Cash-based Intervention Technical Working Group
Turkey

CBI TWG Monthly Meeting Minute

19 November 2019

Chaired by: Ahmet Unver (UNHCR), Hiba Hanano (WFP)

Venue: UNHCR Yıldız Kule Office (Ankara), UN House (Gaziantep), WFP IAO (Istanbul)

Participants:

**Ankara**
- Ahmet Ünver (UNHCR), Ali Muhtaroğlu (ASAM), Arshad Jadoon (WFP), Ayman Sallawy Alhalb (TRC), Aysel Yüksel (UNFPA), Bahadır Murat Akin (ILO), Cansu Şengür (ASAM), Cemile Altıntaş (ASAM), Damla Öner (FAO), Fatih Alper Akalin (TRC), Gözde Gülgün (WFP), Hajer İşisığ (Embassy of Canada), Hanifi Kınacı (TRC), Hiba Hanano (WFP), Livio Mercurio (UNHCR), Melike Randa (Expertise France), Özgür Koç (UN Women), Özgür, Savaşçıoğlu (UNHCR), Sevgi Kelly (UNHCR), Vlad Cozma (IFRC), Yiğithan Dağcı (WFP)

**Gaziantep**
- Alyaman Salam (WATAN), Armaen Bin Abdullah (IOM), Bachana Jgarkava (IOM), Chris Bender (UNHCR), Dolunay Uğur (YALE), Faruk Acar (WFP), Ferah Seyh Elsebab (IOM), M. Anwar Kattan (Takaful Al Sham Charity), Radwan Mouket (URC), Sara Asadifar (UNHCR)

**Istanbul**
- Arzum Karasu (WFP)

**Agenda:**
1. Welcome & Review of Agenda
2. Review of CBI Landscape Thematic Focus
3. Thematic Focus: Basic Aspects of CBI Programming
   a. Transfer Modalities
   b. Conditionality and Restriction
   c. Q&A
4. CBI TR Decision Tree – Emergency Cash Decision Tree
5. AOB

**Action Points - Follow up Issues and Updates:**
- Volunteers for NGO Technical Adviser Role please reach to co-chairs => **On going**
- Review and analysis of cash programs in protection sector => **On going – Due Next meeting**

1. **Welcome and Action Points from Previous Meeting:**
   - Members were given a brief introduction about what CBI TWG is and where it stands in the coordination structure. This group is co-chaired by WFP & UNHCR and it aims to serve all sectors that uses CBI as a tool. Programs may sit under different sectors; however, cash coordination is a cross-
cutting issue. Harmonization of CBI in a country context increases effectiveness of the response, ensures complementarity, decreases overlaps, competitions, gaps. This platform works for all partners who implement CBI programs and who are interested in discussing technical aspects and increase overall capacity.

2. Review of CBI Landscape Thematic Focus:

   Highlights:
   - The use of CBI has increased significantly in all sectors as cash support has the capacity to achieve dignity of PoC, reduce protection needs, mitigate protection risks, and contribute to local economy.
   - Cash support is effective when it is combined with other types of support.
   - CBI can also be used as a tool to strengthen inter-sectoral linkages (entry point, referrals)

3. Thematic Focus

   a. Transfer Modalities

   Transfer Modality / Distribution Model / Delivery Mechanism Matrix

   **Transfer Modality**

   It is a mode for distributing resources/ assistance to targeted beneficiaries. A transfer modality is a mean; it is not a project nor an objective on its own.

   **Most common transfer modalities are:** In kind assistance, Vouchers and Cash.

   **In-kind Transfer Modality (Food in WFP’s context)**
   - It is the assistance in the form of dry or ready to eat rations (cooked meals)
   - It is a food transfer that targets individuals or households depending upon programme objective.
   - Very common in humanitarian setting, at the onset of a disaster/ emergency. Where markets are not well integrated; weak supply chain. But it needs strong logistic and supply chain set up.

   **Voucher Transfer Modality**
   - It is the assistance in the form of paper or electronic entitlements. Usually redeemable at preselected retailers or fairs for a predefined list of commodities, not for cash.
   - Targets individuals or households
   - **Commodity voucher:** Redeemed for fixed quantities of specified food items.
   - **Value voucher:** Redeemed for choice of specified food items with the equivalent cash value of the voucher.

   **Cash Transfer Modality**
   - Monetary assistance in the form of physical cash or electronic disbursement through formal or informal banking channels.
   - Can be through:
     - Cooperating partner, Host government, Service provider, Enables direct access to marketplace, Freedom of choice, Financial inclusion.
**Distribution Models**

Distribution Model can be explained as method used to distribute assistance under selected modality.
- It relies on different commercial and technological solutions available on the market.
- Different delivery mechanisms and instruments can be used.
  - Cash: Immediate Cash or Cash Account
  - Voucher: Paper or E-vouchers
  - Food in-kind: Distribution of Food Rations (either dry or wet)

**Delivery Mechanism**

Delivery Mechanism is the mode of receiving the assistance. Different mechanism can be identified for each distribution model.
Relies on the type of services, infrastructure and available beneficiary preferences.
  - Immediate Cash: Cash collection or cash delivery
  - Cash Account: Individual/group bank account, bank card (pre-paid) or e-money
  - Paper Vouchers: Paper vouchers or scratch cards
  - E-vouchers: Bank cards (pre-paid), SMS/e-transfer, SCOPEcards (WFP)

**Delivery Instruments**

Delivery Instruments are the items needed to physically make the cash or voucher transfer happen. And relies on the delivery mechanism used.
Examples of delivery instruments:
- ✓ Mobile phone
- ✓ A paper coupon
- ✓ A plastic card (for identification purposes)
- ✓ Magnetic strip
- ✓ cards Iris scanner
- ✓ Biometric scanner

**Pros and Cons**

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<thead>
<tr>
<th>Immediate Cash</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Fast intervention set-up</td>
<td>No initial equipment investment costs</td>
<td>Higher corruption risk</td>
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<tr>
<td>No initial equipment investment costs</td>
<td>Does not require infrastructure</td>
<td>Administratively intensive</td>
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<tr>
<td>Does not require infrastructure</td>
<td>Accommodates limited literacy level</td>
<td>Increased security risk over time</td>
</tr>
<tr>
<td>Accommodates limited literacy level</td>
<td>Can rely on existing rural banks/remittances cash system network already in place.</td>
<td>Increased possibility of theft from beneficiaries</td>
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<tr>
<td>Can rely on existing rural banks/remittances cash system network already in place.</td>
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<td>Significant monitoring required at payment site</td>
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<tr>
<th>Mobile Money Account</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Flexibility for beneficiaries</td>
<td>Transaction fees for money transfer</td>
<td></td>
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<tr>
<td>Live transaction reports</td>
<td>Regulatory restrictions or lack of regulation</td>
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<tr>
<td>Reduces cost</td>
<td>Safety of transfer, in case of mobile theft</td>
<td></td>
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<tr>
<td>Reduces errors and fraud</td>
<td>Technology barrier for beneficiaries</td>
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<tr>
<td>Instant and safe transfers</td>
<td>Infrastructure (mobile coverage) may not be available everywhere</td>
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<tr>
<th>Bank Account</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Regulated by appropriate laws</td>
<td>Financial risks managed by banks</td>
<td>Exclusion of beneficiaries without national ID</td>
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<tr>
<td>Financial risks managed by banks</td>
<td>Reduces risk of corruption, money diversion</td>
<td>Partnership establishment may be time consuming</td>
</tr>
<tr>
<td>Reduces risk of corruption, money diversion</td>
<td>Timely reporting</td>
<td>Higher degree of financial literacy potentially required from beneficiaries</td>
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<tr>
<td>Timely reporting</td>
<td>Promotes financial inclusion</td>
<td>FSPs are reluctant to engage if profits are not lucrative enough</td>
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<tr>
<th>Mobile phone-based transfers</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Instant and safe transfers</td>
<td>Infrastructure may not be available</td>
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<tr>
<td>Reduces errors and fraud</td>
<td>Regulatory restrictions or lack of regulation</td>
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<tr>
<td>Reduces cost</td>
<td>Beneficiary familiarity with the system</td>
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b. **Conditionality and Restriction**

**Conditionality and Restriction – Difference on Terminologies**

Condition and restriction terminologies can be differentiated by the time; Condition relates to participation in an activity; Restriction is related to the use of assistance.

- **Conditional**: Imposes requirements on beneficiaries such as participation in work, training, attending school etc. The transfer is given after the recipient performed on a task or activity. Conditionality is before a beneficiary is entitled to an assistance (requirements)
- **Unconditional**: Type of assistance where there is no reciprocal demands towards the assistance provided.
- **Restricted**: When received assistance only allows the purchase of pre-determined goods from pre-determined stores. Vouchers of all kind are restricted transfers. Restriction comes after a beneficiary receives the assistance (utilization)
- **Unrestricted**: Refers to money provided to beneficiaries. Assistance can be utilized according to beneficiaries needs and preferences without any restriction.

**Multipurpose & Multi-sector CBT**

- Multi-Sectoral - a coordinated approach to assistance; such as Food, Health, Sanitation, Education etc.
- A range of sector needs are addressed by one organization/or by different organizations working together; Possibly using one delivery mechanism.
- Transfers are Multi-Purpose if:
  - Transfer is unrestricted
  - Recipients are targeted based on multi-sectoral criteria
  - Single transfer value is calculated applying concept of different needs (basic needs approach)
  - Well targeted multi-purpose transfers can reinforce hunger results while also achieving outcomes across multiple sectors.

**The terminology of «multi» on transfers**

- **The Survival Threshold**: Represents the most basic of needs, including minimum calorie requirements and the costs associated with food preparation and water (if purchased).
- **The Livelihood Threshold**: This includes the minimum food required to meet 2100KCAL/person/day, the minimum NFIs, rent in informal settlements, minimum water supply required per month, clothes, communication and transportation calculated based on average expenditures.
- **Multi-wallet Payment Solution**:
  - A one-stop solution
  - Very strong monitoring
  - Using one single platform
  - Multi-purpose payments through one card
  - Require strong database
  - Joint assessment and programming
  - Very strong coordination among partners
  - Centralised database to avoid duplications

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<thead>
<tr>
<th>E-Vouchers</th>
<th>Paper Vouchers</th>
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<tr>
<td><strong>Advantages</strong></td>
<td><strong>Disadvantages</strong></td>
</tr>
<tr>
<td>Eliminates many manual processes</td>
<td>May be time consuming to set up</td>
</tr>
<tr>
<td>Gives beneficiaries the flexibility</td>
<td>Investment in technology may be time bound</td>
</tr>
<tr>
<td>Large-scale operations possible</td>
<td>Requires some degree of literacy</td>
</tr>
<tr>
<td>Enables easy, fast and safe transfer</td>
<td>High initial investment on technology</td>
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<td>Reduces/eliminates risk of parallel currency</td>
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<th>Vouchers</th>
<th>Paper Vouchers</th>
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<tr>
<td><strong>Advantages</strong></td>
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c. **C. Questions & Answers**

1. **Q: What is the situation for CCTE and ESSN distribution channels?**  
   **A:** It is multi wallet. They are using same distribution channel but from different wallets.

2. **Q: Can you describe how crisis assessments is carried?**  
   **A:** Any design of a programme is highly dependent on data. So before any implementation a rapid assessment is carried and then compared to data that is collected by the hosted country anti- crises and any additional available data.

3. **Q: Who receives the money in the households? Is there any transfer modality for cash bashed programmes?**  
   **A:** It depends on the objective of the programme. It highly dependent on the type and conditionality of the programme. It is also linked to programme design. For instance, ESSN is Targeting the family. Vulnerability mapping (monitoring sessions) is the instrument of analysis. All the members of the household are signing a document that they will receive this support, hence they are aware of the aid provided and during monitoring, field monitor analyse the complaints.

4. **CBI TR Decision Tree – Emergency Cash Decision Tree.**  
   Both documents are attached to meeting minutes.

5. **AOB**  
   - Bi-monthly Meeting Schedule  
   - Cash Mapping Survey  
   - Next Meeting  
   **Next meeting:** is scheduled on Monday, 9 December, 13.30-15.00