

# THE REMOTE CASH PROJECT



**DETERMINING THE VALUE OF CASH GRANTS IN  
REMOTE ACCESS AREAS**



**NORWEGIAN  
REFUGEE COUNCIL**



Funded by  
European Union  
Humanitarian Aid  
and Civil Protection

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# ACRONYMS AND ABBREVIATIONS

**CaLP** Cash Learning Partnership

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**CFW** Cash for work

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**CTP** Cash transfer programming

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**ECHO** European Commission Humanitarian Aid and Civil Protection Department

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**FSNAU** Food Security and Nutrition Analysis Unit (FAO)

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**HH** Household

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**IDP** Internally displaced person

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**KI** Key Informant

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**MEB** Minimum expenditure basket

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**NRC** Norwegian Refugee Council

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**SMEB** Survival minimum expenditure basket

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**RAM** Rapid Assessment for Markets: Guidelines for emergency market assessment

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**RCM** International Red Cross and Red Crescent Movement

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**UNHCR** United Nations High Commission for Refugees

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**USD** US Dollars

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**WFP** World Food Programme

# NOTE ON TERMINOLOGY

The term cash grant/cash transfer programming (CTP) has been taken from the Norwegian Refugee Council (NRC) Remote Cash Project guidelines as follows:

*“CTP refers to all sectoral or multi-sectoral programmes where cash (or vouchers for goods or services) is directly provided to project participants [beneficiaries]. In the context of humanitarian assistance the term is used to refer to the provision of cash or vouchers given to individuals, household or community recipients....CTP covers all modalities of cash-based humanitarian assistance, including vouchers but excluding remittances and microfinance.”*

The research team have taken NRC’s definition of remote programming for this research as follows:

*“Remote programming is a range of operational models in which field access is restricted for senior managers for a sustained period of time.”*

This understanding of remote management has been supplemented by a consideration of remote access contexts provided in the World Food Programme’s (WFP) definition to include<sup>1</sup>:

- **Physical access constraints and capacity limitations** e.g. broken bridges, rainy seasons, poor roads, staff capacity, etc.
- **Security concerns/incidents** e.g. mines, general insecurity, conflict, banditry, etc. as a direct threat to agency staff and assets.
- **Political access limitations** e.g. banned access by a party due to a conflict, or a regulation blocking access is put in place by local authorities.

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<sup>1</sup> <http://documents.wfp.org/stellent/groups/public/documents/reports/wfp270041.pdf>

# KEY FINDINGS

This review has made the following eleven key findings in relation to establishing the value of cash transfers in remote access contexts:

1

Humanitarian organisations working in remote access contexts prioritise obtaining needs assessment and market data in order to most effectively respond to needs and to ensure some form of operational presence. Without being able to access this data there is a hesitancy to implement CTP.

2

There are strengths and weaknesses with all the approaches being used to establish the value of cash grants in remote access contexts. Given the weaknesses that are present in all approaches, many spoken to during this review feel that more important than the value of the grant is the ability to explain the rationale behind setting the value. This is linked to the importance of being able to triangulate data gathered that has fed into the establishment of the grant value.

3

In order to alleviate the burden of agencies having to tailor grants in remote access settings, and particularly when one-off immediate, basic life-saving grants are being provided, it is common practice to average out grant sizes across all households (HH). Whilst this means that some HH will be receiving approximately the right amount to meet project objectives, some will receive more and more worryingly, some will receive significantly less than the amount identified than necessary to cover their needs.

4

The critical questions that require responses to help establish cash transfer values are as follows:

- What is the transfer meant to cover? (need and gap analysis and link to intervention objectives)
- What is the price of these items in the local market?
- Is the price of the items likely to increase during the length of the response?
- Are the intended beneficiaries receiving assistance from any other intervention?
- What information can be collected and triangulated to ensure confidence in relation to informing value setting?
- Will the transfer cause any harm or security risks?

5

The Minimum Expenditure Basket (MEB) and survival MEB (SMEB) are becoming the most used methods for determining needs and then deciding on the cash grant value. Where the (S)MEB has been designed by a cluster or cash working group, the majority of organisations tend to follow this amount as an agreed and standardised way of quantifying needs. Where possible, (S)MEBs are based on actual needs based on household economy and market data. Alternatively, agencies convert the cost of the (S)MEB to calculate the value of a cash grant. In both cases, the value of the grant tends to be averaged out. This then serves as a basis for determining the value of the cash transfer, as the target population may be able to meet some of their needs through other means, or the response may involve meeting those needs through a mixture of cash, in-kind and service provision. This is quoted as a real strength of the (S)MEB by many actors, who acknowledge that the data included may not always be fully accurate, but it provides a basis for all agencies to provide a coordinated and comparable rationale for the way they have calculated their cash grants to beneficiaries. This is highly valued by implementing agencies and donors alike, and is increasingly resulting in very similar cash grant amounts being given by different agencies working in the same context. It should be noted however that in truly remote areas there is less confidence in the accuracy of the data collected. In addition, when (S)MEB grant values are averaged out the value of the grant is not a true reflection of recipients' assessed needs.

6

Another commonly used approach in remote access contexts is to undertake a basic needs and gap analysis combined with basic market analysis and an estimation of labour rates and / or social safety net rates, to feed into a rough initial flat rate estimate of the transfer value. This is often averaged out across all HH based on an average household size and used to feed into quick interventions, and is then adjusted over time. There are a few variations of this approach, with increasing amounts of information collected, for example rapid Household Economy Approaches (HEA) using participatory rural appraisal for income and expenditure information and market price data to quantify needs.

7

Securing funding in high risk, low access contexts is difficult for humanitarian organisations. The necessity to rely on third parties for data collection raises concerns about the quality of and systematic approaches to essential needs and market related data collection that are being relied upon in order to feed into cash grant value calculations. This is similar with locally based humanitarian agency staff. However, where access is limited this is often the only way to gather essential data. While the quality of data collected always needs careful consideration, in contexts with limited access this poses a particular concern.

8

Building relationships with key actors who are present in remote access contexts (i.e. those in control of the territory, community leaders, and target populations) takes time. However, practice has shown that investing in relationship building and forming representative committees with separate independent monitors has enabled the provision of cash in high risk, low access contexts in line with the guidance on amounts per HH provided by the supporting agencies involved.

9

There is lack of consistency and agreement on the frequency with which grant values need to be re-assessed for potential revision during the immediate life-saving relief response. This is mainly due to mandate, funding and context related issues. Whilst some agencies are of the opinion that for short term (one-off or up to 3 months) grants there is no need for revision, others feel that if the objective of a short term grant is to cover lifesaving needs then this needs to be rapidly reassessed (two weeks after the disbursement for example). In practice, whether providing short or longer term transfers, due to limited capacity and resources, humanitarian organisations do not frequently amend the value of their transfers.

10

This review has confirmed NRC's initial assumption that in remote access contexts most humanitarian organisations are using methods that involve estimating an initial flat rate (based on needs, wage rates, gap and market analysis) to establish cash transfer values or an MEB approach. Other much used approaches have been identified including the HEA; converting ration contents to value (for food security interventions); budget/funding based value setting; sector specific shopping cart values; alignment with social safety net payments; and alignment with government imposed rates.

11

One of the key challenges related to grant setting in remote access environments is that organisations have to look at needs broadly and build the cash grant size around that. This requires working on assumptions and relying on data from partners and locally based staff that is often difficult to verify. Without sufficiently robust data, organisations are finding it difficult to access donor funding for remote access CTP. As such, donors tend not to fund CTP in such contexts (outside the Syria response) as can be seen for example in Afghanistan. Additionally, in some contexts, such as Afghanistan, donors will not provide funding for CTP unless organisations have direct beneficiary access.



# INTRODUCTION AND RATIONALE

The increased use of cash grants as part of humanitarian response has led to the development of a number of tools and approaches by various agencies to best decide what needs the cash transfer is intended to meet. This is based on good programming practice and setting clear objectives for the assistance provided and then deciding on what in-kind, cash and mixed modalities are most appropriate and feasible. Recent years have seen an increased number of actors involved, more coordination discussions around the value of cash grants, and discussion on multi-purpose/unconditional cash grants as a first response to meet immediate, basic needs.

There is increased awareness and use of the Minimum Expenditure Basket (MEB) as a methodology for estimating household level needs in humanitarian contexts based on experiences from Somalia, Lebanon and Iraq that have now been extended to a variety of new contexts such as the Nepal earthquake response and the response to insecurity in northern and central Nigeria.

Protracted humanitarian crises, despite their volatility and access limitations, are contexts in which a lot of information has been generated to support decision-making around responses. These contexts have provided an opportunity to test new approaches to cash transfer programming (CTP), analysis of trend data and meeting needs that change over time. The most protracted of these tend to be refugee contexts where access to the population is not necessarily an issue, but evolving needs over time and enhanced data collection systems have refined CTP responses.

In areas with significant access challenges, CTP has great potential to provide appropriate support to the most vulnerable. However, the risks linked to CTP are often heightened, or perceived to be heightened, in remote access contexts and are proving challenging for humanitarian organisations in a number of remotely managed contexts.

The Norwegian Refugee Council (NRC) has been funded by the European Commission Humanitarian Aid and Civil Protection Department (ECHO) to explore and address the key risks involved in implementing CTP in remote access environments and to develop and share redefined and simplified tools and project guidance<sup>2</sup>, and create and share training materials.

One area of exploration and development of this project is the determination of the size of support a household receives. In a remotely managed project in a hard to access area it is more difficult to undertake detailed household and market assessments. This results in the use of more assumptions and a less robust data set.

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<sup>2</sup> See “*The Remote Cash Project – Guidance*” (V2 – Draft)

## REVIEW OBJECTIVE:

This review aims to complement the work of NRC within the framework of the ECHO-funded Remote Cash Project by providing a comparative analysis of different means of determining the size of cash grants, with the development of practical recommendations for approaches that can be used in hard to access areas.

This report aims to highlight how the collective use of tools and approaches in humanitarian responses that involve CTP are now being used to support discussions around setting the value of cash transfers in humanitarian contexts where there are access issues and where remote management may be in place.

In NRC's experience, agencies have adopted two main approaches to determining the size of cash grants distributed to populations affected by disaster. Both approaches culminate in the averaging out of grant size across a population, whereby each household (HH) receives the same amount of money meaning that with variances in need and HH size, grants will not be sufficient for all HH (and may more than cover the needs of some).

# 1.0 METHODOLOGY

This review has been undertaken by two independent consultants, Jacqueline Frize and Lois Austin. The team adopted five main methodological approaches in order to inform the comparative analysis of approaches to setting the value of cash transfers and provide recommendations for consideration as follows:

- **Selection of humanitarian contexts** with CTP and access issues to highlight different approaches to cash grant value setting throughout this report. The review has its origins in the humanitarian response to the Syria crisis. Whilst this response has been central to the analysis and findings contained in this report, the team selected a number of other humanitarian responses where cash based interventions have taken place or are being implemented in order to broaden the focus and provide comparative analysis of contexts with access related issues. Contexts selected include:

- Afghanistan
- Iraq
- Nepal
- Nigeria
- Somalia
- Syria regional
- Syria

Where appropriate examples from other contexts have been included.

- **Review of relevant literature** including available programme-related and internal agency documentation in relation to specific contexts. (See Annex 3)
- **Key informant interviews** - Key informants (KI) were consulted with particular relation to, but not limited to, the selected humanitarian contexts listed above and HQ level KIs were contacted in order to obtain broader perspectives on which tools and approaches are being applied and modified. A total of 63 people were contacted for interview between 19 April and 16 May and 32 interviews were successfully conducted in the available timeframe. (See Annex 2)
- **Reviewing discussion threads** on the subject from the Cash Learning Partnership (CaLP) D-Group posted by NRC's Mark Henderson on 28 December 2015.
- **An on-line survey** was posted on the CaLP Cash D-Group from 12-18 May 2016 to elicit responses from the wider cash community of practice. The questions were developed to help get additional information to some KI interview findings. This allowed the team to gather a wider range of perspectives from those with experience of implementing cash transfer programmes in remote environments. A total of 54 responses were analysed.

## 2.0 WHAT IS A REMOTE ACCESS CONTEXT?

In areas where humanitarian organisations face access challenges, CTP has significant potential to provide support to the most vulnerable. Market function and access and risk analysis based on cash delivery mechanisms have become routine components of cash feasibility processes in programme design. However, the various risks linked to cash and e-cash modalities are made even more prominent when handled remotely and are proving particularly challenging for humanitarian responses in contexts such as Syria. Cash can frequently be perceived as being “risky” in those environments with remote access meaning that agencies default to the provision of in-kind commodities for those in need, on the premise that in-kind distributions carry less risk than cash transfers.

Although on the surface there are a number of humanitarian operating environments across the globe today that involve degrees of remote access, this research has identified that a number of contexts which fall into this bracket do not neatly fall under the common definitions of remote access (see note on terminology on p.iv). Indeed even in the complex operating contexts considered in this review (for example Iraq, Afghanistan and the Syria regional crisis) agencies either have sufficient levels of access to gather data to inform CTP or they not providing cash grants where there is severe restriction of access. While this has proved to be a constraint for this review in terms of identifying how humanitarian organisations are determining grant sizes in remote access areas – simply because there are very limited examples of this happening - it is a finding in itself that the majority of the actors contacted stated that access to affected populations is a key component of the humanitarian CTP response.

NRC has identified three potential scenarios for remotely managed cash assistance inside Syria as follows:

*Table 1 Potential scenarios for remotely managed CTP*

SCENARIO 1	SCENARIO 3	SCENARIO 2
<ul style="list-style-type: none"> <li>• No presence but access to undertake monitoring and spot checks.</li> <li>• Project managed by national staff and/or partners.</li> </ul>	<ul style="list-style-type: none"> <li>• No or very limited access.</li> <li>• Projects managed by partners.</li> <li>• Security situation does not allow open collection of information.</li> <li>• Large amount of security restrictions.</li> </ul>	<ul style="list-style-type: none"> <li>• No or very limited access.</li> <li>• Project managed by national staff and/or partners.</li> <li>• Security situation allows more open collection of information.</li> </ul>

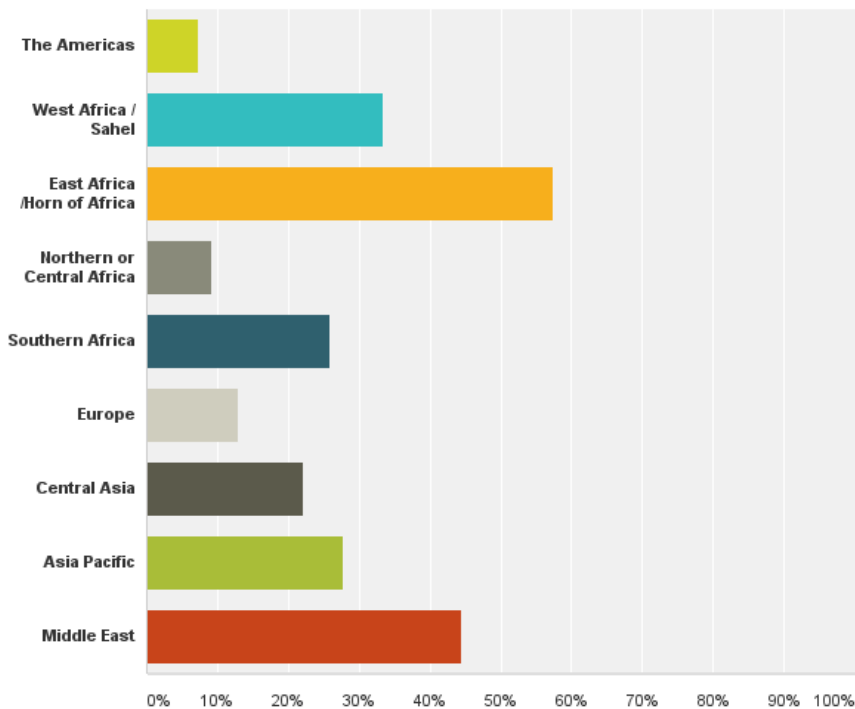
Good programming cannot take place without some level of access to the affected population, and while senior managers may never go to the field locations where the interventions take place, agencies need to work through local actors, including operational partners, local staff, market traders and service providers, in order for CTP to be in place. For natural disasters such as the Nepal earthquake, this meant

limited access to communities living in highland mountains and the need to provide humanitarian support during a small window post-earthquake and pre-snowfall. This small window of opportunity would apply to other natural disasters that cause temporary physical access restrictions.

This review identified only one context where there is severe restriction of access for any agency staff and due to the security risks involved and the sensitivity of this situation it is not possible to name either the location or the agencies involved in this response.<sup>3</sup>

Of those who responded to the on-line survey on setting the value of cash transfers, over 90% had more than one year of experience with CTP and 25% had over ten years' experience. Over 90% of respondents had experience of working in a context where remote management was in place, with over half of them reporting having experience in more than one such context. Respondents had most experience from East / Horn of Africa and the Middle East, and least in the Americas, Northern and Central Africa and Europe. This is a reflection of having enough interest in the subject matter to respond to the on-line survey, and is not meant to be an indication of current CTP actor profiles.

*Figure 1 Geographical areas of CTP experience of the on-line survey respondents (n:54)*



<sup>3</sup> It should be noted that there may be other such locations which this review was not able to identify due to the limited duration of the research timeframe (16 days).

# 3.0 FINDINGS

## 3.1 OVERVIEW OF FACTORS DETERMINING CASH GRANT SIZES

This section provides an overview of the factors that humanitarian organisations take into account when trying to establish the size or value of cash grants generically rather than specifically in remote access contexts.

Establishing the value of a cash transfer is ideally linked to an intervention’s objectives with the value of the transfer being equal to the gap between the needs that the project is trying to cover and how far recipients can cover those needs themselves without resorting to negative coping strategies. This review has found that there are multiple approaches for getting to the final figure, which while based on needs and gap analysis, involves a number of other operational factors which influence the final cash value amount transfer value agreed to. The calculation is typically done during the response analysis phase between the assessment and programme design phases of the project cycle. Table 2 below lists the main factors identified during this review that have a role to play in determining the size of a cash grant.

*Table 2 Key factors for determining cash grant values*

1	<b>Needs assessments</b> (detailed household assessment or rapid) and gap analysis
2	<b>Modality</b> (cash, in-kind, mixed) and monetisation of in-kind
3	<b>Cash feasibility</b> including: <ul style="list-style-type: none"> <li>• Market analysis</li> <li>• Risk analysis</li> <li>• Agency/partner capacity</li> <li>• Delivery mechanism (cash in envelopes, smart cards, mobile money transfers, banks, money transfer providers)</li> <li>• Legal framework/existing social safety nets</li> <li>• Likely donor</li> </ul>
4	<b>Targeting and programme design:</b> <ul style="list-style-type: none"> <li>• Objective of the response</li> <li>• Length of response</li> <li>• Caseload / scale of response</li> <li>• Number of payments</li> <li>• Payment intervals</li> </ul>
5	<b>Inflation risk</b> estimation
6	Target population <b>cost of living/expenditure basket</b>
7	Costing the <b>MEB</b> at local level
8	<b>Likely donor funding</b>
9	<b>Harmonisation</b> of cash grant value/ <b>averaged out grant</b> across organisations
10	<b>Currency impacts</b> (local versus USD payments)

### *Scale of information gathering in place*

In addition to the factors listed in Table 2 which are fairly well known and understood within the CTP community of practice, this review has found that the scale of information available is a key factor that feeds into the discussion of setting the value of the cash grant. There are few contexts which generate as much regular secondary data as Somalia and the Syria crisis. The protracted Syria crisis has sufficient donor funding to use national staff, partners and third parties to gather relatively large quantities of data and to allow for cash programming at a distance. Somalia is another example of a protracted crisis that has generated the necessary funding to support systems to regularly collect data that feed into programme decision-making, including CTP. This is in comparison with crises such as those being faced in the Central African Republic or Nigeria<sup>4</sup> where there is an expectation that needs will be more robustly quantified even though funding for market analysis or as a result of risk aversion is not available.

While the initial needs assessment and cash feasibility information is central to CTP design and determining the initial value of the transfer, the gathering of additional contextual information appears to be influencing the need to recalculate the value in protracted contexts.

### *Donor and national governments as influencers*

Another finding has been that the cash transfer value is still greatly influenced by current donor and national government policies, much more than when compared to in-kind. For example in a context such as Afghanistan there are challenges relating to the provision of cash in remote access areas even if there was donor support for this approach (which there is not). This is partly related to feasibility as financial service providers often do not have the capacity (or willingness) to quickly mobilise their agents to go into these areas, but there is also donor reluctance (and agency reluctance) to use unregulated money transfer systems such as hawala. In addition there are often regulatory environment issues imposed by national governments as seen after the Haiti earthquake response, in Zambia for refugees, and in Afghanistan and Nigeria, particularly for Cash for Work (CFW) programmes. For example, in Afghanistan CFW is at risk of being taxed by the government as a type of formal employment, rather than as a humanitarian intervention.

## **3.2 OVERVIEW OF DIFFERENT APPROACHES FOR DETERMINING CASH GRANT SIZES**

Humanitarian agencies are using a range of different approaches for determining cash grant sizes depending primarily upon the context in which they are working and the resources and time that are available to them. The basic issues that are taken into account include:

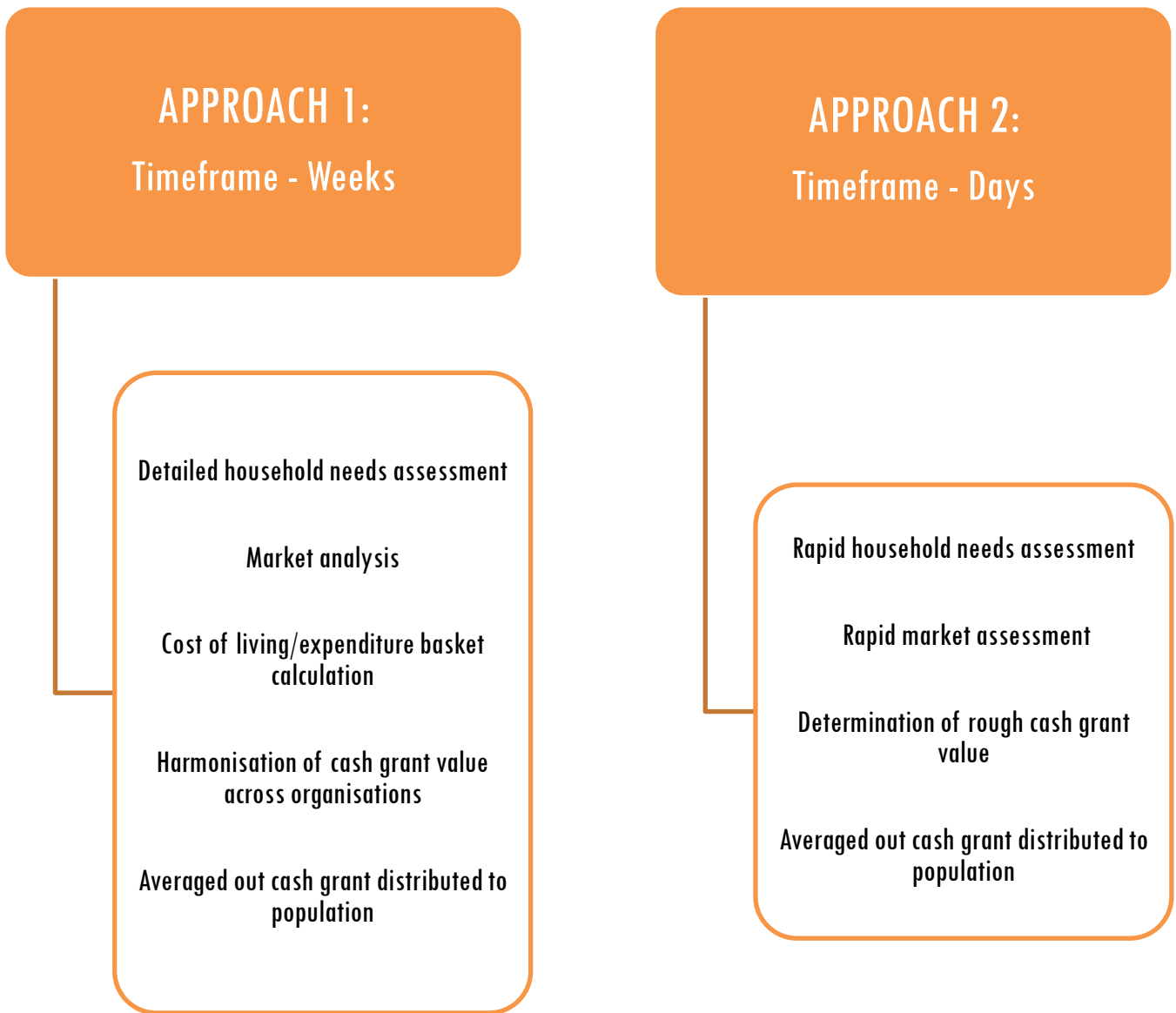
- An initial assessment of the needs of the target population in order to identify the gap that a cash grant would need to cover;
- Some form of market analysis, often focusing on a selected number of key items.

The two main examples that NRC has identified for determining the size of cash grants both culminate in the averaging out of grant sizes, so that all HH receive the same amount as can be seen in the figure below:

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<sup>4</sup> <https://fts.unocha.org/pageloader.aspx?page=home>

*Figure 2 Approaches to determining cash grant sizes*





**Table 3 Comparative analysis of approaches to determining cash grant sizes in humanitarian operating environments**

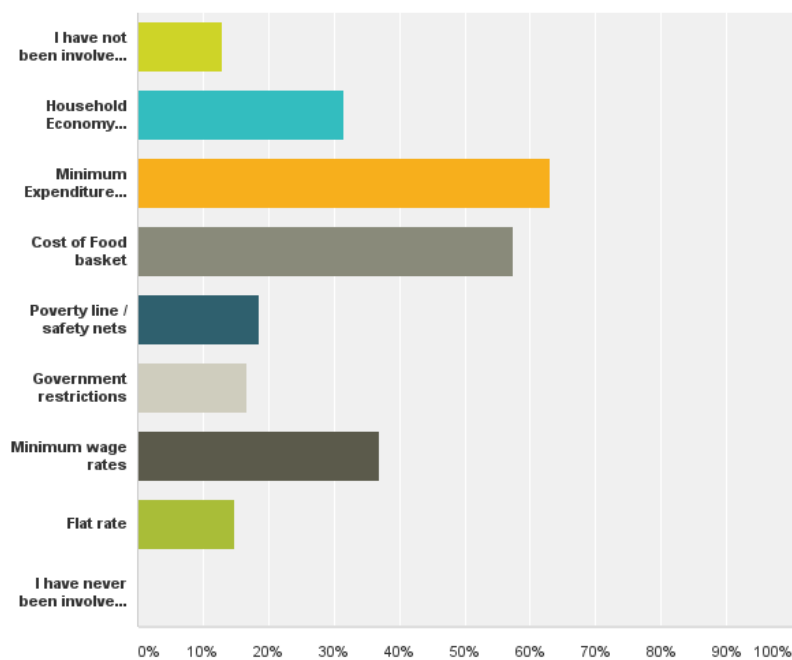
The table below provides an overview of approaches that humanitarian agencies are adopting in order to establish the value of cash grants in remote access contexts as well as environments where access is less problematic.

	<b>APPROACH/METHODOLOGY</b>	<b>KEY FACTORS TAKEN INTO ACCOUNT</b>	<b>EXAMPLES OF CONTEXTUAL USAGE</b>
<b>1</b>	<b>Full Household Economy Approach (HEA)</b>	<ul style="list-style-type: none"> <li>• Provides information on the HH income – income, savings, assets, food and non-food consumption patterns, access, poverty and wealth.</li> <li>• Allows for the potential to tailor grant sizes to individual HH or groups of HH with similar household economies.</li> </ul>	<ul style="list-style-type: none"> <li>• Slow onset and protracted contexts worldwide where there are no/limited access issues</li> </ul>
<b>2</b>	<b>HEA gap analysis followed by market analysis (not a full HEA)</b>	<ul style="list-style-type: none"> <li>• Provides an overview of gaps in needs.</li> <li>• Rapid market assessment looking at prices for key items and market dynamics.</li> </ul>	<ul style="list-style-type: none"> <li>• Northern Syria</li> </ul>
<b>3</b>	<b>Ration content converted to value (using 2,100-2,400 kcal per person)</b>	<ul style="list-style-type: none"> <li>• Takes the price of a standard food package on the local market.</li> <li>• Uses NutVal to ensure macro and micronutrient value is factored in.</li> </ul>	<ul style="list-style-type: none"> <li>• Natural disasters</li> <li>• Refugee &amp; IDP populations</li> <li>• Nigeria added 15% top up</li> </ul>
<b>4</b>	<b>Initial flat rate</b>	<ul style="list-style-type: none"> <li>• Suggesting a USD amount between 50-200USD based on scale of needs, trader interviews, wage rates.</li> <li>• Also considers donor appetite, number of instalments, type of crisis, caseload, monthly wages, social safety nets.</li> </ul>	<ul style="list-style-type: none"> <li>• Not disclosed to protect interviewees confidentiality</li> </ul>
<b>5</b>	<b>Minimum Expenditure Basket (MEB)/specific expenditure basket (averaged out amount )</b>	<ul style="list-style-type: none"> <li>• Data on minimum HH expenditures to cover basic needs on a regular or seasonal basis.</li> <li>• MEBs represent the HH needs and not the cash grant value. A percentage cushion is often added to the MEB amount.</li> <li>• Averaged out amounts among actors are commonly used.</li> <li>• Food and non-food sector specific responses may use only the relevant part of the MEB to set grant sizes.</li> </ul>	<ul style="list-style-type: none"> <li>• Somalia</li> <li>• Lebanon</li> <li>• Jordan</li> <li>• Nepal</li> <li>• Yemen</li> </ul>

	<b>APPROACH/METHODOLOGY</b>	<b>KEY FACTORS TAKEN INTO ACCOUNT</b>	<b>EXAMPLES OF CONTEXTUAL USAGE</b>
<b>6</b>	<b>Survival Minimum Expenditure Basket (SMEB) averaged out amount</b>	<ul style="list-style-type: none"> <li>• Collection of price and availability data of a range of basic food and essential non-food commodities.</li> <li>• Basic items selected based on what is typically available, sold and used by an average Syrian HH.</li> <li>• Agreement on what is considered “basic” is context specific e.g. rent, health, debt repayment.</li> </ul>	<ul style="list-style-type: none"> <li>• Northern Syria</li> <li>• Iraq</li> <li>• Lebanon</li> </ul>
<b>7</b>	<b>Ideal package/shopping cart value or sector specific approach followed by market analysis</b>	<ul style="list-style-type: none"> <li>• Individual sectoral identification of relevant items to meet sectoral needs.</li> <li>• Focus is often on livelihood or shelter inputs (e.g. agricultural items or shelter items based on a bill of quantities) not basic food/non-food items.</li> <li>• Identification of an ideal package based on local prices.</li> </ul>	<ul style="list-style-type: none"> <li>• Syria regional (Turkey agriculture)</li> <li>• Refugee/IDP protection and resilience</li> <li>• Lebanon</li> <li>• Nepal</li> </ul>
<b>8</b>	<b>Budget availability</b>	<ul style="list-style-type: none"> <li>• Responses are supply (funding) driven as opposed to needs driven.</li> <li>• Community based targeting is most effective (where extremely limited access)</li> </ul>	<ul style="list-style-type: none"> <li>• Syrian regional (Turkey)</li> <li>• Unnamed context (confidentiality/security reasons)</li> <li>• Protracted crises</li> <li>• Recovery</li> </ul>
<b>9</b>	<b>Government social safety net amount</b>	<ul style="list-style-type: none"> <li>• Grant value based on the amount given by the government for social safety net payments.</li> </ul>	<ul style="list-style-type: none"> <li>• Yemen</li> <li>• Nigeria</li> <li>• Refugee populations</li> </ul>
<b>10</b>	<b>Government imposed flat rate</b>	<ul style="list-style-type: none"> <li>• Flat rate set by the government for humanitarian cash grants.</li> <li>• Does not necessarily allow for meeting intervention objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Nepal</li> <li>• Nigeria (for some target groups)</li> <li>• Philippines</li> <li>• Niger</li> <li>• Haiti</li> </ul>

The on-line survey respondents' experience with different approaches and methodologies is presented in the figure below. The MEB was the most popular response, with over half the respondents reporting experience using this approach closely followed by the cost of the food basket approach. These approaches were the most popular for respondents from all sectors. This echoes the feedback from KI interviews. This not surprising given the regional and sector experience of the respondents (62% identified themselves as being food security and livelihoods experts and almost half respondents had East/Horn of Africa and/or Middle East experience) Respondents also added comments on additional approaches to determining the value of the grant by using community based methods whereby a block amount is given and the community asked to target and share it according to vulnerability criteria, or qualitative analysis of security, trader capacity and hawala coverage.

*Figure 3 Experience in the use of methodologies used to determine the value of the cash grant of the on-line survey respondents (n:54 respondents, 118 answers; more than one answer possible)*



There are strengths and weaknesses in all the approaches above. These are elaborated on in Annex 4. However, given the focus of the terms of reference key strengths and weaknesses in adopting a survival/minimum expenditure basket (S)MEB which is widely used by agencies in a variety of remote access contexts arising mainly from the Syria crisis response are presented in Table 4 below.

*Table 4 Strengths and weaknesses of the (S)MEB approach (increasingly used in remote access contexts)*

STRENGTH	WEAKNESS
<p>The (S)MEB is increasingly becoming common practice among a number of agencies resulting in transparency and ease of information sharing allowing agencies to provide cash grants using the same data.</p>	<p>The (S)MEB does not always reflect market prices for the duration of an intervention.</p> <hr/> <p>Assumes a functional coordination inter-agency cash working group where data is shared and agreements are made – negotiation is required</p> <hr/> <p>Averaged grant sizes do not take into account different vulnerabilities and wealth groups within project target groups, nor family size.</p> <hr/> <p>(S)MEB prices are often based on larger markets and do not reflect prices at village level or in those places that are truly hard to access. Or may be based on monetisation of in-kind goods.</p>
<p>Provides a numeric rationale which helps provide a rationale to decision makers for approval/funding.</p>	<p>The differentiation between survival and minimum expenditure basket is deemed as unnecessary by some, as the MEB should be based on the basic HH level expenditures, so a survival threshold lower than the MEB is not considered appropriate by some. The SMEB has been perceived as a way of reducing the MEB when it is “<i>too high finance</i>”</p>
<p>Allows for incremental additions e.g. a % for other needs or inflation, or a % for household size differences.</p>	<p>Does not capture what HH really spend their money on, e.g. tendency to buy more staple foods (possibly as investments) than the fresh foods included to ensure dietary diversity (NutVal approach).</p>
<p>Allows geographical variations based on transport costs and market prices.</p>	<p>A large proportion of the (S)MEB is to cover food and non-food items, but HH sometimes make larger livelihoods/recovery investments when they receive the cash and do not necessarily spend funds to meet the needs the amount was designed around.</p>

Some donors have been reported to be more comfortable with supporting (S)MEBs or cash grant values based on HH expenditure baskets (emanating from a needs assessment) as they have confidence that the calculations are robust and the metrics used are clear. However, there is a desire to see a more substantial rationale and increased triangulation surrounding the calculations as these approaches tend to miss out important considerations such as coping strategies and seasonal

fluctuations, and other livelihood related aspects which exist even in protracted crises.

There are however challenges in being able to use (S)MEB data to cover needs. For example, in Iraq the cash working group spent significant time collecting data in order to establish a survival minimum expenditure basket (SMEB) for each governorate (this is mainly in accessible areas as opposed to remote access). Some items such as rent varied widely per governorate and this resulted in different SMEBs per governorate. However, due to the complication of having different SMEBs across the country the UN Humanitarian Response Plan only includes one averaged SMEB set across all governorates. This has resulted in some HH in governorates where rent is high receiving cash grants which still leave significant gaps for HH to cover but not in others. In addition, it means that there is now no breakdown of the SMEB per item making it more difficult for agencies to pull out a sector specific value if they want to give an unconditional grant as well as a sector specific grant.

Triangulation of data in those areas where there is limited or remote access remains important and is often done through social media analysis and media monitoring as well as analysis of satellite imagery. In an effort to triangulate data in Somalia, members of the Cash and Voucher Monitoring Group have undertaken price monitoring with partner agencies and combined this with Food Security and Nutrition Analysis Unit (FSNAU) data and third party market monitoring.

### 3.3 APPROACHES SPECIFIC TO REMOTELY MANAGED PROJECTS

The section above has provided an overview of the different approaches that humanitarian agencies are using to establish cash transfer values in all settings. This section aims to highlight approaches that are specific to remote access environments.

The on-line survey asked respondents to state their level of agreement with the following statement:

*“The approach for setting the value of a cash transfer for programming in locations with remote management in place is no different from other humanitarian contexts”.*

#### *On-line survey responses (n:54)*

<b>STRONGLY AGREE</b>	<b>AGREE</b>	<b>DISAGREE</b>	<b>STRONGLY DISAGREE</b>	<b>NO OPINION</b>
11.11%	38.39%	31.48%	9.26%	9.26%

The responses are almost evenly split between those who agree and those who disagree. With 90% of respondents having had experience of working in at least one remote management context this highlights the lack of agreement that there is surrounding the most effective approaches to setting the value of cash grants in such environments.

The (S)MEB analysis is considered by many agencies and some donors as sufficiently robust and granular to form the basis for the calculation of appropriate cash grant sizes. This provides an element of comfort for those agencies using it. However, how possible it is to use this approach in truly remote areas and to be confident in the

data collected is questionable. In addition, even with the (S)MEB there is often the need to average out the value of the grant (as has been seen recently in Iraq for example) meaning that the value of the grant that people receive is not a true reflection of their assessed needs. In remote access situations a key issue is related to the quality of data collection and how strongly this is linked to ongoing needs and real price data and how to ensure that cash grant values are linked to what people need.

Where feasible, humanitarian agencies train their own staff or local partners in how to undertake needs assessment and gather market data in order to develop an (S)MEB. However, the risk is often that there is an issue of quality control as it is difficult to ensure ongoing consistency in terms of data gathering and interpretation of results. Good enough approaches are justified at the onset of a response, but over time there is increased scrutiny to fine tune and better address specific quantified needs and monitor the impact of the response within the given operational context. CTP have perhaps increased the level of scrutiny for in-kind as well.

One of the key challenges related to grant setting in remote access environments is that organisations have to look at needs broadly and build the cash grant size around that. This requires working on assumptions and relying on data from partners and locally based staff that is often difficult to verify. Without sufficiently robust data organisations, are finding it difficult to access donor funding for remote access CTP. As such, donors tend not to fund CTP in such contexts (outside the Syria response) as can be seen for example in Afghanistan.

This review identified one context where there is extremely limited access for supporting agency staff (whether national or international). However, having started small and raised the bar high in terms of putting in place strict due diligence processes and monitoring procedures and developing relationships with the groups that are in control of the territory where the distributions are being carried out it has been possible to secure funding even though donors are often reluctant to support cash programming in such high risk remote access areas. The organisations involved have had an intense focus on building relationships through all levels of the groups in control. The cash grants provided in this context are based purely on the funding that is available and dividing up the funds accordingly. This has been done through forming a representative committee with representatives from sub-units (villages) and then cutting that down until there is an allocation per village or IDP camp. The agencies involved have tried to highlight to selection committees the minimum amount that each beneficiary HH needs in order to keep a family alive and that if the fund is split across the entire village it is likely that those more in need will not survive. A critical element of this has been in monitoring the representation on the village committees and ensuring that they are accountable to the wider village. However, with the appalling conditions being faced in this context the solidarity within a village is possibly more important than the value of the cash coming in. This could mean that if village committees are not given some flexibility in terms of amounts provided per HH it could create more divisions and do more harm than good. However, experience has shown that on the whole the committees have taken note of guidance from the supporting agencies. In order to monitor the situation, an independent network of monitors who do not sit within the committees and civil society organisation has been established.

### *Averaging out*

In most of the contexts focused upon in this review - Afghanistan, Nigeria, Lebanon and Syria for example - most organisations use an average household size to

calculate the support provided rather than using actual HH sizes. As noted above, with the averaging out of the S(MEB) value across Iraq, this process results in some families not receiving sufficient cash support to cover their needs thereby failing to meet programme objectives. It is acknowledged that averaging of grant values, particularly when speed of disbursement is important, is however the most administratively uncomplicated approach to adopt. A number of agencies do however try to provide a little more than the averaged out grant size. For example in Syria, a number of agencies provide a full MEB with an additional 6% of the MEB value. In Nigeria, the food component of the MEB was calculated and 15% was added to the cash grant value as a top up, even though it was designed to meet food needs. There is no established rule for this and the approach is still context specific, including likelihood of donor funding and scale of the operation, not just gap analysis and cash feasibility. The tendency is to calculate the needs that are being met, and less on the needs not being met, as the latter requires additional information on HH behaviour. Often these grants are multi-purpose and if new needs are identified, the value may be readjusted, as for example in winterisation programmes where a fuel allowance is added or water trucking expenses in the dry season. The on-line survey respondents provided additional comments on the inappropriateness of a one size fits all approach, and stressed the importance of keeping objectives and operational context in mind. Averaging out for HH size is considered acceptable at the start of a response, but requires fine tuning in line with a do no harm approach.

### *Who is collecting data*

Gathering relevant household level and market data from remote access situations is frequently dependent on information collected from the locally based staff of supporting agencies or from third parties. However, it is not clear what levels of due diligence are in place to ensure that the data collected is accurate. One example discussed during this review where there is extremely limited access for both local and international staff is the use of third parties whereby village committees have been established to help target cash transfers to the HH most in need and independent monitoring committees have been set up to verify how the grants have been distributed.

When locally based staff are used it is sometimes not possible for agencies to train them in data collection approaches directly (due to the inability to access specific areas). This often results in having to go through two or three different people to undertake the training, resulting in simplified approaches.

In Syria the use of remote data gathering options is widely used in order to feed into the development of the MEB. REACH is the main organisation that is providing this data through pulling together standardised market information from agencies operating in areas of the country that are accessible to cross border humanitarian operations. This data is collected by approximately 10 organisations per month using a common methodology that REACH has trained them on. All partners are international non-governmental organisations using Syrian staff. REACH cleans, consolidates and verifies the data and feeds it into the SMEB format that has been developed by the Cash Based Response Technical Working Group. This data is updated monthly. Training of enumerators for the Syria response is largely dependent upon the levels of access that enumerators have to Turkey. Agencies spoken with during this research were confident that this remotely collected data is sufficiently granular and reliable to be authoritative. For those locations that are not accessible to agency staff, REACH relies upon family and personal connections of its

staff and its Area of Origin methodology whereby Syrian refugees collect key informant information from contacts in the crisis area to feed into assessments.<sup>5</sup>

There is a risk that without the ability to directly train enumerators or to verify data collected through third parties that the values being established are not truly reflective of needs and market data.

### *Data collection tools*

The increased availability of technology for data collection (whether needs or market related data) has provided more options for humanitarian organisations to remotely gather the information required to feed into grant value calculations when undertaking response analysis and monitoring. The recent Ebola response provided another context where the concept of remote access was in place in that assistance was provided to quarantined communities with limited direct contact. Increased use of technology to collect market price and other needs assessment and programme monitoring data is being seen, and considered good enough to make programming decisions.

In Syria, REACH's partner organisation enumerators primarily use mobile devices using Open Data Kit tools. In those cases where it has not been possible to use tablets for security reasons, partners have developed their own paper forms which are then photographed and sent to their teams in Turkey. This latter option is only possible where telephone networks are functioning.

The United Nations High Commissioner for Refugees (UNHCR) registration and database system (ProGres) allows them to have very detailed information about individual household needs enabling them to adapt their support over time as needs evolve or change.

### *Currency issues*

Selecting whether to set values in local currency or in US dollars (USD) in order to calculate grant values has been challenging in some contexts. For example in Syria, some agencies provide cash grants in USD whilst others use the Syrian Pound. Those using USD state that the grants are more likely to maintain their value than if they are paid in Syrian Pounds which has seen devaluation throughout the crisis. However, this approach is not consistent across all agencies and has been the topic of significant discussion. This debate is also found when using vouchers and deciding whether a commodity voucher or a money value voucher is more appropriate. When providing grants in USD it has been necessary to decide a point at which to peg the exchange rate against an MEB which is set in local currency. This means either rounding up or rounding down the value of the transfer. In Afghanistan and Iraq, agencies report making cash transfers in local currency. It is important to note that inflation and devaluation affects all aspects of humanitarian programming, not just CTP and needs to be factored into the project design.

### *Sectoral challenges*

Generally MEBs are based on food basket and some essential non-food data. In some contexts, additional items covering education, health, communication,

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<sup>5</sup> *Assessment of needs and humanitarian situation inside Syria: Livelihoods Syria Thematic Report (September 2015)*



transport, clothing, water, shelter, sanitation and hygiene and services are also included in the MEB although often these items are removed for political reasons as their inclusion can raise the MEB to a level that is unacceptably high for host governments (Lebanon for example).

Many shelter responses are based on projected actual costs or on a bill of quantities meaning that each HH will receive a different amount. This tends to mean that MEBs which include an average cost of shelter items may not actually be reflective of real needs at individual HH level. Contexts where recurring rent costs are being covered through a CTP are very different from those where shelter repairs are required, whether temporary or more durable shelter solutions. The shelter sector's CTP experience needs to be tapped into when doing CTP for relief. Cash working groups are increasingly making those links with other sectors more systematically in rapid onset disasters, but not necessarily in protracted crises.

### *Grant values to meet acute life-saving needs*

There is a difference between what people need on a one-off basis versus recurrent costs that may be faced in a longer term crisis. For this reason, one-off unconditional grants often include amounts to cover the purchase of items such as mattresses and blankets – this can be seen in Iraq for example. This results in initial grant values often being set higher than recurring grant values which are intended to cover HH level consumables such as food, fuel, hygiene products, water, communication, transport, medical costs etc. Replacement assets are usually calculated separately to the MEB. When there is insufficient assessment data to determine one-off needs versus the expected recurring HH level needs, the default is to aim to cover immediate consumable needs, often referred to as *life-saving* in line with emergency humanitarian response terminology. It has been repeatedly shown in protracted crises that HH invest their relief goods (in-kind or cash) to invest in more HH level assets that support livelihoods and recovery. A recurring grant payment allows HH to plan how best to save and invest when this is possible and monitoring data should capture how HH are using the grant in order to understand what needs the cash grant is actually meeting. This provides a richer understanding of the target population's needs.

### *Grant values in protracted crises*

In protracted crises the ongoing presence of agencies over time allows for the ability to have a better understanding of needs and market situation which can/should influence the ability of agencies to determine grant sizes. However, agencies are also often influenced by government restrictions in protracted crises. This can be seen in Lebanon where there have been some challenges faced in terms of setting an accurate MEB. When the MEB for the Syrian refugee population was initially established it came in significantly above the minimum wage for the Lebanese population. This was partly due to the difference in shelter-related costs for the refugee population who frequently have to cover rental of accommodation. In order to ensure support from the Lebanese government, an SMEB was created which reduced/took out a number of expenditure items e.g. for education and legal advice and this brought the SMEB just under the government's minimum wage. As the crisis has continued over time there have also been fluctuations in the provision of food vouchers from WFP which has affected the calculation of the SMEB. On the positive side, over time, agencies have been able to gather increasing amounts of data to feed into the calculation of the SMEB.

### *Mixed scenarios*

It is worth noting that it is not always possible to make a clean and clear distinction between acute life-saving needs and protracted crises as often the two are combined. For example in ongoing crises there can be a continual need to provide life-saving assistance. This is particularly relevant in besieged areas (for example in parts of Syria, leading to asset depletion and increased morbidity and mortality, cash transfers can play a life saving and livelihood saving role which is quite distinct from the lifesaving role attributed to rapid onset disaster relief interventions.

### *Revision of grant sizes*

The frequency with which the value of grants need to be revised is dependent upon a number of factors including resource constraints (human and financial) and environmental changes. Re-calculating grant values is burdensome both in terms of collecting data and revising project plans. Discussions during this review revealed that in fact agencies rarely adjust the value of grant sizes. The World Food Programme (WFP) uses a benchmark based on food price monitoring data that calls for adjustments to the value of the transfer when a 10% change is observed in the market price monitoring data. A recent adjustment was made in Niger based on seasonal factors, where price changes over the lean season justify an increase in the cash transfer value for short periods of time, and then a reduction post harvest. When market price monitoring shows a marked increase for one key commodity, the existence of a replacement commodity of equal nutritional value is considered, for example types of bean, so that adjustments to the cash grant size are not automatically based on one food commodity. Where all commodities of the same nutritional value increase in price, WFP has the option to replace that component of the cash grant with in-kind. Trader monopoly in the Democratic Republic of Congo caused one agency to change their voucher programme based on the increased price of one commodity of the food basket.

Many actors are providing one-off or short term (3 months) cash grants in immediate emergency response situations meaning that the requirement to revise the value of grant sizes is minimised. However, the alternative view is that if these grants are truly meant to cover life-saving needs the requirement to re-assess the appropriateness of their value is heightened with the need to re-assess within for example, two weeks of the provision of a grant designed to last one month to monitor how much of the grant has been used within that timeframe and whether there are additional acute needs that need to be covered. Almost two thirds of the on-line survey respondents agreed/strongly agreed that the main reason for adjusting the value of a cash transfer is market price variation. Furthermore, slightly more than half of the on-line survey respondents disagreed that the value of a cash transfer should be adjusted for household size within the first three months of a response, with the main reason cited being it depended on the objective of the response.

For protracted situations, most actors agree that a monthly checking of market prices is sufficient to feed into the revision of grant values. However, it was also noted that even with longer term programming it is difficult to revise grant values as the funding is set and unless there is a contingency reserve and agreement with the donor, it is generally not possible to raise the value of grants even if needs require it. Other organisations felt that revision in such contexts is only necessary on a quarterly basis or as demands require it e.g. a substantial displacement; change of front line control;

change of policy regarding access of goods through borders and ports ;and/or significant reports of market instability.

A third approach adopted in terms of amending the value of grants is to assess the percentage of increase/decrease of the transfer value. Making such changes are easier when using mobile money but any change in grant size requires significant effort in terms of community sensitisation about the value of entitlements. For example, one agency recently adjusted the value of their cash transfer by 20% in Chad. In Nigeria the cash grant was reduced from 100% of the MEB to 70% recently as it was deemed that some internally displaced persons (IDPs) had income sources. This question of using information on sources of income and coping strategy indices to gauge how HH make ends meet was mentioned by some key informants as necessary to avoid paying a flat rate just because it was easier, especially in protracted contexts.

All three approaches show that CTP monitoring data on use of cash grant and market prices is the most common type of data collected regularly. However, this rarely feeds into adjustment of cash grant values. Actors deem this data collection to be necessary, but acknowledge that during the lifespan of a humanitarian response, big triggers related to new needs, and changes in funding and caseloads are more likely to affect the adjustment of cash grant values, than an analysis of CTP monitoring information. The latter tends to feed into new programme design rather than adjustments. Two interesting examples can be seen in Lebanon and Nigeria. In Lebanon where the MEB was deemed to be high a low value SMEB was designed, and in Nigeria it was decided the cash grant would cover 100% of the MEB and then reduced to 70% in the second year because of the changing situation for some populations considered to be returning to their place of origin. This is in contrast with UNHCR's approach where returnees tend to be given an increased assistance package to help them settle back at home.

UNHCR uses a protection based approach, where individual household member needs may be quantified and cash grants allocated for additional costs beyond the MEB, to consider the mobility and transport needs of individuals, their education and income generation training needs as well as dependency ratios. While the UNHCR caseload may be unique in that it relies on detailed HH level data collection, it shows that adjusting grant values to different objectives is possible with large caseloads, although not at the onset of a refugee or IDP population movement.

### 3.4 WHAT IS ESSENTIAL TO KNOW?

There is a difference between what it is essential to know and what it is good enough to know in order to calculate grant sizes. What is good enough frequently depends on the donor and in some remote access contexts, Syria for example, basing grant calculations primarily on secondary data to reach a rapid decision is often sufficient. However, in other contexts such as Afghanistan donors will not provide funding to organisations to implement CTP unless organisations have direct beneficiary access.

Experience from Somalia highlights four key factors that aid agencies need to consider when setting cash transfer values. These were put together by the Cash Working Group of the Food Security and Economic Development Sectoral Committee and the IASC Agriculture and Livelihoods Cluster.<sup>6</sup> The guidelines state that the value

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<sup>6</sup> *Guidelines for Cash Interventions in Somalia An initiative of Horn Relief as the Chair of the Cash Working Group of the Food Security and Economic Development Sectoral Committee and the IASC Agriculture and Livelihoods Cluster.*

of the cash transfer to be provided to beneficiaries depends on the objective of the project. However, it should be noted that the rate of recovery of the population is directly related to the value and the regularity of payment. To calculate the value of the cash transfer agencies must consider the following:

- What is the transfer meant to cover?
- What is the price of these items in the local market?
- Is the price of the items likely to increase during the length of the response?
- Are the same beneficiaries receiving assistance from any other project/programme?

The guidance proposes that the value of cash interventions to meet basic household needs should be at least the amount required to purchase the minimum expenditure basket (food and non-food items). However, agencies need to find out the village level prices of food basket items in their project area as that is the most accurate indicator of costs. The catch is that although FSNAU provides information on the cost of the minimum expenditure basket for different areas of the country, the markets selected for monitoring will not necessarily be representative of the local village market.

Experts with experience of calculating the value of cash transfers for a number of agencies shared their experiences on what is good enough to know for setting grant values with the review team. Their approach is based on technical expertise and experience and whilst echoing the approach adopted in Somalia it is more simplistic and includes:

- What need is the transfer meant to cover? (i.e. needs gap analysis and intervention objective)
- What information can be collected and triangulated to give confidence that it is sufficiently robust to inform transfer value setting?
- Will the transfer cause any harm or security risks?

The respondents to the on-line survey were asked to rank the **top three** factors they considered to be essential to determine the cash transfer value in a humanitarian response (not remote context responses specifically) and the findings are summarised in Table 5 below. The survey responses and KI feedback from interviews are aligned in terms of identifying assessed needs and gap analysis as being a priority. However, where there is a difference is that the KI interviews then focused upon the ability to triangulate data and the harm/security risks of providing cash whereas the survey responses saw market price data and analysis being of high priority with risk analysis coming low on the priority list.

*Table 5 Top three ranked factors for determining the value of the cash grant according to the on-line survey respondents (n:54, total number of responses 162).*

<b>RANKING FACTOR</b>	<b>1st</b>	<b>2nd</b>	<b>3rd</b>	<b>Total no. responses</b>
<b>Donor requirements</b>	30%	20%	50%	10
<b>Risk analysis</b>	0%	22%	<b>78%</b>	9
<b>Implementing partner capacity</b>	0%	<b>67%</b>	33%	3
<b>Market price data</b>	<b>36%</b>	36%	<b>28%</b>	<b>36</b>
<b>Delivery mechanism</b>	50%	0%	50%	2
<b>Caseload</b>	13%	38%	50%	8
<b>Needs assessment and gap analysis</b>	<b>61%</b>	<b>31%</b>	8%	<b>51</b>
<b>Market analysis</b>	32%	41%	26%	<b>34</b>
<b>Legal framework for cash transfer programming</b>	22%	11%	67%	9

This ranking exercise was designed to detect trends in current thinking about the design of setting the value of the cash transfer. By only allowing three answers, it is likely that respondents would not list all factors needed. The aim was to push them to choose *only* three answers giving a total of 162 responses from the 54 respondents. The results show the most often ranked factors as follows:

Ranked in the top 3 places **most often:**

Needs assessment and gap analysis (57% ranked this in 1 <sup>st</sup> place)	94%
Market price (24% ranked this in 1 <sup>st</sup> place)	67%
Market analysis (20% ranked this in 1 <sup>st</sup> place)	57%

Ranked in the top 3 places **least often:**

Delivery mechanism (2% ranked this in 1 <sup>st</sup> place)	4%
Implementing partner capacity (11% ranked this in 1 <sup>st</sup> place)	5.5%
Caseload (2% ranked this in 1 <sup>st</sup> place)	15%

These results suggest that setting the value of a cash grant is most dependent on needs assessment and gap analysis followed by market process and market analysis. The legal framework, risk analysis and donor funding are operational realities that cannot be ignored as they influence the whole response but are not perceived to be the factors most closely linked to the cash transfer value.

This review has focused on humanitarian contexts where CTP are planned or in place, with access constraints of varying degrees, length and intensity. It has not limited itself to remote management contexts caused by security constraints, but widened its exploration to include physical access for comparison purposes. The appropriateness and feasibility of CTP in the contexts selected for this review has highlighted that while CTP can offer the opportunity to meet humanitarian needs, this cannot be programmed in a data vacuum. A minimum level of engagement with and access to the affected population to identify needs and the market's ability to meet these needs is required. There is no evidence of CTP being implemented in such a vacuum, which for in-kind responses may be equated with food air drops. Hence, it has been found that the concept of remote management contexts do not mean no access at all. The operational reality of actors involved in CTP has revealed that needs assessment and setting objectives is high on the agenda of appropriateness of CTP, and risk assessment and market function are high on the agenda of feasibility of CTP. New technologies and remote ways of data collection and CTP disbursement may appear to provide opportunities for increased remote access response, but this review has found that this is not the case and CTP responses involve at a minimum information linked to risk analysis and funding opportunities.

In terms of what is relevant for setting the value of the cash grant, this review has found that needs assessment and gap analysis followed by market process and market analysis are likely to be the most influential factors in determining the value of a cash transfer. This is likely to be because by the time cash grant value is being calculated, many operational aspects of cash feasibility have already been assessed, including access and risk related issues. For remote management contexts a level of operational access is required and normally relies on minimum contact through local partners. While quantitative calculations are made to estimate likely household level expenditures, this information is not systematically matched with monitoring data on actual household expenditure. So the calculations based on an average basket of HH needs and market price data is only one step in deciding the value of the transfer as a percentage of what to cover is often used. Additional operational information is always factored into the calculation including coordination with other actors, donor funding, and whether it is the start of a response or a protracted one.

Actors interviewed mainly agreed that in a humanitarian context with access issues, when responding to immediate needs for one to three months CTP can be considered with incomplete information, and that setting the value of the grant in this case could be an initial flat rate based on the need to meet immediate relief needs, evidence that markets are functioning and providing basic needs that people can access. These cash grant value amounts can be based on minimum wages or a basic food basket calculation with a percentage top up. Setting the value of the transfer in these contexts was seen to be less important than risk and access related issues. In addition, the need to explain the rationale behind value setting is considered by many actors to be equally, if not more important than the methodology applied. The use of MEB and a basic HEA (an estimate based on a rapid analysis of HH needs and the gap that needs to be covered) lend themselves best to this. The common weakness of both approaches is that they necessitate the averaging out of transfer values across populations rather than tailoring them to need. Often, particularly with the MEB approach this is further weakened when the value of the transfer is reduced to ensure alignment with government policies. However, with the frequent lack of ability to verify the quality of data being collected in remote access environments agencies are obliged to adopt an averaging approach which is ultimately less administratively burdensome to implement.

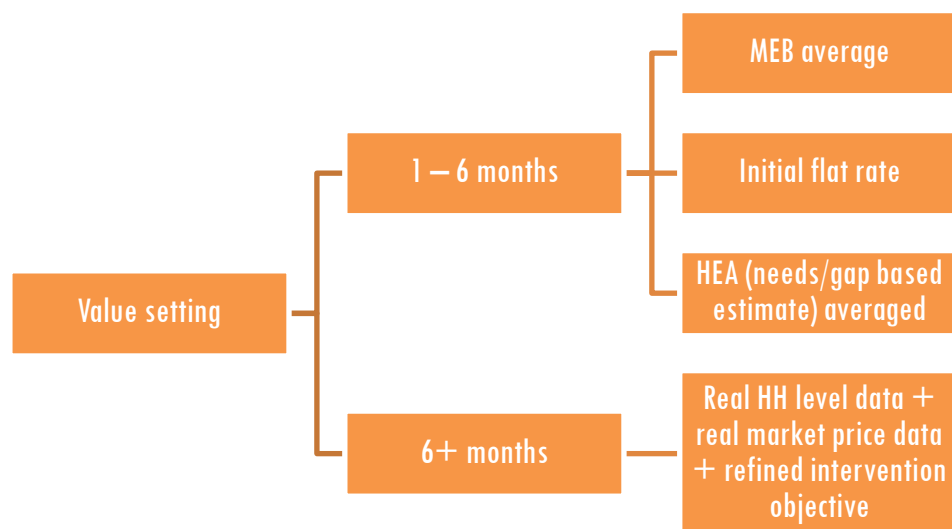
On the other hand, actors interviewed also mainly agreed that the main reason for adjusting the value of the cash transfer was likely to be related to the intervention objective. Where the objective after two - three months remains the same, to meet immediate life-saving needs, the value of the grant was generally designed to meet basic recurring needs and repeat payments would continue with project extensions, rarely adjusting the value of the grant within a project lifecycle. The exception is the Syria context where currency exchange related issues mean the value of the grant has been adjusted by some agencies to have the same USD equivalent. Where the objective of the intervention changes after two - three months to start targeting recovery and vulnerability based needs, the setting of the cash grant value is increasingly based on additional assessment and market information as well as the sector of response.

At the other end of the spectrum are protracted crises such as refugee settings where household level data is collected and grants can be adjusted monthly to household size to meet multiple sector specific needs, indicating refinements of the cash grant value over time based on additional vulnerability and market related information. However, agencies reported that in practice this is not frequently done.

The more sophisticated methodologies to adjust the value to assessed HH level needs, real market prices and refined objectives was most evident after six months. In practice though, many of those interviewed acknowledged that data collection systems and information on purchasing power may be in place, but for that to translate into an adjustment in the value of the cash transfer was very exceptional. Other more influential project management issues took precedence when choosing timelines to adjust the value. Again, the exception to this is Syria due to inflation and devaluation issues, where actors have real-time information and feel the need to adjust, and in refugee situations where more precise HH level information on dependency ratio, income generation activities and CTP with a protection lens are adjusted. Both these examples show that increased information is more likely to lead to adjustments in the value, however, these adjustments are rarely downward, but rather upwards.

NRC's initial assumption in relation to approaches adopted in order to determine cash grant sizes in humanitarian remote access contexts is to an extent confirmed through this review. Figure 4 below shows the approaches identified through this review for value setting in the first six months of a response and after six months. The two key approaches identified by NRC were the rapid HEA (income/wage rates and expenditure and gap analysis) and market assessment to determine a rough cash grant value which is then averaged out (for rapid transfers). The second approach identified is a more detailed HH needs assessment, market analysis, expenditure calculation and then harmonisation across agencies followed by averaging out. It is only in relation to Syria that the second approach, which is normally applied in protracted situations, is also able to be applied rapidly and that is because there is so much data available due to ongoing and essential donor support. This review confirms that these two approaches are frequently used by humanitarian actors whilst the MEB (focusing on expenditures to cover needs and price data) and the setting of an initial flat rate based on scale of needs; wage rates and market functioning data are both also commonly applied.

*Figure 4 Cash grant value setting approaches with indicative (context related) timings*





# RECOMMENDATIONS

In view of the findings of this review the following recommendations are made:

## 1. RECOMMENDATIONS FOR DEVELOPING A PHASED APPROACH WHICH BALANCES NEEDS, TIMELINESS AND ROBUST MONITORING

Based on the additional recommendations listed below, organisations should consider a phased approach to setting the value of cash grants based on two very broad response objectives:

- Meeting immediate (and possible recurring) needs
- Meeting longer term recovery needs

Different households could fall into each of these categories at the same time – so they are not necessarily linear. The phases are not intended to be prescriptive, but rather a lens for identifying where HH may be (rather than the linear timeframe of a response).

## ACUTE AND PROTRACTED CRISES 1

<b>Aim</b>	Immediate one-off and recurring needs, early recovery and seasonal needs
<b>Likely sector</b>	Relief / Food security Multi-purpose basic household level needs

### **Needs assessment & gap analysis of scale and type of needs**

Numbers, locations, cash feasibility

<b>Number of Payments</b>	1 to 3
<b>Type of payment</b>	Flat rate Based on secondary data and pre-crisis information (cash preparedness information or HEAs)
<b>Cash transfer calculation value basis</b>	Available average HH monthly wage/or average incomes; Available average HH food and non-food expenditure; Available market prices Delivery mechanism risk analysis Geographical targeting – blanket approach
<b>Market function considerations</b>	Trader interviews to determine supply side capacity Sources and quality of goods and services
<b>Market access of target population</b>	Distance, security, cost and possible physical access barriers
<b>Labour market considerations</b>	Available wage rates (pre and during crisis)

## ACUTE AND PROTRACTED CRISES 2

<b>Aim</b>	Recurring needs, early recovery and seasonal needs
<b>Likely sector</b>	Relief / Food security Multi-purpose basic household level needs Sector specific component – shelter, livelihoods, health

### **Needs assessment & gap analysis of scale and type of needs**

Livelihood profiles (sources of income and food), HH expenditures, cash feasibility

<b>Number of Payments</b>	From 2 <sup>nd</sup> payment onwards depending on context
<b>Type of payment</b>	Adjusted cash transfer value Based on real HH expenditures with possibility of two amounts based on HH size emanating from assessment data Possibility of sector specific top up grant (eg for shelter, asset replacement etc if applicable)
<b>Cash transfer calculation value basis</b>	Available average HH monthly wage/or average incomes; Available average HH food and non-food expenditure; Available market prices MEB value % MEB that can be met by HH Delivery mechanism risk analysis Geographical targeting - Blanket approach
<b>Market function considerations</b>	Trader interviews to determine supply side capacity Restocking capacity Sources and quality of goods and services Market function (# of traders) Market prices of main hh level needs
<b>Market access of target population</b>	Distance, security, cost and possible physical access barriers
<b>Labour market considerations</b>	Available wage rates (pre and during crisis) Labour opportunities to contribute to HH income

## ACUTE AND PROTRACTED CRISES 3

<b>Aim</b>	Recurring needs protracted crises
<b>Likely sector</b>	Relief / Food security Multi-purpose basic household level needs Sector specific component – shelter, livelihoods, health

### **Needs assessment & gap analysis of scale and type of needs**

HH livelihood/socio-economic data, cash feasibility

<b>Number of Payments</b>	From 3rd payment onwards depending on context
<b>Type of payment</b>	Continued cash transfer value for protracted contexts. Adjust based on possibility of HH to contribute to HH income and family size if appropriate
<b>Cash transfer calculation value basis</b>	Available average HH monthly wage/or average incomes; Available average HH food and non-food expenditure; Available market prices MEB value % MEB that can be met by HH Delivery mechanism risk analysis HH Targeting strategy
<b>Market function considerations</b>	Trader interviews to determine supply side capacity Restocking capacity Sources and quality of goods and services Market function Market prices and seasonal variation
<b>Market access of target population</b>	Distance, security, cost and possible physical access barriers Seasonality
<b>Labour market considerations</b>	Available wage rates (pre and during crisis) Labour opportunities to contribute to HH income

## TRANSITIONING FROM ACUTE CRISES INTO RECOVERY AS SOON AS POSSIBLE

*Recovery needs (could start immediately after phase 1)*

Aim	Early recovery and seasonal needs
Likely sector	Recovery – all sectors and Social Safety Nets programming

### **Needs assessment & gap analysis of scale and type of needs**

HH livelihood/socio-economic data, recovery needs, cash feasibility

Number of Payments	2-12 depending on context, target group and aims
Type of payment	Stop cash transfers based on no more relief needs and switch to new modalities to meet other non-relief needs transitioning to social safety nets for vulnerable groups if appropriate
Cash transfer calculation value basis	Adjusted cash transfer value Based on newly identified needs linked to early recovery/return/ seasonality (winterisation or livelihood related issues such as increased expense over lean season) May be complemented by in-kind and services
Market function considerations	# of traders Market prices; Livelihoods/ sector recovery asset prices Types of Market capacity in depth sector assessment
Market access of target population	Distance, cost and possible physical access barriers Gender and protection analysis Seasonality Vulnerability assessments
Labour market considerations	Available wage rates (pre and during crisis) Labour opportunities to contribute to HH income Gender and protection analysis Social safety nets

## TRANSITIONING FROM ACUTE CRISES INTO RECOVERY

<b>Aim</b>	Recovery
<b>Likely sector</b>	Recovery – all sectors and Social Safety Nets programming

### **Needs assessment & gap analysis of scale and type of needs**

#### Recovery needs assessment and cash feasibility

<b>Number of Payments</b>	New transfer value based on recovery aims Based on assumption immediate relief needs are met, switch to new modalities to meet other non-relief needs transitioning to social safety nets for vulnerable groups if appropriate
<b>Type of payment</b>	New rate based on recovery needs May be complemented by in-kind and services
<b>Market function considerations</b>	# of traders Market prices; Livelihoods/ sector recovery asset prices Types of Market capacity in depth sector assessment
<b>Market access of target population</b>	Distance, cost and possible physical access barriers Gender and protection analysis Seasonality
<b>Labour market considerations</b>	Available wage rates (pre and post crisis) Labour opportunities to contribute to HH income Gender and protection analysis Social safety nets

## 2. MAPPING OF CASH RESPONSES IN REMOTE ACCESS CONTEXTS

Organisations should investigate in more depth the contexts in which it is operating using a remote management model. The Syria crisis may be the exception rather than the rule. Using the contexts focused upon in this review as a starting point, the mapping should ascertain the following:

- The level of access organisations have to affected populations in different locations.
- The types of local actors.
- The information that fed into programme design and release of funds that is common to all locations.
- The needs assessment and cash feasibility approaches.
- The variance in intervention objectives.
- The variance in the cash grant values.
- The variance in the project time scales.

This mapping exercise should be initiated as a desk review and followed up with an in-house analysis/learning event which should involve programme staff involved in relevant countries. The mapping exercise will allow organisations to have their own comparative overview of which remote access scenario its CTP fits into; the levels and variance of data that has been gathered per scenario in order to develop interventions; differences in intervention objectives and timescales. This will in turn form the basis for an analysis of the different factors that have fed into grant value calculations per scenario, helping identify the real role of cash value setting methodologies over other operational aspects related to programme design such as risk analysis, donor appetite and delivery mechanism. If there are differences per context within each scenario, the organisation involved would be in a position to analyse what these differences are.

## 3. CTP PREPAREDNESS ANALYSIS

In order to ensure that organisations are better prepared to implement CTP, a stocktake of the countries where the organisation is currently working and where it is likely to respond in the future should be undertaken. The preparedness stocktake analysis should include the following elements:

- What type/level of needs and market related data is available in advance (including information on minimum food basket costs and household economy data and the extent this can be used to determine cash grant values).
- What implementing options are likely to be available (direct, through partners, through third parties).
- What are the potential risks associated with CTP and how these can be mitigated.
- What data collection and monitoring sources and tools are available.
- Existing government and regulatory frameworks.
- Potential activities (CTP and other) of other organisations.
- Viable cash delivery mechanisms.

- Donor policies and appetite for CTP and analysis of minimum data requirements they will expect.

These preparedness activities should support the identification of how much information organisations have that would help determine the cash grant value for an immediate lifesaving response for 1-3 months.

The information emanating from the stocktake can then feed into a common formula for calculating cash grant values across the three remote access scenarios already identified earlier.

#### 4. CREATION OF A REPOSITORY OF CONTEXT AND OBJECTIVE SPECIFIC CASH GRANT VALUES

NRC should consider leading on the creation of a repository of cash grant values in different operating contexts for 4-5 standard humanitarian objectives linked to its six core competency areas.

The repository could be further developed by NRC through regular contact with cash working groups in countries of interest in order to share data of relevance to other humanitarian organisations.

As a further step, variations in cash grant size could be tracked over time and allowing for an exploration of the reasons behind grant size variations which would allow for an analysis of a number of different approaches to adjusting grant values based on field practice. The tracking should identify the key triggers that lead to adjustments of cash grant values and include an overview of the interplay between in-kind and cash modalities to meet the same objective.

#### 5. POSSIBILITIES OF REFINING TOOLS AND METHODOLOGIES (INCLUDING MARKET ANALYSIS CONSIDERATIONS)

Given the number of market assessment and monitoring tools that have been developed in the last decade to accompany increased CTP, this review makes no recommendations on the most appropriate methodology as this is agency specific.

There is no need for CTP to continue to model itself on the food aid sector, where a standard 2,100-2,400 kcal ration per person per day is monetised to meet immediate life saving needs in different contexts. The MEB approach encourages standardisation and agreement on household level needs and expenditures, which is extremely useful as a starting point for response. However, CTP is an opportunity to continue raising the bar in humanitarian responses by ensuring programme design is driven by contextual information and a “do no harm” approach to meet the humanitarian imperative.





## Annex 1 NRC – ToR - Cash grant determination in remote access areas

### Background

In areas with significant access challenges, Cash Transfer Programming (CTP) has great potential to provide appropriate support to the most vulnerable. However, the various risks linked to cash and e-cash modalities are made even more prominent when handled remotely and are proving particularly challenging for humanitarian response in contexts such as Syria.

NRC has been funded by ECHO to explore and address the key risks, develop and share redefined and simplified tools and project cycle guidance, and create and share training materials. The project has an emphasis on refining existing guidance and complementing other pieces of work ongoing elsewhere, rather than unnecessarily duplicating effort.

### Consultancy overview

One area of exploration and development of this project is the determination of the size of support household receives. In a remotely managed project in a hard to access area it is more difficult to undertake detailed household and market assessments. This results in the use of more assumptions and less robust data set. As a result using standard practices of determining the size cash grants unfeasible.

This consultancy will provide a comparative analysis of different means of determining the size of cash grants, with the development of practical recommendations of approaches that can be used in hard to access areas. This approach will fall into the ethos of the ECHO project of developing redefined and simplified tools and approaches.

Examples for determining cash grant sizes:

#### Approach 1 – In-depth (timeframe – weeks)

- Undertake detailed household assessment
- Undertake detailed Market analysis
- Compile cost of living / Expenditure basket
- Harmonise cash grant value across organisations
- Averaged out cash grant distributed to population

#### Approach 2 – Rapid (time frame – days)

- Rapid household assessment and market assessment
- Determination of rough cash grant
- Averaged out cash grant distributed to population

It could be argued that approach 2 is just as accurate as approach 1 (With a number of caveats). In NRCs experience in emergencies cash grant sizes are averaged out across a population, where each household receives the same amount of money. Therefore with variance in needs and household size this grant will not be sufficient for all households, which would be no different for approach 2.

### Research questions/scope:

- To undertake a comparative analysis of different approaches for determining cash grant sizes.
- Examine other factors that determine cash grant sizes (i.e government policy, harmonised approaches)
- What approach could be used in remotely managed project?
- What is essential to know? What is not essential?
- Development of a phased approach which balances – needs, timeliness, robustness and monitoring.
- Refined tools and methodology developed (including market analysis considerations).

## Annex 2 Key Informants Interviewed by phone/Skype

	<b>ORGANISATION</b>	<b>NAME</b>	<b>POSITION AT TIME OF INTERVIEW</b>
1.	ACTED	STEVENS, Nathan	Programme Manager - Antakya
2.	Action Against Hunger - USA	PIETZSCH, Silke	Technical Director
3.	Catholic Relief Services	MCGLINCHY, Megan	Markets Advisor, Turkey
4.	Danish Refugee Council	MENESTRINA, Marco	Emergency Programme Manager - Afghanistan
5.	DFID	FOUQUET, Seb	DFID Somalia
6.	DG - ECHO EU	MCLEAN, Calum	Global Food Security Thematic Coordinator
7.	GOAL	KENNEDY, Nathan	Programme Manager (Cash) – Antakya
8.	Independent	CORBETT, Justin	Consultant
9.	Independent	DUNN, Sophia	Independent Consultant - Nutrition, Food Security & Livelihoods
10.	Independent	JUILLARD, Helene	Humanitarian Consultant
11.	International Rescue Committee	SUGRUE, Matt	Economic Recovery Coordinator, Amman
12.	Lebanon Cash Consortium	WHITE, Thomas	Chief of Party
13.	Mercy Corps	CHRABIEH, Ghilda	Director of Humanitarian Programs
14.	Mercy Corps	BYRNES, Thomas	Director of Humanitarian Programs - Greece
15.	Norwegian Refugee Council	PHILIPPON, Maureen	Team leader- Emergency Response Team NRC
16.	Norwegian Refugee Council	DEAN, Roger	Cash Assistance Advisor
17.	Norwegian Refugee Council	HENDERSON, Mark	Cash and Voucher Advisor, Field Operations
18.	Norwegian Refugee Council	LEGALLO, Quentin	Regional Programme Manager – Food Security (Horn of Africa, South Sudan, Uganda and Yemen)
19.	Norwegian Refugee Council	LEDO, Marga	Cash and Markets Expert , Nigeria
20.	OXFAM	SISSONS, Corrie	Emergency Food Security & Vulnerable Livelihoods (EFSVL) Coordinator - Iraq
21.	REACH	KAZIM, Zulfiye	Syria Programme Coordinator
22.	REACH	NEUMAN, Paul	Syria Assessment Officer
23.	Red Cross - British Red Cross	SINGHAL, Joy	Country Manager (DPRK, Mongolia, Timor-Leste)
24.	Red Cross - ICRC	ACAYE, Richard	Economic Security Delegate (Cash Transfer & Market Specialist), Nigeria
25.	Red Cross ICRC	DEVRED, Geraud	Cash and Market Specialist ICRC, Nairobi
26.	Red Cross - IFRC	BRASS, Jonathan	Asia Pacific: Cash preparedness & livelihood Coordinator
27.	Save the Children International	TADICHA, Chachu	Head of Food Security and Livelihoods, Nigeria
28.	Save the Children International	MCATEER, Jennifer	Ex - Coordinator of the north Syria CBR-TWG
29.	UNCHR	DI PRETORIO, Scott	Geneva Cash Based Interventions Preparedness Specialist
30.	UNHCR	MERCURIO, Livio	Regional Cash Based Intervention Officer – South Africa
31.	World Food Programme	CLENDON, Samuel	WFP Co-Chair CWG Afghanistan
32.	World Food Programme	RENARD, Antoine	Programme Policy Advisor, Market Access Programmes Unit - OSZIC, Rome

## Annex 3 Key literature reviewed

The following is not a full list of the literature reviewed for this report but an overview of some of the key published (or soon to be published) documents that were considered. A number of agencies provided the review team with internal documentation relating to their approaches to calculating the value of cash transfers and these are not included here.

CaLP Minimum Requirements for Market Analysis in Emergencies
Cash and Voucher Monitoring Group Final monitoring report of the Somalia cash and voucher transfer programme (2013)
ERM Afghanistan Common Rationale (2016)
Guidelines for Cash Interventions in Somalia An initiative of Horn Relief as the Chair of the Cash Working Group of the Food Security and Economic Development Sectoral Committee and the IASC Agriculture and Livelihoods Cluster
International Red Cross and Red Crescent Cash in Emergencies Toolkit
International Red Cross and Red Crescent Movement Guidelines for cash transfer programming
Minimum Expenditure Basket for Syrian Refugees in Jordan – Guidance Note (2015)
Northern Syria Survival Minimum Expenditure Basket: Guidance Document
NRC Draft Guidelines – The Remote Cash Project
Operational Guidance and Toolkit for Multipurpose Cash Grants
REACH Syria Programme Market Monitoring Project ToR (2015)
REACH Syria Programme Monthly Market Monitoring Enumerators Guidelines
REACH Northern Syria Market Monitoring Exercise: June – November 2015
Cash Working group documents for Afghanistan, Nigeria, Lebanon and Nepal

## Annex 4 Strengths and weaknesses of approaches adopted

In addition to the strengths and weaknesses highlighted in the main review report the following have been identified:

Approach/ methodology	Identified Strengths	Identified weaknesses
<b>(S)MEB</b>	Due to shared approach, HH receive the same/similar size grants regardless of agency.	Averaged grant sizes do not take into account different vulnerabilities and wealth groups within project target groups.
	All HH receive the same cash grant value regardless of HH size, thereby easing the workload of agencies in terms of distribution (which often has to be done rapidly) and verification.	Limited flexibility in terms of which items to collect data on when some items are not available in all markets at all times. This can upset the monthly (S)MEB calculation.
		MEB prices are often based on larger markets and do not reflect the real prices at village level or in those places that are truly hard to access.
		MEB values are not always reflective of true need when government policies have to be taken into account e.g. keeping the value in line with a country's minimum wage.
		Not all sectors are harmonised making the calculation of an MEB complicated.
		Different sectors develop different portions of an MEB using different methodologies with potential inflation of each sector's portion (Lebanon)
		Establishing MEBs across agencies is a time consuming process.
		Different actors have developed different baskets resulting in different grant values. Can be overly prescriptive.
<b>Basic HEA</b>	Straightforward when addressing food security needs as grant determination can be based on standard calorie intakes.	Complex for non-food security responses such as shelter where teams often have to base grant values on projected actuals.
<b>Budget restricted</b>		Need can outstrip the funds that are available, particularly in hard-to-fund operations.
<b>Sector specific package</b>		Undertaking monitoring from markets that are not at consumer or vendor level but at trader and farmer level (e.g. for agricultural inputs) is difficult without technically experienced staff.
		There is not always agreement on approved sector packages.
		The transfer value is not always realistic as beneficiaries do not necessarily purchase the items upon which the value is based.
<b>General</b>	In protracted situations it is possible to gather more granular, local level information to feed into accurate grant size calculations.	There is a lack of tools for assessing temporal patterns, timelines and indicators to help guide grant values in protracted situations.
		Lack of information sharing across agencies resulting in a lack of systematisation of approaches.
		Difficulty in verifying approaches and data collected.

In addition, in those contexts where the MEB is being used, whilst there are a number of strengths that have been identified there are also weaknesses which affect the calculation or a robust cash grant value. For example, in Lebanon, over time it has been possible to calculate an SMEB based on significant data coming from the large number of agencies involved in supporting refugees. In addition to the multi-purpose/unconditional cash grants that are being provided a number of HH are also receiving subsidised free accommodation or some form of cash for rent. This is in part due to a lack of harmonisation within the shelter actors and between those actors and the ones providing multipurpose cash.

## Annex 5 Essential data for value setting

NRC's Remote Cash Project has identified the following "good enough" market and cash feasibility data for collection in order to help inform the value of cash grants in remote access areas. An additional column relating to needs data has been added as a result of information gathered during the review.

### *Good enough data*

Needs	Markets	Cash feasibility
<ul style="list-style-type: none"> <li>• What is the impact of the shock on people's ability to access sufficient food, income and other basic needs?</li> <li>• Key expenditures/priority needs</li> <li>• What is the gap between people's needs and their ability to cover those needs?</li> </ul>	<ul style="list-style-type: none"> <li>• Are markets functioning? How is the different compared to before the emergency?</li> <li>• Can all groups get to and use the markets? Where do they come from? What risks are there in getting to the market?</li> <li>• Can traders get supplies from outside the local area and what restrictions and risks are there?</li> <li>• Are the 3 key items identified in the needs assessment available in the market?</li> <li>• Are current prices higher than before the emergency?</li> <li>• Are vendors able to maintain or increase supply for key items?</li> <li>• How do people transfer money? What ID is needed? Who cannot use these services and why?</li> </ul>	<ul style="list-style-type: none"> <li>• Dependency ratio</li> <li>• How needs are being met</li> <li>• Preferred type of assistance</li> <li>• How CTP might affect negative coping mechanisms</li> <li>• Equity of access to resources within the HH</li> <li>• Who should receive cash to ensure equity within the HH</li> <li>• What risks are associated with the use of ID</li> <li>• Will targeted CTP affect social cohesion and cause conflict</li> </ul>

The International Red Cross and Red Crescent Movement Cash in Emergencies Toolkit highlights that the key questions that need to be asked when setting the value of a cash transfer are:

- How much will it cost for intended beneficiaries to purchase goods in local markets?
- Are there any other goods and services on which HH may spend available cash?
- What can HH provide from their own income and other sources of support?
- Are prices likely to increase during the lifespan of the project?

Specific contexts have additional key factors that it is important to be knowledgeable of. In Somalia for example, a clear picture of power dynamics in terms of gatekeepers is essential as these actors are able to exert a positive or negative influence on programmes (for example through enabling access (positive) or diverting or taxing resources or mis-targeting (negative)).

## Annex 6 Key informant interview questions

### **I Cash grant size determination - generic**

1. What methodologies have you adopted (or seen adopted) when determining the size of a cash grant?
2. What have been the weaknesses in these approaches?
3. What have been the strengths?

### **II Cash grant size determination – remote access**

4. To what extent can these methodologies / approach or rationale be applied in locations where there is limited/no access (for expatriate staff)?
5. What would be the challenges associated with using these methodologies/approach or rationale in remote access locations?
6. When trying to determine the size of a cash grant in a remote access location what is it essential to know? – what are the key questions that need to be asked and answered?
7. Is there anything that is not essential to know?
8. What information is “good enough” to know in order to determine cash grant size when planning responses with the following focus?
  - i) Immediate life-saving needs in remote access locations
  - ii) Protracted contexts in remote access locations
  - iii) Longer term interventions in remote access locations
9. How often are you likely to revise the value of the cash grant in these cases
  - i) Immediate life-saving needs in remote access locations
  - ii) Protracted contexts in remote access locations
  - iii) Longer term interventions in remote access locations
10. Any documents to share or suggestions for others to speak to? Other points to highlight.



## Annex 7 On-line survey questions

**Q1 Which of the following best describes who you work for?**

- INGO
- NGO
- RCM
- UN
- Government
- Donor government
- Academia
- Independent
- Other

**Q2 Which of the following best describes your current role?**

- Global/worldwide focus
- Regional focus
- Country focus
- Other

**Q3 Which of the following best describes your area of expertise?**

- Education
- Food security/livelihoods
- Health/nutrition
- Shelter
- Water and sanitation
- Logistics
- Management
- Other

**Q4 How many years' experience do you have working on cash transfer programmes?**

- Less than 12 months
- 12-24 months
- 3 – 5 years
- 5 – 10 years
- More than 10 years

**Q5 Which of the following regions does your cash transfer programming experience come from (more than one answer possible)**

- The Americas
- West Africa/Sahel
- East Africa/Horn of Africa
- Northern or Central Africa
- Southern Africa
- Europe
- Central Asia
- Asia Pacific
- Middle East

**Q6 What is your level of experience of working in remote management contexts (where field access is restricted for senior managers for a sustained period of time) (more than one answer possible)**

- No experience of working in remote management contexts
- One remote management context
- 2-3 remote management contexts
- 4-5 remote management contexts
- More than 5 remote management contexts
- My organisation does not work in remote management contexts
- Other

**Q7 Which of the following methodologies have you used (or seen used) to determine the value of the cash transfer in remote management contexts. (more than one answer possible)**

- I have not been involved in cash transfer programming in remote management contexts
- Household Economy Approach (HEA)
- Minimum Expenditure Basket (MEB)
- Cost of Food basket
- Poverty line / safety nets
- Government restrictions
- Minimum wage rates
- Flat rate
- I have never been involved in determining the value of a cash transfer

**Q8 Setting the value of the cash transfer always requires a gap analysis of needs. (Respondents asked to Strongly agree/Agree/Disagree/Strongly disagree/no opinion)**

- Setting the value of the cash transfer always requires a gap analysis of needs.
- Up to date market information is always required for setting the value of a cash transfer.
- The value of a cash transfer must be adjusted for household size within the first three months of a response.
- A flat rate cash transfer value based on average household size estimates is a good enough starting point for new caseloads.
- The value of a cash monthly cash transfer in humanitarian responses should never be higher than the equivalent minimum monthly wage in that country.
- When deciding to meet basic life-saving needs, the value of the cash transfer should cover 100% of the Minimum Expenditure Basket value.
- The value of a cash transfer must be agreed to by all actors working in the same part of the country, even if it means adjusting to an average, agreed to amount.
- The main reason for adjusting the value of a cash transfer is market price variation.
- The approach for setting the value of a cash transfer for programming in locations with remote management in place is no different from other humanitarian contexts.

**Q9 Up to date market information is always required for setting the value of a cash transfer. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)**

**Q10 The value of a cash transfer must be adjusted for household size within the first three months of a response. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)**

**Q11 A flat rate cash transfer value based on average household size estimates is a good enough starting point for new caseloads. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)**

**Q12** The value of a cash monthly cash transfer in humanitarian responses should never be higher than the equivalent minimum monthly wage in that country. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)

**Q13** When deciding to meet basic life- saving needs, the value of the cash transfer should cover 100% of the Minimum Expenditure Basket value. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)

**Q14** The value of a cash transfer must be agreed to by all actors working in the same part of the country, even if it means adjusting to an average, agreed to amount. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)

**Q15** The main reason for adjusting the value of a cash transfer is market price variation. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)

**Q16** The approach for setting the value of a cash transfer for programming in locations with remote management in place is no different from other humanitarian contexts. (Respondents were asked to strongly agree/agree/disagree/strongly disagree/no opinion)

**Q17** Please rank the TOP 3 factors you consider to be essential to determine the cash transfer value in a humanitarian response (only chose 3 answers, leave the others blank please)

- Donor requirements
- Risk analysis
- Implementing partner capacity
- Market price data
- Delivery mechanism
- Caseload
- Needs assessment and gap analysis
- Market analysis
- Legal frameworks

**Q18** Do you have any further comments on the subject of setting the cash transfer value in humanitarian contexts that require remote management

## Annex 8 On-line survey responses

Survey respondents were asked to state their level of agreement/disagreement on nine statements related to determining the cash transfer value. The statements were devised from initial findings of the key informant interviews, so as to probe for opinions from the wider cash transfer CaLP community of practice. Their responses are summarised below. The majority of respondents expressed an opinion, even though the “no opinion” option was available and provided comments for their chosen response. The boxes highlighted below indicate the most popular agreement/disagreement rating by respondents for each statement.

	Statement	Strongly agree	Agree	Disagree	Strongly disagree	No opinion
8	Setting the value of the cash transfer always requires a gap analysis of needs.	37.0%	<b>50.0%</b>	13.0%	0.0%	0.0%
9	Up to date market information is always required for setting the value of a cash transfer.	<b>50.0%</b>	38.9%	9.3%	1.9%	0.0%
10	The value of a cash transfer must be adjusted for household size within the first three months of a response.	13.0%	27.8%	<b>37.0%</b>	9.3%	13.0%
11	A flat rate cash transfer value based on average household size estimates is a good enough starting point for new caseloads.	18.5%	<b>61.1%</b>	14.8%	0.0%	5.6%
12	The value of a cash monthly cash transfer in humanitarian responses should never be higher than the equivalent minimum monthly wage in that country.	14.8%	27.8%	<b>37.0%</b>	11.1%	9.3%
13	When deciding to meet basic life-saving needs, the value of the cash transfer should cover 100% of the Minimum Expenditure Basket value.	14.8%	<b>37.0%</b>	38.9%	11.1%	9.3%
14	The value of a cash transfer must be agreed to by all actors working in the same part of the country, even if it means adjusting to an average, agreed to amount.	42.6%	<b>44.4%</b>	7.4%	1.9%	3.7%
15	The main reason for adjusting the value of a cash transfer is market price variation.	9.3%	<b>55.6%</b>	33.3%	1.9%	0.0%
16	The approach for setting the value of a cash transfer for programming in locations with remote management in place is no different from other humanitarian contexts.	11.1%	<b>38.9%</b>	31.5%	9.3%	9.3%

On the whole there was more agreement/strong agreement for statements than disagreement/strong disagreement.

- The question with the **most “no opinions”** was:

*The value of a cash transfer must be adjusted for household size within the first three months of a response.*

- The **strongest level of agreement** was on

*Up to date market information is always required for setting the value of a cash transfer, with 50% of respondents ranking this as their first of three possible choices, and 39% as their second choice.*

- The **strongest level of disagreement** was on two statements:

*The value of a cash monthly cash transfer in humanitarian responses should never be higher than the equivalent minimum monthly wage in that country, and*

*When deciding to meet basic life-saving needs, the value of the cash transfer should cover 100% of the Minimum Expenditure Basket value.*

- Two statements received the **majority of overall agreement/disagreement** votes was

*A flat rate cash transfer value based on average household size estimates is a good enough starting point for new caseloads, and*

*The value of a cash transfer must be agreed to by all actors working in the same part of the country, even if it means adjusting to an average, agreed to amount.*

- The statement that received the **majority disagreement/strong disagreement** votes was

*When deciding to meet basic life-saving needs, the value of the cash transfer should cover 100% of the Minimum Expenditure Basket value.*