

## LEBANON

# POST-DISTRIBUTION MONITORING REPORT: CASH-BASED INTERVENTIONS IN LEBANON (JAN-MAR 2016)

May 2016

## HIGHLIGHTS

- The no show rate for card distribution increased significantly in the reporting period, reaching 28%, compared to 10% in the previous quarter.
- Withdrawal transactions and feedback continues to show that cash recipients withdraw their allowance soon after the transfer is completed.
- Refugees face few challenges in getting the cash through ATMs.
- Cash assistance predominantly goes to pay for food and rent.
- Cash assistance is not sufficient to meet all needs. Fifty-nine percent of cash recipients have to take on additional debt in order to cope, and 20% reduce the amount of food consumed. However, a majority of respondents report that cash assistance helps them a great deal to meet their basic needs.
- Complaint and response mechanisms have not captured significant protection concerns related to the delivery of cash, although there are isolated cases of fraud and exploitation.



## INTRODUCTION

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### Purpose

UNHCR started providing multipurpose cash assistance (MCAP) to vulnerable Syrian refugees in August 2014. As of March 2016, more than 20,000 households were receiving a monthly payment of \$175 in order to help families meet their basic needs. UNHCR undertook a number of steps to analyze the effectiveness of the cash transfers and to assess how reliably and efficiently beneficiaries were accessing the assistance they were entitled to. This post-distribution monitoring report summarizes those findings and the actions taken in response.

### Methodology

This post-monitoring report relies on several quantitative and qualitative approaches to evaluate the process, performance and impact of the cash based interventions (CBI) undertaken between January and March 2016, contrasting these with the results obtained in the post-distribution monitoring report covering October to December 2015. The monitoring exercise focused on the following areas:

- The distribution process, from the distribution of the cash card and PINs to the redemption of cash assistance;
- The impact of cash assistance for the beneficiaries;
- The reporting of complaints and problems associated with cash assistance and the response mechanisms in place to handle them.

Data was collected from UNHCR's cash database, bank reports, a randomized phone survey of nearly 300 households in 2015 as well as an additional 1,046 households in March 2016, and reports and observations from the field offices.

## FINDINGS

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### Inclusion and distribution monitoring

This section provides an overview of the inclusion of beneficiaries into cash assistance, and the ATM card distribution process. From the start of the year, 2,869 households were included in the MCAP program, while 1,761 were removed, reaching a total of 20,321 by the end of March 2016, including 400 families of Iraqi or other nationality. Families may be removed from cash assistance if they are confirmed to have left the country, have failed to withdraw any cash assistance for two cycles, or need to be profiled with a household visit. The latter category accounts for the high number of exclusions in March (see subsequent section). At the same time in March, UNHCR included households who were determined to be severely vulnerable according to the targeting criteria.<sup>1</sup> UNHCR will routinely include newly identified severely vulnerable households for the rest of the year. Currently, all households determined to be severely vulnerable are being assisted with cash assistance from UNHCR, the Lebanese Cash Consortium (LCC), or another cash actor.

#### Targeting

Multipurpose cash assistance is provided to families that have been assessed as economically vulnerable through an inter-agency assessment conducted by UNHCR or partners.

Refugees from Iraq and other countries, however, are removed and included through a process determined by a multi-functional team which reviews monthly each case to determine eligibility for assistance. UNHCR is moving toward developing a system for determining vulnerability which is similar to the approach for Syrian refugees.

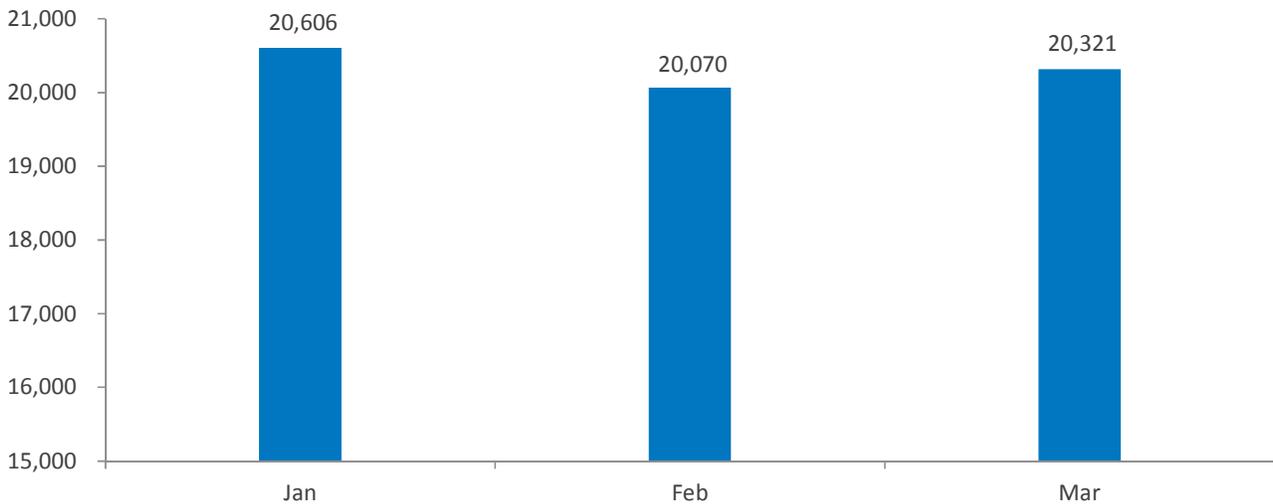
#### Card distribution

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<sup>1</sup> A family's economic vulnerability is determined using a household profiling questionnaire. There are four vulnerability categories: severely, highly, mildly and least.

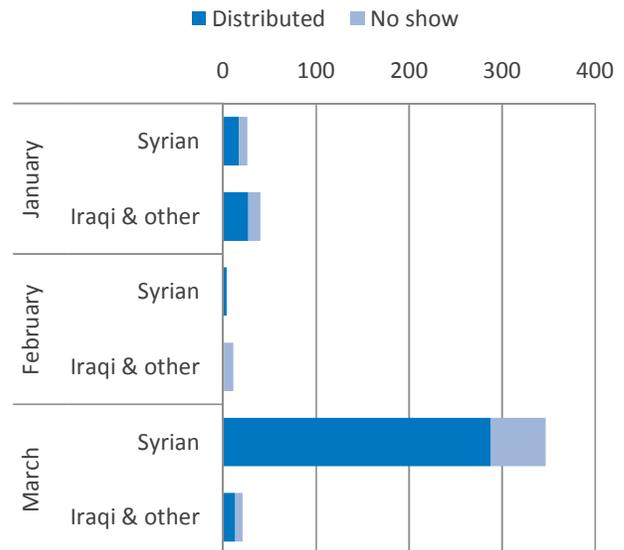
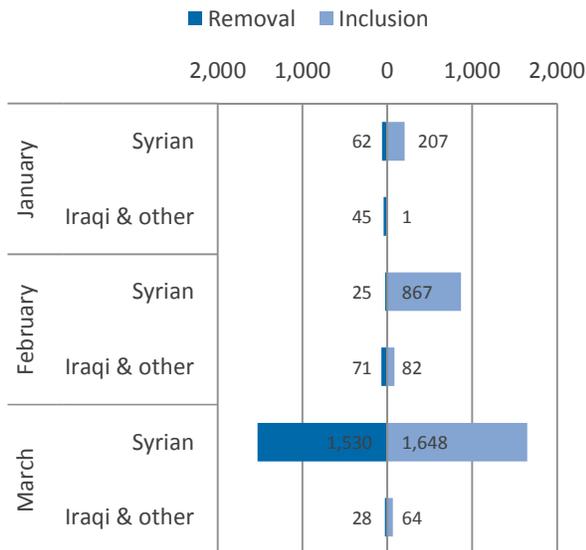
On average during this reporting period, 28% of the newly included families did not collect their ATM cash card.<sup>2</sup> The no-show rate more than doubled compared to the no-show rate from the fourth quarter 2015. UNHCR remains very concerned over the increase in the number of no-shows and is currently evaluating the causes. This is an unexpected development since nearly all of the newly included families were only recently visited and profiled, and therefore, the contact details should be up to date. There is more than likely a lapse in the process for updating the phone contact details.

### Households Receiving Cash Assistance (Jan-Mar) All nationalities



Inclusion vs. Exclusion Jan – Mar 2016

Distribution vs. No show Jan – Mar 2016

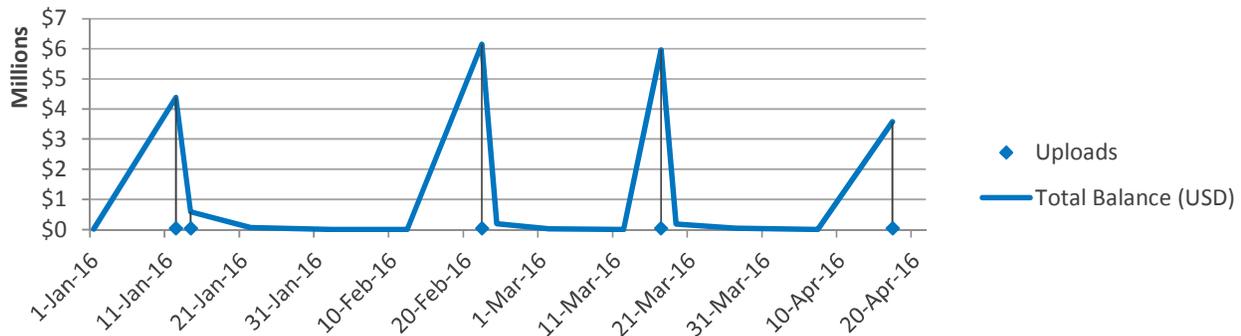


<sup>2</sup> Beneficiaries are recorded as a “no-show” only after three consecutive attempts to contact the household by SMS, household visit and outreach.

## Redemption of cash assistance

More than \$10.6 million was provided to refugee families in the first quarter of the year. The redemption (withdrawal) monitoring looks at the overall account balances over time, to see how quickly beneficiaries redeem cash assistance and if there are frequently standing balances in the accounts. The graph below, looking at 10 day increments, indicates that the vast majority of the money is withdrawn directly following the transfer of monthly cash assistance, with the lowest balance, cumulative from all beneficiary accounts, of \$1,996 reached on 10 February. In total during the first three months of the year, \$27,865 was refunded to UNHCR due to non-withdrawal over an extended period.

### Redemption of monthly cash assistance



## Issues with cash withdrawal

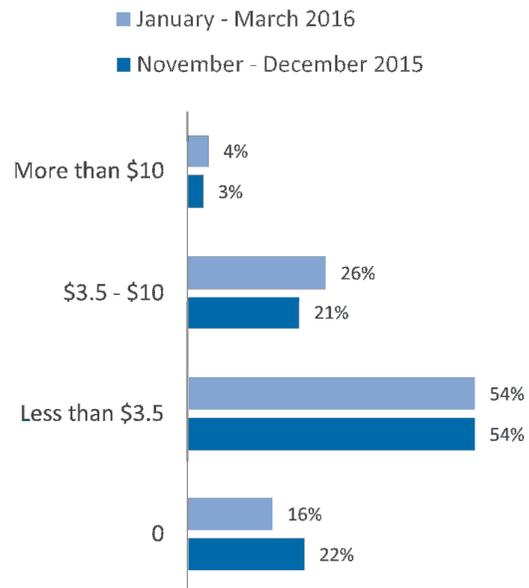
### Information about receipt of funds

The bank and UNHCR inform refugees of their cash benefits via SMS, the method of communication preferred by refugees. The telephone survey<sup>3</sup> indicated that 99% of cash beneficiaries received the SMS informing them that the cash assistance was transferred and is available for withdrawal at the nearest ATM. Only 1% replied that they learned this from their neighbors. This rate was even higher than the 97% of cash beneficiaries who reported receiving the SMS for the period of November and December 2015.<sup>4</sup> When asked if beneficiaries know how much money is uploaded every month, 6% reported they were unaware of the amount. Of the 94% who stated that they were aware of the amount, 24% think they are receiving more assistance than the correct amount, and 2% believe that they are receiving less.

### Challenges with withdrawing funds

The majority of recipients (79%) were able to withdraw the money without any additional assistance for the January - March 2016 period. Only 3% of respondents described difficulties in withdrawing money; of those who faced difficulties, over half noted that the card was captured by the machine. Other problems included bank restrictions (limited hours or not allowed to use the ATM), requiring

### Transportation cost for withdrawing cash assistance Nov – Dec 2015 and Jan – Mar 2016 (USD)



<sup>3</sup> A randomized sample of 1,046 households answered a phone survey for the PDM covering January to March 2016.

<sup>4</sup> A randomized sample of 293 households answered a phone survey for the PDM covering November and December 2015.

assistance from another person, not knowing where the bank is, and forgetting the PIN.

Overall, 94% of beneficiaries rated the ease with which they collect cash as “Very Easy” or “Easy”, while for a further 6% of respondents it was “Not Easy at All.”

However, during this reporting period UNHCR and partners continued to receive reports, largely from Bekaa, of being the victims of a criminal scheme to defraud them of their card, pin number, and cash. UNHCR has followed up on this issue with the local authorities and the banks involved.

### Transportation costs

According to the survey results, 22% of recipients surveyed for November-December and 16% of recipients for January – March did not incur a cost to withdraw the monthly cash assistance. The majority, however, spent less than \$3.5 in transportation costs to reach an ATM.

### Number of withdrawals

The vast majority of beneficiaries (98%) reported withdrawing all of the money at one time. The remaining 2% described withdrawing multiple times for reasons such as security and safety, needing to withdraw all the money (implying this was not possible in a single withdrawal), and wanting to keep savings.

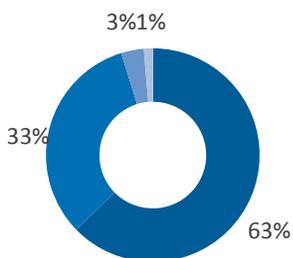
## Use of cash assistance

### Card use and management

During card distribution, UNHCR and partner staff provide information on how to access and use the ATM machines. Eighty percent of respondents rated the information session on how to use the card as “Very Useful,” 18% considered it “Somewhat helpful” and 2% as “Not Helpful” Ninety five percent answered that they received a leaflet on how to use the card. Only 2% of respondents indicated having lost an ATM card. In the case of a lost card, 81% reported this to UNHCR, 15% to the bank, and 4% did not undertake any action.

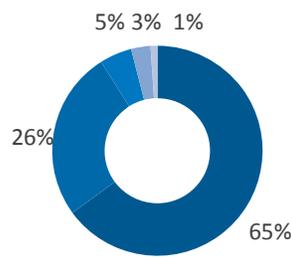
The ATM card is kept by male heads of households in 63% of cases, and by female heads of households in 33% of cases. Assistance is usually withdrawn by male heads of household (65%) followed by female heads of household (26%). Decisions on spending followed a similar trend, with 61% of households reporting that the male head of household makes the decisions on spending the cash assistance, whereas in 37% of households, it is the female head of household. Only two out of the 1,046 respondents to the survey mentioned that assistance has caused disagreement in the family about how to spend the money, while 9 respondents (1%) mentioned that assistance has caused conflict with some members of the community. According to 7% of respondents, merchants increased prices.

Currently, who keeps the card?



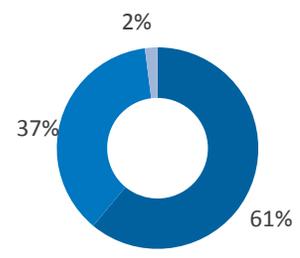
- Male head of household
- Female head of household
- Female member of the family
- Male member of the family

Usually, who withdraws assistance?



- Male head of household
- Female head of household
- Male member of the family
- Female member of the family

Who makes decisions about spending?



- Male head of household
- Female head of household
- Together with other family members

## Expenditures

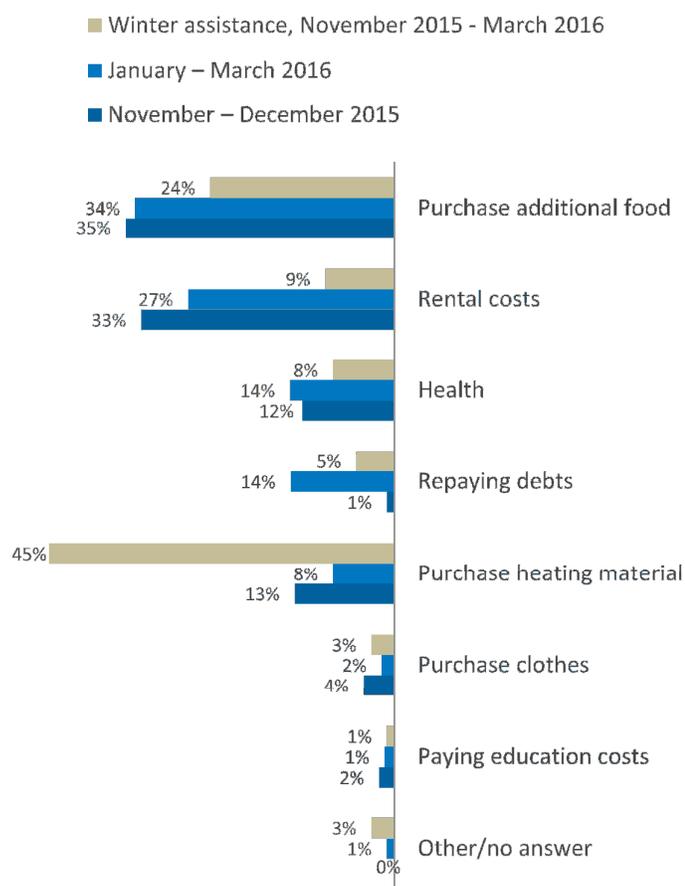
The most frequently mentioned uses of cash assistance were the purchase of additional food and rental costs. Both for the period of November – December 2015 (35% of respondents) and January – March 2016 (34%), the purchase of additional food was the most frequently mentioned usage of cash assistance, followed by rental costs as reported by 33% of respondents in November – December 2015 and 27% of respondents in January – March 2016. Survey respondents for the period January – March 2016 cited debt repayment (14%) as expenditures which were not mentioned prominently among beneficiaries receiving assistance in November – December 2015. Heating costs have similarly decreased, from 13% in November – December to 8% for the period January – March 2016. Survey respondents who were asked about spending of targeted winter assistance<sup>5</sup> listed heating material as an expense in 45% of respondents.

## Coping mechanisms

Multipurpose cash assistance is explicitly targeted to families who are economically vulnerable. Of the households participating in the survey, 45% report that they have no source of income other than multipurpose cash assistance; 35% report occasional work to provide intermittent income; and 20% report having another, unspecified source of income. It should be taken into consideration, however, that refugees may under-report employment fearing consequences if they are working without a legal work permit.

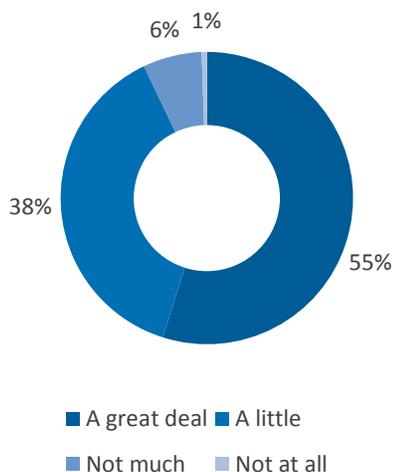
The most prevalent coping strategy described among survey respondents was to take on additional debt, mentioned by 59% of refugees surveyed, with another 12% receiving assistance from relatives. Another 20% reduced food consumption in order to meet basic needs.

Use of cash assistance: Frequency of respondents who described expenditures in each area

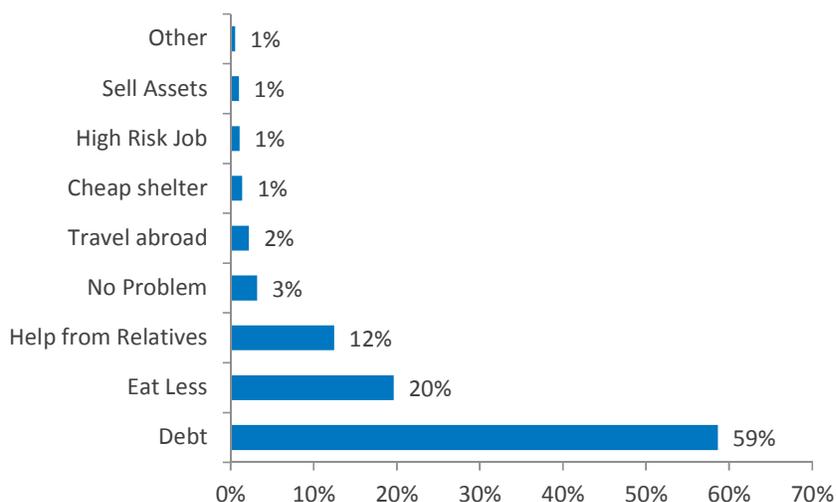


<sup>5</sup> UNHCR and partners provided financial assistance, among other initiatives, to refugees eligible for food assistance, highly socio-economically vulnerable, and living at altitude. This targeted assistance provided \$100 or \$147 per month depending on altitude from November 2015 until March 2016.

**In your opinion, how much has the monthly cash assistance enabled you to meet your basic needs?**



**How do you manage to meet basic needs (% mentioning a specific coping strategy, non-cumulative)?**



## Information dissemination

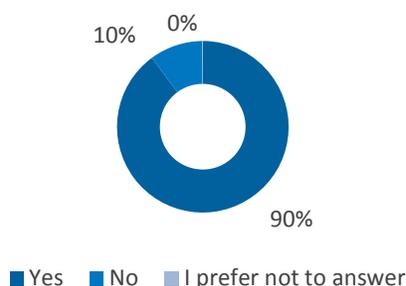
The provision of important information to the card recipients is a key component of the card distribution process. Card recipients are provided general information on the cash assistance program and instructions on how to use the ATM card. UNHCR also provides information on how to contact UNHCR or the bank, CSC, in case any problems are encountered. Of the families who receive cash assistance, 67% knew how to contact UNHCR in case they face problems with cash assistance; on the other hand, 12% were not aware of how to contact UNHCR or the bank. A further 12% simply stated they had had no problems with the cards. All distributed cards featured the number of the bank hotline service available to refugees for ATM card management issues.

For future communication, over 70% listed SMS as the preferred means of contact, followed by a phone call for 29%, and in person for the remaining 1%. These results may also reflect the fact that the survey exclusively targeted families with working phones, and will not reflect the communication preferences of households who do not have a working phone.

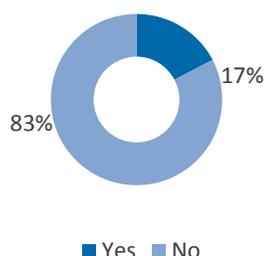
## Special focus: Education

UNHCR takes advantage of the telephone contact with refugee families to ask questions related to their situation unrelated to multipurpose cash assistance. In 2016, UNHCR included several questions with a focus on education. The results showed that among MCAP recipients with school aged children (90% of those surveyed), 45% of households have school aged children who do not attend school. While interesting, only a much more in depth study would be able to determine whether there is any correlation between receiving cash assistance and school attendance.

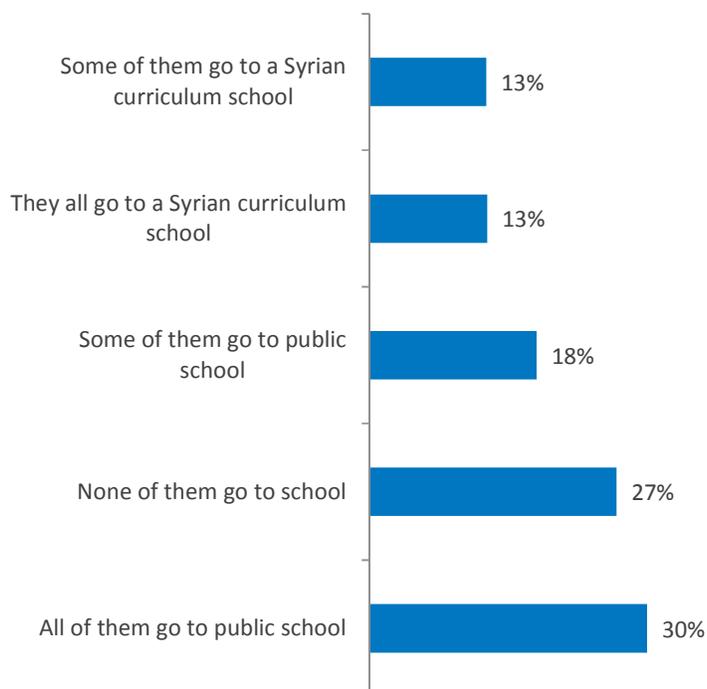
Do you have children between the ages of 6 and 14 years?



If not in any school, is one or more child working?



If yes, are they all in public schools?



## Feedback and Response Mechanism focus on cash

### Most frequent complaints that are received regularly and dealt with by field staff:

- When will my card be loaded?
- Why was my card not loaded for this month?
- When is the last month to receive cash assistance?
- I lost my card/pin. My card was swallowed by the ATM machine. What should I do?
- Am I eligible to receive assistance?

The UNHCR operation has a feedback and response mechanisms in place at the field level (Beirut, Bekaa, Tyre, Akkar and Tripoli). Most of the refugees' complaints are submitted through complaint boxes located in the reception area at the registration centers, through the hotlines or walks-in at the field offices. As standard practice, the complaint boxes are opened on a weekly basis and their content is reviewed by the Head of Field Office.

The received complaints are recorded and shared with the responsible staff for their follow-up provided that they do not contain confidential information or fraud/misconduct allegations, which are dealt with separately according to existing UNHCR standards.

The field offices reported receiving various complaints, mostly related to food or cash assistance programs (and winterization during the Nov-Feb period), shelter, as well as protection needs. Most complaints related to cash based assistance are directed to the hotline operator.

In some offices, complaints are reported to protection desks, MoSA, ROVs, and committees. These complaints are shared with Field staff for compilation. Field

staff then share these complaints with relevant focal persons for follow up as needed. The following snapshot demonstrates how frequently different categories of complaints are lodged.

<b>Safety and dignity</b>		Theft, looting, extortion: <b>Rare</b>		Lack of knowledge using ATM cards: <b>Often</b>		Targeting exclusion and inclusion errors: <b>Often</b>
<b>Access</b>		Lack of freedom of movement to collect and use cash assistance: <b>Never/rare</b>		Unequal distribution of cash within the household: <b>Rare/never</b>		
<b>Data protection and beneficiary privacy</b>		Household has been exposed to violence, detention and or discrimination: <b>Never</b>		Threats to personal security due personal data had been exposed: <b>Rare/never</b>		
<b>Social relations: household and community dynamics</b>		Inter-generational violence: <b>Rare/never</b>		Gender based violence: <b>Rare/never</b>		Inter-group tensions with host community: i.e increased prices: <b>Rare/never</b>

### Safety and dignity

- Field offices reported very few cases of theft of ATM cards. However, Bekaa reported a number of instances of card and pin theft which allowed the perpetrator to withdraw the recipients' funds.
- The most frequent complaints or concerns raised relate to how people are included in the cash assistance program, and complaints from individuals who have been removed from cash or food assistance.
- Reports indicate that the eligibility criteria for cash and food assistance are often not fully understood.

### Access

- Field offices in the North reported that some families are having problems accessing ATM machines due to areas that are inaccessible, while other field offices indicated that this is not a problem.
- Field offices reported few cases where cash assistance was retained by one member of the household. UNHCR has no indication whether this is a cause or contributing factor to disputes within the household.
- Reports of unequal distribution of cash within the household often refer to instances of polygamous marriages.
- Persons with specific needs (deafness, blindness), may have difficulty accessing assistance.

### Data protection and beneficiary privacy

- No complaints or feedback received that indicated a breach of privacy or that personal data has been exposed to third parties.

### Social relations: household and community dynamics

- No feedback and reports indicated that cash assistance is associated with gender based violence. Few complaints are indicating that families receiving cash assistance are subject to paying more money to cover basic needs in shops.

## CSC Call Center

In addition, cash recipients may call the bank directly in case they have any issues with their ATM card. During this reporting period, however, CSC only received 25 calls related to a lost card or pin or to report a change in phone number. The decline in the number of calls made to the bank may be attributed to the fact that new cases were not included in January and February, and that current card holders are guarding their cards more carefully and have few problems obtaining cash at the ATMs.

## ACTION TAKEN

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UNHCR has or is in the process of taking a series of actions in light of the ongoing monitoring activities.

No show rate	UNHCR is investigating causes for the high no show rate in the reporting period to determine why people are failing to turn up for their ATM cards. In addition, UNHCR will implement a verification procedure for newly included cash recipients.
Fraud prevention	UNHCR continues to inform card recipients not to share their card or pin with anyone else. Cardholders were also advised to report to the CSC Bank hotline or to UNHCR immediately in case they were subject to attempted fraud. All cases are referred to a Fraud Panel for additional follow-up.  UNHCR routinely distributes anti-fraud messages.
Stolen ATM card	Card replacement for stolen cards includes a specific follow-up for understanding the reasons behind and circumstances of the theft.
Lost pin	Measures have been implemented to ensure speedy PIN replacement.
Non-withdrawal of funds	UNHCR has requested CSC to reverse the funds when the amount has not been collected for three months.
Information provided on eligibility and duration of cash assistance	Inter-agency discussion is taking place on information provided and awareness raising

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