



YEMEN SOCIAL PROTECTION AND HUMANITARIAN CASH LINKAGES

Assignment 1: Needs assessment and options paper for potential cash and/or social protection response to COVID-19 pandemic

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April 2020

DELIVERED THROUGH THE EXPERT ADVISORY CALL-DOWN SERVICE (EACDS) - LOT B

SERVICE IMPLEMENTATION BY A
DAI CONSORTIUM



BASIC – BETTER ASSISTANCE IN CRISES

Better Assistance in Crises (BASIC) is a DFID centrally managed programme designed to help poor and vulnerable people cope better with crises and meet their basic needs through more effective social assistance in contexts of recurrent shocks, protracted conflict and forced displacement.

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- Technical Assistance Services – Expert advice and support for the scoping, design and delivery of more effective assistance systems.
- Research – To build a robust evidence base, research that strengthens both global and country-specific learning on using social protection approaches to respond to crises, in different contexts, and the costs and benefits of such approaches.

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ACKNOWLEDGEMENTS AND DISCLAIMER

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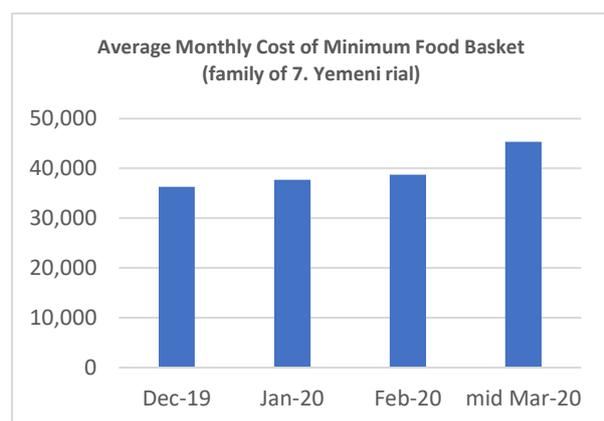
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1 SITUATION ANALYSIS / NEEDS ASSESSMENT

1.1 Economic factors

Over five years of intense civil war in Yemen has devastated the national economy. GDP is estimated to be 50% of pre-war levels and loss of economic growth and earnings amount to approximately US\$ 29 billion since 2015¹. The economy is highly dependent on revenue from oil and gas reserves, which are at about 10% of pre-war levels. Despite an upturn in oil production in recent months due to the completion of a pipeline, this is likely to be offset by the slump in oil prices²: this has been exacerbated by the drop in demand for crude oil globally due to the COVID-19 (referred to henceforward as C-19) pandemic and is now at an 18 year low³.

Somewhat ironically, the slowdown in trade with China, one of Yemen's biggest trading partners, due to C-19 has reduced demand for foreign currency and seems to have stabilized the Yemeni Rial despite the printing of a new currency in the South that was promptly outlawed in the North. That said, the rial remains vulnerable to downward pressures because of dwindling foreign reserves, the lack of a stable source of foreign currency in the context of collapsed oil prices, and dependency on Kingdom of Saudi Arabia (KSA) for budget support payments.



Source: FAO MOPIC Market Monitoring Bulletin Feb 2020

The Yemen economy is also highly dependent on imports (80–90% of basic needs) and global price fluctuations. IFPRI⁴ analysis suggests that the C-19 pandemic is unlikely to result in global food price hikes as the production of staples has been largely unaffected. More specialised high-value crops may see price increases, but this is unlikely to have an impact on basic commodity prices in Yemen. This said, there is some evidence pointing to rising food prices since the end of December 2019⁵ when the C-19 crisis became known, and especially the most recent price rise of 17% in mid-March. The latter is attributed to speculative buying by exporters for strategic reserves and a reduction in imports. Panic buying has not been observed to date but could put more inflationary stress on prices if it spirals out of control on the back of

misinformation. This in turn could lead to more violence on the streets and further instability in local and regional governance. Speculation in food markets could also be used politically to create artificial 'terms of trade crises' in opposing areas of control, largely impacting the poorest and most vulnerable households.

1.2 Remittances

Remittances are an important source of income for many, particularly since the civil war started, and a lifeline for the economy as a whole, representing an inflow of US\$ 3.35 billion in 2018⁶, or about 12% of

¹ World Bank Group, 2017. *Towards a Blueprint for the Recovery and Reconstruction of Yemen*.

² World Bank Group, February 2020. [Yemen Monthly Economic Update](#)

³ BBC, March 30 2020. [Coronavirus: Oil price collapses to lowest level for 18 years](#)

⁴ IFPRI Blog, March 10, 2020. [As COVID-19 spreads, no major concern for global food security yet](#)

⁵ FAO MOPIC FSTS [Monthly Market Monitoring Bulletin, February 2020 \(#55\)](#)

⁶ World Bank Group [Data](#)

GDP⁷. Migrant workers predominantly in Gulf Cooperation Council (GCC) countries (the largest number by far in KSA) send on average US\$ 200–500 per month, a major contribution to household incomes for those who receive it (the SMEB was calculated by the Cash and Markets Working Group in 2017 at 52,000 rial, equivalent then to US\$ 108 per month for a family of 5). Clearly, a lockdown to mitigate C-19 in KSA and UAE would put migrant employment at risk with a consequent reduction of remittances. Data on remittances is not readily available but is a hugely important element to factor into an analysis of the secondary impact of C-19 in Yemen.

1.3 Political factors

International calls for a ceasefire to prevent a catastrophic C-19 outbreak resulted in the [declaration](#) of a unilateral ceasefire from the coalition forces for a two week period from Thursday 9th April. While welcomed by the UN, Al Ansar's Political Bureau described it as "just another ploy", and there are [reports](#) of exchange from both sides shortly after the declaration. A resumption of hostilities in the Al Jowf and Ma'rib would not bode well for a ceasefire and, unless both sides see more benefit from peace and can use the pandemic as a common justification, it is possible that the ceasefire will not be extended beyond the two weeks. There is some speculation that fear of fighters contracting the virus may tip the balance in favour of an extended truce. Certainly, a continuation/resumption of conflict will see more people displaced into overcrowded conditions which, when coupled with a lack of access to basic services, exposes them to a high probability of contracting the virus. Access constraints will continue to limit assistance to people in need including the delivery of health services and equipment. Disruption to assistance could continue if authorities insist on accessing registration databases, but this is an ongoing issue and not related to the C-19 crisis.

Emirati-supported Security Belt Forces are reported to have blocked the import of WHO medical equipment (ambulances, ventilators and mobile clinics) being imported to fight C-19 in areas "liberated from the Houthis", indicating that the various parties to the conflict are willing to compromise the wider fight against the pandemic and weaponise medical assistance for short term political gains as has been the case with food. Manipulation of information could be used to catalyse panic buying of basic food commodities, foment civil unrest and undermine governance.

1.4 Implications

- The already dire economic situation in Yemen is likely to worsen due to the global economic impact of C-19, even if an outbreak does not occur in Yemen itself (though this is very likely to happen). These secondary impacts may well be more severe than the primary ones.
- The impact of a further shrinking of the economy will be felt largely in employment opportunities in urban centres. Most Yemeni households depend at least to some extent on one or more family members working in the informal economy in urban areas. Hence, even if agricultural livelihoods are not overtly affected, most households will still be impacted by reduced employment in the towns.
- Price increases and a collapse of remittance flows will act in concert to reduce terms of trade especially for poor people and those made unemployed in the urban centres. There is also the possibility that migrant labour in KSA/United Arab Emirates (UAE) will return to Yemen either voluntarily (suddenly unemployed) or by force, further exacerbating the concentration of unemployed males who may also be carriers of C-19 (c.f. migrant flows to home areas in India). The potential exists for increased levels of sexual and gender-based violence (SGBV) in households under increased financial and food security stress.
- Misinformation may result in panic buying, further inflating food prices and worsening terms of trade for consumers. Civil unrest and deterioration in governance could lead to more local level conflict and further fragmenting the larger war.

⁷ GDP in 2018 was estimated to be US\$ 27.6 bn. <https://knoema.com/atlas/Yemen/GDP>

2 VULNERABILITY ANALYSIS – WHO IS VULNERABLE AND WHY?

2.1 Primary impact of C-19 outbreak

Firstly, it is assumed that the health system in Yemen, functioning at only 50% of pre-war levels, will be completely overwhelmed should a large-scale outbreak occur. As well as compromising the care of people infected with C-19, an over-stretched health service will be unable to provide care for people with other medical problems. Further, as the capacity for a lockdown or enforcing social distancing protocols are low, it is probable that the spread will not be slowed and that the disease will progress along a very rapid course with massive numbers of infections occurring at the peak. All the evidence from C-19 outbreaks globally confirm that the disease is indiscriminate in terms of infection, but overwhelmingly affects the elderly in terms of case fatality rates (CFR), with the over 70s being the most vulnerable group. Yemen has a young demographic with 46% of the population being under 15 years old and 2.7% above 65 years⁸, so clearly the overall population profile is not highly vulnerable to fatalities. The elderly are at relatively high risk due to difficulties in isolation from the wider community (mostly home care) and the paucity of health care provision. Women are most likely to shoulder the care burden for the sick, making them more vulnerable to contracting the disease themselves and losing income from employment (formal or informal).

2.2 Secondary impacts of C-19 outbreak

The main focus of this assignment concerns the secondary impacts.

- Internally Displaced People (IDP)/ Humanitarian caseload: some 3.6 million Yemenis have been internally displaced during the war. Generally, IDPs will be particularly vulnerable to C-19 both in terms of primary impacts (infection) due to unhygienic and overcrowded living conditions; and to secondary impacts due to being separated from their livelihoods and often their social support networks. Access to services (health, WASH, education etc.) for IDPs may also be limited, adding to their vulnerability.
- Chronically poor people/ Social protection caseload. The Social Welfare Fund (SWF) currently targets some 1.5 million households determined to be poor (proxy means test (PMT) targeting) and providing a small cash payment. This caseload will be less able to withstand the negative socio-economic stresses outlined in the first section and will experience deteriorating terms of trade leading to acute food, nutrition and economic insecurity. Reduction in remittances and opportunities for employment in urban centres is also likely to affect poorer households. The Social Fund for Development (SFD) cash for nutrition programme targets pregnant women and households with undernourished under 2s. This is a vulnerable group with a strong association with poverty, and also because under-nutrition compromises immune systems.
- Economically vulnerable. People and their families who have lost incomes or livelihoods due to the shrinking economy and/or containment strategies may be vulnerable, especially if their employment was low paid to start with. This group may include people who have migrated within Yemen for work, or from GCC countries and have returned home either voluntarily due to job loss or forcibly. Daily wage earners may lose their income due to measures local authorities might impose to contain/ slow down the spread of the virus, such as the recent decree to close beauty salons which affected the female workers. Other examples might include public bus drivers who are also on daily wages.

⁸ https://en.wikipedia.org/wiki/Demographics_of_Yemen#Age_structure

- Civil servants in the north: The de-facto authority has declared that from 2020 civil servants will be paid half their, already low, normal salary every two months. The outbreak of C-19 will badly affect their livelihoods.

3 RISK ANALYSIS, SCENARIOS AND PLANNING ASSUMPTIONS

3.1 Gender and Protection Risk Analysis

In the event of an outbreak of COVID-19 in Yemen, the control and treatment of the virus will be more complicated due to the current humanitarian situation. It will affect women and men differently and will make worse existing inequalities for women, girls and other vulnerable groups, such as people living with HIV/AIDS, persons with disabilities, IDPs and marginalized people (*Al Akdam*). Although the HIV/AIDS prevalence rate is low 0.1 (UNAIDS Yemen 2018), this group suffers from stigma and discrimination. Access to antiretroviral treatment has been constrained due to insecurity and resulted in a significant rise in deaths: this could worsen if imports and internal distribution of medicines is affected by C-19 impacts on the economy, and the functioning of ports. The estimated number of adults and children living with HIV is 11,000 persons, of which 2,400 are women aged 15 and above and 500 children aged 0-14 years (source: World Bank).

The impact of the virus on IDPs could be catastrophic. An estimated two-thirds of the displaced are women and children, with livelihood responsibilities often falling primarily on women. Yemen has the highest maternal mortality rate in the Arab region. This situation is exacerbated by a lack of access to food, poverty, a collapsed health system, poor WASH services, traditional gender norms, and the on-going conflict which have all further limited access to health care for women and girls. A C-19 outbreak will overwhelm the health system with secondary effects on other medical issues such as maternal mortality.

15.9 million people face food insecurity on a daily basis, coupled with high acute malnutrition rates among pregnant women and children under 5 years. Restrictions on movement will be an obstacle facing women, especially those working in the informal sector on low and irregular wages. Although informal male workers will also be affected, social norms put a caregiver burden on women and girls, exposing them not only to greater health risks but also to socioeconomic challenges. Further, SGBV incidents may surge if quarantine measures are put in place that result in heightened tensions in the household.

3.2 Weaponisation of assistance/markets

The conflict in Yemen had been characterised by manipulation of aid and commercial practices by both parties. The potential for this to continue and even extend to blocking the import/ distribution of medical supplies for C-19 treatment is a distinct possibility. Similarly, manipulation of markets through speculative buying, hoarding and import control could be used to artificially inflate prices in opposition areas. This could lead to food price increases and encourage panic buying of basic food commodities, in turn leading to shortages and possible civil unrest/ violence.

3.3 Scenarios

This is subjective but important to develop in order to predict needs under differing conditions as the outbreak occurs. Again, this focuses primarily on secondary effects.

- Best case: limited outbreak with relatively low numbers in discrete geographical areas. Health services stretched, but still able to respond to the most severely affected, and medical supplies/ equipment is available. Economic conditions are not severely affected: lockdowns in GCC countries do not affect migrant labour/ incomes and remittances continue to flow as normal; food prices remain stable and no panic buying occurs; currency does not collapse and inflation is within normal parameters; containment measures in Yemen do not affect low-paid/ daily wage jobs. Conflict does not escalate in either the North or South.
- Worst Case: the opposite to the above with widespread cases spreading rapidly and completely overwhelming the health services for both C-19 infected people and those seeking medical assistance for other problems. Economy goes into freefall due to drop in remittances, food prices continue to rise, low-paid incomes/ jobs badly affected, panic buying and civil unrest become common, further inflating prices; rial collapses with little chance of rapid recovery as oil prices continue to be depressed with impacts on revenue and an unrenewed credit line/ budget support from KSA. Ceasefire collapses and conflict resumes leading to more displacement.

3.4 Planning assumptions

The most likely scenario lies somewhere between the worst and best cases described above. The following planning assumptions are made as a basis for recommending programming options in the next section. Note that DFID already has high level planning assumptions, but the following focus in more detail on the secondary impacts which are likely to be more severe and long-lasting than the primary impact of the disease.

- Epidemiological progression: with the first case now officially confirmed, the outbreak is likely to follow a pattern that will not be slowed through containment measures. This would see a rapid exponential increase of cases, peaking in approximately 2 months' time⁹ depending on a number of factors including climatic conditions (unknown effect). This will overwhelm the health infrastructure risking both people with C-19 and other medical problems including cholera, dengue fever etc.. Mortality rates will not be as high as seen elsewhere due to the young demographics but front-line health workers and primary carers (mostly women) will be at greater risk.
- Economic: the overall economy will shrink further with losses of jobs. Low income casual labour will be most affected. The rial will depreciate but not collapse, assuming that the credit line from KSA will be renewed. Remittances will be reduced due to containment measures in GCC countries by 50% of current levels, adding further pressure on the economy and individual recipients. Migrant workers are assumed to remain in host countries and not return in large numbers to Yemen.
- Food prices: will increase, putting pressure on purchasing power, especially of low-income groups and those made suddenly vulnerable through loss of jobs or livelihoods. Panic buying is likely to occur with further inflationary pressure on basic commodities. It is assumed that this will not result in large-scale civil unrest and violence. However, economic pressure within households may increase SGBV, and women will be disproportionately affected by loss of income as primary carers and be at greater risk of infection.

⁹ <https://www.thelancet.com/action/showPdf?pii=S2468-2667%2820%2930073-6>

- Conflict: the current ceasefire will hold for the agreed period (two weeks) and be further extended as the outbreak spreads rapidly. Some level of weaponization of assistance (medical and other) plus the manipulation of markets is likely.
- Overall: it is assumed that the secondary impacts of the pandemic will have a larger effect on the wellbeing of the Yemeni people than the primary impacts on health – on the basis of population demographics and the wider regional and global economic factors.

4 PROGRAMMING OPTIONS

Considering the planning assumptions above, the following response strategy is also based upon the following principles:

- An anticipatory/no regrets approach that builds upon existing assistance mechanisms for speed and sustainability and is gender sensitive in the C-19 context.
- A cohesive, sequenced approach that aims to provide immediate assistance with wide coverage, together with more targeted responses as the situation evolves, and moves towards a better harmonisation of humanitarian and social protection approaches.
- Adaptation of both social protection and humanitarian caseloads, to increasingly include the 'suddenly vulnerable' who would not normally be a target group.
- Inclusion of livelihoods (cash +) and support to the private sector considered after the immediate response is established.
- All operations should avoid activities that may aid the transmission of the virus. Specifically, it would be important to have partners deliver cash electronically, with reduced need for contact with others in the process, such as through mobile money or pre-paid cards. Cash in an envelope distributed at organised sites should be avoided if possible, together with in-kind distribution centres. Electronic transfers may not be possible immediately, but should be a focus for transfers in the medium to long term (see section 5). Cash for work (CfW)/ public works is not appropriate in an outbreak if people are brought into close proximity at any stage in the process (registration, works, payment, monitoring).
- Modalities: The secondary impacts of a C-19 outbreak are largely economic in nature. Unconditional cash transfers are the most efficient modality to assist identified groups in most situations and are well-tuned to support those losing income from employment or remittances. CfW is less efficient as resources are inevitably used for materials and administration of works, and are problematic in terms of potentially increasing transmission. Soft conditionality around awareness could be useful if carried out without increasing contact between people and staff. In-kind distributions also tend to be less efficient and tend to bring people together at distribution centres. However, in-kind food may be a vital element of the response if the worst case scenario develops and the economy/ currency goes into meltdown with reduced remittance flows, hyper-inflation/ food price hikes, and loss of incomes or reduced access to markets. Maintaining the potential to flex between cash and in-kind should be maintained if possible.

4.1 Immediate/short term: April to June – the outbreak peaks and secondary impacts start

- WB/UNICEF Emergency Cash Transfer (ECT) Programme unconditional cash transfers: bringing the next payment cycle forward to occur immediately after Ramadan (i.e. after 23/05) would be an immediate low risk strategy, with a very large coverage (1.45 million households). This could be done by funding an interim payment (additional cycle) that would effectively provide a (small) vertical expansion at a critical time. The regular quarterly payments would need to be re-set to take place earlier. It is assumed that capacity will not be available during Ramadan to make payments.

Important C-19 messaging could be incorporated into this component that would reach a large number of households and communities.

Risks and limitations:

- Shifting from UNICEF/ SWF to SDF for implementation is an unknown in terms of capacity/ sharing beneficiary data and access to all the caseload, however this would only be of concern at a later date as UNICEF is contracted to carry out the 8th and 9th cycles;
- Payment methods are outmoded and should be modernised, but this will take time (see 'longer term' below). For the immediate period it is important to minimise contact and transmission, suggesting that house-to-house distribution would be necessary, though this may increase costs. This would, however, provide the opportunity for delivering messaging on C-19.
- The low transfer value (about a tenth of the survival minimum expenditure basket (SMEB)) is an issue regarding impact, together with the known targeting problems, however this may be mitigated by other measures. A wide coverage¹⁰ is considered important as a basis for the response even considering the trade off with impact due to the low transfer value.
- Cost implications: The recommended interim/ additional payment would amount to an estimated US\$ 55M (World Bank (WB) estimate per cycle). The 8th cycle is already funded and could be brought forward immediately, with an additional cycle inserted shortly afterwards. Alternatively, if politically possible, the 8th cycle could provide a double payment. Potential for co-funding with other donors such as the US (depending on outcomes of the current negotiations in Houthi-controlled areas) should be pursued.
- Further targeting: SFD/ SWF could be asked to review their database now, with a view to selecting a sub-group of ultra-vulnerable households for a top up in the medium term. This could follow a categorical targeting approach, with agreed selection criteria.
- SFD Cash for Nutrition (unconditional cash transfers): support to this programme would be in effect a top-up for the most vulnerable with the total overlap with Emergency Cash Transfer Project (ECTP) beneficiaries. Risks and limitations: targeting remains the same and assumption that pregnant women/ women with malnourished children are the most vulnerable group in C-19 outbreak. Cost: SFD state US\$ 21.6M for 100,000 households; WB state US\$ 30M, but unknown number of households. Would need to clarify the cost and transfer value as both fall under the same programme (Emergency Crisis Response Programme (ECRP)). It is suggested to keep WB as the contracted partner for oversight and advocacy purposes, and for the latter to agree the scale for the intervention with SFD.
- World Food Programme (WFP): continue supporting WFP food assistance programme with a cost extension. Important to keep the support going into Houthi controlled areas with suspension of US funding and to maintain a high level of influence over the humanitarian response for the immediate and longer term. Risks and limitations: low risk (continuation of existing programme) targeting is limited to traditional humanitarian caseload. In-kind food in Houthi areas rather than cash: this could change over time with a relaxation of the biometric requirement, however it would be important to maintain some in-kind assistance for flexibility in case of serious market dysfunction and/ or currency collapse. Cost: £ 35M.
- The Cash and Markets Working Group (CMWG) and the Cash Consortium of Yemen (CCY): The CCY point out in their recent statement that the CMWG is under capacity and needs to take a central role in coordinating the C-19 response that is largely cash-based and to set standards such as the SMEB/ transfer value, and work around the delivery mechanisms (mapping financial service providers (FSPs)/ electronic transfer potential). In the medium to long term, a capacitated CMWG would be instrumental in harmonising the SP and humanitarian systems (see below). A dedicated cash expert (rather than a coordination person) could be provided to the CMWG to enhance capacity for a period of 6 months (options include secondment; CashCap deployment; support to OCHA to hire a consultant). Cost: estimated £100,000 for a person and commissioned work.

¹⁰ Evidence from [Bangladesh](#) (C-19) and [Sierra Leone](#) (Ebola) suggests that universal targeting might be most appropriate with very vulnerable populations.

It is suggested to explore the potential for the CCY¹¹ to have a role in identifying groups that are not being targeted by either the SP or humanitarian system, bringing a strong gender and protection lens into the response. An analysis of the evolving situation combined with developing targeting selection criteria would be a first step, together with contact with ECHO who currently support to the CCY. Cost: TBC.

- Advocacy:
 - Primary impacts vs secondary: this is not just a health emergency.
 - Transmission-sensitive programming to reduce the spread of the virus in all stages of the programme cycle (note that the WB's proposed cash for work is not being included in the response strategy for this reason).

4.2 Medium term: July to October – infection rates drop; the peak of the secondary impacts

- ECT: Continues. Vertical expansion (top-up) could be envisaged to a sub-group of the most vulnerable that are identified through categorical targeting during the emergency period. Co-funding options would need to be leveraged (US? EU?)
- WFP: Continued support to WFP would be important especially if US funding remains suspended in Houthi-controlled areas.
- Support to 'new' C-19 vulnerable and the private sector:
 - CCY: Depending on the work of the CCY in the immediate response, develop a flexible system to deliver cash assistance to 'suddenly vulnerable' households. This might be one-off or three monthly emergency payments with a specific C-19 branding to reduce expectations. Protection and gender aspects would be a central concern. This could be done in collaboration with DG ECHO, who currently fund the consortium. Estimated cost for 100,000 households (US\$ 50 per HH for 3 months): US\$ 20M.
 - WB/ SDF: Support to Small and Micro Enterprises (SME) as a means to support businesses and especially to keep people (particularly the low-paid) in jobs. Risks and limitations: low evidence that this is good VfM in terms of job protection and targeting those most vulnerable to income losses; in the context of C-19 there may well be some restrictions brought in to slow the outbreak. Cost: US\$ 9M.
 - WB: Monitor the evolving economic situation and provide modelling on the basis of the pattern of spread of C-19, the containment policies of different entities within Yemen and the region (especially migrant-hosting nations such as KSA and UAE), remittance flows, food and other basic commodity prices, and the depreciation of the rial.
- CMWG: Harmonising social protection system and humanitarian transfers: in the short term this is important in order to meet basic needs of the most vulnerable people in a cohesive way. Bringing transfer values into alignment and based on need as much as possible will be difficult to do, but important for cohesion and equity. As important is the need to map out the different caseload geographically and in terms of vulnerable groups (traditional and new due to C-19) to reduce duplication and to fill gaps. In the medium to long term, establishing strong linkages across the humanitarian and social protection systems will be essential. Mapping FSPs and potential providers of e-transfers (preferably mobile money) would be a general improvement in efficiency, and also reduce the contact between agencies and beneficiaries and between beneficiaries.

¹¹The CCY has latent capacity for rapid expansion, but other NGO groupings such as the CARE-led consortium could also be considered.

4.3 Long term: November onwards – low infection rates; secondary impacts reduce but still important (recovery)

- ECT and other cash transfers: depending on the progression of C-19 and other factors such as conflict, it may be possible to convert some transfers into conditional transfers as a means to stimulate parts of the economy such as cash for work for agricultural development (irrigation etc). Cash + programming would also be a way to help vulnerable households to rebuild livelihoods. Linking to larger scale support to private sector would be an important way to link livelihoods activities to economic recovery measures (if in place).
- CMWG/ WB/ WFP/ UNICEF/ CCY/ SFD/ Donor coordination group: bringing together the key humanitarian and SP actors and donors to move towards a more harmonised overall system that progresses towards a longer term safety net approach would be realistic possibility at this stage of the response. This takes us back to the original objective of the BASIC assignment. The foundations of this can be laid during the medium term period in this section.

ANNEXES

Annex 1 – Existing options for building a response for secondary impacts of C-19

	Options for programme scale-up (expansion) or adaptations in response to COVID-19	Benefits of approach	Limits and risks (capacity, time, messages, feasibility)
SFD	<ol style="list-style-type: none"> Bring forward beneficiary payments to keep existing programmes running. Additional soft conditional cash transfers to current (and new) cash for work and cash for nutrition beneficiaries linked with public health messaging and increased provision of handwashing products. Additional soft conditional cash transfers to target specific vulnerable group (likely pregnant women/women with children in areas of high malnutrition and/or households including the elderly and/or households with people with disabilities) in districts where SFD already working – currently list of approx. 90,000 beneficiaries meeting these criteria. These cash transfers could go to beneficiaries beyond reach of current programmes but SFD are unsure currently how they would identify these beneficiaries. Additional SME and agricultural support (through loans) being considered as scale-up option. Support priority needs outlines in the GoY and de facto authority C-19 Emergency Committee plans – cash for services for recently graduated health workers as first respondents to provide screening and also awareness, provision of equipment with focus on locally produced ones for isolation centres, training of health cadres to identify, investigate and report cases. <p>Projected impact of programme expansion:</p> <ul style="list-style-type: none"> 50,000 HHs receive emergency cash assistance 100,000 Mothers and pregnant women receive emergency cash assistance Temporary and emergency employment for 3,000 youth 150,000 HHs receive unconditional cash transfers <p>Cost: Additional \$55m</p>	<p>SFD operate in all 22 governorates, only 13/333 are currently inaccessible. Currently unaffected by decreasing humanitarian operational space and access issues. Mapping of agencies' access would help to understand coverage. Are the unserved governorates inaccessible to all agencies (including WFP/ NGOs/ ICRC)? Important to have humanitarian-social protection collaboration to ensure coverage and reduce overlap/ duplication.</p> <p>Rapid delivery – systems are in place for delivery of cash transfers and livelihoods programmes. Cash transfers could be initially delivered to ensure anticipatory 'no regrets' assistance with more livelihoods (cash +) following depending on evolution of outbreak.</p> <p>SFD closely coordinated with GoY and de facto authority response (SFD health advisor part of Emergency Committees) and politically neutral.</p> <p>Support to health response would potentially be eligible for WB COVID-19 'health' funding.</p> <p>Support to SME could be important if the worst case scenario plays out and retention of employed (esp. low paid) is possible. This could be a second level response depending on the evolution of the crisis. Possible longer-term cash + programme in 6 months.</p>	<p>Community engagement approach would take too long to identify non-SFD beneficiaries for inclusion in C-19 response. If the worst case scenario plays out, there may be time to target additional vulnerable people such as returning migrants/ recently jobless/ women carers etc.</p> <p>Unclear how fragile SFD system are if C-19 hit and at what point SFD would become non-operational. Awareness-raising is an important positive in this approach so long as it can be done with minimal contact to reduce potential transmission. Similarly, CfW could be problematic but should embed ability to switch to UCT.</p> <p>Time taken for categorical or sub-targeting might not be worth trade-off for providing beneficiaries with cash quickly. Coverage vs targeted approach. How would exclusion errors be added in? Humanitarians?</p> <p>Unclear whether SFD would be happy to drop co-responsibilities – e.g. CfW, LIPW, just get cash out rather in the immediate – then return to intervention/cash plus side in longer-term CfW is not the most appropriate modality in the case of a C-19 outbreak as it may aid transmission. Better to advise WB/ SFD to change to an unconditional modality.</p> <p>Unclear what the transfer value would be of new unconditional CT programme. Transfer value would need to reflect needs, be based upon a SMEB, and somehow harmonized with humanitarian transfer values.</p> <p>Unclear when SFD would need donor funding to start a 6-month emergency cash transfer programme.</p>

World Bank/UNICEF	<ol style="list-style-type: none"> 1. Bring next ECT quarter payments forward (currently due in June) 2. Both bring next quarter payments forward and increase the transfer value as a one-off (using specific C-19 messaging) 3. Provide an additional payment (\$50m) in the interim between quarterly payments in anticipation of increased needs 4. Ask UNICEF to undertake targeting to provide 'top up' cash to the SWF beneficiaries most vulnerable to C-19 impacts (e.g. could be aligned with SFD option above for scale-up of cash for nutrition payments or could take a different categorical targeting approach) 	<p>Easy, quick option to bring payments forward or make additional payment were additional resources available.</p> <p>One-off payments (at least at first) under a C-19 brand would lower expectations for repeats, but enable meaningful transfers to be made when most needed.</p> <p>Large reach – reaches 1.45m households nationwide</p>	<p>Low transfer value – current transfer is YER 5,000 per month per household, targeting individuals below the poverty line, based on a proxy means test. As above, TV would need to be meaningful/ based on needs and SMEB and in some way harmonized with the humanitarian TVs that may be operational (in cash or in-kind) in the same or adjacent areas.</p> <p>No potential to flex to in-kind if liquidity or import/access issues became a problem</p> <p>SWF/ SFD (CfN) caseloads may be 100% overlapping, but this is not clear. If total overlap then the CfN could be seen as a top up for the most vulnerable. Overlap with humanitarian programme (WFP mainly) needs to be estimated and rationalised.</p>
WFP	<ol style="list-style-type: none"> 1. Use \$35m WFP contingency funds (these could be increased prior to cost extension this week). 	<p>Potential to flex between in kind and cash, important if worst case scenario means the rial becomes hyper-inflated and/ or purchasing power becomes impossible to adjust for or to manage. Important to establish linkages between the humanitarian programme and social protection at an early stage to enable flexible approach between modalities and if humanitarian transfers will eventually move towards a safety net approach.</p>	<p>Cash currently only in the South – although scale up is possible and being adapted (e.g. CT made 3 months in advance), with new targeting possible, but additional funding from other donors for cash will be difficult</p> <p>Would need to hold off on biometrics and lower identification standards – risk of aid diversion and Houthis using C-19 to compromise longer-term operations. Biometrics not used for in-kind assistance: this is in effect double standards when used as an essential criterion for cash.</p>
MHRP	<ol style="list-style-type: none"> 1. Use INGO programme contingency funds 	<p>INGOs able to more quickly scale up and deliver cash (current IOM-NRC rapid response cash pilot that could be scaled up). May be possible to task the nimbler INGOs to include those made suddenly vulnerable due to economic collapse/ migrants returning home etc.</p>	<p>Implications of US stopping funding. NGOs which have closed due to funding issues may have difficulty coming back in</p>
Advocacy and Influencing	<ul style="list-style-type: none"> • Transfer values to harmonise with humanitarian system • UCT over CfW in C-19 context • Enhanced coordination to ensure coverage and reduce duplication 	<p>Funding WB would bring important leverage to influence the C-19 response through the SP system. Need also to have influence with humanitarian actors (WFP, HCT, RC/HC etc) to better harmonise approaches for C-19 as well as ongoing assistance</p>	<p>Having the response spread over multiple agencies reduces risk and adds the potential to influence both the humanitarian and SP components, ultimately to bring the two together into a more cohesive and sustainable approach.</p>