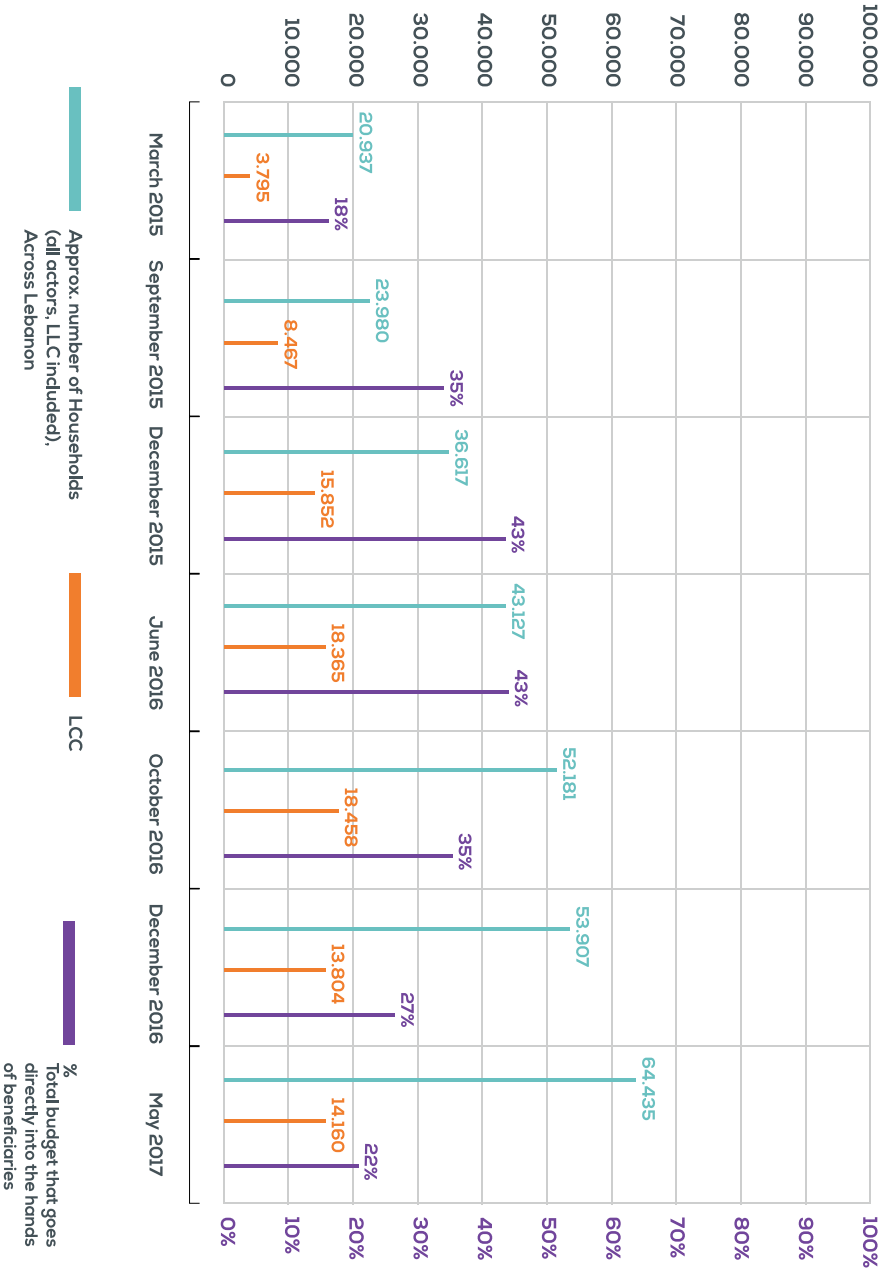
Timeline and Evolution

2014

FEBRUARY
- Three of the future LCC members, namely CARE, SI and SCI, receive separate funding from ECHO to implement multi-purpose cash programming

DECEMBER
- Creation of the LCC, with 6 members united under DFID funding (10 million GBP) and establishment of LCC coordination mechanisms
- LCC joins the 'Blue Card' - the WFP platform for delivering cash and food assistance

2015

JANUARY
- First LCC transfer to a Syrian family as part of the LCC's pilot ; the LCC starts co-chairing the Basic Assistance Working Group

FEBRUARY
- Creation of a dedicated Monitoring Evaluation Accountability and Learning (MEAL) position to lead the LCC's MEAL activities

APRIL
- End of the LCC's pilot and scale-up of the LCC with ECHO funding (11.5 million EUR)

SEPTEMBER
- Publication of the LCC's first study, entitled "Where›s The Debt? An analysis of The Hidden Debt Network Sustaining Syrian Refugee Households in Lebanon"

NOVEMBER
- The LCC is granted additional money from ECHO, bringing the 2015 total to 31 million EUR
- Creation of a dedicated programme and technical role for the LCC to coordinate technical decision-making and implementation
- Publication of the LCC's research on "Impact of Cash on Outcomes for Children"

DECEMBER
- The LCC's cash assistance reaches 15,852 beneficiary households in one month

2016

JANUARY
• The LCC develops its Qualitative Inclusion Committee (QIC) mechanism to enable the inclusion of households that are vulnerable but fall outside of the targeting approach of the Proxy Means Test (PMT)
• The LCC expands its management structure through the recruitment of a dedicated Finance Manager

FEBRUARY
• Publication of the "Impact Evaluation of Multi-purpose Cash Assistance Programme"

APRIL
• The LCC hires a consultant to lead inter-agency efforts to review the SMEB under the guidance of the Targeting Sub-Working Group. 33 FGDs are held with Syrian refugee community members to ensure their feedback is reflected in the revised SMEB.

MAY
• The LCC participates in the World Humanitarian Summit (WHS) in Istanbul, as the co-organizer of the cash side event "Four Ways to Join the Cash Revolution" with CaLP and ODI
• Publication of "Gender Dynamics and Multipurpose Cash Assistance For Syrian Refugees in Lebanon"
• LCC, WFP, UNHCR and UNICEF agree to develop a common delivery mechanism or 'one card' for the delivery of cash based assistance in Lebanon: Lebanon One Unified Interagency System for E-Cards (LOUISE)

JUNE
• LCC agencies start implementing their program under a second ECHO-funded grant of an initial 10.5 million EUR. At this point the LCC reached 18,365 households

OCTOBER
• The new Common Card (or 'Red Card') is launched and more than 160,000 refugees receive their new card between October 2016 and March 2017.
• The LCC receives additional funding totaling to 5.9 million GBP from DFID

NOVEMBER
- The LCC leads the harmonization of monitoring tools across basic assistance actors, including the development of SOPs and data collection tools for PDM and OM

DECEMBER
- The LCC conducts a review of its governance structure to reflect on lessons learnt and improve ways of working
- Publication of the "LCC Community Consultation on Targeting Study"
- WFP, UNHCR, UNICEF and LCC formally launch the LOUISE platform through the signing of a Memorandum of Understanding
- The LCC receives a top-up to its ongoing ECHO grant of 11.05 million EUR

2017

JANUARY
- LCC research is cited in the Lebanon Crisis Response Plan 2017-2020 in support of MPCA

MARCH
- The LCC's membership changes with the transition from six to four partner agencies (IRC, SCI, SI and WVI)

MAY
- The LCC presents the preliminary findings of the Inter Agency SMEB study to the Humanitarian Country Team
- The LCC announces it will close due to expiry of funds

Context timeline

2011

MARCH
- Beginning of the Syrian Crisis

2012

OCTOBER
- 58,318 Syrian refugees are registered with UNHCR in Lebanon

2013

EARLY 2013
- Creation of a Cash Working Group in Lebanon

APRIL	• 259,503 Syrian refugees are registered with UNHCR in Lebanon
DECEMBER 2013 TILL MARCH 2014	• Unrestricted and unconditional cash is used for winter support instead of fuel vouchers for the first time, using early targeting methodology based on UNHCR registration data (Burden Index)
OCTOBER	• 672,945 Syrian refugees are registered with UNHCR in Lebanon
DECEMBER	• Publication of the first Inter-Agency Vulnerability Assessment for Syrian Refugees (VASyR) in Lebanon

2014

FEBRUARY	• A Targeting Task Force is established with INGO and UN representatives to recommend new targeting methodologies in the short and medium term
APRIL	• 953,626 Syrian refugees are registered with UNHCR in Lebanon • Publication of the Avenir Analytics' report commissioned by the Cash Working Group which provided operational recommendations for multi-purpose cash programming including the use of a single delivery platform
MAY	• The Targeting Task Force published its first set of recommendations and recommend the use of an index to predict economic vulnerability based on UNHCR's registration dataset, namely the "bio-index", which is then adopted by cash actors sector-wide
JUNE	• The first Survival and Minimum Expenditure Baskets for a Syrian refugee family of five totals to 435 and 571 USD respectively • Cash actors jointly agree to set the multi-purpose cash transfer value at 175 USD based on the income gap between SMEB, family revenue and WFP assistance
AUGUST	• The Targeting Task Force publishes a second set of recommendations after comparing the performance of four indexes predicting economic vulnerability after conducting a pilot survey; the PMT developed by the TTF is adopted by cash actors later that year.

SEPTEMBER • 1,53,387 Syrian refugees are registered with UNHCR in Lebanon

OCTOBER • The Government of Lebanon announces the closure of its border with Syria as of April 2015

DECEMBER • Publication of the 2014 Vulnerability Assessment for Syrian Refugees (VASyR) in Lebanon

2015

JANUARY • The Basic Assistance Working Group is established, fusing the Cash Working Group and the NFI and Distribution Working Groups

MARCH • 1,169,842 Syrian refugees are registered with UNHCR in Lebanon

NOVEMBER • The PMT developed by the TTF is revised, updated and used by cash actors for multi-purpose cash programming
• 1,070,189 Syrian refugees are registered with UNHCR in Lebanon

DECEMBER • Publication of the 2015 Vulnerability Assessment for Syrian Refugees (VASyR) in Lebanon

2016

MARCH • 1,048,275 Syrian refugees are registered with UNHCR in Lebanon

AUGUST • Following a study conducted by researchers from the American University of Beirut commissioned by WFP and UNHCR, cash actors adopt a new targeting methodology which uses the data collected by UNHCR at the registration level

SEPTEMBER • 1,017,433 Syrian refugees are registered with UNHCR in Lebanon

DECEMBER • 1,011,366 Syrian refugees are registered with UNHCR in Lebanon
• Publication of the 2016 Vulnerability Assessment for Syrian Refugees (VASyR) in Lebanon
• Announcement of a new funding approach among key donors, ECHO and DFID, for cash programming in Lebanon – namely the "single agency" approach

● Each dollar of cash assistance spent by a beneficiary family generates $2.13 USD of GDP for the Lebanese economy
IRC/ Lehmand & Masterson (2014) Impact of Winter Cash Assistance.

● Total expenditure on basic needs increased by 21% compared to families who do not receive cash
Battistin (2016) Impact Evaluation of MCA

● Beneficiaries spend 32% more on food compared to non-beneficiaries
Battistin (2016) Impact Evaluation of MCA

- Those receiving cash more often enrol their children in school and their children attend school more consistently
LCC (2015) Syrian Refugee Child Protection Outcomes & Multi-Purpose Cash Assistance Research
- Cash assistance can indirectly contribute to improved gender relations and reduced risk of GBV by alleviating household pressures and tensions
LCC (2016), Gender Dynamics and Multipurpose Cash Assistance

● LCC beneficiaries are better off also because they are less reliant on debt for paying their rent. More precisely, non-beneficiary households are 1.8 times more likely than beneficiary households to borrow money in order to rent the place where they live
Battistin (2016) Impact Evaluation of MCA

● Overall, LCC beneficiaries were found to be four times happier than non-beneficiaries as a result of being able to meet their household's' basic needs. However, they are also under greater stress for financial issues, which may be a consequence of the sense of precariousness and dependency on cash aid, and of the awareness that assistance may be discontinued
Battistin (2016) Impact Evaluation of MCA

● From a social cohesion perspective, LCC beneficiaries feel eight times more secure, compared to non-beneficiaries. In addition, LCC cash assistance appears to increase by five times their sense of trust of the community hosting them
Battistin (2016) Impact Evaluation of MCA

- Multipurpose cash assistance does not cause any disagreements within the household
  iAPS (2016) MCA and Gender Dynamics

- There was a perception among female youth that female head of households who receive MCA have a greater responsibilities, thus making them stronger
  iAPS (2016) MCA and Gender Dynamics

- Female beneficiaries did not report feeling unsafe as a result of MCA
  iAPS (2016) MCA and Gender Dynamics

Programme Delivery Steps of LCC Workflow

The below section outlines the key programme stages of the LCC's Multi-Purpose Cash delivery.

These steps will differ based on coordination forums, bank infrastructure and the purpose of the assistance and are therefore context-specific.

Step 1: Programme Planning: Setting the Transfer Value

Expenditure Type	Amount in USD for one month for a family of 5 (2014)
Food	159
Water	20
Shelter	81
NFI	57
Transportation	27
Communication	18
Debt repayment	72
Total	435

The transfer value was determined based on the following steps:
1) the estimation of a SMEB, i.e. what a typical refugee family would spend to survive/cover its basic needs within the Lebanese market;
2) calculation of the gap between what the family needs to spend and what they can already cover (e.g. through other assistance or through their own means/income); and 3) establishing the final value based on the expenditure gap.

In Lebanon, the first SMEB in June 2014 was estimated through an inter-agency exercise at 435 USD for a family of five, with a gap of 175 USD that was covered through multi-purpose cash by cash actors – which, as of January 2015, included the LCC.

Step 2: Identifying the Delivery Mechanism and Modality

As agreed by cash actors, the LCC provides unrestricted unconditional multi-purpose cash transfers where the household can spend the cash on whatever they choose, without restriction, and without having to do anything to receive the assistance. Based on the presence of ATMs in most areas of Lebanon, pre-paid cards for use at ATMs were identified as an appropriate delivery mechanism for unrestricted cash transfers.

Step 3: Identification of Beneficiary Households

Three different methodologies were used to determine the eligibility of beneficiaries for multi-purpose cash throughout the lifespan of the LCC. These complex methodologies are better suited to stable developing countries, such as Lebanon, to determine vulnerabilities in the absence of systematic information on income, namely Proxy Means Testing (PMT). From late 2014 to mid-2016, LCC agencies conducted household assessments to collect the information necessary to determine refugee households' vulnerability – and households that scored as 'severely vulnerable' were subsequently targeted for multi-purpose cash assistance.

Targeting approaches used by the LCC

- From December 2014 to August 2016, the PMT was used. It was recommended by the Inter-Agency Targeting Task Force with the support of an external consultant in summer 2014 and was developed based on an analysis performed on the VASyR dataset. For the PMT to be applied, data was collected

on proxies and other information on the household's situation through a home visit conducted with each family. The data, collected on mobile devices using Open Data Kit (ODK), was then updated on the Refugee Assistance Information System (RAIS) as managed by UNHCR and an automatic score was calculated and displayed. Vulnerability scoring of the refugee population was thus done gradually as per cash actors' capacities to assess households. Besides generic demographic household characteristics, early proxies included shelter type, coping mechanisms and reported expenditure. However, the PMT was revised in November 2015 which resulted in some changes in the proxies used as well as the weight of each proxy (change of weight in the shelter variable, exclusion of negative coping mechanisms and inclusion of meat consumption as a variable etc.). The two versions of the PMT produced a dollar value score equivalent of the estimated expenditure per capita. The threshold to distinguish the severity of cases were determined using the aforementioned 2014 MEB. The PMT and the associated household survey continued to be used until a cheaper methodology of equal accuracy was developed and adopted – therefore requiring less investment in manpower to complete.

- From August 2016 till May 2017, the LCC and other cash-based programming actors used a "desk formula" developed by a group of researchers from the American University of Beirut (AUB) who were contracted by WFP and later UNHCR. The new system looked into different factors based on basic household information collected during refugees' registration interviews (or renewal) with UNHCR including family size, ages of family members, gender groups, specific needs, education level of the HoH etc. which were combined to determine a family's vulnerability score. By linking these factors, there is an estimation made about each family's economic situation which is expressed in 'dollar value' just like the PMT previously used. Like the PMT, thresholds for inclusions were also determined based on the 2014 SMEB though the new feature of nationwide household 'ranking' made the exercise quicker and less costly. However, the findings of the research team underline the difficulty to differentiate - and thus target - one household from another considering the close proximity of the Syrian refugee population's respective socio-economic situations. A further disadvantage of the system is that families that are not registered with UNHCR or who have not renewed their registration cannot be scored and are therefore not considered in most agencies' programming.

- In February 2016, a more qualitative targeting method was developed by the LCC to enable the ad-hoc inclusion of households who, as reported by front

liners (e.g. community mobilizers, cash officers, enumerators), were in a very difficult situation but were ineligible as per the targeting method in place (PMT at the time). Through this method, the LCC set up Qualitative Inclusion Committees (QIC) across the governorates of operation comprised of representatives of the three LCC agencies present in the area. The majority of cases were referred by field staff and some cases that fell slightly below the threshold of selection were also considered. The QIC reviewed the different cases and the justification behind the request for their inclusion – such as protection concerns or health complaints - to ensure maximum coherence in each area. Interestingly, an analysis on the 64 households that were included under QIC from February-August 2016 revealed that the majority (66%) were in the third level of vulnerability as per the PMT ("highly vulnerable") and were subsequently eligible as per the new desk formula. Primary reasons for inclusion under QIC related to health and protection with female or elderly HoHs also featuring as common bases for inclusion.

Step 4: Distribution of Cards and PIN and training on the use of the ATM card

Upon inclusion, selected families were provided with an e-card and PIN to enable them to withdraw their assistance from any ATM across the country. Families were also trained on how to use the ATM (as many have never used one before) and were informed of key risks that they should be aware of (e.g. to not give their card to someone else to use, to keep their PIN secret etc.).

Step 5: Delivery of the Monthly Cash Transfer

Every month, the LCC transferred 175 USD to every family on its caseload. Beneficiaries were informed that their card has been loaded through a personalized SMS sent to their mobile phone, and the messaging of the SMS was agreed among technical representatives of each agency prior to dissemination.

Step 6: Post Distribution Monitoring

LCC agencies followed up with beneficiary households on a monthly basis. Through phone calls and household visits, agencies provided support to households who were having difficulties withdrawing from the ATM; who may have lost their card or PIN and require a replacement; and to ensure that the LCC maintained updated information on the case (e.g. in case of a change in address, phone number or circumstance).

Step 8: Feedback and Complaints

The LCC agencies ran a hotline for beneficiary households to be able to call directly and report their feedback. This included the reporting of lost or stolen cards, challenges withdrawing the assistance, or requests for information about the programme or other services. In parallel, the LCC also maintained a service mapping in its operational areas to enable referrals to complementary services. While hotlines were a cost-efficient means of soliciting feedback, the decentralized model meant that the quality of hotline services (e.g. availability, closing the feedback loop) varied from partner to partner. In the LCC's 2017 Exclusion Study, beneficiaries communicated a preference for face-to-face meetings for sensitive discussions (e.g. notice of exclusion) which would require significant investment if done on a national scale – requiring some thought as to what constitutes adequate accountability vis-à-vis cost efficiency.

Step 9: Outcome Monitoring

At regular intervals throughout the programme (usually every six months), the LCC collected information from beneficiary households on the use of the assistance provided and changes in key outcome indicators of interest. This was achieved through the LCC's Outcome Monitoring activities which were completed through household interviews and FGDs. In addition, specific ad hoc evaluation activities were conducted which culminated in research that is available on the CaLP website.

Governance and Structure of the LCC

The LCC governance and HR structure was built gradually, as requirements for the initial pilot phase (10 million GBP) with one contract were very different from what was required in order to manage a 30 million EUR consortium with up to four contracts (ECHO/DFID/UNHCR/WFP). From December 2014 until March 2017, six agencies were members of the LCC with a transition to four members (IRC, WVI, SI and SCI) in March 2017. Since its establishment, the LCC has never been a Legal Entity and the nature of the LCC was based on a Framework Agreement between the six agencies that defines the mutual roles and responsibilities between partners. As a result, all staff working partially or full time for the LCC, were recruited and line managed directly by individual agencies members of the Consortium.

The first full-time LCC staff, a Chief of Party (CoP), followed by an Information Management Coordinator, were embedded in SCI due to its status as lead agency. The in-house capacity of SCI was mobilized for grant management, and additional functions related to Finance, MEAL, Communications and Technical Expertise were added over time by SCI, IRC, WVI and SI.

As the LCC agencies gradually took different roles and responsibilities accompanied (or not) by the creation of dedicated staff embedded within each organization, it was important for the LCC to be presented as a unified entity to external audiences. As was the case for the CoP since December 2014, all dedicated LCC staff signed a contract with the agency in which they were embedded but worked for the "LCC" and represented its six members externally. Participation in external coordination forums such as the Basic Assistance Working Group led the LCC and its staff to be recognized as an entity in its own right.

The roles and responsibilities of the varying agencies were framed within Terms of References for their "Lead Role"; job descriptions of staff; as well as Terms of References for of each of the coordination groups such as the Steering Committee, Technical Management Group, MEAL and Communications Group. While these roles and responsibilities were captured in an overarching Governance Manual, it is

recommended that such frameworks be socialized among key stakeholders so that all parties are aware of what they are accountable for especially when challenges in implementation arise.

Despite the increasing size of the LCC dedicated team (referred to by the LCC as the "Core Team"), each member remained embedded within its initial organization with dotted lines to other positions or coordination groups within the LCC. For example, while the CoP's line manager was the SCI Deputy Country Director for Programs, the CoP was also chairing and accountable to the Steering Committee of which there were six members of equal seniority. While the spread of the Core Team did well to truly bring together the different strengths and approaches of the individual agencies, accountability lines were often blurred and the drive for consensus in all decision-making forums often slowed down or complicated decision-making. Moreover, balancing LCC priorities with varying organisational priorities, approaches, processes and work cultures did occasionally present challenges for the staff.

In 2015, the roles and responsibilities were divided as follows:

Steering Committee (SC)
Chaired by the Chief of Party (CoP)
Hosted by Save the Children (SCI)

MEAL Group led by MEAL manager (IRC)

Technical Management Group (TMG) led by Technical Lead (SI)

Communications Group led by communications Coordinator (WVI)

ACTED GIS Mapping

CARE Gender Mainstreaming

IRC Monitoring Evaluating Accountability and Learning (MEAL) Research and Protection Lead

Save the children International (SCI) Information Management (IM), Awards, Finance, LCC Management

Solidarités International (SI) Technical Lead

World Vision International (WVI) Communication lead
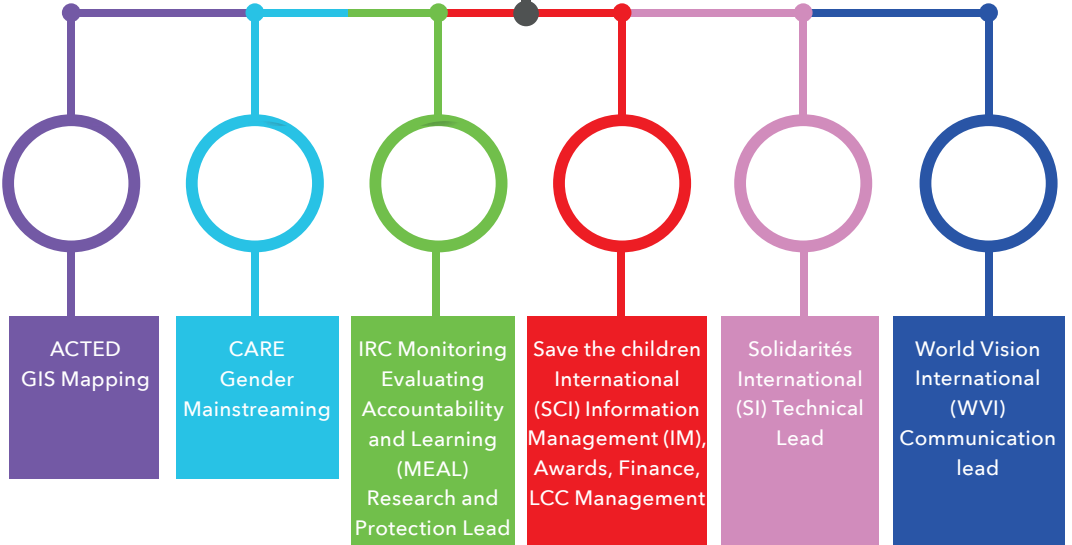
Coordination Groups and Committees included:

- A Steering Committee created since the start of the LCC. Chaired by the CoP, the Steering Committee was composed of one representative from each agency's Senior Management Team usu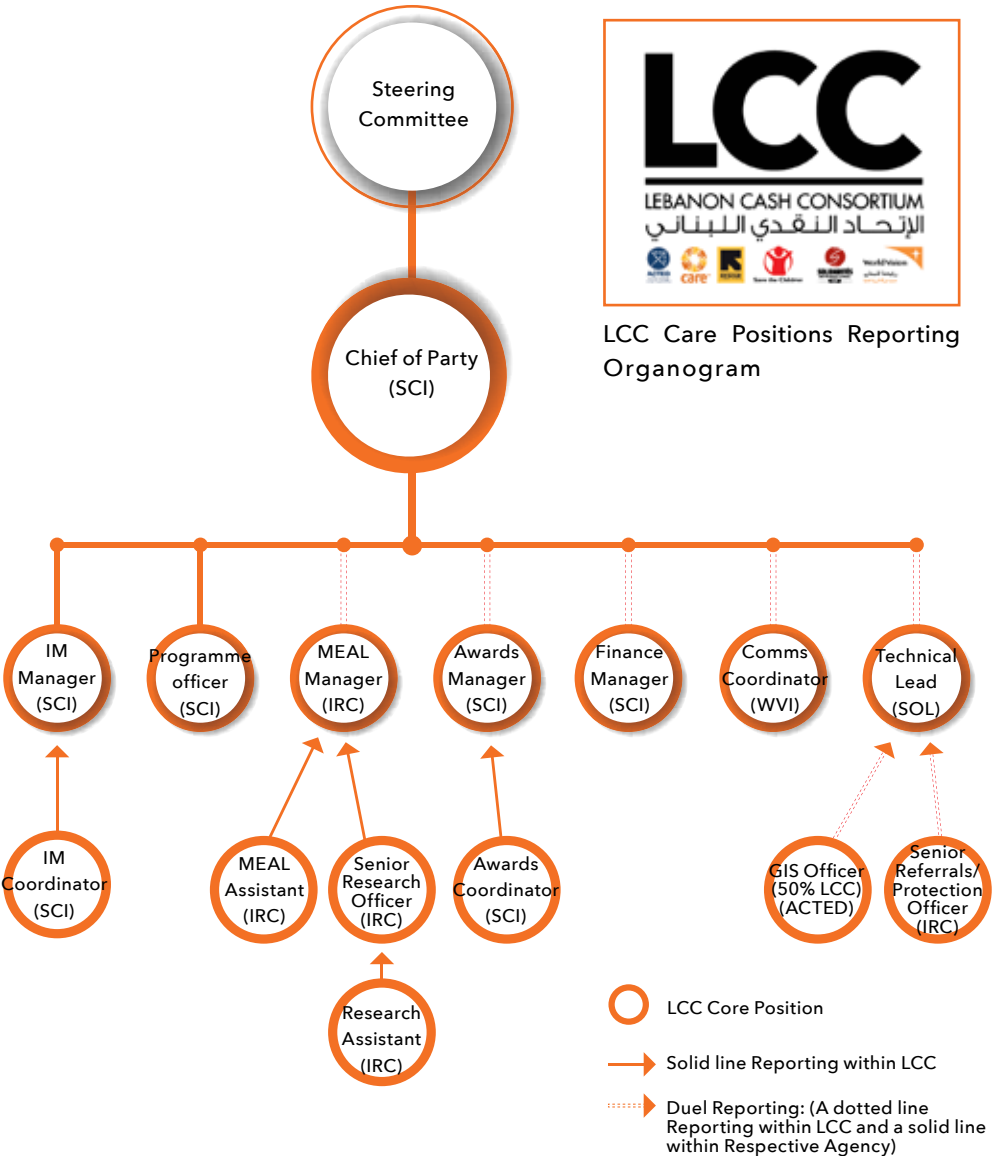ally at Country Director or Deputy Country Director level. The Steering Committee was responsible to drive the direction of the LCC and agree on strategic decisions that concerned all six agencies while also considering fundraising, governance, accountability towards donors, and the general progress of LCC implementation.

- A Technical Management Group (TMG) that was initially chaired by the CoP followed by an acting TMG Lead within SI (October 2015-January 2016) before the creation of a dedicated position from January 2016 onwards. Composed of LCC Program Coordinators/Advisors and/or Project Managers, the TMG led the development of programmatic and operational strategies within the LCC and offered a forum to discuss implementation, program design and quality.

- A MEAL Committee created since the start of the LCC and chaired for a short period by IRC staff before the hiring of a full time LCC MEAL Manager. The MEAL Committee was responsible for providing guidance and practical tools for the application of a MEAL system across the LCC. The committee was also responsible for research in collaboration with the TMG.

- A Communication Group chaired by a full-time LCC Communication Coordinator from mid-2016 onwards and whose role was mainly to develop and implement LCC's communication strategy, to coordinate and align LCC communication activities and visibility across members, and to ensure that donor visibility requirements were satisfied.

- A Finance Group that initially met on an ad hoc basis but which became more systematic with the arrival of a full-time LCC Finance Manager in early 2016. The Finance Group's objective was to coordinate financial issues across LCC agencies (e.g. budgeting, financial follow up and forecast, compliance, reporting) and ensure coherence between the six agencies.

- An Awards Group that initially met on an ad hoc basis but which became more systematic with the arrival of a full-time in Awards Manager in August 2016 with a main role to coordinate grant-related issues across the consortium such as compliance, reporting and ongoing donor liaison.

The organogram of the LCC Core Team is displayed below. It is important to note that the LCC rarely actually included all of these positions due to prolonged vacancies; ongoing adaptation of the team in accordance with programmatic and donor needs; and staff vacancies following the confirmation of LCC closure in May 2017.

LCC Care Positions Reporting Organogram

Steering Committee

Chief of Party (SCI)

IM Manager (SCI)

Programme officer (SCI)

MEAL Manager (IRC)

Awards Manager (SCI)

Finance Manager (SCI)

Comms Coordinator (WVI)

Technical Lead (SOL)

IM Coordinator (SCI)

MEAL Assistant (IRC)

Senior Research Officer (IRC)

Awards Coordinator (SCI)

GIS Officer (50% LCC) (ACTED)

Senior Referrals/ Protection Officer (IRC)

Research Assistant (IRC)

LCC Core Position

Solid line Reporting within LCC

Duel Reporting: (A dotted line Reporting within LCC and a solid line within Respective Agency)

Following uncertainties about accountability and authority, the LCC developed an "Authorization Map" in 2016 to determine the decision-making power of positions and groups, and who should feed in or 'validate' which kind of product or document.

As the LCC has grown rapidly in terms of scale and reach, internal structures have struggled to keep pace, giving rise to a need for structural review and development. Through a review of the model of partnership that was originally developed between the six LCC agencies and the structure, composition and allocation of resources, the LCC sought to improve its efficiency, internal governance and operational set up ensuring quality programming and accountability to beneficiaries, as well as to donors and partners. To do such a review, the LCC contracted an external consultant, Peter Sykes, from late 2016 to early 2017 to help develop a new model, with key documents attached.

Said challenges that affected the structure included:
- A late and weak strategy to build a shared vision for the LCC with a difficulty to articulate a clear value added for each of the members and for the LCC as a whole
- A complicated and hybrid partnership model (see below) which became difficult to describe, govern and manage with limited power to the managing/coordination unit and a lack of clarity on its actual role (managing vs. coordinating between members)
- Over-reliance on a few key donors (the LCC was mainly funded by two donors, namely ECHO and DFID) and an inability to diversify funding sources

While the LCC members were conscious of most of these challenges, they were not necessarily able to address them as they were not specific to the LCC itself but amplified by a lack of longer-term vision and funding cycles of no more than six months. However, due to the LCC's expiry of funds after the finalization of the review, the consultant's recommendations unfortunately could not be fully operationalized - though it is felt that lessons learned are interesting to share for future consortia nonetheless (see Annex II).

Externally, the LCC – with its full time positions - was able to have a voice and a weight

no other NGO had within the different coordination bodies that were set up for the response. Through its weight (6 agencies, budget, coverage), the LCC was able to take a role INGOs rarely have and worked alongside UN agencies to advocate for its priorities and concerns as a unit. While this was welcome, an equal partnership and complete harmonization among the six agencies was rarely ever possible due to different programmatic approaches and capacities; and lack of clarity on who held ultimate decision-making power in instances where decisions, strategies and approaches were not unanimous and/or delayed.

During the course of the consultancy, different partnership models were presented to the LCC and discussed. While the LCC was not able to fully implement the new recommended set-up that emerged from this consultancy (see Governance Manual in Annex 2), the analysis of the different partnership models and their advantages and disadvantages produced by the consultant in full are included in Annex I.

Conclusion: Recommendations and Lessons Learned for Cash Consortia

Based on the LCC's experience and evolution over the last three years, the following recommendations (not ranked by importance) have been formulated for consideration when establishing consortia, particularly in the realm of cash delivery.

1. Define the consortium model clearly from the outset: coordination vs single entity delivering?

During the set-up stage of any consortium, relevant stakeholders (including donors) should agree on the scope and model of the consortium. Is the consortium in place to ensure coordination of activities (both programmatically and geographically) with member agencies retaining autonomy to implement according to their own processes? Or is the consortium in place as a single entity responsible for ensuring harmonised delivery following common processes? Do the strengths of the consortium lie with particular agencies' areas of expertise, or should these be presented as the strengths of the consortium as a whole? A balance should be struck between individual member agency identities and the consortium as an entity in itself, which, in the experience of the LCC, was challenging to achieve.

In either model, it is important to ensure that the governance approach, structure and legalities are defined and understood once the scope and vision of the consortium is clear. Decision-making by consensus - although appropriate in many contexts - is not always the most effective approach when the situation is fast moving and requires a strong link with implementers to ensure that operational realities are considered. In addition, it is essential to agree on the inclusion and exclusion criteria of consortium members from the outset, and to be transparent about this criteria with prospective members, donors and other relevant stakeholders alike.

In a similar vein, it is also recommended that minimum standards for programme implementation are agreed from the outset - with clear mechanisms for monitoring – and that such documents are revisited at regular intervals to enable adaptations and improvements in line with contextual shifts and learning.

In order to do the above successfully, it is critical that prospective consortia advocate for an 'inception phase' to donors prior to delivering assistance so that preparations are adequate. More specifically, that SOPs be designed and agreed among agencies; that recruitment of key staff is completed; that checks and balances between IM and Finance are and that robust IM systems are designed in advance of assistance commencing.

2. Have a clear vision, strategy and theory of change in place for the consortium

Even if the consortium has been created to only gap fill and meet an emerging humanitarian need for a short time period, in protracted crises the duration of continued need is not always anticipated at the start. It is essential that agencies have in mind a clear vision and strategy for their programme and the continuation (or not) of the consortium structure. This should include appropriate anticipation of changes to the context that would affect operations (to ensure relevance) and foresight to develop an appropriate exit strategy – collectively with donors and government stakeholders. This should also include adequate investment in staff capacity-building from the outset to ensure that interventions and programme approaches can be sustained with increasing quality.

3. Agree on the roles and responsibilities of shared functions (e.g. technical coordination, MEAL coordination, communications, finance and grant management) from the outset. Ensure that expectations from relevant staff in member agencies is clear, including the level of effort required from each agency for consortium-related work

Appropriate coordination mechanisms need to be in place for agreement and decision-making related to different aspects of the programme within the consortium. For example, the LCC set up coordination groups for MEAL activities and well as technical/operational issues and communications. Given the differing staffing and management structures in different organisations, it is important that there are clear Terms of Reference for these structures, with clear roles and responsibilities of the relevant focal points in each member agency. This should include the level of effort expected from different member agency staff of the right profile, and 'lead' positions with appropriate authority and decision-making power. This also requires clear communication channels so that decisions made, and approaches developed, are disseminated across both functions and agencies. Having shared priorities across the consortium is also critical to ensure that resources are not spread too thinly and different parts of the consortium are not working towards differing goals. Nevertheless, and as recommended by LCC's external consultant in January 2017, partnership structures should avoid being as hybrid and complex as the LCC was; a simpler staffing structure, independent and with direct line management with the Consortium Chief of Party contribute to better efficiency and coherence.

4. Invest in Information Management systems from the start, and ensure these are adaptable enough to evolve as the programme develops

In any large-scale cash programme, particularly of the scale and complexity as that of the LCC, it is essential to have an appropriate and robust information management system in place from the start of the programme. This should be flexible and adaptable as the programme changes, and enable appropriate reconciliation of all financial and programmatic information. There should be built-in compatibility with other agencies processes and systems particularly in Lebanon where a lot of data is generated by other actors for use across the humanitarian community. Investment in developing appropriate software to address this should be advocated for so as to prevent an over-reliance on manual labour, input and analysis which is less efficient by way of time and cost.

5. Ensure a thorough stakeholder mapping is conducted and regularly maintained

It is essential that when a consortium is established, there is a thorough stakeholder mapping conducted to be aware of who the key actors are, what the political landscape is, understand how the consortium should position itself and engage, and ultimately influence within the context in question. Dependency on external actors should be identified and thoroughly analysed as well as document; ideally a consortium should develop a common position vis-a-vis this dependency. Given the overwhelming focus of the LCC in its set up phase on scale-up and delivery, there were missed opportunities in terms of engagement with political stakeholders and positioning (particularly as it pertains to discussions on national safety nets) and missed chances to develop articulated strategies (including for operational advocacy) vis-a-vis UN agencies. While this would not be the first priority in the first phase of a humanitarian response due to the focus on life-saving assistance, this is essential in protracted crises in order to link cash assistance to national debates on more permanent safety nets.

6. Clear documentation of approaches and implementation steps is important to ensure consistency and accountability

It is essential that there are clear Standard Operating Procedures (SOPs) developed at the very beginning of the program and kept updated throughout programme implementation. In the LCC's experience, these were begun after assistance had commenced meaning that efforts were primarily spent on SOP development from scratch rather than testing and ongoing refinement. In consortia, responsibilities can be split across multiple consortia members, and, as is the case in Lebanon, using a shared delivery mechanism too - therefore rendering essential that processes are outlined clearly to ensure accountabilities are clear and that appropriate controls, checks and balances are in place. Given that the operational context can change quickly within humanitarian settings, it is important that SOPs evolve to ensure continued relevance and the incorporation of lessons learnt and experience of the implementing teams. The inception phase is critical in a consortium to define approaches and responsibilities, and agencies should resist pressure to begin assistance before well-designed SOPs are in place.

7. Develop a clear fundraising strategy and mechanism from the outset and prioritise diversification of funding

It is essential for any consortium, particularly one that is ultimately providing a continued safety net for a displaced population in a protracted crisis, to develop a sound fundraising strategy early on. This should account for a system that allows all member agencies to activate their own donor relationships to fundraise for the consortium, allow flexible mechanism to include also small size of funding and an appropriate sub-granting mechanism to enable standardized grant management. The fundraising strategy should include engagement with both humanitarian and development donors to collectively anticipate changes to donor strategies and resource allocations as the context evolves. A high reliance on a small number of donors compiled with some short-term grants has ultimately proved challenging for the LCC when donor priorities shifted and resources for humanitarian activities decreased – though adequate solutions as to how multiple funds could be absorbed and subsequently reported against were not identified within the internal LCC system. As such, flexibility from donors should be demonstrated with regard to supporting the development of new systems that can track the flow of funds on a case-by-case basis in instances where multiple donors are loading onto the same cards, i.e. support initial start-up costs for "the greater good".

8. If donor diversification is pursued, invest in developing a framework for engagement and grant management with clearly defined roles and responsibilities as well as clear lines of accountability

During its lifespan, the LCC received a large amount of funding by DFID and ECHO and did not diversify its funding beyond these two donors. However, reporting to just two donors still required significant effort due to the coordination needed in soliciting feedback, input and contributions from all partner agencies. Should a consortium pursue this, it is important to develop SOPs for reporting and donor communications in order to enable a more efficient relationship with donors that meets all parties' needs. For example, agencies could consider developing a standard quarterly reporting format for submission to all donors instead of preparing individual reports and following the requirements of multiple donors at the same time. If done in a consultative way and during the inception period of a project, multiple donors could also feed into the format in the interest of managing expectations from the outset. If multiple donors are funding "one" system, it is also equally as important to encourage harmonisation in the fields of contracts and reporting schedules.

9. Collectively map risks and maintain an updated understanding as the context evolves

Whether justified or not, cash programmes are undoubtedly subject to additional scrutiny than other kinds of modalities. Particularly in large scale programmes, where cash assistance is provided continuously to the same targeted beneficiaries and the population is highly mobile with challenges in maintaining updated contact records, it is essential that both donors and implementers have a common understanding of the risks involved, feasibility of mitigation measures and an agreed risk tolerance threshold.

10. Consortia should mitigate the risks of high turnover and loss of institutional knowledge

Turnover is amplified across member agencies and core functions of any consortia. In the interest of minimising disruption in the event of staff vacancies, it is therefore essential to ensure that systems and processes (including back-up plans) are clearly defined and agreed among member agencies. In addition, regular reflection and documentation of lessons learnt is essential to improving quality and preventing the same challenges recurring. The TMG, a forum in the LCC for discussion of operational and implementation-related issues, proved a very useful mechanism for collaboration and experience-sharing among member agencies of the LCC. However, too many competing priorities also prevented a more proactive approach to problem solving and the discussions therefore remained largely reactive.

11. Ensure that any Multi-Purpose Cash Programme is provided as part of a more holistic intervention to the affected population (health referrals, education support etc.) and use this to maintain a connection with communities where possible

Ensuring that households have the economic capacity to access essential goods and services is only one component of good programming. It is essential that any multi-purpose cash programme not only is complemented by the appropriate service provision (of the right quality and accessible to the most vulnerable groups in the affected population) but also that multi-purpose cash interventions are integrated with other programme interventions of the implementing agencies – particularly as it pertains to eventual graduation or more sustainable income generating opportunities. However, this requires adequate budget for staff to conduct such follow-up and can be a timely endeavour particularly when a consortia is coming to an end.

12. Define the vision for advocacy (if any) from the beginning and use this to inform the Multi-Purpose Cash Programme's strategies for research, communications and fundraising

The LCC did not prioritise developing an advocacy strategy nor define a focal point or agency to implement such an approach. This was a missed opportunity in light of the large visibility achieved in global forums (e.g. the World Humanitarian Summit in 2015) and global titles (e.g. Le Figaro, New York Times, IRIN) and should be considered in future programming. Moreover, in line with the increasing commitment among donors to deliver humanitarian assistance through cash, global discussions on cash programming are gathering pace and evidence-based advocacy should be a strong-tool to test approaches, refine methodologies and ensure that the right systems are in place for the most efficient means of programming.

13. Consider what constitutes an adequate level of accountability vis-à-vis cost efficiency

The LCC agencies ran a hotline for beneficiary households to be able to call directly and report their feedback. This included the reporting of lost or stolen cards, challenges withdrawing the assistance, or requests for information about the programme or other services. In parallel, the LCC also maintained a service mapping in its operational areas to enable referrals to complementary services. While hotlines were a cost-efficient means of soliciting feedback, the decentralized model meant that the quality of hotline services (e.g. availability, closing the feedback loop) varied from partner to partner. In the LCC's 2017 Exclusion Study, beneficiaries communicated a preference for face-to-face meetings for sensitive discussions (e.g. notice of exclusion) which would require significant investment if done on a national scale – requiring some thought what constitutes adequate accountability vis-à-vis cost efficiency. In a programme where beneficiaries are responsible for collecting their own assistance from ATMs, there can be some 'distance' between the agency and the community and it is therefore important to combine feedback mechanisms, complementary programming and ongoing field-level presence to maintain good relations with communities of concern.

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List of Annexes

-        Peter Sykes (2016), 'Different Consortium Models'
-        Peter Sykes (2016), 'Lebanon Cash Consortium Review Summary for External Use'
-        LCC SOPs (2016-2017): Guidance Note on Duplicate Cases, Individual Referrals SOP, Offloading SOP, Outcome Monitoring SOP, Post-Distribution Monitoring SOP, Verification SOP
-        Julie Raphanel (2016), 'Evaluation of the One-Card: Pros and Cons'
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