

# Guidance Note on Sizing (Levels of Assistance)

---

The following note was drafted based on the cash strategy 2014, which all partners of the Cash Working Group (CWG) have elaborated. Since the rationale of cash assistance under said strategy is livelihoods support, the following note is equally rooted in establishing basic needs of refugee families. This is to say that welfare or poverty of refugee families are the starting point rather than a particular characteristic of the refugee population or a subset thereof.

The process of sizing was split into two steps; (1) establishing basic needs or minimum expenditure basket (MEB) and (2) determining the most appropriate cash complement. The process kicked off with a task force meeting on 27 March 2014, the results of which were presented at the CWG meeting on 7 April. In subsequent meetings on 13 April, 19 May and 25 May 2014, relevant datasets were collected and analyzed. Preliminary findings were presented to the CWG on 10 June 2014 and final findings on 14 July 2014. The note is a reflection of the discussions as of August 2014 largely having covered the first step of the process of sizing,

## **A) Establishing Basic Needs - Minimum Expenditure Basket**

Basic needs of a Syrian family outside the camps in Jordan include: (1) Shelter (rent), (2) Basic medical care, (3) Basic education, (4) Utilities (HH water, drinking water and electricity), (5) Food, (6) NFIs (including clothing), (7) Hygiene items and (8) miscellaneous expenditures such as transport and communication.

The CWG will consider (1), (4), (6), (7) and (8), as the others are comprehensively covered by other sectors. That is not to say that there are no challenges within those sectors, but it means that technically all refugees are entitled to assistance in the other sectors, which is why they should be removed from the basic needs basket.

Unlike the other elements, NFIs (6) are not a recurring monthly expenditure and should thus be treated separately in the calculation.

The method chosen for the calculation of the minimum expenditure base is to use reported expenditures from larger-scale assessments of humanitarian actors. An alternative, presently not included, would be the use of the Department of Statistics HH income and expenditure data of Jordanian families used to calculate the poverty line in Jordan.

The below tabulation by item and family size is based on household level data received from CARE, DRC, PU-AMI, OXFAM and UNHCR<sup>1</sup>. In two technical meetings in April and May, these figures were cross-referenced and tested for comparability. Relevant values were used to calculate a composite value. The calculations are listed in Annex 1. All values are based on reported expenditure, but the CWG recommends to update these values based on minimum

---

<sup>1</sup> DRC offered individual datasets from PDMs, which could not be integrated in the calculations. Thus, DRC samples were used to test the data against individual samples from other datasets.

CASH WORKING GROUP JORDAN – July 2014 – FINAL

standards for NFIs, hygiene items and miscellanea. It is recommended that rent and utilities will continue to be based on reported expenditures. The CWG also recommends moving iterations and updates of this process to an inter-sectoral level

<b>Family Size</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7+</b>
Rent	90	90	120	120	150	150	170
Utilities	15	18	21	24	27	30	35
NFIs	5	10	15	20	25	30	35
Hygiene Items	3	6	9	12	15	18	25
Misc	10	10	15	15	20	20	20
<b>Total</b>	<b>123</b>	<b>134</b>	<b>180</b>	<b>191</b>	<b>237</b>	<b>248</b>	<b>285</b>

## B) Levels of Assistance – Guiding Principles

The calculation of minimum expenditures requires the consideration of the following:

- Complement: Should cash be a complement (contribution) vs. full compensation (payment or “راتب”)  
To put it differently, this requires a definition of how big the complement should be and what formula should be applied to arrive at the size of this complement.
- “Do no harm”: It is the responsibility of the humanitarian community to always compare and contrast how the Government of Jordan (GoJ) approaches cash assistance through its tools (notably the NAF). Such a comparison will also offer pointers in terms of the percentage of contribution, distinctions [re assistance levels] by location<sup>2</sup> and other parts of the sizing methodology.
- Basic Unit of Assistance: Assistance is provided to families<sup>3</sup> (i.e. groups of individuals pooling resources, particularly re shelter). The CWG will explore only existing challenges vis-à-vis the case and refer to the VAF<sup>4</sup> for a final definition of this.
- ITS: Looking at the MEB, not all elements would be required in ITS (esp. rent) – account for that in the levels of assistance? Cf. Oxfam approach of not including rent in the calculation and paying a slightly higher-per-person cash transfer.

## C) Levels of Assistance – Possible Models

### C.1 Linear

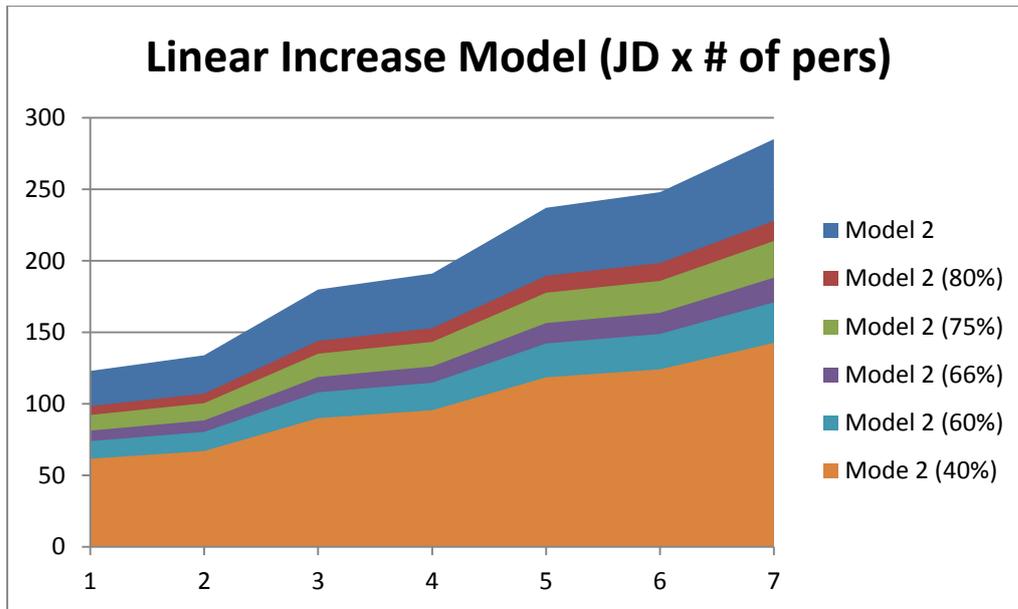
This model linearly scales the financial assistance in line with the aforementioned expenditure basket.

---

<sup>2</sup> Either urban/rural or by governorate or by poverty pocket

<sup>3</sup> Establish who uses UNHCR case (or at least to what extent (%)) does it satisfy registration needs. What kind of problems arise when using the case? Can they be fixed? Defer to VAF after findings. Emily to put together questions on what the challenges are with using case-based registration to scope the problems.

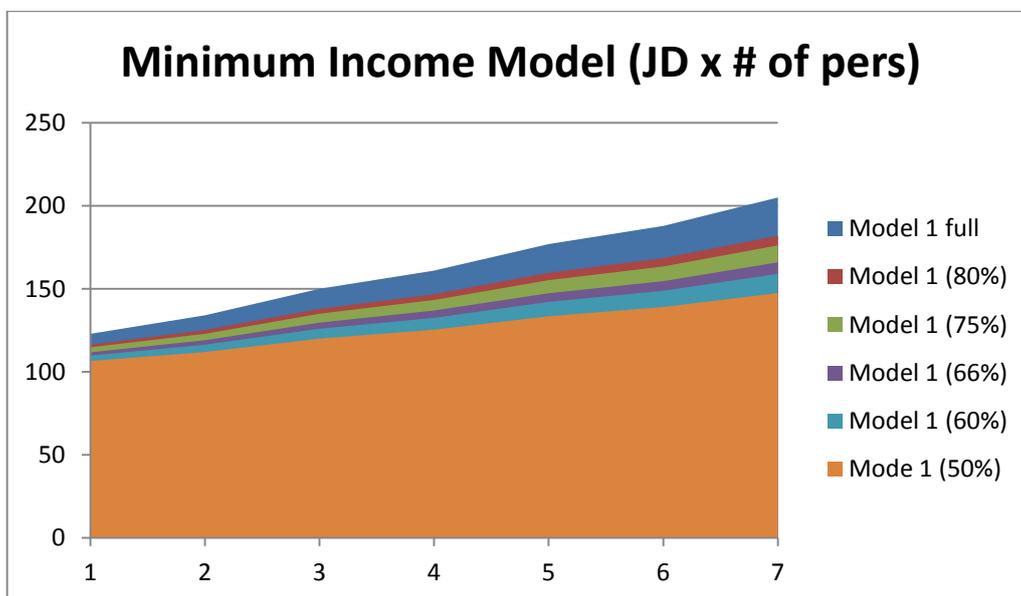
<sup>4</sup> The Vulnerability Assessment Framework or VAF is an inter-agency process by humanitarian actors to define vulnerability and its assessment across all sectors. A key element is the definition of the basic assistance unit and the discussions should be held and concluded at that level.



#### C.2 Minimum Income Model (with increase according to family size)

This model assumes that there is a minimum threshold for rent, whilst rent is judged by many refugee families to be the most important component of the aforementioned basket. Accordingly, this model makes a fixed contribution towards rent, which matches the average rental cost of the smallest family size and then scales only the other items of the basket in a linear manner.

This model provides better support for smaller families and scales at a lower slope, which means less support for larger families.



#### D) Risks and Assumptions

## CASH WORKING GROUP JORDAN – July 2014 – FINAL

- It will be easy to separate the expenditure survey from the eligibility assessment, thereby avoiding misreporting of expenditures.
- If an element of location-specific scaling was introduced, it could lead to unintended behaviours and fraud by encouraging some people to move to a particular location in order to benefit from a better level of assistance attributed to that location.

### **E) Revision**

- The CWG should initiate a revision of this methodology and scale, using updated MEB data from recent assessments, at least once a year prior to the formulation of annual plans/appeals.
- Other triggers for revision of the methodology are large-scale events, i.e. dramatic change in CPI in Jordan, mass influx of refugees or mass return of refugees. In any of these cases, the CWG should determine whether an ad hoc revision should be initiated.