1. **Background**

Large scale cash and voucher transfers have formed the basis of the humanitarian response to the 2016-18 drought (and threat of famine) in Somalia and successfully so. While sporadic small scale cash transfer projects in the past lacked coordination and coherence, this time a great deal of effort has been expended by donors and partners to better harmonize the transfers into a cohesive single programme approach, especially regarding the unrestricted multi-purpose cash primarily delivered through the mobile phone network (Mobile Money). While these transfers will continue to assist those in need throughout 2018, there is now an increasing appetite to transform the humanitarian cash transfer programme into a longer-term predictable and sustainable safety net, that will eventually be scalable in order to include both chronic and transitory caseloads.

The current humanitarian cash (and voucher) programme costs at least US$ 300 million per year (based on USAID, DFID and ECHO/EU budgets), covering some 2.5 million drought and conflict affected people and including unconditional and conditional cash and vouchers, some of them aiming at covering food needs first, some of them aiming at multi-purpose needs. This includes interventions from the development actors promoting cash for work. This caseload is expected to reduce substantially when the effects of the drought decline and recovery for a part of the affected households becomes possible. For the group of households that face more constraints to recover in the intermediate period until the next drought (the most chronically vulnerable), it is expected that middle term predictable transfers on a seasonal basis in the form of a safety net may be of crucial live-saving importance.

The desired transition from an emergency cash transfer programme to a social safety net with predictable transfers and a capacity to adapt to new shocks (before or during their occurrence) will need a significant amount of preparation and technical assistance (see concept note for more details). To guide this, a management structure assembling interested donors is established in a collaborative effort. Concrete steps will have to be undertaken to build on the earlier efforts of the emergency cash transfer programmes, the Cash Working Group, the CASH consortium, BRCiS programme etc, to increase harmonization, alignment and predictability among donors and Humanitarian and Development Partners. To effectively develop a shock-responsive social safety net in Somalia requires a collective approach and a concrete commitment from a critical number of interested donors and an open and transparent dialogue and decision making process.

It is proposed to call the programme “the Somalia Social Safety Net Initiative (3SNI)”.

1. **The role of the DWG**

The primary role of the DWG is to support and ensure donor harmonization and strategic oversight as it relates to the establishment and running of the 3SNI (from the donor side). As the 3SNI still has to be created the workload during the first year is expected to be significant. However, the DWG should remain in function once the safety net has been established to further guide the 3SNI and in particular to build the bridge to the FGS and the States.

The DWG will be assisted for the technical aspects by the Technical Assistance Facility (TAF) – see below.

The DWG should remain a flexible platform of interested donors for consultation, information sharing and in some cases decision making in the design and management of 3SNI.

1. **The functioning of the DWG and the TAF**

* The DWG is centered on monthly meetings which are the wider donor group’s opportunity to bring forward and discuss policy and implementation issues of the 3SNI and come to a common donor position before formally engaging with other stakeholders of the programme (including the FGS, NGOs and UN agencies). Meetings will be following an established agenda and will be recorded in minutes with concrete action points. Additional ad hoc meetings are convened if so required.
* Membership of the DWG is comprised of the Humanitarian and Development Donors that are committing financial and/or technical contributions to the creation and management of the 3SNI. A semi-official commitment will be requested from participating donor agencies. Other non-donor members may become members if the majority of the DWG members so decide (as full members or as observers)
* The DWG members will work to establish predictable, transparent and collaborative decision-making mechanisms amongst the donor community. As much as possible, decisions will be based on consensus.
* The DWG is chaired and co-chaired by two of the donors with financial contribution to the 3SNI on a rotating basis every 6 months. The official members of the DWG will decide on a simple system of nomination and selection amongst their co-members to assign the chair positions. The responsibilities of the Donor Chair (DC) and Donor Co-Chair (DCC) include the coordination and management of the regular donor meetings and the direct oversight of the Technical Assistance Facility - TAF – see further). The DC and DCC will work as a team and decisions should be taken on a consensus basis.
* The DCC will automatically become the DC after his/her initial 6 months as DCC (to promote continuity during 12 months) when the outgoing DC is then replaced by a new DCC (who will become DC after 6 months as DCC).
* The outgoing DC and the DCC will produce a hand-over report after the 6 months tenure to be submitted and approved by the DWG.
* The DWG will be assisted by a Technical Assistance Facility (TAF), to be financed by individual interested donors. The TAF will have a flexible structure of technical experts who will work with the DWG on short or middle term technical assignments and core strategic issues including addressing targeting, inclusion, gender bias etc. which will shape the design and guide the running of the 3SNI. The TAF will be tasked by the DWG in the form of a work plan and will comprise a flexible number of experts according to the needs expressed in the work plan. The work plan will be dynamic over time and will be reviewed as a standing item on the DWG agenda. The TAF will prepare the agenda of the DWG meetings with the DC and DCC of the DWG and draft the minutes. It will also suggest changes to the work plan to the DWG.
* The DWG will work with the TAF to arrange an annual retreat to review the operations and lessons learned of both the DWG and the TAF.
* In addition to the DWG monthly meeting structure, DWG members will be asked to collaborate in small task teams with the TAF to draft position or policy papers, to provide guidance to consultancies, to participate in the selection of consultants, to attend important meetings relating to the safety net outside the DWG structure, etc.
* All DWG members should seek to have at least one regular core representative in the DWG meetings with the ability to represent the organization. If the core representative is not able to attend a meeting, a substitute should be nominated. The agenda should be discussed and substitutes should be thoroughly briefed both on topics of discussion and institutional positions.
* Other specific responsibilities of the DWG members will include (to be reflected also in the work plan of the TAF):
  + Sharing of agency information on specific cash programs or safety nets
  + Follow up and programming of the financial support to the 3SNI and how the financing of the 3SNI should be designed in the long term (single multi-donor program or trust fund or separate programs?)
  + Coordination and adaptation of the safety net response to emerging issues such as those related to humanitarian crises (shock responsive)
  + Back up of technical support missions, including those under the TAF
  + Agreement on common reporting requirements on individual agency programs
  + Development of a mechanism to reduce transaction costs
  + Interaction with the private sector, the FGS, the implementing partners