

# Technical Guidelines for Livelihood Conditional Cash Transfer Programs for unskilled labor in Yemen

Effective 01.04.2023

## 1. Preamble

### 1.1 Overview

- Currently, many Agencies / Organizations engage in Conditional Cash Transfer (CCT) programs in Yemen, with the three main activities revolving around:
  - Cash for Work (CfW),
  - Food Assistance for Assets (FFA),
  - Public Works Programmes (PWP).
- The last revision of the CCT Guidelines was in November 2022. Since then, the macro-economic conditions in Yemen have significantly changed, impacting exchange rates, household (HH) purchasing power, commodity prices, and applicable daily rate of remuneration. These changes have necessitated a review of existing CCT Guidelines. The key to each program is understanding the individual donor requirements and the project's objective, whether to meet food gaps or focus on building or rehabilitating infrastructure and assets.
- The National Food Security and Agriculture Cluster (FSAC) partners agreed to have a harmonized technical guideline for livelihood related CCT programs in Yemen to be adopted by all FSAC partners undertaking the requisite activities. This document was developed by the Yemen Livelihood Technical Working Group (LTWG) and endorsed by the FSAC.

### 1.2 Coming into effect of the new CCT Guidelines

- The revised CCT Guidelines comes into effect as from 1st April 2023 for all new projects, or yet to be signed agreements and will remain valid until the next formal update. For operational and budgetary reasons, partners with ongoing, or already funded conditional cash transfer projects / programmes could adopt a phased approach in shifting to the new guidelines.

- In the event of a depreciation of the YER, it is envisaged that partners will make savings due to the conversion of the CCT programme payout amount from USD to YER. Savings can be utilized as follows:
  - Partners to engage new beneficiaries to complete the ongoing activities,
  - Partners to provide more workdays to the same beneficiaries (if the savings made are not enough to engage new beneficiaries),
  - All beneficiaries should be from the same location as the ongoing program and endorsed by the existing community committees.

## 2. Ongoing CCT Programmes in Yemen

There are three main CCT programmes ongoing within the country:

**Cash for Work (CfW)** - Provides transfers to vulnerable, food-insecure and crisis-affected HHs in return for the provision of labor (particularly through labor-intensive construction and rehabilitation projects). The two main objectives of CfW programmes are to:

- (i) Provide short term income opportunities, increase consumption of goods and enable HHs to meet their food needs; and
- (ii) Build or repair assets and infrastructure that are vital for sustaining the livelihoods of a community.

**Food Assistance for Assets (FFA<sup>1</sup>)** - A mechanism whereby an agency / organization provides food, vouchers or cash to fill food consumption gaps while strengthening the capacity of communities to rehabilitate, build and maintain assets. FFA focuses on restoring acceptable food security levels in the immediate term and supporting assets that directly or indirectly benefit the target population. Supported assets seek to strengthen the livelihood, resilience to shocks and food security and nutrition of targeted populations in the longer term.

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<sup>1</sup> FFA is neither an emergency employment project nor a regular jobs creation programme. It does not offer the benefits that formal employment provides, such as medical insurance, pensions, or other benefits. The FFA cash transfer is not a salary but a cash transfer aimed at covering the HH food gap and encouraging participation in the programme. However, the assets created or rehabilitated through FFA may in turn promote self-employment and local jobs. Furthermore, HH savings from increased monthly income resulting from FFA transfers can contribute to the HH capacity to cover other current and future priorities.

**Public Works Programmes (PWP)** - The primary objective of short-term PWP is to provide temporary employment for the working age poor who are not able to find work or pursue their usual income generating activities because of a crisis or disruption in the labor market. Cash or goods are given in exchange for a set amount of work. These programmes employ both skilled and unskilled labor, provide employment /work and should therefore rely on market-based daily / monthly wages. They are normally administered in response to a crisis or sudden shock and they typically focus on the maintenance of existing community infrastructure, assets or the provision of basic new infrastructure, such as restoring or maintaining rural roads, soil conservation, afforestation and social services.

### **3. General Principles of CCT Programmes for unskilled labor.**

- All CCT programmes (CFW/ FFA/ PWP) must be based on a needs analysis and a feasibility assessment. They should be planned and implemented only after:
  - It has been assessed that there is a need for such a programme.
  - It is clear that a conditional cash programme is the most appropriate instrument to meet this need in a timely, efficient and effective manner.
- Before undertaking a CCT programme, it is critical to verify the following:
  - The average daily Local Market Unskilled Labor Rate (LMULR) at Governorate level.
  - Markets are functioning.
  - CCT activities will not interfere with the community's main livelihood strategies.
  - Assets and infrastructure to be built or rehabilitated will meet the basic needs of the targeted population. In addition, the assets created and rehabilitated and the income generated should contribute to relieving transitory or structural food security/poverty.
- When selecting the time and duration of a CCT programme, Agencies / Organisation must consider that communities are already engaged in other livelihood and productive activities. Communities are often engaged in various livelihood strategies and working on a CCT programme has an opportunity cost unless the targeted beneficiaries are

unemployed e.g. if a program is targeting a community whose employment is primarily in agriculture, it is best to start it during the off-season and continue throughout its duration (usually three to four months)<sup>2</sup>.

- All CFW/ FFA/ PWP programmes should adopt a “do no harm” approach through a preliminary assessment to ensure that assets created will not trigger conflicts within the community.
- The following elements should be taken into account:
  - Ascertain whether the target groups will actually benefit from the intervention. Agencies / Organizations need to verify whether the potential recipients are willing and able to carry out the work and whether the assets / infrastructure that will be built or rehabilitated are useful to the community and can be maintained.
  - Verify that CCT programmes do not negatively affect the main livelihood strategies an existing social norm of the local community. This implies, on the one hand, being familiar with these strategies, and on the other, understanding how a CCT programme can help HHs to address their livelihood problems.

#### **4. General Principles of CCT Programmes for unskilled labor in Yemen.**

- (i) One CCT value for IRG Area of Control (AoC) and one CCT value for the SBA AoC. CCT values expressed in YER<sup>3</sup>.
- (ii) The CCT values should be 10% higher than unconditional cash transfer value<sup>4</sup> (UCT), aiming at ensuring a larger coverage (from 80%-85% Kcal - according to the MFB composition - to the 90%-95% Kcal) of the MFB. For more information, please refer to the UCT Guidelines: (<https://fscluster.org/yemen/document/fsac-unconditional-cash-transfer>). The CCT values should be computed as follows:  $CCT = UCT * 110\%$ .
- (iii) The CCT transfer value at AOC level will be divided by the daily LMULR to compute the number of working days required in each Governorate.

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<sup>2</sup> Work during the scorching summer season when temperatures reach upward of 40 °C should be delayed, or alternative working arrangements put in place.

<sup>3</sup> For program design purposes, partners should use the real-time exchange rates at the time of design of their projects.

<sup>4</sup> 7 individuals / HH

- (iv) **The suggested number of working days is 15 / month.** If in a given Governorate and based on the calculation envisaged by point 3, the number of working days exceed 15, the number of participants / HH should be increased from one to two. The additional HH member would work for the no of days exceeding 15.
- (v) **Six working hours should be considered as the maximum working hours/day,** as beneficiaries need<sup>5</sup> 1-2 hours to reach CFW/FFA locations.
- (vi) Duration of programs.
  - CFW programs should be for a minimum of 3 months and a maximum of 6 months, contingent on the type and objective of the work and donor requirements.
  - FFA programs should be for six months, as the purpose is to meet the food gaps of moderately food insecure HHs (HHs in IPC phase 3 whether they live in IPC phase 2, 3 or 4 Districts).
  - PWP programmes should be for a minimum of 3 months.

## 5. Operationalization of the General Principles of CCT Programmes for unskilled labor in Yemen.

A. Based on the General Principles of CCT Programmes in Yemen n. 1, 2, 3, the monthly CCT values should be the following:

- IRG AoC,  $131.500 * 110\% = 144.650$  YER;
- SBA AoC,  $65.500 \text{ YER} * 110\% = 72.050$  YER.

B. Considering the uniqueness of FFA, with regards to commodity procurement involved and other supply chain issues, as well as the need to still provide an incentive for participants, the transfer value is increased (from 80%-85% Kcal - according to the MFB composition - to the 90%-95% Kcal). The 10% top-up can be on any of the food commodities. It is up to each partner undertaking FFA to decide which commodity ration to top up, however this must be communicated to the FSAC for coordination purposes.

NB: Considerations above are related to projects whose priority is to meet the basic food needs of the targeted population. As such, if partners intend to implement a project with different priorities requiring different CCT values, they should consult with FSAC.

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<sup>5</sup>1 individual / HH

## 6. Targeting

- Targeting depends on the objective of the CCT program, i.e., if the program aims to reach a particular group (e.g., women or the poorest / most vulnerable sectors of the population) or vulnerable communities in each geographic location.
- Targeting should be carried out according to clear and transparent criteria and involve the community and local authorities.
- **Only adults over 18 years old** should participate.
- Ability to physically work (this may exclude the elderly, pregnant women, youths below a certain age).
- Ability / flexibility for workers to continue to carry out domestic tasks (e.g. taking care of young children).
- Individuals<sup>6</sup> belonging to HHs who do not have people currently engaged in other employment and / or who do not have any source of regular income (e.g. receiving rent, regular remittances etc.). This does not exclude HHs whose only income is from using severe negative coping strategies (selling organs, child labor, transactional sex, etc.).

## 7. Gender considerations

- In many situations, the participation of women in public CCT programmes is conditioned by local socio-economic and cultural circumstances. In communities with few work opportunities and where wage work is traditionally reserved for men, women face many obstacles in seeking employment in CCT programmes. Furthermore, public works programmes should take into account that women are often already occupied with many HH and other tasks.
- In order to encourage women to participate in these activities, it is important to determine the gendered division of labor in the HHs and the time available to women for conditional cash programmes activities.
- Designing CCT programmes activities for women should take into consideration the following:

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<sup>6</sup> 1 individual / HH

- Cultural acceptability - teams composed of men and women might generate disapproval for religious/cultural reasons. Different tasks could be proposed in different sites and teams should be set up per gender when needed.
- Women’s responsibility for domestic tasks and childcare means programming for women should take this into account with shorter working days, different timing, and lighter tasks. Substitution of other HH members is acceptable.

**8. Examples of community assets / infrastructure to be rehabilitated or constructed <sup>7</sup> through CCT programmes.**

Canal	Cistern	Dam
Gabion	Grazing area protection	Latrine
Pond construction	Road	School <sup>8</sup>
Health facility	Spring	Water tank
Soil conservation	Agriculture and conservation land	Reforestation
Waste disposal	Water reservoir	Water network

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<sup>7</sup> The specific activities can be rehabilitation of existing structure/assets, construction of new structure/assets, improving the existing structure/asset, or completing an unfinished project. This will be contingent to a specific location, donor requirements, agreement with local authority, and endorsement from community committee in charge for the project. The assets/infrastructure to be rehabilitated or constructed must be a community asset (that will benefit all community members) and not specific individuals!

<sup>8</sup> The list is not exhaustive.