

Setting the Cash Amount

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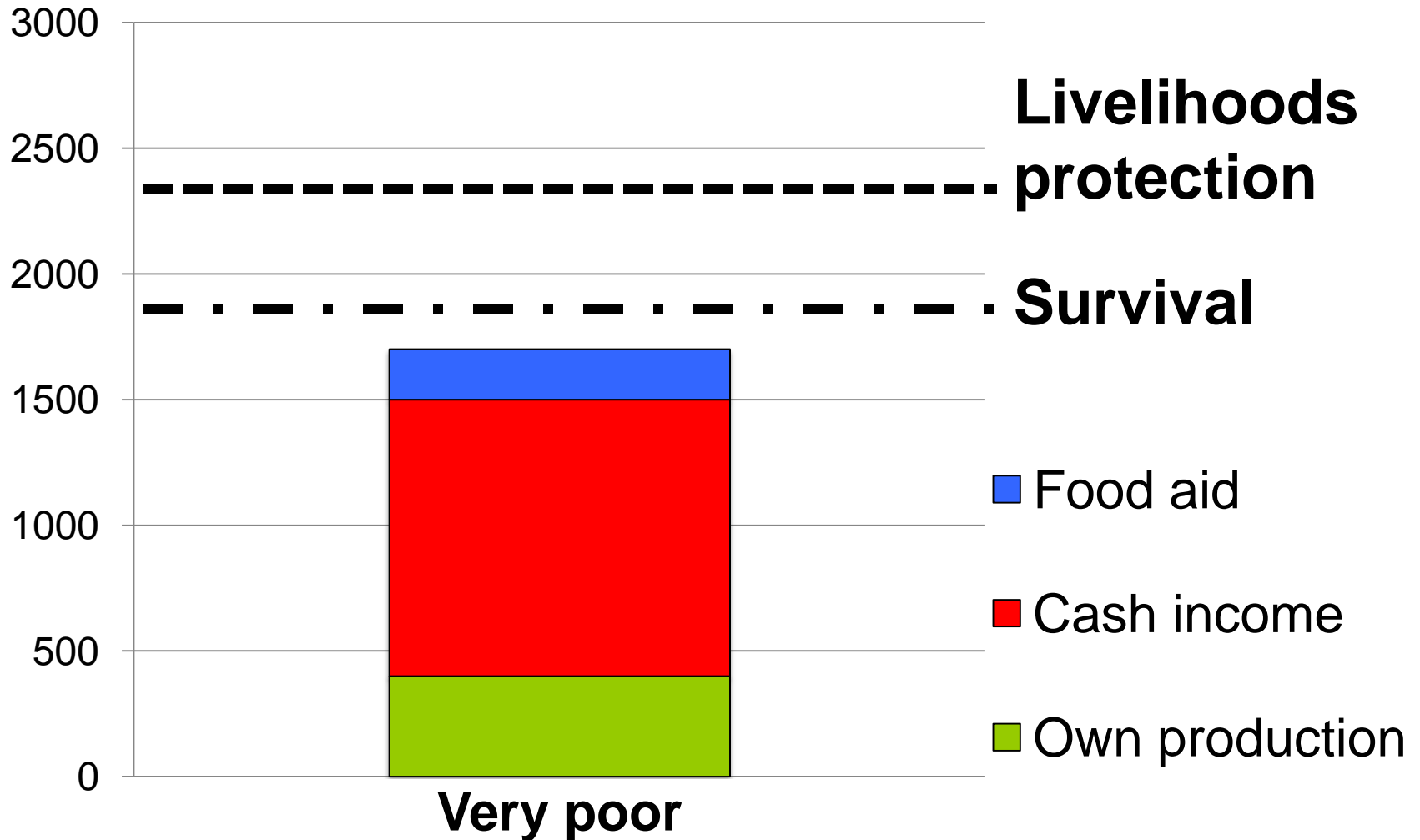
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Things to consider :

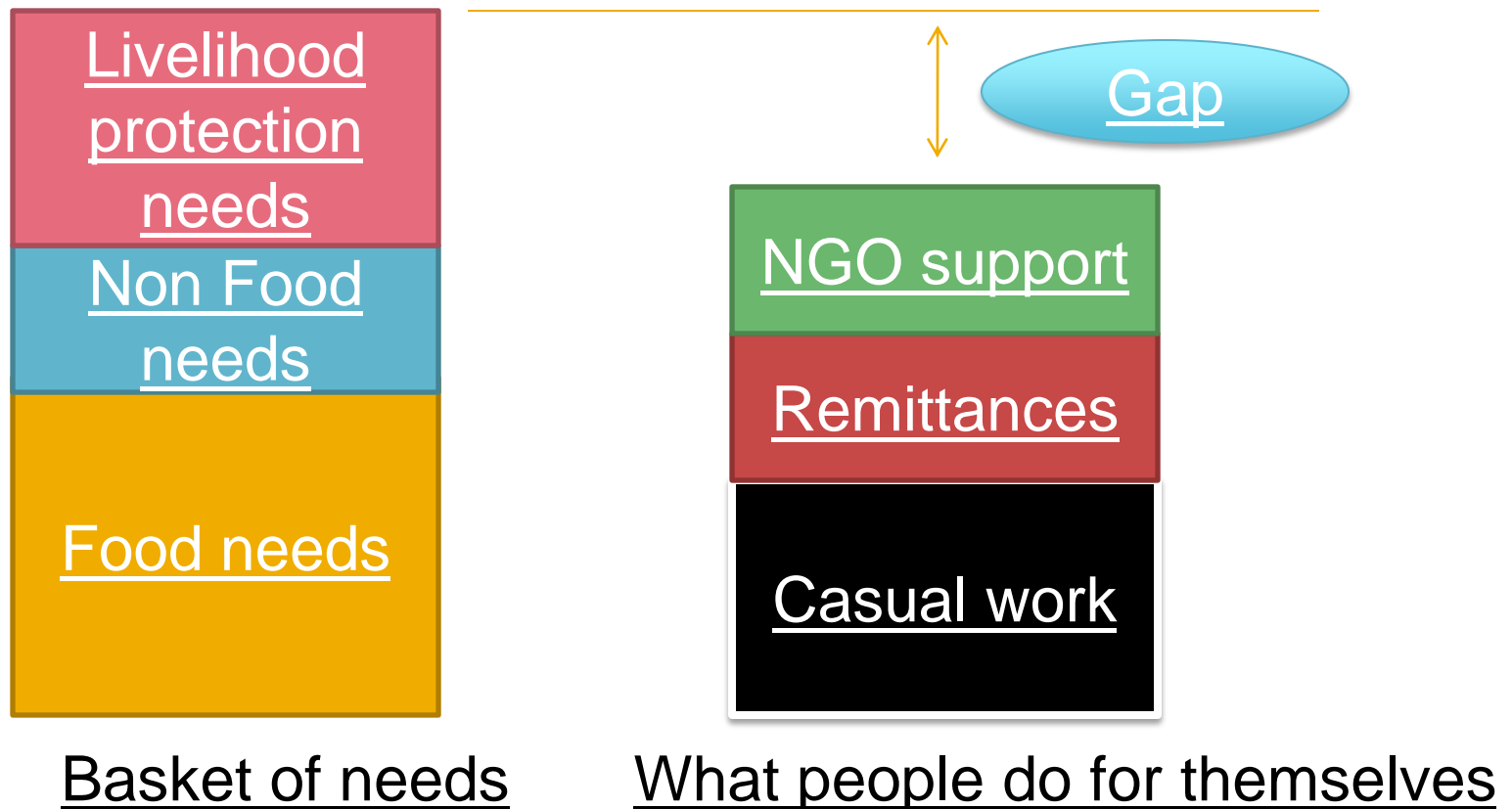
- What are we trying to achieve? (Objectives)
- What are the needs of the intended beneficiaries?
- What can people do for themselves?
- What are others doing?
- What is the context ? (location (rural / urban), prices, existing resources)
- How should we be using this information when setting the transfer amount ?

Thresholds



Recommendations

- Setting the value through a Gap analysis:



Thresholds

- **Survival threshold**
- Remember non-food needs (firewood, cooking utensils, water, health, shelter, etc)
- **Livelihoods protection threshold**
- **What coping strategies are being adopted?**
 - Corrosive or reversible?
- We should look beyond survival programming
- **Transfers can reverse or mitigate coping strategies to help reach or pass thresholds**

Humanitarian response phase?

- Initial days of an sudden onset emergency?
- Later phase of humanitarian response?
- Early Recovery / Development program?
- How will the stage of the humanitarian crisis affect data availability and approach to setting the transfer amount?

Fixed or variable transfer amounts?

- Do we adapt amounts for household size?
- In livelihoods, how do we prevent reinstating pre-disaster inequalities?
- Should amounts vary depending on value of loss or relative vulnerability?

What is the program duration?

- Long term / permanent support?
 - Safety net?
 - Not expected to 'transition'?
- Short term / emergency relief?
 - What is the 'exit strategy'?
 - Should be seeking to avoid 'relapse'
 - Livelihoods 'top up' component ?

Main questions

1. What are the program objectives?
2. What costs are involved in meeting these objectives?
3. What is the “gap”?
4. Anticipate changes to assets and coping strategies
5. Transfer amounts should reflect analysis and aim to surpass thresholds
6. For short term projects, what is the ‘exit strategy’?

Group Work Exercise 1

1. What are the items which should be included in the “survival” or “basic needs” basket for calculating the transfer amount?
 - a) In rural areas (Grp 1 & 2)
 - b) In urban areas (Grp 3 & 4)

2. Compile a suggested “checklist” of items to consider in setting the amount for basic (survival) needs

Group Work Exercise 2

1. How should you calculate the transfer amount for:
 - a) Emergency phase basic needs (Grp 1 rural, Grp 3 Urban)
 - b) Recovery phase livelihoods protection / promotion (Grp 2 rural & 4)

Think about:

- a) What are the data requirements? Are there gaps and how would you collect this data?
 - b) Would you use a fixed or variable transfer rate?
 - c) For how long and how frequently would you make the transfer?
2. What essential recommendations would you make?

Group Work Exercise 3

1. What are the main things you have learned from today's session?
2. What are the key recommendations you would make to fellow practitioners on setting the transfer value?
3. What are your future learning needs and how could you address them?

