

CASH WORKING GROUP STRATEGY 2023-2025

DECEMBER 2022
HUMANITARIAN COUNTRY
TEAM

SRI LANKA



PART OF NORWEGIAN
REFUGEE COUNCIL

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Background

Sri Lanka witnessed a large-scale cash transfer programming in 2005/06 in the aftermath of the Indian Ocean tsunami. Many agencies such as Red Cross, Oxfam and Save the Children provided cash transfers to the affected communities to help them meet their basic needs. For example, after the end of the internal conflict in 2009, Solidar Suisse responded to the large needs among returnees with a rehabilitation program that provided vulnerable returnees with cash grants to restart their livelihood activities. In 2016, Save the Children provided food vouchers and cash assistance to vulnerable families in Mullathivu and Vavuniya districts, to enable them to obtain the food required to meet their daily energy levels.

Several UN agencies, INGOs, and national entities in Sri Lanka have experience in the use of cash transfers to address the needs of specific vulnerable households. Considering the lifesaving focus and timeline of the second half of 2022 as outlined in the [HNP](#), the overall use of cash assistance delivered in conjunction with in-kind support and services is intended to support vulnerable households, maintain their purchasing power and dignity of choice to meet their essential needs and preserve livelihoods.

Introduction

The current situation warrants intervention in the short and medium term to address the threat to people's essential needs, especially the poor and marginalized. As implementing agencies use Cash and Voucher Assistance (CVA) to deliver humanitarian assistance, including through different approaches such as multi-purpose cash (MPC), Sector cash and Social Protection assistance.

Since June 2022, the Cash Working Group (CWG) in Sri Lanka, composed of national and international actors, was re-established with a focus on the implementation of the Humanitarian Needs Priorities (HNP) response and integration of the ongoing programming. Currently, the group has three programmatic co-chairs (WFP, UNICEF, and Save the Children), the RCO and an inter-agency surge coordination support that fulfills the non-programmatic role.

Ongoing in the HNP: The sectors have implemented a variety of cash-based interventions as the main way of support and service delivery, with a focus on providing short-term life-saving humanitarian assistance to the most vulnerable. The main sectors using cash as a modality, including multi-purpose cash assistance, are Food Security, Agriculture and Livelihoods, Nutrition and Protection. Together, they are collectively targeting a total of 362,000 people with CVA. The share and scale of cash transfers can be adjusted based on market functionality, and other programmatic considerations, but the August market functionality index has shown that the operational environment remains conducive to the use of CVA. Ongoing cash programmes in the HNP are covering immediate food and nutrition needs and livelihood support. Currently, the implemented CVA amounts to \$1.6 million benefitting 299,903 individuals against the target of 573,415.

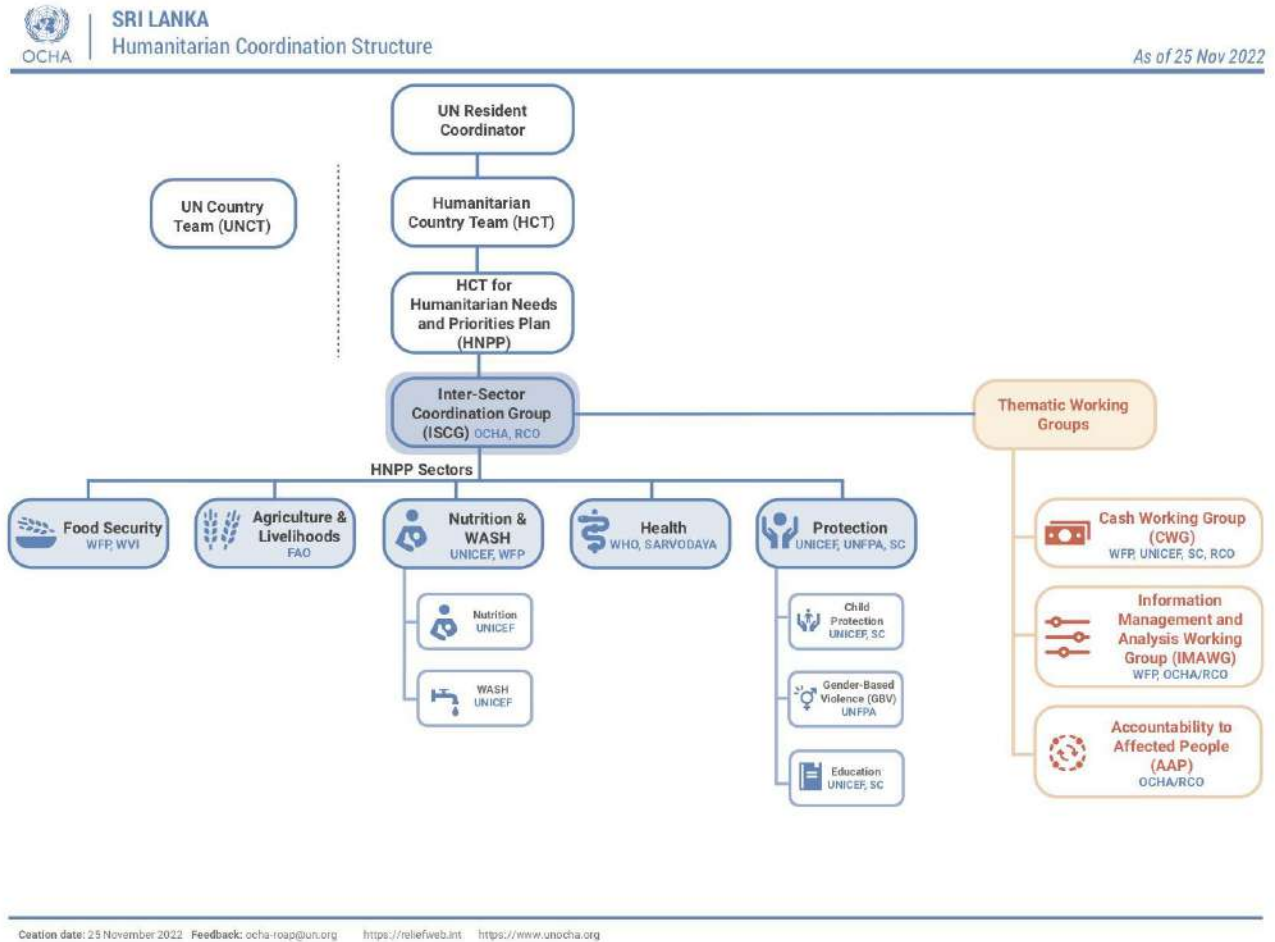
In this context, and given that the HNP implementation period is up to December 2022, the CWG developed this strategic document to outline the groups' vision and role beyond the HNP response. In particular, to provide a scope of work sustainability between the humanitarian, transitional and development phases.

Sri Lanka Humanitarian Coordination Mechanism

Humanitarian Architecture and CWG:

The Sri Lanka inter-agency CWG during the HNP response is 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 crisis. It works closely with some of the

Sectors and Working Groups to mainstream CVA across the humanitarian response.





CWG components



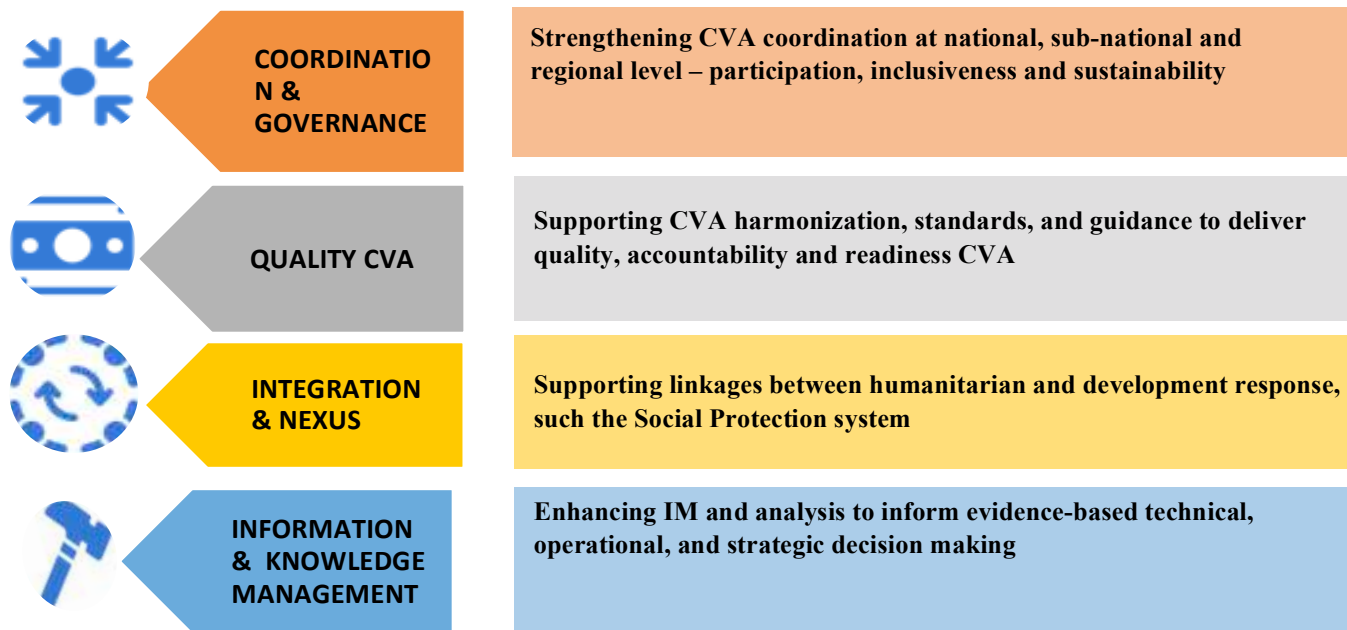
The role of the CWG is to coordinate and ensure coherency between the various cash programmes focusing on harmonization, complementarity, and reducing overlap between modalities, target groups, geographical areas, transfer values, duration, and alignment where feasible with the national social protection mechanisms. Between June and December 2022, the group was focused on the below priorities:

1. Effective coordination of CVA during the planning, designing and implementation of the response;
2. Harmonize targeting approaches and transfer values;
3. Enhancing CVA quality and information management towards analytic products;
4. Supporting linkages and complementarity with the government's response and social protection system, and;
5. Identifying approaches to minimize potential risks of social tensions.

Nevertheless, at the beginning of 2023, Sri Lanka is moving away from the HNP response and it is expected a transition to the recovery phase, ultimately with fewer resources and surge technical support. The CWG must remain flexible and ready to respond to unexpected demands if/when needed, such as switching towards a development environment. It's important to capitalize/ build on the recent achievements of 2022 and continue strengthening certain areas of work.

In order to guarantee such sustainability, the CWG will continue working to achieve the following strategic objectives.

Strategic Objectives



SO1. COORDINATION: Strengthening CVA coordination at national, sub-national and regional level

The CWG as an advisory working group to HCT will ensure the integration of CVA into all the coordination platforms at the national and district levels, donor briefing mechanisms, as well as Inter-Sector and Sector platforms. It will strategically draw synergies and create linkages between the coordination platforms at national and district levels. The group will provide updates on the use of CVA and influence decisions to increase the use of this modality where applicable.

The CWG will continue with the Cell coordination meetings and [matrix](#) tool at the district level, making sure that overlaps and gaps are identified and follow-up actions are taken in order to not leave anyone behind.

The group should support collective capacity strengthening for **local and national CVA actors**. This would enhance the response’s CVA capacity and help build the confidence of local actors. Members must also proactively elevate the voices of local actors in coordination meetings, including nominating them to leadership roles.

It is essential to maintain regional collaboration, in particular other coordination initiatives around contingency plans, cash preparedness, agencies readiness and crosscutting initiatives.



SO2. QUALITY CVA: Supporting CVA harmonization, standards, and guidance to deliver quality, accountability and readiness CVA

The CWG remains committed to promoting, developing, and sharing harmonized standards, guidance, and tools to foster quality and accountable CVA. It will remain a strong advocate for joint approaches and initiatives across all phases of 2023 from preparedness, planning, learning and evaluation. Providing technical support to sectors, partners, NGOs, local NGOs, and government to conduct joint CVA feasibility assessments and other types (including markets, FSPs, risk management, organizations' capacity, etc.) and disseminating wide reports, mapping and other analytical products; to inform the selection of the adequate modality - cash, vouchers, in-kind or hybrid approaches; for sector-specific or multisector humanitarian and development assistance in different operational areas or provinces.

The CWG continues working with WFP and their RAM team that collects market-related data to feed into the **Market Functionality Index tool**, which has been rolled out to help inform the response to the ongoing economic crisis in the country. Even with other relevant stakeholders such as the Department of Census and Statistics (DCS) to collect inflation data and market indicators, to contribute to planning and designing CVA programming. Liaising with sectors and partners about the *cross-cutting issues (gender, protection, affected population, environment)* to build on existing standards and tools and develop new ones where necessary, integrated approaches and complementarity across each other. (*Annex 1 - includes AAP & PSEA components*)

It will review the MEB and sector minimum baskets in collaboration with the sectors and align the Transfer Values with the ongoing price-monitoring and national Consumers Price Index (NCPI) exercises.

More importantly, the group will seek support from members with strong technical capacity or robust tools. As well as support a few key products like risk management matrix for different operational areas, update the current documents/ tools and other products like the FSP capacity mapping, data sharing agreements, etc.



SO3. INTEGRATION & NEXUS: Supporting linkages between humanitarian and development response, such the Social Protection system

With the large development context of Sri Lanka, the HCT will ensure the seamless alignment of humanitarian and development interventions. While the HNP is a short-term measure to address food security along with the compounding needs for health and protection, the UN System will continue to support the Government to move towards medium and long-term recovery and development assistance.

Upon completion of the HNP in December 2022, residual needs will be carried over by development actors through the Humanitarian Development Nexus (HDN) framework. Initiatives started through the CWG for the humanitarian response will likewise be embedded into the most appropriate structures within the UN system and the larger development community to continue. The CWG will continue the collective effort with the Social Protection Results Group, including development actors and the government. Those efforts include and are not limited:

- Promote the role of SRSP in the emergency response and identify entry points for linking and alignment of emergency cash with SP systems, where feasible and informed by humanitarian principles.
- Define common or harmonised targeting strategies, benefit levels and messaging and communications tools, etc.
- Identify common implementation mechanisms and operational linkages across programme components, such as registration processes, payment systems, complaint and feedback mechanisms.



SO4. INFORMATION MANAGEMENT (IM): Enhancing IM and analysis to support evidence-based technical, operational, and strategic decision making

The CWG will continue to fine-tune its information and analytical products, based on the integrated current tools/products to inform decision-making. Using standardized tools and terminology aligned to global standards and templates.

The CWG will carry out evidence and knowledge gap analysis to determine what is known, not known and what requires further evidence, specific to CVA.

Actively maintain disseminating existing evidence and learning and contributing when possible to regional and global initiatives.

Collaborating closely with OCHA and Information Management Working Group (IMWG) capacities either national and regional, to ensure that CVA-friendly 5W tools are used to generate information on cash and voucher activities across the sectors.

Looking Forward

In the next 3 years, the management of the above strategic objectives implementation must follow the group and context needs. The prioritization of those should be consulted and guided by humanitarian and development country teams, including local actors and reflecting the affected population preferences.

The group should start developing their readiness capacity to transition from a development scenario to respond in a volatile environment that can either suffer a sudden natural hazard or another multi-dimensional crisis. And being able to collectively maximize resources, avoid duplications, increase effectiveness and enable programmatic coherence.

As part of building organisation's capacity for disaster preparedness is important to invest time and resources that support the requirements and requests of CWG members, sectors, local actors and government partners and develop strategies for addressing gaps in skills and knowledge through engagement with capacity building networks.

Continue exploring the entry point for linkages to social protection to the extent appropriate for the response and/or preparedness efforts. This may include:

- a. Promote understanding of government policies related to CVA amongst cash actors;
- b. Systematically identify the entry points for social protection linkages;
- c. Participate in and/or liaise with relevant coordination mechanisms, wherever appropriate, such as National Disaster Management Mechanisms, and/or Social Protection Results Group bodies.

The humanitarian country team should look at the new global [IASC endorsed model](#) of cash coordination and adapt the structure accordingly. In particular when the country enters an emergency response phase. Otherwise, it's important to incorporate the cash and voucher assistance activities under the upcoming United Nations Sustainable Development Cooperation framework (UNSDCF) and make sure that the CWG will remain active in supporting the RCO and the government. Ensuring that the impact of the current humanitarian programmes reaching the affected people through cash assistance is not lost and will be complemented and continued from 2023 onwards via such framework.

Annex 1

From all crosscutting components of the HNP plan, the AAP and PSEA worked quite along with the CWG work and this section includes some of activities to strengthen the country humanitarian and development response.

Information provision: Recommend prioritizing the sharing of accurate, consistent and coordinated information with communities on eligibility, selection and registration processes for CVA. We know that some agencies have very detailed processes for eligibility and selection - which can make it difficult to explain to communities how these decisions are made. There have also been some challenges around ensuring accuracy of data entry during registration processes, which has meant that some people have been unable to collect cash or redeem vouchers. Improved information provision can also help to mitigate risks related to conflict sensitivity and community tensions.

Community engagement: Suggest that the CWG identifies a few key moments in 2023 where they can collectively engage with communities on the design and adaptation of CVA programs. These consultations could cover topics such as adequacy of transfer value, preference of modality, selection process, safety and access considerations etc. Learn from their experience on safety net programs such as Samurdhi and improve humanitarian activities, including better support vulnerable populations such as women, children, older people, people with disabilities, etc.

Feedback and complaints mechanisms: According to the 5Ws dashboard, around 26 agencies are currently delivering cash assistance, however in our AAP mapping we know that only 5 of these agencies have established feedback and complaints mechanisms in place. As such, there would be value for the CWG to explore how an inter-agency reporting mechanism for cash assistance could be developed, or how different agencies could partner to together to utilize each other's reporting mechanisms, without establishing a multitude of different systems. There could also be some collective approaches utilized in terms of how these mechanisms are promoted – for example common awareness-raising materials that are used by all agencies delivering CVA.

Monitoring and information management: The CWG could look at a few priority questions / indicators that could be included in all CVA assessments and monitoring activities in 2023. The AAP WG has developed a repository of questions that could help with this. Questions / indicators could focus on perceptions of safety in accessing cash and voucher assistance, preferences around modality (cases of communities selling in-kind goods for cash, etc).

Strengthening engagement with local actors: As noted in our consultations for the HNP Plan revision earlier this year, many local and national NGOs and CSOs are delivering cash assistance for the humanitarian response in Sri Lanka but are not necessarily familiar with or engaged in the humanitarian coordination structures such as the CWG. As such, it could be useful to consider an introductory training workshop with these organisations in early 2023 to better socialize some of the tools (e.g., Transfer Guidance Note), best practices and ways of working and other programming details.