LINKING CASH AND VOUCHER ASSISTANCE (CVA)
AND SOCIAL PROTECTION

OCCUPIED PALESTINIAN TERRITORIES (OPT): COUNTRY SUMMARY

May 2021

This country summary is part of a larger resource set, providing practitioners with examples of different approaches to linking CVA and social protection.

OVERVIEW

Emergency Context

- **Decades of occupation with compounding political and socio-economic crises**, including a divided political administration, declining basic service provision (including 2017–18 energy crisis), the ongoing blockade of Gaza (since 2007), military clashes (in Gaza in 2008, '12, '14, '21), restricted freedom of movement throughout the OPT and the COVID-19 pandemic. 2020-21 also saw a political standoff that made it difficult for the Palestinian Authority (PA) to collect tax revenues.

- **High rates of unemployment and poverty with stark disparities between the West Bank and Gaza Strip**. The latest figures from the Palestinian Central Bureau of Statistics show an overall unemployment rate of 25 percent (15 percent in the West Bank vs. 46 percent in Gaza) Around 30 percent of Palestinians live in poverty (over 50 percent in Gaza compared to 14 percent in West Bank), and 17 percent live in deep poverty (over 30 percent in Gaza vs. 6 percent in the West Bank). The gap in living standards between the West Bank and Gaza continues to widen.

- **Large refugee population** displaced by the 1948 war. Approximately 1.4 million of the 2 million people living in Gaza are refugees who predominantly reside in 8 refugee camps. The West Bank has a population of 3 million, of which just over 820,000 are refugees: there are 19 refugee camps in the West Bank.

Social Protection Context

- **The emerging social protection system** is made up of: social assistance, which is the most developed component; social insurance, limited to government employees; and social services. These components are variously delivered through a mix of government, private sector and NGO providers.

- The Occupied Palestinian Territories are politically and administratively fragmented, with a security situation that makes delivering social protection schemes across the territories challenging. The Ministry of Social Development (MoSD) leads the social protection sector and is responsible for policy setting and providing programmes for Palestinian citizens.

- The Palestinian Authority's (PA) flagship social assistance programme is the Palestinian National Cash Transfer Programme (PNCTP). The PNCTP is administered by the MoSD and targets both citizens and refugees. 55.3 percent of PNCTP households, including those on the Gaza waiting list, have refugee status. The MoSD is also the primary holder of lists of vulnerable people which are used by various cash actors to access recipient data. As of 2021, the MoSD managed the following four lists: PNCTP beneficiaries; PNCTP waiting list; New Poor due to COVID; and New Vulnerable due to the 2021 conflict in Gaza. The United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) has the mandate to support Palestinian refugees residing in the Palestinian Territories.

- Through the **UN's Joint Sustainable Development Goals (SDG) Fund**, WFP, ILO, and UNICEF are supporting MoSD to strengthen the social protection system to make it more inclusive for persons with disabilities and older persons.

- The PNCTP is equipped with a range of tools but numerous challenges plague the system, reducing its effectiveness. These include the following:

  - **High reliance on donor funding**, in 2020 55 percent of funding came from the EU. Funding is a perennial challenge to implementation and sustainability.

  - **Inadequate funding**, particularly from the PA, means that a significant number of eligible households are not receiving support. Despite expanding coverage since its inception in 2011, the programme has **long waiting lists to receive support** (e.g., 10,000 households were on the waiting list in 2020 and fiscal space has continued to shrink). In principle, the poorest and most vulnerable are prioritized in the PA budget but there are significant challenges with the accuracy of targeting and verification, along with suspicions of patronage. Critically, payments are continuously disrupted with only three of the four quarterly payments made annually since 2018. There is also no framework in place for a graduation process.

  - **No specific legislation or policy framework** is currently in place to guide the social protection sector. Nonetheless, the UNDAF (2018–22) and the Social Development Sector Strategy (2017–22) have identified social protection as a critical intervention to address poverty and protect households from shocks in the OPT.

  - **Critical weaknesses in technical and administrative areas**, including shortcomings in data management and targeting. These are being addressed in part through the World Bank Social Protection Enhancement Project (2017–23) which supports the development of a social registry and improved case management systems

- **UNRWA** provides quarterly cash assistance via debit card to refugee households living in 'abject' poverty in the West Bank. Bedouin communities and herders receive in-kind food assistance in partnership with WFP. In Gaza, UNRWA provides in-kind food assistance to households living in poverty and short-term work opportunities through its cash-for-work programme.

- **The largest safety net programme in Gaza – supporting approximately 120,000 households – is funded by the state of Qatar**. Since 2018, the Gulf state has been providing grants to poor families of USD100 per month as part of the ceasefire arranged between Israel and resistance groups. In January, 2021, Qatar pledged a further USD360 million for 2021, a 50 percent increase from last year. There is no coordination between the Cash Working Group (CWG) and the Qatar payments system, although there are plans to engage with Qatar under the Social Assistance Nexus Roadmap.

Relevant Social Protection Programming

Palestinian National Cash Transfer Programme

Objectives: Aims to mitigate poverty impacts on Palestinian families living below the poverty line.

Programme Components: Provides quarterly unconditional cash assistance to vulnerable families in the West Bank and Gaza (two-thirds of recipients reside in Gaza). Families can also access complementary aid, including food assistance, health insurance and livelihoods support.

Coverage: 105,000 (2020) + 10,000 Gaza waiting list (2020)

Administrative set-up: Under the MoSD, the General Directorate for Combating Poverty manages the PNCTP in the West Bank and Gaza. Social workers from the 15 Ministry Regional Directorates are responsible for updating family records and eligibility recertification but face significant challenges in doing so.

Targeting Mechanism/Eligibility: Proxy Means Test (PMT) updated in 2021. Households are classified as extremely poor, poor, and non-poor based on a weighted formula that considers different household characteristics, including household composition, marital status, assets, employment, and health. Extremely poor households are prioritized for support, though certain categories of 'vulnerable' poor households (e.g. female-headed, elderly, disabled) are also prioritized.

Delivery Mechanism: In the West Bank, the PNCTP transfers are made directly to recipients' bank accounts, while in Gaza, it is paid over the counter at Banks or into recipients' bank accounts. E-vouchers for food are delivered via payment cards.

Timeline of Key Social Protection and CVA Developments

2007: Palestinian Reform and Development Plan (PRDP) presented at the Paris Donor Conference provided a national vision for a social protection system.

2009: Cabinet decree was issued approving the merger of two cash transfer programs: the EU funded Special Hardship Cases Programme and the World Bank-funded Social Safety Net Reform Project into a unified programme.

2009: WFP introduced a food assistance voucher programme for non-refugee households.

2009/10: Following the 2009 Global Financial Crisis, most programmes scaled-up support to vulnerable households through two one-off emergency payments.

2010: The Palestinian National Cash Transfer Programme was launched, introducing a unified benefit level, eligibility criterion, PMTF and MIS (Portalgate).

2014: During the Gaza Conflict, PNCTP coverage expanded; WFP and UNICEF scaled up their CVA assistance for food and WASH items through the WFP Common Card.

2014: At the Cairo Donor Conference for Palestine and Reconstructing Gaza, the Gaza Recovery and Reconstruction Plan was presented, including rebuilding social protection in Gaza.

2017: The World Bank launches its Social Protection Enhancement Project (2017–23)

2017–18: The UNDAF (2018–22) and the Social Development Sector Strategy (2017–22) identify social protection as a critical intervention for poverty alleviation and mitigating the effects of shocks.

2020: Vertical and horizontal expansion of PNCTP and food voucher programmes to alleviate the impact of COVID-19

2020: Launch of UN SDG funded Joint Programme (UNICEF, ILO, WFP) to support MoSD to enhance the social protection system to make it more inclusive (a Social Protection Floor), closely coordinated with the European Union and World Bank through the Social Protection Sector Working Group.

2021: Fourfold annual increase in use of CVA in the Humanitarian Response Plan

EXAMPLES OF CVA PROGRAMME LINKAGES

WFP provides food assistance to food-insecure households in the West Bank and Gaza: in February 2021, the programme reached over 300,000 people. The programme has evolved considerably since its inception, gradually shifting from in-kind support to food e-vouchers and providing more choice and flexibility to recipients. WFP has a long-standing partnership with MoSD to strengthen the PNCTP by complementing its routine cash transfer to the most vulnerable non-refugee households enrolled in the PNCTP with food assistance (mainly e-voucher). The programme uses a common targeting mechanism – the PNCTP's PMT formula complemented by food consumption scores. It also provides technical support on programme design and the revision and introduction of different administrative tools. Building capacity of front-line social workers to assess and refer PNCTP households to services is a priority support area, including streamlining and improving administrative tools (including IT) to allow more time for social work functions rather than benefits administration.

The payment card (Common Card) with an "electronic wallet" function has served as a useful common platform for delivering sector-specific aid (food, hygiene, sanitation, water, school uniforms) by different partners (UNICEF (1,2), Mercy Corps, and Oxfam in Gaza, and UNRWA in the West Bank for refugee households) in response to other emergencies. CVA programmes using this common platform have been able to scale up (horizontally and vertically) quickly in emergencies: for example in response to COVID-19, WFP provided a top-up to existing CVA beneficiaries to alleviate the impacts of the pandemic. WFP has evaluated its voucher programme in the West Bank and Gaza Strip for 2018–2019 and also 2019–2020 (publication pending). WFP is currently running a multi-purpose cash assistance pilot with the MyChoice pilot with the Gaza Protection Consortium. The platform is being used for a cash transfer focused on 5300 survivors of Gender Based Violence in a project with UNFPA.

In 2020, the EU supported the vertical and horizontal expansion of the PNCTP by providing funding to include an additional 9,000 families from the waiting list. An additional financial contribution to the NCTP was made by EU in 2020 in response to COVID-19 to help alleviate the PA fiscal crisis.

The Gaza Protection Consortium (Norwegian Refugee Council, Mercy Corps, Humanity & Inclusion) was established in in July 2020 in close association with WFP to deliver the MyChoice initiative and is closely aligned with the Gaza CWG.

Mercy Corps (1,2) used the PNCTP waiting list to identify potential beneficiaries and then applied a PMTF to determine eligibility. For the households receiving food assistance from other agencies, a food consumption score was also used. The experiences of different NGOs providing cash and services to PNCTP beneficiaries has several benefits. Firstly, they help expand the social assistance programme horizontally. Second, they often pilot innovative approaches that can influence reforms to the national scheme. Mercy Corps' 2019-2020 pilot programme tested three different modalities, delivery mechanisms and amounts: an unrestricted MPCA of EUR175 via debit cards, food e-vouchers EUR63 and partly restricted multi-wallet transfers via debit cards (EUR112) and food e-vouchers (EUR63). With the onset of the COVID-19, the Mercy Corps programme provided two additional top-ups aimed at meeting additional hygiene needs.

The Gaza Cash Working Group (chaired by Action Against Hunger and OCHA) has been an instrumental platform for coordination, strategic planning, and information sharing between more than 20 humanitarian actors providing cash and vouchers in Gaza, as well as agreeing and setting standards for the delivery of CVA. The CWG developed a well-respected MEB in 2020 and also released the unified vulnerability assessment tool to harmonize methods for targeting unconditional and unrestricted cash transfers. The tool adopts a two-pronged targeting approach which uses the PNCTP's PMTF as the first criteria and then sector or programme specific criteria. This allows for a unified targeting approach across humanitarian actors and the government programme. Humanitarian CVA programmes have also leveraged the PNCTP's Management Information System (MIS) (Portalgate) to identify and cross-check beneficiaries. Humanitarian agencies (e.g., UNRWA, WFP) have requested MoSD to cross-check their own beneficiary lists to reduce duplication or to use PNCTP data (including the waitlist) to deliver complementary assistance.

Entry Points

The OPT case demonstrates the vital role humanitarian CVA plays in meeting emergency needs and expanding coverage, as well as strengthening the routine functions of an emergent national social protection system. Given the high and growing rates of poverty and vulnerability, coupled with the constrained fiscal capacity to deliver assistance, there is a continued need for non-governmental actors to fill the gaps and provide support. However, having multiple providers increases the possibility of fragmented and uncoordinated assistance, leading to gaps and duplications. Leveraging the different aspects of the PNCTP provides different entry points through which humanitarian CVA actors can support the social protection system.

While the PNCTP provides a good base for delivering aid to households living in poverty, it is affected by the impact of the PNCTP's low benefit levels and funding challenges that have led to an erratic payment schedule (e.g., as of July 2021, no regular payment had been made and October 2021 was the next anticipated date of payment). The limitations of the transfer are worsened by the context of the oPT, with barriers to movement and access, high unemployment levels and limited livelihood opportunities. In the longer term, relying on a poverty targeted programme is insufficient for addressing the multiple vulnerabilities faced by certain social groups (e.g., persons with disabilities, the elderly, children) which call for a more comprehensive social protection system delivering specific support through programmes across the lifecycle (from cradle to grave). There is, therefore, a clear need to **develop specific CVA programmes and cash plus approaches**. Building a comprehensive social protection system requires programmes that work across the lifecycle and deliver specific support – the development a social registry will be helpful for this. There are also concerns about the ability to sustainably reduce poverty, given the low benefit levels. By linking to the PNCTP, CVA implementers can improve the **adequacy of transfers by providing top-ups and linking households to livelihoods support programmes**. This can help provide more joined up support between emergency support and economic recovery.

Humanitarian actors can also play a crucial role in **strengthening the links between social protection and Disaster Risk Management (DRM)**. The oPT has a National Committee on DRM and the National Disaster Risk Management Centre but lacks a national disaster risk reduction and management strategy. Given the importance of social protection for risk reduction and mitigating the impacts of shocks, **humanitarian actors should advocate for linkages between the social protection system, particularly the PNCTP MIS (and social registry when developed), and the DRM system to manage and deliver assistance effectively**. This will also help to establish a more shock responsive social protection system.

The CWG successfully advocated for the inclusion of NGOs in the social protection sector working group, the main forum between the PA and donors, helping to strengthen the linkages between CVA and social protection. **Expanding the knowledge base for more powerful, evidence-based advocacy** is needed. Monitoring and evaluating CVA programmes should not only focus on the outcomes in terms of well-being but also better capture lessons learned for systems strengthening. The CWG can play a strong role in generating meta-analysis from all the players for a more effective impact.

Key Resources

Abu Hamad, B. and S. Pavanello (2012) Transforming Cash Transfers: Beneficiary and Community Perspectives of the Palestinian National Cash Transfer Programme - Part 1: The Case of the Gaza Strip

Barghouti, Mariam et al. (2020) Responsiveness of the Palestinian National Cash Transfer Programme to Shifting Vulnerabilities in the Gaza Strip

Cash Working Group – Gaza (2020) Gaza Minimum Expenditure Basket

Cash Working Group – Gaza (2021) Monitoring Guide – PDM

Cash Working Group – Gaza (2021) Unified Vulnerability Assessment Tool (UVAT)

Hackstein, K., C. Millier and E. Mahdi (2013) Impact Evaluation of the EU Contribution to the Palestinian Cash Transfer Programme (CTP) in the Framework of the PEGASE Programme of Support to "Vulnerable Palestinian Families" (VPF)

Jones, N. and M. Shaheen (2012) Transforming Cash Transfers: Beneficiary and community perspectives of the Palestinian National Cash Transfer Programme – Part 2: The case of the West Bank

Key Aid Consulting (2018) Social Transfers in the Gaza Strip: Comparative Analysis of the Different Modalities to Deliver Assistance

Mercy Corps (2020) Gaza Multi-purpose cash Transfer Programme in Palestine – End Line Evaluation

Mountfield, Ben et al. (2019) A Comparative Study: Evaluation of the Two E-Voucher Systems Operating in Gaza

NRC and Mercy Corps (2020) Baseline Household Vulnerability Assessment

Pereznieto, P., Jones, N., Abu Hamad, B., and Shaheen, M. (2014) "Effects of the Palestinian National Cash Transfer Programme on Children and Adolescents: A Mixed Methods Analysis", UNICEF and ODI

Public Administration International and Atos Consulting (2015) Improving Food Security for People of Gaza: Independent Evaluation

WFP (2020) Palestine, Unconditional Resource Transfer Activity under the National Social Safety Net Programme 2018-2020: Evaluation

World Bank (2013) Designing an Advanced Cash Transfer Program in the Palestinian Territories

UNICEF (2019) Building Shock-Responsive National Social Protection Systems in the Middle East and North Africa (MENA) Region