

UNHCR's Cash-Based Interventions in Colombia

CONTEXT

Cash-based interventions (CBI) are a cost-effective assistance modality used by UNHCR to improve access to basic needs and reduce protection risks.

CBI provide a greater degree of choice, dignity, and empowerment to beneficiaries, enabling local and economic integration to the benefit of people of concern and host communities.

Colombia is home to the largest number of Venezuelan refugees and migrants in the world, displaced by the socioeconomic and political crisis in their homeland. Nearly 82% resort to negative coping strategies to satisfy basic needs.



KEY FIGURES

Refugees and migrants from Venezuela

- **5.6 million** people globally
- **4.6 million** in Latin America and the Caribbean
- **1.74 million** in Colombia, including over 983,000 that lack regular status
- **71,900** individuals (**19,500** households) benefitted from cash-based interventions in 2020
- **18,980** individuals (**5,493** households) benefitted from cash-based interventions in the first semester of 2021
- **85%** of the cash-based assistance includes multi-purpose cash

HIGHLIGHTS

By the end of 2020, there were over **1.74 million Venezuelan refugees and migrants** living in Colombia. Around 120,000 returned home due to the COVID-19 pandemic, but with the reduction of restrictions, many have started to return to Colombia. In fact, hundreds are already entering daily via informal crossing points, while the border remains closed from Venezuela side.

The most likely planning scenario for 2021 and 2022 is one of increasing arrivals with heightened vulnerability. Colombia's migration authority (Migración Colombia) estimates **80% of those who returned home during the pandemic will re-enter Colombia**, accompanied by one or more persons. Even more so in the context of the Temporary Protection Status (TPS) that the Government of Colombia will grant to Venezuelans who will apply for it in the country. This offers unique opportunities for integration, including access to education, health services, skill trainings, and formal employment.

In this context, cash-based interventions (CBI) **play a catalytic role in improving the living conditions** of Venezuelan refugees and migrants and host communities. According to the Joint Needs Assessment that UNHCR implemented with 19 partner organizations in June 2021, the three main needs reported by Venezuelan households are access to food (85%), housing or shelter (68%), and employment or sources of income (44%). As a fourth priority, people surveyed indicated the need for medical assistance (29%).

To fulfill basic needs, **82% of households reported being engaged in negative coping mechanisms**. 44% reported reliance on begging or accepting jobs that pose a risk to their integrity, health, safety, or life. 65% of households went into debt at the time of data collection, while 52% of the interviewed had gone into debt to pay their rent. According to findings of the assessment, households that reported prioritizing food and housing as their main needs confirmed they preferred CBI as a response modality.

UNHCR's CBI Strategy: Supporting Access to Basic Needs and Essential Services

UNHCR total funding requirements for the CBI Strategy = US\$ 7 million

As a mandated protection agency with long-standing field presence in Colombia, UNHCR will support access to basic needs and essential services through three different approaches via cash-based interventions.

Objective 1: Multi-Purpose Cash Grants for Basic Needs

UNHCR will support the most vulnerable Venezuelan refugees and migrants and host communities to meet basic needs and to access essential services through the **increase of multipurpose cash grants in areas with limited response**. This will include recent arrivals, many of whom are suffering malnutrition and poverty.



Currently, families receive a monthly or one-off direct cash transfer for two months which they can spend to **meet their basic needs, such as food, rent, or medicine**, helping empower them and providing dignity and independence. However, according to UNHCR's post-distribution monitoring, 66% of them still cannot cover even half of their basic needs.

As the amount that can be provided to families on a monthly basis is restricted, UNHCR aims to extend the period of time during which families receive this assistance for up to 6 months.

Objective 1 - Funding Requirements = US\$5.5 million

2: Cash for Livelihoods

The COVID-19 pandemic and subsequent quarantines and mobility restrictions have had a major impact on Venezuelan refugees and migrants in Colombia. Already **limited opportunities for self-reliance are now even more restricted**, reducing access to work, housing, food, health care, education, and protection.



Cash assistance can **support livelihoods and improve living conditions** in three main areas:

1. Labor market engagement and employability
2. Starting and strengthening small businesses
3. Financial inclusion

These opportunities **increase cash-flow not only for beneficiaries**, but also for the host community. UNHCR's post-distribution monitoring has shown that cash assistance is mostly spent at local markets, generating a multiplier effect within local communities.

Objective 2 - Funding Requirements = US\$1 million

Objective 3: Cash for protection

According to findings of the Joint Needs Assessment, 3% of the Venezuelans surveyed reported having carried out some type of trade, work, or activity without the possibility of leaving voluntarily, indicating a potential risk of human exploitation, smuggling and trafficking. Moreover, 7% stated that they had to accept jobs that put their integrity or life at risk, which could indicate **risks of forced recruitment or involvement in armed groups**. Given the lack of employment and regular status in areas affected by internal conflict dynamics, such risks have been identified both in rural and urban contexts.

UNHCR cash assistance can be used as an **efficient tool for Venezuelan refugees and migrants who face protection risks or who are extremely vulnerable**. Gender-based violence survivors, women at risk, families living in the streets, families at risk of eviction, family reunification cases, persons at risk of forced recruitment, asylum seekers, among others, are prioritized by UNHCR to receive cash assistance.



Objective 3 - Funding Requirements = US\$0.5

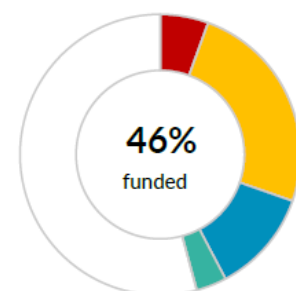
Funding Situation

The successful scale up of cash-based interventions (CBI) including the three approaches described above demands significant financial resources. Currently, available funding cannot cover the growing needs and resources to ensure a timely response in Colombia, and additional funding is more urgent than ever.

Needs are extremely high, and CBI provide a cost-effective tool to address the multiple basic and protection needs of Venezuelan refugees and migrants. This assistance, along with the TPS has the potential to provide important opportunities for Venezuelans to access essential services and social protection mechanisms. Adequate financing is a pre-condition for the success of CBI. Many gaps in humanitarian assistance exist, and with the expected increase in new arrivals, the number of people in need of assistance will continue to grow. Underfunding will be felt even more acutely across all of UNHCR's areas of response, from protection, to assistance, to durable solutions.

On the positive side, successful implementation will lead to the reduction of negative coping strategies and the prevention of protection risks. In line with the TPS implementation, refugees and migrants, returnees, and host communities will be increasingly included in the national and social protection systems, which in the medium to long term will translate into lower levels of aid dependence.

UNHCR Response in Colombia requires
124.4 USD Million
AS OF 27 JULY 2021



■ Tightly earmarked
■ Earmarked
■ Softly earmarked (indicative allocation)
■ Unearmarked (indicative allocation)
□ Funding gap (indicative)

Consequences of Underfunding

A late arrival of funds will delay the delivery of much-needed protection and assistance. For example:

- Without sufficient funds, nearly one million Venezuelans will still **resort to negative coping strategies in order to meet basic needs** and to access essential services.
- Without access to documentation, Venezuelans will remain vulnerable to **exploitation, trafficking, gender-based violence and discrimination**.
- Without opportunities to achieve self-reliance, Venezuelans in Colombia will **continue to have to rely on humanitarian assistance** to access basic needs, services, and protection.
- When borders reopen on the Venezuelan side, **limited funds could prevent UNHCR from scaling-up cash assistance** to newly arrived Venezuelans.

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