

Cash and Market Working Group

Meeting Tuesday 8th November 2022

Agenda:

1. Welcome and Introduction (roundtable)
2. Background, ToR and WG functions and updates from members to be shared (update CAG, MEB)
3. Current achievements for 2022 (for the CMWG, presentation of the operational research)
4. WG and the new strategy: operationalization of thematic areas
5. WG and FSC teams & partners support in the field (technical issues, advocacy, strategic guidelines, etc.)
6. WG Work-plan for 2023
7. Wrap-up and closing remarks

The meeting was chaired and organised by Corrie (CRS), Aftab (Plan International) and Damien (gFSC)

1. Welcome and introduction

Participation:

- gFSC, Plan International, CRS, FAO, CaLP, CWW, SI, ACF, FSC Bangladesh (online participants)
- no participants list available for the one who were present physically

2. Background, ToR and WG functions and updates from members

The Cash and Market WG is the oldest gFSC WG. Its **Objective** is to facilitate and support the mainstreaming of Cash and Voucher Assistance (CVA) and other Market Based Approaches in the food security sector in close coordination with other clusters and cash and market working groups.

The ToR was revised in early 2022 with more a focus on sharing good practices and lesson learned and to provide adhoc technical support when need (ex. Discussion on Hawala, change of modality, cash intervention during liquidity crisis).

The **key products developed so far** includes:

1. CFW guidance
2. Examples and good practices on the use of MPCA in the food security sector
3. Cash intervention during Covid 19
4. CVA stories from the field

Update Cash Advisory Group (CAG)

Aftab (part of the CAG as INGO representative from ICVA) provided an update on the new Cash coordination model and the Cash Advisory Group. The Global CAG -formed following the IASC Principal's endorsement of a model for predictable cash coordination , developed by the Grand Bargain Cash Coordination Caucus. Established in June 2022 - entity associated with IASC, reporting- IASC Deputies Group.

Role and Responsibilities: The CAG will focus on the following functional areas:

1. Standard setting and capacity building
2. Advocacy, global monitoring, and liaison
3. Resourcing and prioritization

Progress so far:

- TOR finalized for CAG
- Survey conducted with Working Groups including local agencies
- Workplan finalization in progress
- TOR of CWG- finalization under process

More here: <https://lnkd.in/guSxxzAv>

MEB (CaLP)

José from CaLP provided an update about the new guidance document on calculating the MEB.

The document was published end of October 2022 after a long process that started in 2020. It was built on the existing guidance + providing practical recommendations

Objectives: key concepts, outline key MEB aspects (when an MEB is needed, what an MEB may achieve, what resources are needed, and guide practitioners and decision makers through key decisions in the process, discuss how incorporate basic needs under sectors/clusters. It focused mainly on the sectors WASH, Health, Protection and education

Proposition:

- **to have all the food basket in one document**
- **to monitor the evolution of CVA**
- **to review the MEB guidance**

3. Current achievements for 2022

- Presentation of the operational research (Marie)
- Countries update (Horn of Africa (Somalia and Ethiopia); Ukraine)
- Donors update (ECHO Cash policy)
- Election of 2 new chairs
- Review ToR
- Inputs for the MPC outcome indicators

Operational research - ***Evidence review on the use of cash transfers in contexts of acute food insecurity***

The objectives of the research are to:

- Create an evidence base for the effective use of cash transfers for food security outcomes in contexts of acute food insecurity

- Acute food insecurity: regions classified IPC/CH Phase 3-5 or CARI level moderate or severe over the last two years (from 2020)

Main trends observed so far:

Use of cash transfers as percentage of total food assistance:

- Nigeria BAY states: 59% in CVA, of which 6% in cash (94% vouchers)
- Somalia: 80-90% CVA of which 60% cash (40% vouchers)
- Syria: 2% cash but 78% of CVA in the NW (voucher average is 5%)

State of the World Cash report (2020) reported 17,9% of humanitarian assistance delivered through CVA in 2019

Main trends:

- Use of vouchers still widespread, very often for objective-related reasons (food security) and not related to market vibrancy or functionality
- Donor restriction and preferences are still influencing choice of modality
- Cash is doing well in terms of timeliness and effectiveness (for food security outcomes)
- In Somalia, cash through mobile money allowed to reach hard-to-reach areas
- In Nigeria, progress on cash has been slowed down by government cash-movement restrictions
- In Syria, use of cash still challenged by numerous issues linked to infrastructure, currency fluctuations, political situation

4. WG and the new strategy: operationalization of thematic areas - WG Work-plan for 2023

The following topics were discussed:

- Anticipatory Action, cash based forecasting
- presentation from private sector (FSP)
- inflation / exchange rate tools
- how to address local prices hike after cash distribution
- cash for community
- nutrition sensitive // collaboration with NC // review MEB
- Review MEB guidance – nutrition sensitive
- Monitoring and evolution CVA
- more exchange / information sharing on CVA
- link btw social protection and humanitarian assistance (need to be more specific), ex. Ukraine, ECHO
 - => mapping where it is existing and working
 - => share good practices
 - => nexus coordination on cash

5. WG and FSC teams & partners support in the field (technical issues, advocacy, strategic guidelines, etc.)

Lessons learnt on cash for food and market monitoring in Afghanistan – CRS

Rami from CRS, co-lead of the CVWG presented the CRS cash for food assistance

Some measures are taken to ensure interagency tools track and adapt to market volatility. The MEB in Afghanistan is on a 6-month review cycle. The FSAC and the CVWG agreed review triggers based on thresholds related to price changes in food basket

- Threshold 1: Food basket prices change + or - 10% as compared to last food basket value for a sustained period of 8 weeks
- Threshold 2: Food basket prices change + or - 20% as compared to last food basket value for a sustained period of 4 week