



The use of cash grants in
UNHCR voluntary
repatriation operations

*Report of a 'lessons learned'
workshop*

Policy Development and Evaluation Service

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Background and workshop rationale

1. On 4 April 2008, UNHCR's Division of Operational Services and the Policy Development and Evaluation Service (PDES) co-sponsored a workshop on the use of cash grants in UNHCR repatriation operations. A total of 25 UNHCR staff members participated, together with six experts and researchers from Oxfam GB, the British Red Cross, the International Federation of the Red Cross, the Humanitarian Policy Group (Overseas Development Institute), and Oxford University.
2. The aim of the workshop was twofold: first, to review the use of cash grants in UNHCR repatriation and reintegration operations and draw lessons learned and best practices to inform and guide the planning of future operations; and second, to generate discussion on the specific features of cash grants and to discuss the use of cash in UNHCR interventions more broadly.
3. The workshop and the concept paper were informed by a desk review in HQ and interviews conducted with staff members involved cash grant programming in repatriation operations. Participants also received documentation on cash grant implementation; monitoring and evaluation.

Morning Session: framing the issues

4. After short introductions by Gesche Karrenbrock, Deputy Director of UNHCR's Division of Operational Services, and Jeff Crisp, Head of UNHCR's Policy Development and Evaluation Service, the workshop opened with a presentation on the use of cash in emergencies by Paul Harvey, Research Fellow at the Humanitarian Policy Group (Overseas Development Institute, London).

Cash in emergencies

5. Mr Harvey highlighted the growing use of cash grants in a wide range of settings (including natural disasters, drought and social protection systems) and by a wide range of actors (including NGOs, governments and international organizations) Whilst in general these have been positively evaluated, the use of cash grants still remains marginal when compared with in-kind assistance.
6. The advantages and risks of the use of cash grants were highlighted. Cash is generally cheaper, provides more choice to beneficiaries who are empowered to determine their own needs, and is likely to have a multiplier effect owing to the injection of cash into a community. It is also less likely to undermine local markets.
7. Cash has also been associated with risks such as corruption, security threats, anti-social spending, and male power over spending. However, it is important to note that few of these are specific to the use of cash grants, but also arise in connection with other forms of assistance such as food, which are in any event frequently monetised. There is a need for case by case assessment, comparing cash grants with possible alternatives and determining which poses fewer risks.

8. Cash can be a complement or an alternative to in-kind assistance. It can, for example, be provided in place of food, shelter assistance, non-food items and as livelihood support. It could, for example, provide an alternative to camp-based assistance by empowering IDPs and refugees to pay rent to host families. Conditionality can be built in, as for example when a second tranche of the grant is linked to progress on a business or construction plan. It can also be combined with other forms of assistance – for example, with technical advice on shelter construction, or nutrition training.

9. Cash grants are a flexible means of providing assistance, and have been used successfully even in difficult environments. They have been used by beneficiaries in a range of ways, ranging from immediate survival (food and nutrition), accessing key services (health, shelter and education) to investments in livestock and trade. Cash based interventions should be carefully timed to take into account the seasonality of agricultural and certain other activities. To date, assessments of the impact of cash grants have been limited, in part because the objectives of cash grant programmes are rarely clearly defined. There has been more of a focus on monitoring process rather than analysing impact.

10. In some quarters, cash grant programming has been perceived as a threat, particularly in relation to more traditional forms of assistance such as food aid, which is often more driven by the availability of in-kind contributions by donors rather than the needs of beneficiaries. The use of cash grants has an impact on the power relations between aid agencies and beneficiaries, requiring different methods for carrying out needs assessments and analysing response options, different programming and implementation tools, and different skill sets amongst staff.

11. Cash-based interventions are likely to become an increasingly important component of the humanitarian response portfolio. The use of cash entails a change in the programming of humanitarian assistance, but should not lead to ‘cash evangelism’ and over-complication. One key question will go a long way in determining whether a cash-based intervention is appropriate: can people buy what they need in local markets?

12. Mr Harvey encouraged UNHCR to explore the use of cash more broadly than in repatriation operations, e.g. as an alternative to camps, to complement camp-based assistance and for support to livelihoods and self reliance.

Cash grants in repatriation to Afghanistan

13. A presentation was made on the use of cash grants in voluntary repatriation from Iran and Pakistan to Afghanistan. The current repatriation operation to Afghanistan began in early 2002. Cash payments were initially used as a transport grant only, and varied according to the distance to be travelled and estimated transport costs.

14. Owing to experience with cash grants in the early 1990’s, when many ration books were encashed but repatriation did not necessarily take place, in 2002 it was decided to distribute the cash at encashment centers inside Afghanistan, and for long journeys, in stages at different centres. Cash was distributed through agreements

with money traders, who already played an important role in managing remittances to Afghanistan through the hawalha system.

15. Verification procedures were established, and strengthened in 2003 with the introduction of iris scanning at voluntary repatriation centres. Following a national census and registration programme carried out by the Government of Pakistan with UNHCR support, from 2007 this was linked to de-registration. These measures have been important in securing the support and confidence of donors. Overall, the programme has received a high level of donor support.

16. In 2004, it was decided to substitute the distribution of food assistance and NFIs through an additional cash component for support to reintegration, thus enabling a more streamlined operational and logistics programme inside Afghanistan. The cash grant was nonetheless complemented by food distribution for areas deemed to be food insecure, and additional assistance is provided to those with special needs. The Office also regularly reviews the level of the grant to reflect fluctuating transport costs.

17. The Afghanistan operation has faced particular challenges since 2006. There has been a significant downturn in the number of returns owing to the deterioration in security in much of the southern half of Afghanistan, limited economic and social progress, and the fact that the majority of the remaining Afghan population have now been in exile for more than two decades. Pressure in neighbouring countries to redress this trend has increased. In response, and with strong encouragement of the Government of Pakistan UNHCR took the decision in early 2007 to increase the cash grant to an average of around US\$100 per person. An evaluation has been commissioned to examine the impact of the increase in the cash grant, which should report in late 2008/early 2009.

18. An initial assessment suggests that the cash grant in Afghanistan assists returnees in meeting basic needs for an initial return period of 2-3 months. Poor families tend not to invest the money, but use it to meet immediate needs. It has reduced overheads for UNHCR, and provides the opportunity for protection monitoring and the identification of persons with special needs at encashment centres. It is a flexible form of assistance which maximises autonomy and choice by returnee and enables the direct transfer of donor funding to beneficiaries. The increase in the cash grant is believed not to have materially influenced the decision to return under current conditions (return numbers have remained relatively low in 2007 and 2008), but better matches the real cost of meeting basic needs.

Cash grants in repatriation to Burundi

19. A presentation was made on the use of cash grants in voluntary repatriation from Tanzania to Burundi.

20. UNHCR has been facilitating the return of refugees from Tanzania to Burundi since 2002, and moved to promotion in 2006. By June 2007, more than 350,000 had returned, of whom 90% from Tanzania. The number of returns had nonetheless tailed off to a relatively low level. In order to make a visible difference between facilitation and promotion, UNHCR introduced a cash grant system in July 2007. With the introduction of the grant the return movement picked up, however this can

also be attributed in part to other factors (e.g. seasonal factors and the end of the school term). There was a further acceleration in returns in February 2008 after messages from the Government of Tanzania on camp closure.

21. The purpose of the grant was to encourage return and cover initial needs upon return. Studies had highlighted the following challenges to reintegration: poverty in areas of return, the absence of development actors, food insecurity, lack of access to land, shelter, health and education. Thirteen percent of returnees reported that they had sold part of their return packages. The May 2007 Joint Assessment Mission (JAM) recommended a review of the return package. A concept paper was developed which recommended cash grants in order to ensure that needed NFIs were not sold, cover emergency medical needs, purchase clothing, including school uniforms, buy or rent farming land, purchase seeds and tools and if necessary, or to extend a stay with host families.

22. During the current pilot phase which started in July 2007, the cash grant system has been used only for returnees from camps in Tanzania, who are registered and fingerprinted. Since March 2008 cash grants have also been used for returnees from the 'old settlements' in Tanzania, who had fled Burundi in 1972. Cash grants were not issued to spontaneous returnees, returnees from non-camp locations, or from other countries. The amount was fixed as substitute for non-food items, valued at \$50 per person. In parallel, the food package was increased from four to six months.

23. The cash was paid in two installments: 20 per cent in a transit centre in Tanzania and 80 per cent upon return, deposited through COOPEC, a network of cooperatives, in the returnee's bank account. Support for micro-credit projects is provided through an implementing partner, although this has not been heavily utilised. Cash is distributed to the head of household to avoid tensions within families.

24. Monitoring suggests that over 50% of returnees have used the cash has been used to buy or rent land for agriculture or construction. Other uses are: the purchase of building materials or livestock, transport within the commune, medicines, food and starting a business. During a recent survey, the evaluation by returnees was positive, and there were no reports of a negative impact on the relationship with receiving communities. There were a small number of complaints, primarily about delays in payment and the distance to the COOPEC offices. A small number of security incidents were reported. For example, one family had their cash taken by FNL rebels. Security at transit centres had been increased, but there had been no incidents so far.

25. Challenges have included practical arrangements owing to the absence of the implementing partner from some communes, the limited use of saving accounts (despite information campaigns, 80-90% withdraw the cash immediately). Negative social consequences have included cases of alcoholism and polygamy, and a rise in the cost of living in some locations. There have been few cases of 'recycling' owing to the link with registration.

26. The reaction from donors and the Government of Burundi has in general been positive. Donors such as ECHO had encouraged its introduction, and at least one important donor recommenced support to the programme after a period of absence.

There is a high interest in the results of the pilot, and an evaluation of the cash grant programme will be conducted in late 2008 / early 2009.

Afternoon Session: Discussion topics

Discussion Topic I: Purpose and objectives of cash grants

27. Cash grants in UNHCR repatriation operations have been used for a variety of implicit and explicit purposes:

- to stimulate and encourage return movements;
- to replace altogether or to facilitate transportation;
- to substitute a repatriation package, which would otherwise normally consist of food and non-food items;
- to facilitate reintegration and livelihood restoration upon return.

28. Participants shared the view that the use of cash grants indicates a considerable shift from an “administrative-driven” approach (from standardised assistance) to a “market-driven” approach (to demand-oriented assistance). Participants emphasised the need to conduct market analysis (and to develop appropriate tools), to assess the capacity and skills of potential returnees, and to incorporate this analysis in inter-agency planning.

29. Objectives should be framed broadly, to take into account the flexible use of cash grants. A cautious approach is required – cash grants are primarily appropriate for immediate reinsertion needs and will generally only make a modest contribution to reintegration. As such, they need to be supplemented with other interventions. Cash grants may be a particularly cost-effective way of facilitating small-scale return after the main phase of a repatriation programme is over.

30. Some raised the possibility of community-based cash grants, and suggested that cash grants could be used to support community development or coexistence projects.

31. Participants emphasised the advantages that cash grants entail – greater autonomy in decision-making about use for beneficiaries, flexibility, reduced overheads, and a potential multiplier effect.

32. There was a discussion of the key considerations to be taken into account when deciding whether to use cash grants. It was agreed that there should be an analysis of what assistance would facilitate a smooth return and reintegration process. The need to take a long-term view was emphasised, as the context (and consequently, the appropriate approach) may change over time. A situational analysis should be conducted which looks at the particular needs in the specific situation under review. It was agreed that standardised return packages which may not address real needs should be avoided.

Discussion Topic II: Implementation: distribution modalities, security and verification

33. UNHCR has explored diverse mechanisms to distribute cash in repatriation operations. Participants suggested assessing all available options, including those widely used in the local context. Among the options are remittance companies, money traders, sub-contracted banks and local cooperatives, as well as resort to new technologies, such mobile phone transactions. Because of their resilient infrastructure and cost-efficiency, mobile networks are proving to be effective in other contexts, but have not been used by UNHCR for this purpose. Phone transactions have the advantage of enabling transfers of varying amounts and provide an easier monitoring mechanism. In all cases, accurate monitoring mechanisms need to be put in place.

34. Regarding the use of cash grants to support reintegration, the UNHCR concept paper revealed that the levels of the grants had been set so low as to make such a contribution negligible and that in general no mechanisms were in place to monitor whether the goal envisaged had actually been attained.

35. To determine the level of the grant and its place within the broader assistance package (e.g. cash to complement or replace in-kind assistance) the participants stressed the importance of a comprehensive needs assessment, in consultation with the beneficiaries, including a situational analysis and a rapid assessment of local markets. Care should nonetheless be taken not to mystify this process, which need not be over-complicated. As the context of the program may be subject to change (e.g. availability of resources, prices, donor demands), assistance packages need to be designed simply and flexibly, so as to enable adjustments in view of developments. A suggestion was made to build in budget contingencies to retain flexibility.

36. The widely held perception that cash-based interventions are inherently riskier than others has not been confirmed in practice. Cash-based interventions have specific risks but can be addressed just as with any other types of interventions. Security mechanisms to ensure the safety of staff/partners involved in transporting and delivering cash have to be put in place. The participants therefore agreed that security risks are context-specific and not directly linked to cash as compared to in-kind assistance. It was recognized that risks can be minimized if appropriate mechanisms are in place (using savings banks, encashment centers, traditional money traders, etc.).

37. The greatest concern related to the risks of diversion or fraud is “recycling” (i.e. an attempt to receive the grant more than once). Participants underlined that effective mechanisms need to be put in place to reduce recycling, such as introduction of biometric features. While the use of biometrics (especially iris scanning) may be controversial owing to data-protection concerns, many felt that they were an effective tool. Participants stressed that the need for verification mechanisms is not inherent to cash grants, but also applies to the distribution of other forms of assistance.

Discussion Topic III: Gender and protection issues

38. This discussion focused on the question whether the use of cash grant compromises or reinforces core protection principles (voluntariness of return) and social relationships (women, children and receiving communities). The participants underlined that generally the use of cash does not, in and of itself, have an impact on the decision to return, particularly when conditions on the ground are not conducive to voluntary repatriation. However, a sudden introduction of a grant or an increase in the amount coupled with drastic reductions of assistance in camps may have an impact on refugee decision-making, particularly if the impression is given that cash grants will be offered for a limited period.

39. Cash grants may encourage the enjoyment of rights such as freedom of choice, individual autonomy and dignity, provided that they are part of a broader participatory approach which is rights-based. Special attention should be given to ensure gender mainstreaming in cash grant programming. Cash grants can be used as a tool to empower women, and should be distributed on equal footing to women (rather than exclusively the “head of household”), so as to give women greater autonomy within the household. Some participants suggested that there could be a risk of violence against women within households where cash has been provided. Other felt that the risk of violence was higher in situations of poverty and deprivation, and existed even where in-kind assistance was being provided. The participants concluded by underlining that cash can play a role in empowering women, provided that it is part of a broader approach to promote gender equality. There was a consensus that more analysis is needed of this issue, and that the situational assessment should also look at productive capacities within the household.

40. Participants considered whether there was a potential impact on the relationship between returnees and receiving communities or other social relations. Some felt that cash grants might have a negative impact on the relationship between returnees and the receiving communities, especially when there is a marked difference in living conditions. Many agreed, however, that cash is flexible to use and probably creates more multiplier effects for the communities (on local markets and households) than in-kind assistance. UNHCR was encouraged to explore the possibility of introducing family or community-based cash grants, as well as broader reintegration support to multiply the benefits of cash grants.

Discussion Topic IV: Monitoring and assessing impact

41. Monitoring and impact assessment of the use of cash grants has in practice rarely been undertaken by UNHCR. In the repatriation operations examined during the workshop, efforts have been made to monitor the use and impact of cash grants, although this needs to be made more systematic. An evaluation of the cash grant is currently under way in Afghanistan, and a review will also take place in Burundi. Since major donors such as SDC (Switzerland) and DFID (UK) are increasingly exploring the use of cash-based responses in emergencies, UNHCR was encouraged to improve monitoring and undertake impact assessments of the use of cash grants.

42. Monitoring is intended to generate information on the status and results of projects, programmes and policies, notably to review the program over time and

adapt it to changes in the situation. The participants encouraged UNHCR to go back to original assumptions and analysis whether they were correct – and if not, why not? There was a consensus that the initial purpose of the cash grants should be expressed broadly, to allow for a broader assessment, including of unintended impacts. Offices should monitor closely the environment in which the cash grant has been used (market prices, availability of goods, additional needs), and how the cash grant is spent (including unexpected outcomes, such as enabling returnees in Burundi to rent or acquire land in a setting characterized by the scarcity of land). Monitoring should cover the impact of the grant on the beneficiaries themselves and on their communities. Offices were urged to be modest about the ambitions when evaluating and keep it simple ("What was the cash grant spent on?"), and to be sensitive to returnee reservations about revealing how they spent their money, and therefore introduce other ways, beyond interviews, to collect such information. Lastly, the broader context should be considered, especially unintended impacts of the grants, particularly on local markets.

Next steps

43. At the conclusion of the workshop, a number of recommendations were made regarding follow-up actions:

- (i) UNHCR should ensure that the revised Handbook on Repatriation makes reference to cash-based interventions.
- (ii) UNHCR should develop a checklist describing the main considerations for designing/using cash grants, and determining how amounts for cash payments should be fixed.
- (iii) UNHCR should incorporate cash-grant programming in existing tools (training, handbooks and other tools, etc.).
- (iv) UNHCR should engage donors in further discussion on the use of cash grants.
- (v) UNHCR should engage with a range of partners (states, UN agencies, NGOs) to examine the potential use of cash grants in settings other than repatriation programmes, such as to replace in-kind distribution of relief items in emergency or protracted situations, or in the form of loans.
- (vi) UNHCR should explore new partnerships and the use of new technologies.
- (vii) UNHCR should collect data on the use and impact of cash grants more systematically, and should continue to document lessons learned.
- (viii) UNHCR should consider the need for targeted capacity building and staff training (including external training), while recognizing that the goal is not to create "cash specialists".

Annex 1: Workshop Agenda

Morning Session

09:30 a.m. – 09:40 a.m.	Introductions
09:40 a.m. – 09:50 a.m.	Welcoming remarks Ms. Gesche Karrenbrock, Deputy Director, DOS
09:50 a.m. – 10:30 a.m.	Setting the Scene “Cash-based interventions in humanitarian operations” Mr. Paul Harvey Research Fellow, Humanitarian Policy Group Overseas Development Institute, London
10:30 a.m. – 10:45 a.m.	UNHCR’s experience with cash based interventions: framing the issues Dr. Jeff Crisp Head, Policy Development and Evaluation Service
10:45 a.m. – 11:15 a.m.	Case Studies I (Discussion) “Cash grants in repatriation to Afghanistan” Mr Paul Stromberg, Special Assistant to the High Commissioner (formerly Senior Repatriation Officer, Afghanistan) Ms Yasmin Keith-Krelik, Programme Officer, Afghanistan Desk
11:15 a.m. – 11:30 a.m.	Coffee Break
11:30 a.m. – 12:00 a.m.	Case Studies II (Discussion) “Cash grants in repatriation operations to Burundi” Mr Paul Ndaitouroum, Senior Desk Officer, Burundi Mr Ahmed Baba Fall, Senior Food Aid Coordinator, DOS (formerly Senior Reintegration Officer, Burundi)
12:00 a.m. – 12:30 p.m.	Preliminary exchange of views to define the issues
12:30 p.m. – 01:30 p.m.	Lunch break (UNHCR Cafeteria)

Afternoon Session

01:30 p.m. – 02:15 p.m. **Discussion Topic I: Purpose and objectives of the use of cash grants**

- For which purposes (explicit and implicit) have cash grants been used in repatriation operations (see CN2)?
- What are the advantages and disadvantages of cash grants over in-kind-assistance for a) UNHCR and donors and b) beneficiaries?
- What are the key considerations to be taken into account when deciding whether to use cash grants?
- Are there potential uses for cash grants in repatriation operations which have not already been explored?

02:15 p.m. – 03:00 p.m. **Discussion Topic II: Implementation: distribution modalities, security and verification**

- What are the options for delivering the cash grant in repatriation operations and what are the key considerations when deciding how and where cash grants should be distributed?
- How should the level of the cash grant be fixed?
- What are the risks of diversion or fraud – how do these compare with in-kind distribution?
- How can fraud / diversion risks be addressed?
- What are the security risks of staff and/or recipients and how do these compare to in-kind assistance?
- How can these risks be addressed / mitigated?

03:00 p.m. – 03:15 p.m. **Coffee Break**

03:15 p.m. – 04:00 p.m. **Discussion Topic III: Gender and protection issues**

- Are there specific protection risks attached to the use of cash grants?
- Can cash grants be used to enhance protection / target vulnerability?
- Age, gender and diversity considerations?
- Should cash be distributed specifically to women?
- Is there a potential impact on the relationship between returnees and receiving communities or other social relations?

04:00 p.m. – 04:45 p.m. **Discussion Topic IV: Monitoring and assessing impact**

- Have any studies, assessments or informal reviews been conducted of the impact of cash grants in specific repatriation operations?
- If so, what were the key conclusions?

- How can the impact best be monitored and evaluated?

04:45 p.m. – 05:15 p.m.

Summary of lessons learned and next steps

Annex 2: List of participants

1. Jeff Crisp	Head, Policy Development and Evaluation Service (UNHCR)
2. Gesche Karrenbrock	Deputy Director, Division of Operational Services (UNHCR)
3. Paul Harvey	Research Fellow, Humanitarian Policy Group (Overseas Development Institute)
4. Vicky Tennant	Senior Policy Officer, Policy Development and Evaluation Service (UNHCR)
5. Feede Groot	Chief of Section, Programme Coordination & Operations Support Section (UNHCR)
6. Myriam Houtart	Chief of Section, Operational Solutions and Transition Section (UNHCR)
7. Luisa Cremonese	Senior Coordinator, Community Development, Gender Equality and Children (UNHCR)
8. Susanne Butscher	Registration Officer, Field Information & Coordination Support Section (UNHCR)
9. Gregory Alan Balke	Senior Protection Officer, Division of Protection Services (UNHCR)
10. Mathijs Le Rutte	Senior Legal Officer, Division of Protection Services (UNHCR)
11. Paul Stromberg	Special Assistant to the High Commissioner (UNHCR)
12. Yasmin Keith-Krelik	Programme Officer, Bureau for Asia and the Pacific (UNHCR)
13. Stephen Corliss	Deputy Director, Africa Bureau (UNHCR)
14. Francois Marrillet	Senior Desk Officer, Africa Bureau (UNHCR)
15. Paul Spiegel	Chief, Public Health and HIV Section (UNHCR)
16. José Riera	Senior Policy Advisor, Policy Development and Evaluation Service (UNHCR)
17. Franziska Troger	Intern, Policy Development and Evaluation Service (UNHCR)
18. Paul Ndaitouroum	Senior Desk Officer Burundi, Central Africa and Great Lakes Desk (UNHCR)
19. Simon Eccleshall	Recovery Specialist (IFRC)
20. Ahmed Baba Fall	Senior Food Security Specialist, DOS (ex-Senior Reintegration Officer, Burundi) (UNHCR)
21. Charles Antoine Hofmann	Humanitarian Policy Advisor (British Red Cross)
22. Howard Williams	Professor Emeritus, Oxford Internet Institute (University of Oxford)
23. Rick Bauer	Engineering Advisor (Oxfam GB)
24. Alexandra Fielden	Intern, Policy Development and Evaluation Service (UNHCR)
25. Kathy Macias	Associate Programme Officer, Public Health and HIV Section (UNHCR)
26. Roberta Montavecchi	Programme Officer, DOS (UNHCR)
27. Reem Alsalem	Executive Assistant, DOS (UNHCR)

28. Manoucher Lolachi	Senior Physical Planner, Operational Solutions and Transitional Section (UNHCR)
29. Rodolphe Lemoine	Field Staff Safety Advisor, Field Safety Section, (UNHCR)
30. Anna Maria Selleri	Senior Officer, Shelter Policy (International Federation of the Red Cross)
31. Jai Gupta	Senior Information Systems Assistant, DOS (UNHCR)

Annex 3: Concept Paper

1. Introduction

The distribution of cash as one component of a broader package of assistance for voluntary repatriation (NFIs, food, shelter materials) is a common feature of many repatriation operations, but has not yet benefited from a thorough analysis.

At the request of UNHCR's Senior Management Committee, the Policy Development and Evaluation Service (PDES) has undertaken a review of the use of cash grants in voluntary repatriation operations. The objective was to identify lessons learned and effective practices, drawing upon interviews with UNHCR staff, analyses of voluntary repatriation plans, assessments of reintegration and the use of cash grants, and mission reports.

This concept paper summarizes preliminary key findings of the PDES review and is intended to inform a "lessons learned" workshop involving UNHCR staff members and outside experts at UNHCR Headquarters on 4 April 2008. The purpose of the one-day workshop is to identify lessons learned, pinpointing good practices and potential pitfalls.

2. When and where have cash grants been used?

Cash grants have been used in both large-scale voluntary repatriation operations as well as to facilitate the repatriation of smaller groups of refugees.

Examples of use in *large-scale repatriation operations* include:

- Repatriation of *Afghan refugees from Pakistan and Iran from March 2002 until today*. Of the some 4 million returnees, around 3 million received a cash grant.
- Repatriation of 900,000 *Afghan refugees from Pakistan in 1990-1993*.
- Repatriation of 370,000 *Cambodian refugees from Thailand in 1992-1993*.
- Repatriation of nearly 43,000 *Guatemalan refugees from Mexico and Honduras in 1992-1997*.
- Repatriation (on an individual basis) of *Salvadoran and Nicaraguan refugees from Central America 1985-1992*.
- Repatriation of 50,000 *Afghan refugees from Iran in 2000*.

Example of use in smaller-scale repatriation operations (including urban refugees) include:

- Repatriation of 500 *Djibouti refugees from Ethiopia in 2001*.

- Repatriation of 790 CAR refugees from DRC to the CAR in 2005.
- Repatriation of 3,500 urban Liberian refugees from Sierra Leone (ongoing since 2004).
- Repatriation of Somali refugees from Djibouti to Somalia (Somaliland) 2002-2007.
- Repatriation of Myanmar refugees in Bangladesh in 2002.
- Repatriation of Eritrean refugees from Sudan in 2001.
- Repatriation of Iraqi refugees from Saudi Arabia in 2003.
- Repatriation of Togolese refugees from Benin since 2007.
- Repatriation of Somali refugees from Yemen since 2007.

3. Context, purpose and impact of cash grants

Context

Cash grants have been used in a range of voluntary repatriation contexts. In some cases it has been used during the *facilitation of voluntary return, prior to or instead of an organised return operation* (Nicaragua, Guatemala, Afghanistan 2002-2008); to provide incentives for return *where repatriation is promoted* (Burundi, Togo); or to enable refugees to return *after the end of large-scale organised return* (Liberia). Cash grants have also been used *to enable return following a general declaration of cessation* (eg Ethiopian former refugees in Somaliland, 2002)

Purpose

Cash grants have been provided with the following purposes: a) to defray the costs of transport; b) to purchase food and/or NFIs; c) to promote “reintegration”.

The amounts of the grant have varied, with the calculation being based upon an estimate of the cost of the activity or assistance which the grant was intended to cover.

- To replace organized transportation and ease return procedures.* For example in Sierra Leone, the grant was introduced to support refugees to pass through Vahun/Liberia, where organized transport was difficult and in Pakistan because of the high numbers involved. The amount of the “transport grant” varies according to the distance from the refugee-hosting region to the final destination.
- To replace the broader repatriation assistance package in order to ease distribution procedures.* For example, in the repatriation of Afghans from Iran and Pakistan, in-kind assistance has been replaced by cash (8 USD) since 2004. For

vulnerable groups, food/NFI assistance was maintained. A “temporary” housing grant of 100USD/family in Guatemala replaced the distribution of housing material, since this was not readily available at the time.

- c. *To support initial “reintegration” (e.g. Burundi, Cambodia, Eritrea, Guatemala Myanmar), especially since reoccupying former land and property is a key challenge in many post-conflict settings.* In these circumstances, field experience has revealed that cash grants have generally been used to cover immediate needs upon arrival. In Guatemala and Burundi the money was used to purchase plots of land and rebuild housing, with surplus being spent on small-scale income-generating activities, trade, and medicines. In some instances grants were also used to purchase alcohol and for celebrations following return (Guatemala and Nicaragua). For many observers, cash “maximized” the options available to the returnees. In Cambodia, for example, this was said to have enabled returnees to choose their area of return, which eased the absorption pressure on local communities.

Impact

The review shows that cash grants have in some cases accelerated repatriation (Liberia, Afghanistan, and Burundi), covered initial life-sustaining needs, and may have stimulated local development in returnee areas (Afghanistan, Burundi, Guatemala).

4. Implementation process

A number of techniques have been used to distribute the grants and to encourage their use for the purposes identified. The grant has also been distributed in locations varying from the country of asylum, at the border, to the place of destination.

De-registration

Depending on the system for cash distribution, a document (encashment sheet, copies of the VRF, de-registration form) are generally used as “vouchers” to receive the cash grants.

For example, refugees first sign a Voluntary Repatriation Form (VRF) and are then de-registered from the UNHCR database. In Afghanistan (1990-93) refugees had to hand in their passbooks and ration cards in return for their VRF and “encashment sheet”, making them eligible for a cash grant. In the ongoing Afghan repatriation operation, only registered Afghans currently receive repatriation assistance. In the case of Iran, a pre-existing refugee registration system facilitated this process. In Pakistan, until the registration process was completed in early 2007 (a total of 2.16 million Afghans were issued with Proof of Registration (POR) cards), all Afghans living in Pakistan were entitled to opt for voluntary repatriation and receive the assistance package (including the cash grant).

Place of distribution

In most of the cases reviewed, the grant was distributed *upon arrival* in transit centers in the country of origin (Afghanistan, Cambodia, Guatemala), or *at the border* (Djibouti/Somaliland), although grants are also occasionally distributed *in the country of asylum* when they are, in fact, intended to cover transportation (Afghan refugees in Pakistan (1990-93), Liberian refugees in Sierra Leone).

In Afghanistan (2002-present) the distribution system is quite sophisticated. The grant is split up into portions which are distributed in sequence in locations inside Afghanistan, depending upon the distance that the returnees need to travel in order to reach home. Returnees thus receive up to 5 copies of the VRF (in different colors) in order to collect the cash in the various encashment centers along the way. For the return of Burundi refugees from Tanzania, 80 per cent of the grant was distributed upon arrival in the region of origin, while transport was fully organized by UNHCR to the region of origin.

UNHCR has not opted to seek to control the use of the cash through the use of vouchers. However, there is some evidence that the use of the grant can be influenced by the place of distribution. Distribution in the country of origin is generally perceived as preferable, as it ensures that return has actually taken place (at least, temporarily) and enhances the probability that the grant is spent on return-related activities. In Afghanistan (1990-93) repatriation was deemed to have been undermined, because the cash was distributed inside Pakistan. Similarly, in Somaliland, following the declaration of cessation in 2002 for pre-1991 Ethiopian refugees, many former refugees accepted the voluntary repatriation grant but did not return home. A similar phenomenon has been noted with regard to the distribution of cash grants to Somalilander returnees at the border between Djibouti and Somaliland.

Distribution modalities

Cash grants have been distributed either by *service providers* contracted by UNHCR, *national banks* or *government institutions*.

In Burundi a network of local cooperatives was contracted to distribute the grant. In Pakistan the grant for Afghan refugees (1990-93) was distributed through the National Bank of Pakistan. In the current Afghanistan operation, where formal banking systems are absent inside Afghanistan, UNHCR has relied on an informal distribution system ("money lenders"). In Guatemala the grant was distributed by the Government Refugee Commission.

Gender Issues

Limited attention has been given to gender mainstreaming concerns in the distribution of cash grants. In most cases the cash grant was distributed to the "head of household", "head of family" or "passbook holder", all of whom were usually male (Afghanistan, Cambodia).

In Guatemala and Nicaragua, the distribution modalities were amended after mounting evidence that cash grants were not being used for the purposes for which they were designed, so that a portion of the grant (including that allocated in respect of any children) was paid directly to women. In Burundi women have been encouraged to assume the role of “administrator” of the bank account. The decision whether to take on this role, however, is left to both spouses. However, in cases where grants have been paid directly to women, there has been little or no monitoring of any potentially negative protection implications.

Security Issues

The review found little evidence of security risks posed by the use of cash grants.

In some cases “security plans for cash distribution” existed (Afghanistan 1990-93) In Guatemala concerns about the risk of transporting large amounts of cash were raised.

Verification and the avoidance of ‘recycling’

The biggest challenge encountered in nearly every operation was “recycling” (i.e. when returnees attempt to receive the cash grant more than once.

Recycling can be countered by making entitlement to assistance contingent on verification against a registration database (Afghan refugees in Iran 2000, Burundian refugees in Tanzania). Cross-checking of VRFs, pre-registration or use of family photos, inspections of vehicles and truckloads, have all been used as techniques to reduce recycling. The use of biometric verification mechanisms (such as iris scanning of Afghans or fingerprinting of Guatemalans) is believed to have significantly reduced recycling and to be an effective means of discouraging it. However, in the absence of baseline data, the impact of such mechanisms is difficult to assess. In general, without a comprehensive data protection policy framework, heavy reliance on electronic records and use of biometrics raises certain dilemmas.

5. Lessons learned and effective/ineffective practices

General

- Cash grants can be a useful tool for UNHCR to ease the delivery of assistance to returnees in repatriation operations.
- The voluntariness of repatriation, based on free and informed choice, has to be ensured. Accordingly, cash grants should not be used with the aim of stimulating repatriation where voluntariness is not assured or where conditions are not fully conducive to return. Their use on a “first come, first serve basis” should be avoided.
- Cash grants do not always need to be part of a broader assistance package. However, where appropriate, additional assistance should be made available for vulnerable groups.
- “Reintegration” grants have to be carefully programmed and monitored to ensure that they fulfill their purpose (e.g. are markets available and capable of absorbing the injection of cash and responding to demand for commodities?).

Calculation

- The calculation of cash grants ought to be thoroughly planned so as to be in line with local standards (i.e. not unreasonably high, so as to create significant disparities in treatment with the receiving population).
- “Transport” grants should be provided according to the distance to be covered. In order to avoid splitting of families, in general there should be no restrictions on the maximum grant payable to large families.
- When offering the cash grant to certain groups (e.g. urban refugees, refugees from a certain region), the parameters defining each group must be coherent and consistent throughout the operation, and the rationale for special treatment clearly spelled out.

Modalities of distribution

- Cash grants ought to rely on a thorough registration system, which links de-registration and encashment and decreases the probability of recycling.
- The usage of grants may differ depending on where it was initially distributed. If the grant is intended to assist refugees return distribution points ought to be as close to the place of origin as possible.
- It is recommended to build on local capacity in the distribution process.

Age and gender considerations

- The calculation of the grant ought to be age-sensitive (child/adult).
- Distributing the cash individually has enabled equal gender access to resources.
- Monitoring of the protection of persons at risk is crucial.

Recycling

- The use of biometric data to avoid recycling is in general believed to be an effective mechanism, but raises significant ethical and data protection issues which require further analysis.

6. Questions to be considered during the workshop:

The following questions will be examined during the workshop and will be grouped so as to enable the participants to make the most effective use of the time available:

1. In which countries and during which periods of time have cash grant programmes been used by UNHCR?
2. What was the level of the cash grant and how was it calculated?
3. Who was the cash given to (head of household, men, women, etc.)?
4. Under what conditions was it given (e.g. deregistration, handing over of ration cards, etc.)?

5. Where was it given (i.e. the percentage of the grant paid in the country of asylum and country of origin)?
6. Who implemented the programme (an NGO or a bank, for example)?
7. Was cash given as part of a broader assistance package? If so, what else did the package include (food, seeds, tools, etc.)?
8. Did security problems arise in relation to the distribution of cash (and its possession by returnees)? What action was taken to address those security problems?
9. Was "recycling" by returnees a problem, and how was it countered?
10. Do we know how returnees used the money they received? Is there any evidence to suggest it was not used wisely?
11. Did UNHCR seek to control the use of the grant by means of a voucher (rather than a cash) system?
12. What impact did cash grants have on the return and reintegration process?
13. Were any studies undertaken in relation to the programme and its impact?
14. How did state actors (national and local) react to the programme?
15. Can any lessons or effective/ineffective practices be drawn from the programme?

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