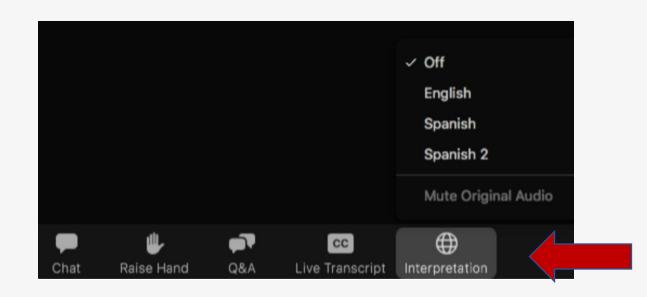
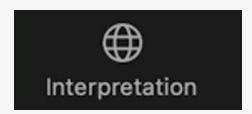
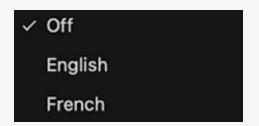
# الترجمة - Interpretación - Interpretation







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2. Select your languageElija su idiomaChoisissez votre langue

اختر اللغة العربية

# Global CWG

October 2023



# Today's Agenda

- Welcome
- Reviewing and refreshing the Global CWG's purpose –
   30 mins
- Presentation & discussion: How can cash actors better adapt to inflation and deflation? - 40 mins
- Presentation of initial research findings from the Global Shelter Cluster – 10 mins
- Wrap up and AOB



# Global CWG

- Background to the group's formation
  - Information sharing (lessons learned)
  - Linkages to global and policy discussions/forward planning overviews
  - Inclusive and open to all
- Changing global, regional and county landscape
  - Formalised roles and accountability of CWGs at country level
  - Formalised role and function of CAG at global level
  - More engagement with Regional and Cluster working groups (still ongoing)
- What should the group focus on moving forward

# Group Work

In light of the cash coordination model, what should be the purpose of this forum?

- What value does this platform provide for you?
- How can the platform be improved?
- How should the platform be linked to formal structures?

# Next Steps

- Updated TORs for end of 2023
- Leadership
- Linkages with other structures
- Name?

# Adapting cash transfers to inflation, depreciation and economic volatility

**CALP** Learning



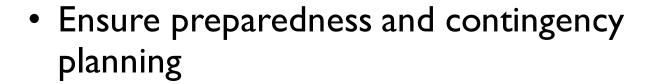
# Approach

- Technical support to 5 countries: Burkina Faso, Nigeria, Malawi,
   South Sudan and Zimbabwe
- Literature review
- Turning the "Good Practice Review" on inflation into practice
- Workshop and validation session with each CWG
- Validation session with the gFSC sub-group & the DCF
- 5 country reports & I learning brief summarising the key issues accros the countries

# Recommendations for CWGs

• Ensure that there are clear and predictable processes

 Deepen understanding of the economic outlook and the consequences



 Monitor and respond to program recipients' preferences





# Dilemmas and Challenges



Depth vs. Breadth

Administrative and bureaucratic barriers

Use of hard currency

Transfer values vs. SP and wage rates

Changing modalities

## What next?

 Need for forward planning, imaginative and pragmatic solutions and flexibility to adjust to new ways of working re. economic volatility

Collaborative efforts are needed to address some dilemmas

 Candid conversations are needed to find common ground on some issues

# More reading...

https://www.calpnetwork.org/publication/adapting-cash-programming-to-inflation-depreciation-and-economic-volatility/



# Afghanistan CVWG + FSAC

The AFG MEB is on a 6-month review cycle however, changing market prices necessitated a more agile mechanism to re-cost cash-based food basket

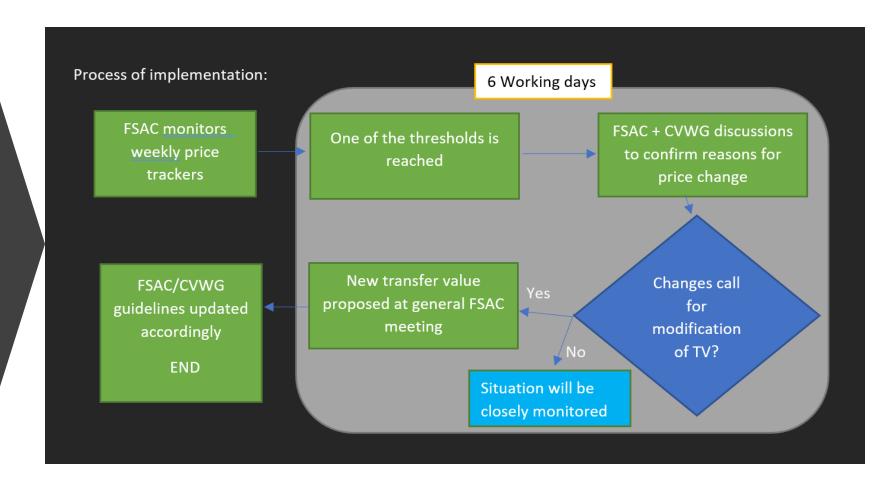


# The following thresholds were agreed to trigger a review discussions

- 1. Threshold 1: A change in food basket cost => ±10% (± 1 percentage point) and <20% sustained for a period of eight consecutive weeks.
- 2. Threshold 2: A change in food basket cost => ±20% (± 2 percentage points) sustained for a period of four consecutive weeks.



Once a trigger is reached



# Challenges

Its clear that market adaptive basket cost revisions enable agile programming that preserves beneficiary purchasing power and overall beneficiary reach as market prices fluctuate however this presents some challenges:

- 1. More complex programming
- 2. MEB cluster baskets reviewed at different times and have different review cycles to the overall MEB
- 3. The need to set which price monitoring data sets is are used as reference: WFP VAM or REACH JMMI or Partner market monitoring



# Cash Working Group South Sudan Presentation to Global CWG

Presented By Muhammad Usman CWG Coordinator

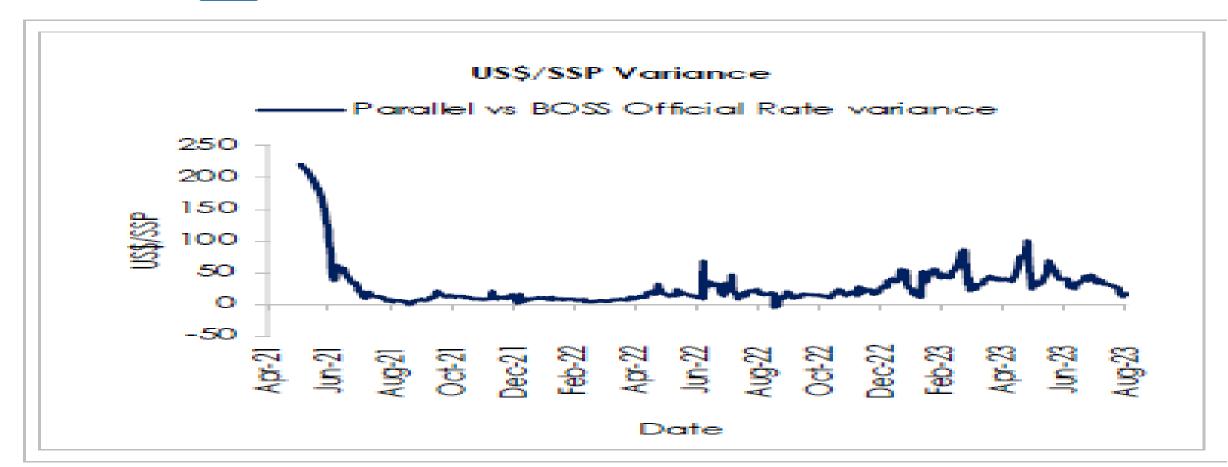
Waleed Rashwan FSP Task Team Lead

# **CWG Strategy**

CWG is actively involved in advocating for policy reforms that promote economic stability. They are working towards enhancing transparency and accountability in government expenditure, thereby curbing inflationary tendencies stemming from the mismanagement of public funds.

- 1. By law, the use of foreign currency is prohibited in South Sudan
- 2. The Ukraine crises, Drought, Sudan crisis puts a huge burden on the economy of South Sudan.
- 3. Black sea grain deal was terminated by Russia from which 17 million metric ton exports affect Africa and significantly south Sudan.
- 4. The government managed to bridge the gap between the official exchange rate and the parallel system exchange rate. Reforms implemented in mid-2021 aimed at unifying the two exchange rates resulted in a sharp decline in the parallel exchange rate.

# Bank of South Sudan Exchange Rate



Bank of South Sudan

# Inflation easing

- Prices of most food items have more than doubled over the last year.
- We however note that the prices of a few food items have declined or
- remained stable in July and August.
- The prices of non-food items have been less steep than food items over the last
- year and over the last month, several items have actually reported a decline in price.
- This explains the recent downward trend in inflation.

#### Latest Round

| Month                  | August 2023 |
|------------------------|-------------|
| Participating Agencies | 27          |
| Assessed Locations     | 56          |
| Assessed Marketplaces  | 84          |
| Key Informants         | 1,157       |
| Assessed Commodities   | 31          |

#### Introduction

The Joint Market Monitoring Initiative (JMMI) is a monthly data collection exercise launched by the South Sudan Inter Agency Cash Working Group (IACWG) in August 2019. The initiative aims to inform cash-based interventions in South Sudan by providing indicative information on key commodities sold in local marketplaces, along with other key market indicators. The initiative is guided by the CWG, led by REACH and funded by Complementary Action for Resilience Building (CARB).

This website can be used to explore the data collected through the JMMI, such as the prices of key food and non-food items (NFIs), as well as the cost of the Multi Sectoral Survival Minimum Expenditure Basket (MSSMEB) in different locations in South Sudan.

The available tools are displayed in the panel above. Display price data over time with the Price Plot, do spatial analysis with the Maps, or discover the data with the Data Explorer. Please see Info for more on the JMMI.

Click the information button at the bottom left of the screen to learn more about the contents of the South Sudan MSSMEB.

#### Nationwide Median Item Prices (Aug 2023)

| item                        | Price<br>(in SSP) | Monthly change | Yearly<br>change | ^ |
|-----------------------------|-------------------|----------------|------------------|---|
| Food Items                  |                   |                |                  |   |
| Sorghum Grain (1 kg)        | 900               | -1% ▼          | +65% ▲           |   |
| Maize Grain (1 kg)          | 972               | -11% ▼         | +67% ▲           |   |
| Wheat Flour (1 kg)          | 1,791             | +15%▲          | +79% ▲           |   |
| Rice (1 kg)                 | 1,500             | 0% ►           | +50% ▲           |   |
| Groundnuts (shelled) (1 kg) | 1,126             | -7% ▼          | +54% ▲           |   |
| Beans (1 kg)                | 2,217             | +11%▲          | +122% ▲          |   |
| Sugar (1 kg)                | 1,500             | 0% ►           | +58% ▲           |   |
| Salt (1 kg)                 | 742               | +22%▲          | +49% ▲           |   |
| Cooking Oil (1L)            | 2,350             | +18%▲          | +18% ▲           |   |
| Water (1L)                  | NA                | NA             | NA               |   |
| Ion-Food Items (NFIs)       |                   |                |                  |   |
| Soap (200 g)                | 500               | +50%▲          | +67% ▲           |   |
| Jerrycan (1 pc)             | 3,000             | +20%▲          | +71% ▲           |   |
| Mosquito Net (1 pc)         | 2,675             | -3% ▼          | +7% ▲            |   |
| Exercise Book (1 pc)        | 575               | +15%▲          | +92% ▲           |   |
| Blanket (1 pc)              | 5,050             | -28% ▼         | -16% ▼           |   |
| Cooking Pot (1 pc)          | 7,625             | +5%▲           | +52% ▲           |   |
| Plastic Sheet (1 pc)        | 15,250            | +2%▲           | +91% ▲           |   |
| Pole (1 pc)                 | 1,500             | -25% ▼         | +50% ▲           |   |
| Firewood (1 bundle)         | 1,000             | 0% ►           | +90% ▲           |   |
| Charcoal (1 kg)             | 174               | +5%▲           | +47% ▲           |   |
| Livestock                   |                   |                |                  |   |
| Goat (1 unit)               | 30,000            | +33%▲          | +82% ▲           | ~ |
| (                           |                   |                | >                |   |

#### MSSMEB Prices per Location (Aug 2023)

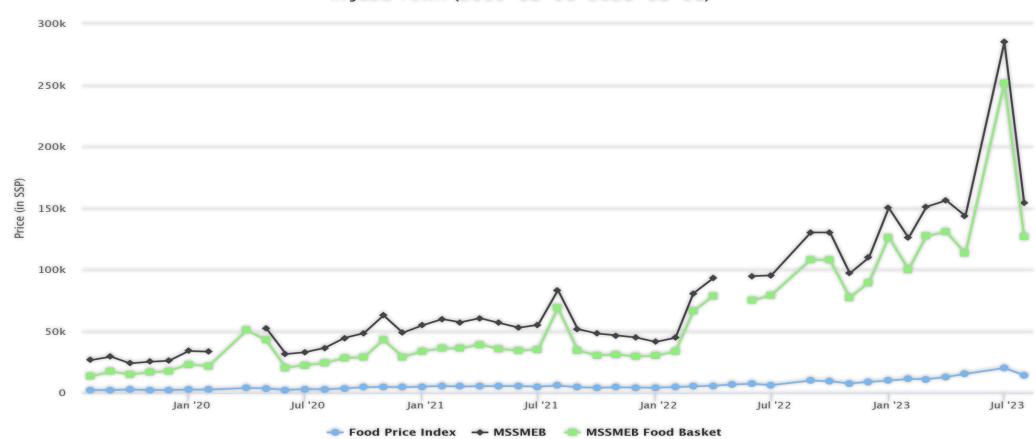
| County               | Location    | MSSMEB<br>(in SSP) | Monthly<br>change | Yearly<br>change | MFS<br>Score |
|----------------------|-------------|--------------------|-------------------|------------------|--------------|
| Central Equatoria == |             | === 154,253 ==     |                   |                  |              |
| Juba                 | Juba Town   | 154,253            | -46% ▼            | NA               | 85.79        |
| Eastern Equatoria =: |             | ==== 113,917 =     |                   |                  |              |
| Magwi                | Nimule      | 99,999             | -17% ▼            | +16% ▲           | 60.56        |
| Torit                | Torit Town  | 127,835            | -10% ▼            | +59% ▲           | 73.71        |
| Jonglei =====        |             | ==== 192,816 =     |                   |                  |              |
| Akobo                | Walgak      | 297,089            | +45%▲             | NA               | 68.01        |
| Fangak               | Fagwir      | 146,344            | -4% ▼             | NA               | 41.81        |
| Fangak               | Old Fangak  | 135,014            | +13%▲             | NA               | 45.79        |
| Pibor                | Pibor Town  | NA                 | NA                | NA               | 50.10        |
| Lakes ======         |             | === 185,974        |                   |                  |              |
| Rumbek Centre        | Rumbek Town | 185,974            | 0% ►              | +93% ▲           | 57.19        |
| Rumbek East          | Aduel       | NA                 | NA                | NA               | 77.25        |
| Yirol East           | Nyang       | NA                 | NA                | NA               | 47.00        |
| Yirol West           | Yirol Town  | NA                 | NA                | NA               | 45.10        |
| Northern Bahr el Gh  | azal ====== | === 133,712 =      |                   |                  |              |
| Aweil East           | Wanyjok     | NA                 | NA                | NA               | 70.96        |
| Aweil East           | Warawar     | 122,964            | NA                | +44% ▲           | 70.15        |
| Aweil North          | Ariath      | 130,271            | +7%▲              | NA               | 54.02        |
| Aweil South          | Malek Alel  | 136,944            | +10%▲             | +54% ▲           | 66.20        |
| Aweil South          | Watmuok     | 144,670            | +12%▲             | +62% ▲           | 69.97        |
| Unity ======         |             | -=== 130,587 =     |                   |                  |              |
| Koch                 | Koch Town   | 171,612            | +34%▲             | NA               | 59.79        |
| Leer                 | Leer Town   | 141,824            | -6% ▼             | NA               | 64.76        |
| <b>C</b>             |             |                    |                   |                  | >            |

The MSSMEB represents the minimum culturally adjusted group of items required to support a six-person South Sudanese household for one month, as defined by the CWG.

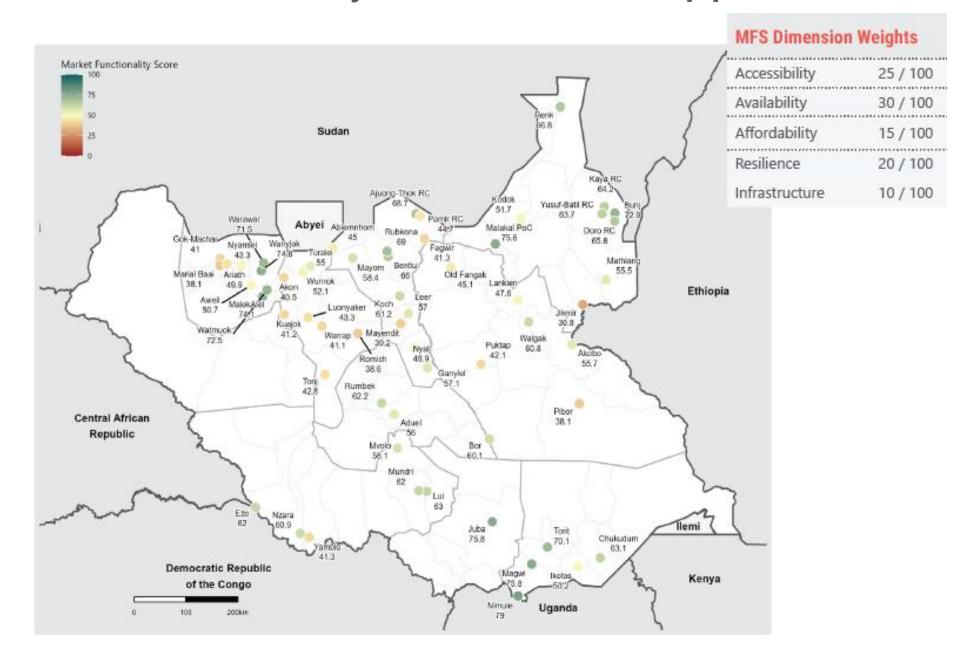
Only the MSSMEB's key elements (food and monthly non-food items, excluding bleach, pencils, pens, rubbers and sharpeners) were incorporated into the calculations in this dashboard

# JMMI MEB Price trend





# Market Functionality Score - new approach



# **Adaptive Programming**

Recognizing the dynamic nature of inflation, the CWG has adopted an adaptive programming approach. This includes:

- Flexible Transfer Amounts: The CWG adjusts cash transfer amounts based on inflation rates and market fluctuations to ensure that beneficiaries can meet their basic needs.
- Seasonal Planning: The CWG plans for inflation spikes during certain seasons and makes necessary preparations to address the increased cost of living.

# **Coordination and Advocacy**

The CWG collaborates with government agencies, NGOs, and other stakeholders to advocate for policies that can help curb inflation. This includes:

- Engaging with Authorities: The CWG works closely with government agencies to address the root causes of inflation and seeks their support in implementing policies that can stabilize prices.
- Advocating for Price Controls: In cases of severe inflation, the CWG may advocate for temporary price controls on essential goods to protect the vulnerable population.

#### **CWG Future Plan**

Looking ahead, the South Sudan Cash Working Group plans to:

- Enhance Data Collection: Invest in advanced data collection and analysis tools to improve the accuracy of market assessments.
- Strengthen Coordination: Continue to strengthen coordination with government agencies and other humanitarian actors to ensure a unified response to inflation.
- Capacity Building: Invest in the capacity building of local communities to help them cope with the effects of inflation and build resilience.
- Advocacy for Economic Stability: Continue advocating for broader economic stability measures, including addressing the root causes of inflation at a systemic level.
- Working with the private sector: CWG aim to work with the private sector, financial service providers traders, chamber of commerce to advocate for financial inclusion and price stability in market.

Any Questions
Please ©



# Questions?

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#### **Global Shelter Cluster Research Function**

Evidence makes humanitarian action more effective, ethical, and accountable.

- > GSC Research Agenda
- Humanitarian Fellowships
- > Evidence Based Response
- > Evidence Dissemination





- Final draft report completed.
- Early findings shared at the HNPW and UKSF and published in Shelter Projects.

This research asked shelter practitioners, program managers and donors what criteria they use for making the decision to use cash assistance. It analyses what influences their consideration of these criteria and what are the constraints on deciding to use cash in support of shelter and settlements.



#### Why?

Evidence on Cash Assistance is a key priority for shelter practitioners

GSC Research Baseline Report FINAL | Shelter Cluster

- Cash assistance is more and more often used and encouraged as a modality.
- Practitioners may have growing confidence in how to use cash once a decision has been made, but less confidence in the initial decisionmaking process.



The central research question is:

What are the criteria for deciding when and where cash assistance is appropriate in support of those who have lost their shelter and settlements in humanitarian crises?

#### Methodology

- Documentary data review of 63 documents.
- Online short-form questionnaire.
- Online interviews with 21 practitioners: balance of gender, location, crises type, international and national.

#### **Cash Decision-making Criteria**

- Markets and Mechanisms can Work.
- Implementers are Accountable to Communities.
- Quality and Resources are Balanced.
- **❖** Power Systems are Compatible.
- Decisions can be Sustainable.



#### **Cash Decision-making Criteria**

- 1. Functional and accessible markets.
- 2. Functional and accessible cash transfer and distribution mechanisms.
- 3. Safe for communities and humanitarian staff.
- 4. Organisational capacity.
- 5. Feasible political and legal context.
- 6. Complemented by appropriate shelter technical frameworks.

- 7. Compatibility with or flexibility within humanitarian systems and policies.
- 8. Most cost-efficient and cost-effective option.
- 9. Aligns with community needs, preferences, and capacity.
- 10. Clear communication channels with communities.
- 11. Compatibility with the longer-term needs of recovering communities.
- 12. Protection for the local environment and natural resources

#### **Constraints on Decision-making**

- 1. Inflexibility of donor policies and processes.
- 2. Insufficient sectoral reflection on lessons learned.
- 3. Few technical specialists hired at the right time.
- 4. Insufficient data to make a modality decision.
- 5. Little collaboration between cash and shelter actors.
- 6. Sectors not integrated at the decision-making stage.
- 7. A lack of available and up-to-date training on cash and shelter.











# Thank you

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