Cash Based Programming in UNICEF’s Humanitarian Action

UNICEF’s strategic vision on humanitarian cash transfers

UNICEF provides families with cash transfers to overcome immediate financial barriers so that they are able to access goods and services that they need, in a dignified manner. UNICEF’s work on humanitarian cash transfers is intended to help meet immediate needs, strengthen national social protection systems and boost local economies in both the short and long-term.

UNICEF has been expanding the use of cash transfers in humanitarian settings. UNICEF’s own experience shows that cash transfers can make humanitarian assistance more effective and efficient, especially when done in collaboration with key partners. To this end, UNICEF seeks to continue working with national governments, the UN and NGO partners.

What are the Representatives’ Accountabilities?

Reps are responsible to ensure that cash-based approaches are considered when feasible and appropriate, and that emergency cash transfer programming is guided by humanitarian principles and the CCCs. Points for consideration include:
- Households, and not individual children, should be targeted.
- Local markets must function in the area of intervention, and non-food items must be locally available.
- Simplicity and feasibility must be emphasized in the programme design, especially at the onset of the intervention in low capacity contexts.

Ensure the Do No Harm principle is applied when working on targeting and cash delivery:
- Consistent with UNICEF’s Core Commitments for Children in Humanitarian Action, all interventions, including humanitarian cash transfers, should be developed in such a way to avoid exacerbating discrimination between affected populations and should avoid creating or exacerbating conflict and insecurity.
- Transfers must also take into account the special needs of the most vulnerable groups of children and women, notably displaced persons, unaccompanied minors and children with disabilities.

Definition of humanitarian cash transfer modalities

There are three types of humanitarian cash transfer modalities that UNICEF Country Offices can utilize in humanitarian settings. All of these modalities are unconditional. Beneficiaries are targeted based on needs and vulnerabilities and are not limited to access the benefit based on a specific activity (e.g. cash for work, cash for school etc.).

The three modalities are:
1. **Unrestricted multi-sectoral cash transfers** refers to the usage of the cash and can be used entirely as the recipient chooses, i.e. there are no restrictions on how the transfer is spent. This option is preferred whenever feasible since it maximizes the beneficiary’s autonomy and decision-making and can be designed to achieve multiple objectives, making it potentially more cost-efficient. They can be used either for a short-term period for rapid onset crisis or as part of a more comprehensive longer term approach (see below for humanitarian cash plus summary).
2. **Unrestricted sector-specific cash transfers** can be designed to achieve sector-specific objectives. This modality may be a more feasible entry point, based on available funding and programme priorities.
3. **Vouchers (Restricted transfers)** require the beneficiary to use the assistance provided to access specific predetermined goods or services. They are used to monetize (market-based programming) in-kind items such as hygiene kits; water vouchers; and school uniforms. These are close to the in-kind approach, but in certain circumstances may be the only feasible option.

A combination of the above modalities of cash transfers may be used in order to reach a desired programmatic objective. For example, a sector specific cash ‘top-up’ can be added to an existing multi-sectoral cash programmes of other UN agencies. It must be noted that cash transfers cannot be a substitute for essential services. Also, direct supplies may still be more appropriate in specific contexts to restore public goods and make basic services available to all.

Cash-Based Programming – Objectives
UNICEF’s work on humanitarian cash transfers is intended to help meet immediate needs, strengthen national social protection systems and boost local economies in both the short and long-term. Depending on the objectives and context, different approaches may be appropriate:

**Enhance coverage of basic (multi sectoral) needs through the distribution of unrestricted cash transfers:** When humanitarian cash transfers are used as a stand-alone within a humanitarian response, UNICEF recommends to only use humanitarian cash transfers for a short-term duration (for example, three to six months – based on the severity of humanitarian needs). This approach should be used as an immediate humanitarian response when there is no other cash transfer programme in place or when it is not feasible to expand existing programmes for humanitarian purposes. The use of humanitarian unrestricted cash transfers can contribute to an integrated programming approach in which the cash modality turns into a medium- and long-term response (see below).

**Sector-specific objective(s) to deliver the Core Commitments for Children (CCCs):** Unrestricted humanitarian cash transfers and/or vouchers can be used to achieve a sectoral specific objective. When cash is being used in a restricted way, this translates into the distribution of vouchers that beneficiaries can redeem at pre-identified retailers against pre-identified items (e.g. winter items, hygiene kits, uniforms, water, stationaries).

**Linking humanitarian cash based responses and longer term social protection responses:** Where possible, cash based programming in humanitarian contexts should seek to use or complement existing social protection programmes and systems, and avoid creating parallel ones. Where none exist or this is not feasible, programming should keep in mind strengthening instruments and capacities that may be of future use (for example, beneficiary registries and payment mechanisms, among others).

**What are the key considerations for implementing cash-based programmes?**

**Context-specific design and implementation:** Based on a pre-crisis or immediate assessment of the national context and existing systems, a range of design and delivery options need to be considered for cash-based programmes. These include targeting, benefit levels, delivery mechanisms, partnerships, monitoring and evidence generation. From an operations perspective, cash based programming modalities will vary from country to country depending on what is available in that specific market. It is strongly recommended to partner with operations and DFAM-Finance at the earliest stages and throughout the process to scope out country specific modalities and to design a business process that best suits the country. Note that the development of a cash based programme from an operations perspective will require adequate lead time in developing the needed relationships with the financial institutions/partners involved.

**Protection:** The use of humanitarian cash transfers is no more risky than any other humanitarian aid modality, but protection risks do exist and must be accounted for in order to minimize harm. UNICEF cash programming will promote protection outcomes, including risk mitigation and protection from gender-based violence (GBV). UNICEF will incorporate protection needs in its cash-related assessments and post-distribution monitoring. In this way cash responses can mitigate risks or account for the needs and vulnerabilities of women, girls, and marginalized populations, reducing their exposure to GBV risk, and also tracking if there are any positive changes associated with the empowerment of women and upper adolescent girls.

**Communication and engagement of affected population:** The humanitarian cash programmes should systematically incorporate processes for affected people to actively and equitably participate design of the delivery system and promote equitable, two-way communications between communities and humanitarian cash service providers. The feedback collected from such systems should be used for decision making and redesign of the humanitarian cash programme.

**Resources**

- EMOPS intranet site for humanitarian cash transfers

**For more information please contact:**

Jennifer Yablonski, Policy Specialist, Social Inclusion and Policy  
Kariane Peek Cabrera, Emergency Specialist (cash transfers), EMOPS  
Ismail Azim, Finance Manager, Treasury Unit, DFAM