

CWG LEARNING WORKSHOP: REPORT

Topic: Consolidate Knowledge

08 June 2023



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SUMMARY

On the 8th of June 2023, the United Nations hosted a Learning Workshop on Cash and Voucher Assistance (CVA) in Sri Lanka. Led by the inter-agency Cash Working Group (CWG), the event served as a platform for consolidating knowledge and strengthening coordination for cash-based programmes amid the country's multidimensional crisis. The workshop brought together key stakeholders such as UN agencies, INGOs, local NGOs and Financial Service Providers (FSP) involved in cash programming, coordination, and implementation, to evaluate past operations, identify areas for improvement, and develop priority preparedness actions for the CWG and Humanitarian Country Team (HCT).

From the discussions it was apparent that the humanitarian actors had a good grasp of the impact the different Cash and Voucher assistance components had during last year's crisis response. This learning exercise was a great opportunity to discuss the main aspects of the response, it managed to point out several challenges and achievements, as well as recommendations for multiple actors to take forward. The CWG members responded positively to take on some of the prioritized actions and will follow up with the identified stakeholders accordingly.

Based on discussions around the successes, challenges and how to address them, **the main recommendations** are:

- Seek an **effective engagement with the government** to exchange the ongoing and planned cash programming, in particular with the new social register system by Welfare Benefit Board (WBB).
- Collaborate with the government on the delivery mechanism, amounts and other preparedness measures to have in place a **more shock-responsive Social Protection system**.
- Explore joint opportunities to conduct monitoring initiatives and define the most relevant features of analysis (PDMs, market assessments, etc).
- Improve **awareness campaigns** around entitlements, selection criteria, feedback mechanisms and considering the **urban and rural differences**.
- Involve the Financial Service Providers in an initial phase of the response to look at **pre-agreement options and negotiate joint fees as a group**; as well as explore **undocumented beneficiaries'** solutions to receive assistance.

BACKGROUND

In June 2022, the Cash Working Group in Sri Lanka, composed of national and international actors, was reestablished with a focus **on the implementation of the HNP response and integration of the ongoing programming**. The group had three programmatic co-chairs (WFP, UNICEF, and Save the Children), the RCO and an inter-agency surge coordination support that fulfils the non-programmatic role.

OCHA supported the Sectors and Working Groups activation for **a harmonised coordination during the HNP response** that was led by the Humanitarian Country Team. Collaborating closely with OCHA and Information Management Working Group (IMWG) capacities either national and regional was key.

Based on the most recent Inter-Agency Standing Committee new Cash Coordination [model](#), the main humanitarian contexts are transitioning to this model by March 2024. Therefore, Sri Lanka is adopting a similar approach and building into a sustainable coordination structure. The CWG developed Terms of Reference, Work Plan, and a Strategy 2022-2025, as part of procedures and governance foundations to this inter-sectoral coordination body.

The Sri Lanka CWG is already part of the Inter-Sector Coordination Group and provides evidence **to inform operational and technical decision-making**. It reports directly to the RCO/ HCT, as an active member that can **recommend the delivery of strategic approaches within the context**. It works closely with some of the Sectors and Working Groups to mainstream cash and voucher assistance across the humanitarian and development-peace nexus phases.

WORKSHOP AIM

The main idea behind this Learning Workshop was to capture what went well and less well during the 2022/23 humanitarian response. And at the same time strategically coming-up with Cash preparedness actions for the upcoming crisis.

SPECIFIC OBJECTIVES:

- A.** Identify and address the **strengths and weaknesses** of the different cash-based programs implemented by each actor during the humanitarian response.
- B.** Document the **role of the CWG** in the response, mainly in relation to harmonizing **transfer values and operational approaches of CVA** (such inflation tracking, markets, overlap/gaps).
- C.** Mapping some of the **Financial Service Providers** that support actors delivering cash and document the experiences both from humanitarian and private sector actors.
- D.** Produce **Cash preparedness actions** for the CWG and validate with partners.

EXPECTED OUTCOMES:

- 1.** Consolidated minimum cash preparedness actions for the CWG and other stakeholders.
- 2.** A synthesized report with lessons learnt that can be integrated in Shock Responsive plan/guidance.

CASH PROGRAMS OVERVIEW:

UNICEF, Save the Children and WFP agreeably provided an overview of their programs, nutrition-sensitive, multi-purpose cash (MPC) and food cash transfers respectively. Each agency focused on sharing the objectives, design, community engagement, market monitoring, delivery mechanisms and outcomes of their cash and vouchers related projects, such as:

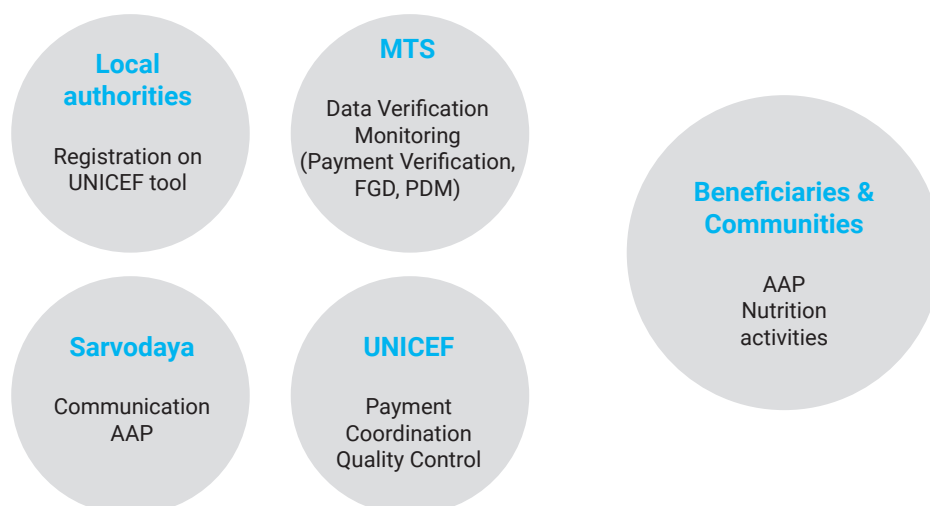
SESSION'S OUTCOMES



- The programme is conducted in 9 districts, it is a universal assistance aiming to cover around 110,000 mothers who have young children.
- The transfer value is LKR 6,750 per month per eligible child, four rounds and payments through Sampath Bank. Nutrition activities are delivered along the cash assistance.
- Strong collaboration with the local authorities for the registration, capacity building was provided to ensure digital data collection.
- Highlighted that ensuring social and financial inclusion throughout the humanitarian response is crucial. Plus, the need for a closer collaboration with government partners and wide information sharing.

Short-term nutrition-sensitive cash transfer programme

Partners and Community engagement



Short-Term Nutrition Sensitive Cash Transfer in Sri Lanka

- The programme reached around 90,000 individuals with transfer values aligned with the CWG and spread among 9 districts.
- To monitor the programme quality used benchmarks and the bank transfers through Standard Chartered bank.
- Reinforcement of the multi-sector effect of the MPC assistance, such as preventing GBV cases, a safe living environment, and supporting medical/ nutrition treatments.

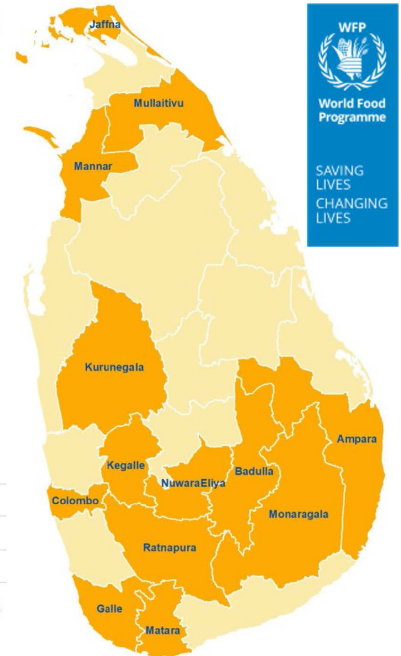
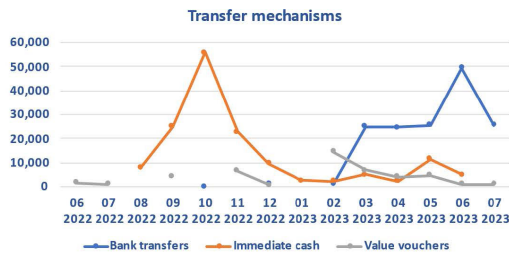
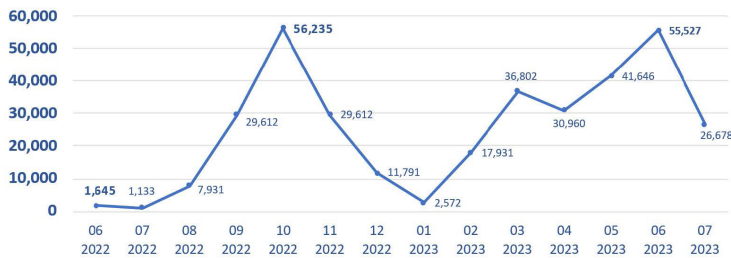
Humanitarian Projects

Award/ Project	Period	CVA Amount	CVA Interventions
BHA	June 22, 2022 – May 31, 2023 (1 Year)	\$ 1,950,000	Multi-Purpose Cash Assistance -14,500 Urban poor Households in 6 DS Divisions 18,500 per month for two months Cash for Work - 4,500 Households , 18,500 per month for two months
ECHO	December 1, 2022 – May 31, 2023 (6 Month)	\$ 500,000	Multi-Purpose Cash Assistance - 1,300 HHs- 25,000 per month for three months
UNFPA I	24, October 2022 – 31, December , 2022 (2 Months)	\$ 200,000	Multi-Purpose Cash Assistance (For Protection) 2500 HH, 22 ,500 per month for one months
UNICEF	20, August, 2022- 31, March, 2022	\$ 250,000	Emergency case management 2,000 families with children identified as at high risk of protection is
UNFPA II	March 2023 - September 2023	\$ 1,450,000	Support access to lifesaving SRH and protection service assistance - 50,000

- The food cash transfers programme reached over 604 thousand people, shifting the delivery mechanism from bank transfer, vouchers and immediate cash.
- The Sarvodaya and World Vision implementing partners support the coordination with the local authorities.
- WFP showed the importance of communication via local communities and guide beneficiaries, which is crucial for the Financial Service Provider work as well.

CBT emergency response

604,728

GROUP'S OUTPUTS:

The participants were divided into 4 different thematic areas, with the objective to identify the strengths and weaknesses of each CVA component that the stakeholders had to go through during the crisis response.

1. Harmonization of Transfer Values (TVs);
2. Markets monitoring;
3. Community Engagement;
4. Financial Service Providers;

Each group discussed what went well regarding their assigned thematic area and to describe what were the main challenges. The exercise was conducted with an inter-agency lens and with the objective to come up with some recommendations for future interventions. Afterwards the main outputs of each thematic analysis were presented in plenary and open for debate.



	GROUP'S INSTRUCTIONS	MAIN OUTPUTS
1.	<p>Harmonizing transfer values - Keeping in mind what transfers were provided by development actors and government, and to which beneficiaries. (inflation, sector TVs, MPC, coordination, etc.)</p>	<p>I. Effective and collaborative process - the transfer value was defined within a very short timeframe and among the members.</p> <p>II. Not all the organizations considered the same household average size – The MEB was based on items and services selected in 2017.</p> <p>III. The differences between provinces were not considered and in the next MEB should be and by sector.</p> <p>IV. Good ownership of the CWG – The AAP document helped beneficiaries and stakeholders to be informed.</p> <p>V. Avoid the TVs calculations being donor's funding driven and align with CWG guidance.</p>
2.	<p>Markets monitoring - Keeping in mind the assessments, data available and reports, as well as side effects such inflation, access, coordination, etc.</p>	<p>I. Information shared among the CWG members (prices monitoring, assessments, reports).</p> <p>II. Hyperinflation had a negative impact on the program's design and implementation.</p> <p>III. Time gap between data collected and implementation was challenging, mainly remote communities.</p> <p>IV. Define a threshold to determine the TVs updates and monitor market accessibility.</p>
3.	<p>Community Engagement - Did community inputs were sufficiently considered in project design?</p> <p>What could we put in place to ensure that communities feel consulted and feel sufficiently informed? (Complaints/ feedback mechanisms, common messaging, participation, etc.)</p>	<p>I. Cash Plus activities - good learning to the communities and additional services available (nutrition, protection, savings, management)</p> <p>II. Selection criteria – difficult to reach common agreements and well communicated to communities.</p> <p>III. Update the Common Messaging document, feedback & complaint mechanisms (ensure no internal biases).</p> <p>IV. Donor's pressure to implement in a short timeframe and to reach such high coverage.</p>
4.	<p>Financial Service Provider - Keeping in mind the operational capacity, coverage, customer service, reporting & reconciliation and undocumented beneficiaries' issue.</p>	<p>I. Banks were able to reach the beneficiaries and disburse in a 2 working days turnover.</p> <p>II. Minimum of 3 months to finalize the legal agreements with banks - not fit the response needs.</p> <p>III. Long time to receive the final reconciliation from the bank (min. 2 weeks) – improve the Lanka Pay network (discuss with Bank Associates Group)</p> <p>IV. Negotiate to overcome the issue of automatically deducting the loan amount of the beneficiary's account.</p> <p>V. Rejected ratio high + dormant bank account issue. And a high distance to withdraw the cash.</p> <p>VI. Ensure data quality - do more verification and use a copy of the bank book.</p>

FINANCIAL SERVICE PROVIDERS PRESENTATIONS:

The Financial Service Providers shared some achievements and challenges. Touching on aspects such as operational capacity, coverage, customer service, reporting & reconciliation and undocumented beneficiary's issue. However, their focus was on their service features and potential to continue working with humanitarian actors and seeking service improvements.

SAMPATH BANK – at the moment has three modalities:

- Sampath Vishwa - cooperate funding, to complete end-to-end financial supply chain management solutions, covering both payment solutions as well as collections.
- Mobile cash - instantaneous transfers through mobile phone text and then withdraw at the bank counter.
- Most recently the partnership with Post Office to deliver cash assistance - 2500 units coverage, service charges will be very low.

STANDARD CHARTERED BANK – the main features are:

- Promoting the CEFTS system as potential to do instant transfers - when developed by Lanka Pay, but it was not designed for Cie to individuals.
- It uses only SLIPS that are reliable and used for large volumes through the ACH method. The rejection ratio is around 3%, but initially was 6%.
- Coverage of 30 counters spread around the country and SCB has been advocating on the undocumented beneficiaries being able to open an account.

CASH PREPAREDNESS:

The RCO provided a general overview on preparedness, differentiating the 3 different types of preparedness (inter-agency, sector/cluster, organisation-specific) and presenting the components that the CWG can work on as inter-agency cash preparedness (introductory [video](#) shown).

A few examples were described on what can be the CWG minimum preparedness actions, to be taken in consideration for the group exercise.

It was highlighted that certain components of the country inter-agency cash programming could be preassessed, such as beneficiary's preference, market status, FSPs pre-agreements, organization's capacity to scale up, donor and government acceptance, risk analysis and mitigation measures.

The same groups that in the morning identified the gaps, came up with actions to prepare humanitarian actors on how to better respond to an economic crisis or a natural disaster, specifically around the CVA areas.

From those actions, each group also prioritized what was considered their Top 5 actions, as the following:

	THEMATIC	PREPAREDNESS ACTIONS
1.	Harmonizing transfer values -	<p>I. Set up a CVA tool box, including feasibility, SOP, PDM, baseline/endline (CWG)</p> <p>II. Develop an updated MEB - mainly the items composition and based in the region's differences (CWG)</p> <p>III. Data Protection pre-agreements to easily work with between partners (CWG)</p> <p>IV. Explore the new Social Registry system opportunities for upcoming usage among actors (Gov.)</p> <p>V. Shock Responsive pre-agreement with Government to define who should bring assistance, where and when. (CWG/Gov.)</p>
2.	Markets monitoring -	<p>I. Frequent market monitoring and shareable with stakeholders (CWG/ Agencies)</p> <p>II. Buffering budget covering the preparedness costs (Agencies)</p> <p>III. Continue the collaboration with Department of Census and Statistics (CWG)</p> <p>IV. Look into the CaLP Organizational Cash Readiness Tool (Agencies)</p> <p>V. Harmonize market related tools, such RAM, PCMA, IRAn (CWG)</p>
3.	Community Engagement -	<p>I. Agree on a standard criteria for beneficiary selection (CWG)</p> <p>II. Invest in capacity building for community engagement (AAP group/ ISCG)</p> <p>III. Define the trigger mechanism that requires international humanitarian support and to be mobilized (HCT)</p> <p>IV. Agree on common/ jointly Rapid Needs Assessment (ISCG)</p> <p>V. Pulled more resources for preparedness – not only into the response (Agencies)</p>
4.	Financial Service Provider -	<p>I. Establish prior agreements with selected FSP, which is activated when crisis happen (Agencies)</p> <p>II. Set such pre-agreements with more than one FSP, to ensure full coverage and backup options (Agencies)</p> <p>III. CWG to have a repository of finalized FSP agreements templates that can be useful for partners – piggyback (CWG)</p> <p>IV. CWG to create a checklist of the best practices – live document (CWG)</p> <p>V. FSP's to join regularly the CWG meetings providing updates on new products or upgrades (FSPs)</p>

In addition to the Top 5 actions of each thematic area, below are some remaining action points identified that can still be considered when appropriate:

- Partners and FSP mapping with information on coverage, capacity, fees, etc.
- Context monitoring – either quarterly or depending on the capacity.
- Need reliable information in a timely manner.
- Coordination among agencies is a must.
- Improve communication with Government focal points.

CONCLUSIONS & NEXT STEPS

An important part of preparations for the new crisis response is that **HCT develops a plan** that includes procedures, timeframe, trigger mechanism to start and end the humanitarian response.

Some participants described the need to conduct **a research agenda to share evidence** and ensure the right modality and approach should be taken.

RCO encouraged partners that are implementing **cash development programs to join the CWG**, as we enter in the Nexus phase it's essential to coordinate and exchange the multiple CVA opportunities to the different sectors.

From the twenty preparedness actions and recommendations assigned to the CWG, some will be incorporated in the CWG work plan following the context requirements.

And the actions referred to other stakeholders should be taken by themselves with RCO support.

In general, this Lessons Learnt report can be integrated in a Shock Responsive Social Protection plan/ guidance developed by the actors accountable for.

ACKNOWLEDGMENTS:

The CWG Learning Workshop report is based on all outcomes and the notes taken by UNICEF and Sri Lanka Red Cross. The participants provided feedback and the CWG members consent to be disseminated externally. Highly appreciated to those who attended this event, a special thank you to Sampath bank and Standard Chartered bank, to Wagisha Perera(RCO) and Ricardo Lobo ([CashCap/ NORCAP](#)) for facilitating the event, and Harshani De Silva(RCO) for all the administrative arrangements.



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