

UGANDA CASH WORKING GROUP

Newsletter No. 1 2021 January to September 2021



Background

Uganda hosts **1,498,442 refugees and asylum seekers** as of 30 June 2021. (**23,130**) asylum seekers and (**1,475,312**) refugees. Uganda has a progressive approach to refugees aimed at increasing self-reliance and fostering positive relations between refugees and host communities.



The drivers for displacement include South Sudan's conflict, insecurity and ethnic violence in the Democratic Republic of the Congo (DRC) and political instability and human rights violations in Burundi. In addition, refugees also flee from wars, violence, and persecution in their countries of origin.

94% of the refugees are hosted in 13 settlements in Uganda: **Adjumani, Bidibidi, Imvepi, Kiryandongo, Kyaka II, Kyangwali, Lobule, Nakivale, Oruchinga, Palabek, Palorinya, Rhino Camp and Rwamwanja** while 6% of the refugees live in the capital Kampala¹.



The Cash Working group was initiated in 2016 as a coordination mechanism for cash assistance, led by Office of the Prime Minister (OPM) and co-lead by UNHCR and WFP.

¹ <https://data2.unhcr.org/en/country/uga>

Key Highlights

Overview of Cash-based Assistance in Uganda

- Between the period of January to June 2021; approximately 209,102 refugee households received some form of cash assistance; representing 94% of the targeted 221,000 households²



Bank Agent / Food Merchant providing cash assistance services on behalf of Equity Bank / WFP

- 19,631 refugee households received Multi-purpose cash assistance, representing 24% of the targeted 83,000 Individuals.
- UGX 10.5 billion had been disbursed as multi-purpose and voucher assistance representing 33% of the targeted 31.6 billion UGX.

² Cash-Based Interventions Dashboard Quarter 2 2021

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- Congolese nationalities formed the majority of those assisted, followed by South Sudanese and Burundian refugees. This can be attributed to the fact that Congolese nationalities are settled in South West, where most cash transfers are done because of functioning markets compared to West Nile where many markets are less integrated.
- Between January to June 2021, the Food Security Sector provided most cash assistance; the World Food Programme (WFP) transferred over 71.63 billion UGX as General Food Assistance.
- Danish Refugee Council – DRC (4.85 bn UGX) and Lutheran World Federation – LWF (4.76 bn UGX) provided the most Multi-Purpose cash assistance.
- Isingiro (17.84 bn UGX) and Adjumani (17.46 bn UGX) districts received the most cash assistance per district.

Strengthening Settlement Level Coordination

During the first half of 2021, cash coordination efforts focused on revitalizing settlement-level Cash Working Groups in all settlements, led and facilitated by OPM and supported by WFP and UNHCR.

In West Nile region of Uganda, settlement Cash Working Group meetings are now regularly held in : Palorinya, Bidibidi and Imvepi refugee settlements. The schedule for the settlement level CWGs in West Nile is: Palorinya – 2nd Wednesday of the month; Bidibidi– 2nd Thursday of the month and Bidibidi – 3rd Tuesday of the Month. Cash working group

meetings in Rhino camp will be established in the coming months. Contact person for West Nile cash working group coordination: **Margaret Katuutu**
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In the South West region of Uganda, Settlement level Cash Working Groups are held in the following locations : Kikuube for Kyangwali settlement, Kyegegwa for Kyaka and Kamwenge (for Rwamwanja) and Isingiro (for Nakivale and Oruchinga). The meetings are held on the 1st and 2nd week of the month. Contact person for South West cash working group coordination: **Solomon Mugulusi** Email: solomon.mugulusi@wfp.org

Nexus between Social Protection and Humanitarian Assistance

There has been a concerted effort to improve coordination between the long-term development goals of the Government of Uganda and the humanitarian cash assistance, by strengthening liaison with the **Ministry of Gender, Labour and Social Development**.

The collaboration will cover among other things; understanding vulnerability and defining a targeting criteria amongst refugee and host community as supported by Government of Uganda - GoU National Development Plan (NDP III 2020/21 – 2024/25)³ as well as the CRRF; Strengthening social protection by aligning humanitarian transfers with longer term sustainable initiatives; cash assistance to vulnerable urban population as well as strengthening collaboration with Financial Service Providers and improving coordination of the two approaches to cash transfers in Uganda.

³ THIRD NATIONAL DEVELOPMENT PLAN (NDPIII) 2020/21 – 2024/25;
http://www.npa.go.ug/wp-content/uploads/2020/08/NDPIII-Finale_Compressed.pdf

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The Cash Working Group is participating regularly in the Social Protection Working Group.

Bringing the voice of Uganda Cash Assistance to Regional and Global Platforms

The Uganda Cash Working Group is now a co-lead of the **Global Cash Working Group**; a position that will enable the Uganda Cash Working Group to share best practices and evidence in the provision of cash assistance in Uganda. The Global Cash Working Group takes place on a quarterly basis and is hosted by CaLP and UNOCHA at a Global level.

Amongst the evidence to be tabled is the research on uptake and impact of digital payments to refugees in Uganda; Learning paper on financial literacy training in Uganda and Uganda's FSPs mapping, amongst others.

The Uganda Cash Working Group is part of the **East Africa Regional Cash Working Group** that brings together cash working group leads in the region and discusses emerging issues as well as provides technical and coordination support.

Private Sector Engagement in Cash Working Group

In a bid to provide an inclusive platform for FSPs and enable the CWG members to be up to date with the most innovative and relevant products and services on the market, the cash working group has engaged the private sector to inform cash working group members about the products and services that they offer in support of refugees in Uganda. This has seen financial institutions such as **Equity Bank, Stanbic Bank, Opportunity Bank, UBA bank, ABSA Bank, Redrose, Aidonic etc** make presentations during the Cash Working Group Meetings. The opportunity will continue to provide a platform for FSPs to showcase their unique products, therefore

providing an opportunity for FSPs and selected private sector players to receive feedback on the most relevant services for refugees.



WFP cash distribution Kyangwali settlement–2021

Cash and Voucher Assistance for Sectoral Outcomes

Understanding that cash is mainstreamed as an approach and modality of assistance in some sectors, the cash working group has been inviting various sector working groups to showcase sectoral outcomes that have been achieved using cash as a modality. These sectors include Livelihood, education, child protection, food security, protection, shelter, WASH and Health.

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The CWG will continue to encourage sectors to evaluate and showcase such outcomes. The CWG will also continue to advocate for the use of cash to deliver sectoral assistance through the sector leads and sector working groups.

On-going CWG learning and research on cash assistance in Uganda

- A research supported by U-LEARN on **Understanding the state of digital literacy across different locations and community types in Uganda** and mapping the availability of digital financial services to avoid a continuously widening digital divide and ensure financial services reach even users with low financial and digital literacy. This study will be finalized in November 2021.
- Learning round table series supported by U-LEARN on financial inclusion, **including the impact of financial literacy trainings on financial inclusiveness**; the learnings examine existing programmes that focus on financial literacy trainings, women economic empowerment, last mile groups as well as engagements with Financial Service Providers. The learning event was held on the 15th September 2021. A learning paper incorporating the reflections from the discussion events will be produced and disseminated in October 2021. Follow up discussions will be taken up by the Financial Literacy Training Working Group, a sub-stream of the cash working group.
- **A national mapping of Financial Service Providers (FSP Mapping) supported by IMPACT/REACH.** The FSP mapping examines capacity and experience of different FSPs to facilitate humanitarian cash-based interventions in each of the settlements / districts; What delivery mechanisms are most used and/or preferred by beneficiaries, FSPs and humanitarian partners; obstacles or

challenges to inclusion for specific groups of beneficiaries when using different FSPs and delivery mechanisms; the cost & speed of delivery associated with using different FSPs and delivery mechanisms (both for the beneficiary and distributor); the risks associated with each delivery mechanisms and capacity of FSPs to mitigate against these risks; as well as FSPs capacity to adapt or expand operations in each location (district or settlement) in response to humanitarian need. The study will be finalized in October 2021

- **An interactive 4W dashboard** that enables cash assistance partners to examine data at the regional and settlement level and that has significantly enhanced the availability of 4W information on CBIs and toggles between indicators such as number HHs reached, transfer values, modality, delivery mechanisms and FSPs used. [Cash Based Interventions Uganda \(reach-info.org\)](https://reach-info.org)
- In June 2021, a revised **national and settlement level Minimum Expenditure Basket (MEB) was rolled out.** The MEB will support cash actors to determine transfer values for their cash programmes. The revised MEB considered data over 10 months to come up with both the national as well as settlement level MEB values. In recent months, discussions are underway to review and provide updated MEB trends on a quarterly basis.

CWG thematic work- streams

The Cash Working Group works through the following work-streams:

- **The Common Cash Task Force:** This task force is the main technical support group for the cash working group. The task force discusses and provides technical guidance to the cash working group. This

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group is composed of the Uganda CCD (Collaborative Cash Delivery) group of INGOs that provide cash in Uganda, UNHCR, UNCDF, WFP, LWF and CRS etc

- Within the Common Cash Task Force is **the advocacy work-stream**; a nascent work stream that informs the cash working group of any new and upcoming events and regulations that could have an impact on implementing cash assistance in Uganda and picks up important advocacy points of interest to the CWG.
- The **Market Analysis Task Force** supports the collection of market related data, analysis of the market trends and trains staff in data collection. The task force was instrumental in the roll out of the 2021 national and settlement MEB. The market monitoring fact sheets can be found at. The task force utilized data from the activity report to generate monthly fact sheets. Members of the task force include WFP, REACH, DRC, LWF, DCA etc. https://www.impact-repository.org/document/reach/74b07f6d/WFP_REACH_Market-Monitor_Factsheet_July_2021.pdf
- Recently, the Cash Working Group launched the **Cash for Work workstream** as well as **Financial Literacy Training Workstream**. The workstreams will focus on providing information that could assist in harmonization of processes in relation to cash for work and financial literacy trainings.
- In addition, the CWG is a regular participant of the **ATWG (Assessment technical working group), Social Protection Working Group as well as the Inter Agency Coordination team**.

Where to find CWG Resources

All resources of the CWG, including guidelines, reports, meeting minutes and power points can be found on the CWG page:

<https://data2.unhcr.org/en/working-group/152?sv=0&geo=220>

September 2021 Events

- A virtual financial Literacy training discussion event, 15th September 2pm – 5 pm
- East Africa Regional Cash Working Group 14th September 2021 – 2.30 – 4pm
- National Cash Working Group Meeting – 22nd September 2021 3-5pm

Contacts for Cash Working Group leads:

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