

Humanitarian Cash Transfer

A Reference Guide for Practitioners in the Philippines

Version 2.0 (2022)



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1. Introduction

Following the Super Typhoons Haiyan (2013) and Rai (2021) the volume of humanitarian assistance distributed in the Philippines using cash modality systematically increased. In response to STY Rai (locally known as Odette), a considerable proportion of the CERF was delivered using cash and voucher assistance (CVA), some estimations reaching 60%, the largest percentage to date¹. The cash working group (CWG) - first established in 2014 - has once again risen to take the leading role on cash coordination in 2022. The revival of the CWG spurred discussions on harmonisation and systematisation of how cash assistance is calculated, delivered and monitored and how cash beneficiaries are targeted and their vulnerabilities assessed. The experience of STY Rai showed the need for further improvement in these areas.

Contextually, a lot has changed since version 1.0 of this “reference guide [...]” was produced in 2016:

At the national level, the Department of Social Welfare and Development (DSWD) and the World Bank released the first edition of the Operations Manual on the *Implementation of the Emergency Cash Transfer During Disasters*. The document presents a framework for distributing cash assistance by governmental institutions and other practitioners, including humanitarian agencies, in response to man-made and natural disasters. This reference guide was developed in order to formulate linkages with the Government while ensuring humanitarian principles, the quality of humanitarian assistance delivery, international standards and putting affected populations at the centre of program design. The CWG and its members must follow a humanitarian rationale for cash distributions that would harmonize within the acceptable boundaries of the Operations Manual.

At the international level, the *Grand Bargain Cash Coordination Caucus* proposed a new model for cash coordination, which was endorsed by the Inter-Agency Standing Committee (IASC) in March 2022. The model sets forth 1. The principles and functions of cash coordination; 2. The model for cash coordination, including the roles of the CWG, ICCG and RC/HC; 3. The leadership of a non-programmatic agency (OCHA) in non-refugee settings such as the Philippines and its linkage with the global Cash Advisory Group (CAG); 4. the co-chairing CWG model with one non-programmatic and one programmatic co-chair and 5. a basic staffing model, adaptable to context and principles of resourcing. The CCC puts important new responsibilities on OCHA. As a Humanitarian Advisory Team (HAT), OCHA Philippines may need to consider adapting the ambitious expectations to the reality of limited resources, but it is nevertheless going to position its cash coordinating structure with CCC in mind, and with possible support from ROAP.

¹ In the Typhoon Haiyan response humanitarian assistance amounted to roughly 40% in CVA;
² https://ndrrmc.gov.ph/attachments/article/4181/DSWD_ECT_during_Disasters_Operations_Manual.pdf
³ <https://interagencystandingcommittee.org/system/files/2022-04/IASC%20Endorsed%20Cash%20Coordination%20Model.pdf>

In light of the *DG ECHO Thematic Policy Document No 3 on Cash Transfers*, (March, 2022) the cash community was enriched by the thematic policy, which goes into great detail on the operational guidance to cash assistance based on global best practices and ECHO's strategy to CVA, from which the Philippines may, and should, benefit.

Finally, considering the OCHA-led Anticipatory Action (AA) pilot for Typhoons in the Philippines under CERF and its recent After Action Review, it appears that the role of cash assistance is reinforced for preparedness activities. Most agencies that are part of the pilot declared engagement in the delivery of cash assistance; where the Philippines AA CERF pilot for a Typhoon event is expected to deliver cash assistance at scale and in a very short time frame – 3 days before expected landfall. The reviewed proposal is expected to assume approximately 70% of all activities to be cash-based.

With all of this in mind, an updated and robust guidance to cash assistance delivery in the Philippines is needed. OCHA, its stand-by partner CashCap and the CWG membership reviewed version 1.0 of this reference guide and concluded that a new revision of the document is necessary to reflect the many changes that occurred since it was originally released in 2016.

2. Purpose

This reference guide strives to provide parameters for context-adapted cash transfers. It includes a set of minimum operating standards, discussed with the CWG membership. In particular, the following themes were the subject of detailed discussions and considered as key issues for CVA practitioners in a survey done in March:

- Standardization of the targeting process;
- Harmonization of transfer values for multi-purpose cash assistance based on the minimum expenditure basket (MEB);
- Minimum vulnerability standards for selection of cash beneficiaries;
- Basic mapping of financial service providers (FSP), based on the latest experience during STY Rai.

This document is designed to provide recommendations to CVA practitioners based on discussions in the CWG and its relevant task forces. The document, however, does not reflect a consensus from all members of the working group, rather, an opinion of the CashCap expert and OCHA largely based on the inputs of CWG members, CVA practitioners and experts working in the cash sector in the Philippines during the Odette response.

This document is for humanitarian agencies and other stakeholders that intend to consider cash assistance as a modality of response in small, medium or large scale natural or man-made emergencies in the Philippines. It should serve as a reference for the design, delivery and monitoring of cash assistance programs in a manner consistent with other practitioners in the Philippines and international standards.

3. Terminologies and definitions

Terminologies	Definitions
Accountability to affected populations (AAP)	Commitment to taking account of, giving account to, and being held to account by the people receiving assistance
Basic needs approach (BNA)	Aims to fulfil the unmet basic needs of the most vulnerable

Cash Advisory Board (CAG)	A newly set up cash coordination body acting as a secretariat to all cash working groups globally
Cash and learning partnership (CaLP)	The CALP Network is engaged in the critical areas of policy, practice and research in humanitarian cash and voucher assistance (CVA) and financial assistance more broadly
Cash Transfer Programming (CTP)	Refers to all programs where cash (or vouchers for goods or services) is directly provided to aid recipients.
Cash Working Group (CWG)	A forum that facilitates the coordination of cash and voucher assistance
Cash and Voucher Assistance (CVA)	Refers to all programmes where cash transfers or vouchers for goods or services are provided directly to aid recipients
Cash for Work (CfW)	Refers to payments provided to beneficiaries on the condition of undertaking designated work
Conditional / Unconditional Cash Transfers	Conditional cash transfers require beneficiaries to comply with specific conditions to be eligible for the transfer Unconditional cash transfers do not require any specific actions to be undertaken by targeted beneficiaries
Complaints and feedback mechanism (CFM)	A formal mechanism for receiving and responding to complaints from people in communities where programs are implemented
Financial services provider (FSP)	An entity that provides financial services, which may include e-transfer services
Know Your Customer (KYC)	Typically refers to the information that the local regulator requires financial service providers (FSPs) to collect about any potential new customer in order to discourage financial products being used for money laundering or other crimes
Monitoring, evaluation, accountability and learning (MEAL)	Used to comprehend, demonstrate and evaluate the impact of humanitarian intervention
Minimum Expenditure Basket (MEB)	A MEB requires the identification and quantification of basic needs items and services that can be monetized and are accessible in adequate quality through local markets and services
Multi-purpose cash (MPC)	Multipurpose Cash Transfers are transfers (either periodic or one-off) corresponding to the amount of money required to cover, fully or partially, a household's basic and/or recovery needs
Non-food items (NFI)	Items other than food distributed to those affected by natural disasters or crises
Transfer value (TV)	Transfer values for multi-purpose cash in humanitarian programmes tend to be based on an MEB, calculated to fully or partially, cover basic needs at current market prices

4. Limitations

At the time of writing this reference guide, and to the best of our knowledge, no region or province of the Philippines benefited from a comprehensive cash feasibility study determining markets' ability to absorb a given volume of cash assistance and the effect that would have on the economy as a whole. There is no economic analysis of potential market distortions and no analysis showing the full benefits of the multiplier effect. As a result, it is important to reflect on the speculative nature of the provisions outlined in this reference guide.

The strong fluctuations in market prices of key commodities resulting from STY Rai and the on-going war in Ukraine, in conjunction with often limited human resources available in the Philippines, create an environment where effective price monitoring of all key commodities is imperfect.

In line with the assumption in office of the new administration starting 30 June 2022 the policies and standards, notwithstanding the latest manual on Emergency Cash Transfers to which this reference guide relates, may change. This would effectively alter some of the harmonization efforts and may necessitate another review of this document.

Finally, natural disaster responses in the Philippines are usually temporary. Past trends show a high likelihood of scaling down operations in-country after the emergency phase, and a further scale down after recovery. Lack of continuity may adversely affect the implementation of CWG standards, their operationalization and effectively dismantle the coordination structure put in place during STY Rai.

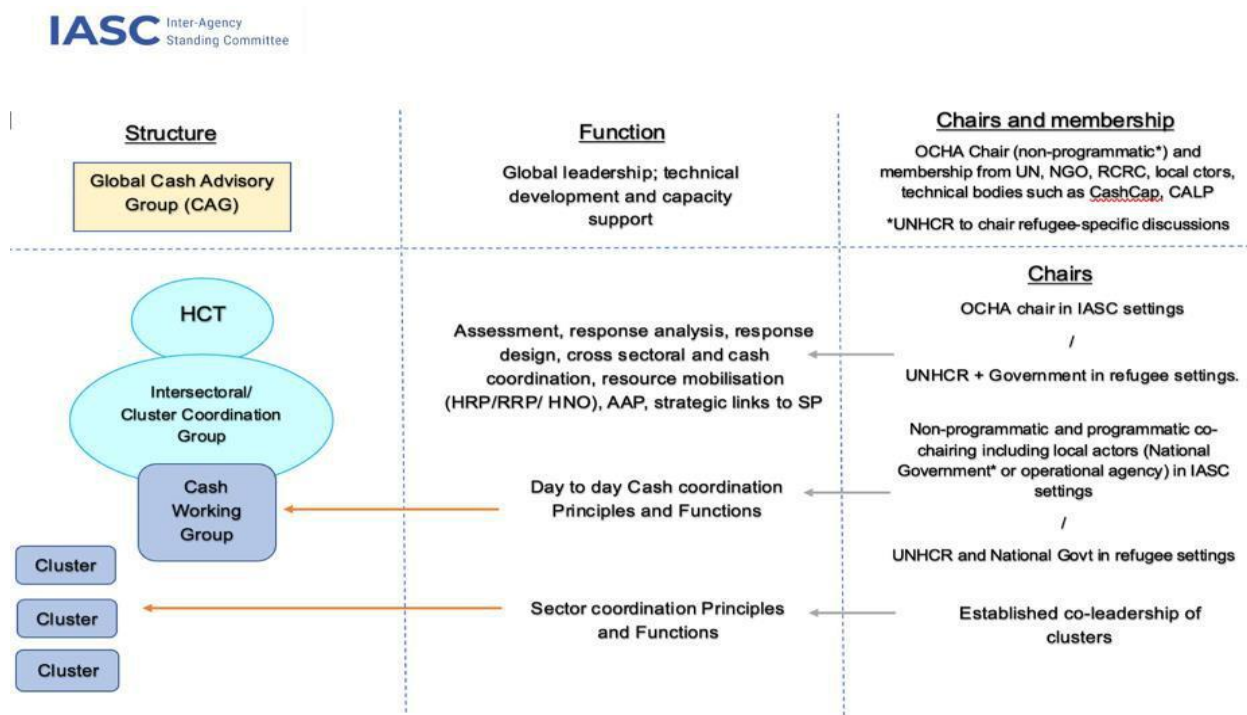
5. Coordination

5.1 Cash Coordination Caucus (2022)

In March 2022 the principles of the new cash coordination model stipulated in the CCC were endorsed by the Inter-Agency Standing Committee (IASC). In short, the agreement underlines the following:

- The principles and functions of cash coordination;
- The model for cash coordination within the ICCG and with the RC/HC, depending on country set-up;
- The responsibility to ensure adequate, predictable and timely capacity by OCHA for IASC coordination (and UNHCR for refugee settings);
- The management model of the CWG, including programmatic and non-programmatic chairs;
- The staffing model with clearly stipulated funding needs and skills requirements;

It is important to consider the provisions of the CCC ([link available in the references section](#)) when setting up and/or engaging in cash coordination in the Philippines. It is expected that when the 18-month transition period for the operationalization of the CCC finishes in mid-2023, OCHA may be tasked to lead cash coordination as per the key agreement points above.



At the time of writing this document this structure has not been operationalized, however, OCHA acknowledged it as a blueprint for future cash coordination. Indeed, CashCap capacity was deployed to OCHA to strengthen cash coordination and lead the CWG post-Odetta, albeit as temporary surge capacity. Further steps may include the need to ensure sustainable fixed capacity to lead cash coordination in the Philippines, subject to funding availability.

Globally, the first meeting of the Cash Advisory Group (CAG) took place on the 9th of June with the aim to develop a global cash coordination ToR.⁵

Learning from Odetta, the onset of a disaster should trigger an HCT decision to formalize the cash coordination model, including CWG leadership, provision of resources and designation of focal points per agency delivering CVA in order to uphold effective functioning of the cash sector, much like the CCC stipulates.

5.2 Cash Coordination Structure in the Philippines

The new global cash coordination structure is a result of the IASC-endorsed Cash Coordination Caucus (2022); the structure represents a “best-case scenario”.

In the Philippines, the CWG setup underlines the importance of the chairs (Oxfam/chair and WFP/co-chair in 2022) in key decision-making. The Philippines, in effect, maintains a setup similar to that presented in the CCC, whereby the CWG is operating with a chair and co-chair and engaged with both ICCG and HCT. These functions rotate yearly as outlined in the CWG Terms of Reference (2022)⁶.

Based on the new provisions, the facilitation of the group should fall on the chair and co-chair (or the “co-chairs”), one of which should be non-programmatic to eliminate conflict of interest (e.g. OCHA, a government representative such as DRMB/DSWD or a local actor). Information Management capacity should be considered in times of a

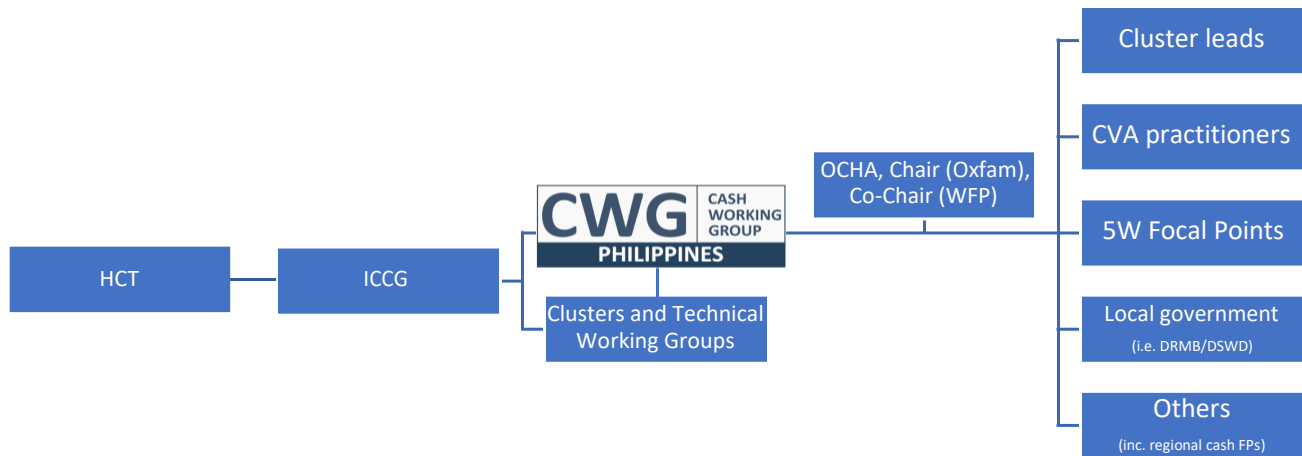
⁵ <https://www.calpnetwork.org/cash-coordination-2022-live-timeline/>

⁶ See Annex 1

large-scale disaster response. Based on the CCC, OCHA will be globally accountable for ensuring this structure (subject to availability of resources).

As was the case in STY Rai response, OCHA may rely on technical rosters, such as CashCap, for temporary facilitation of CWG and overall support if the co-chairs of the group are unable to maintain their adequate function, in particular in times of significant scale-up of activities.

Cash Coordination Structure in the Philippines (2022):



Based on the STY Rai experience, it is recommended that the CWG be attended by cluster leads (for coordination and information sharing), CVA practitioners (for adaptation of existing models, harmonization and standardization purposes), 5W focal points (persons responsible for complex data gathering and inputs, one per agency doing CVA, ideally with monitoring and evaluation background) and regional cash focal points. This last group, set up in STY Rai response, was composed of regional agency staff whose additional responsibility was to coordinate cash implementation per affected region. During the Odette response these included WFP for Caraga, UNICEF for Bohol/Region VII and Plan International for Southern Leyte/Region VIII.

These focal points proved useful and should be identified immediately post-disaster - their role should be to consolidate information, troubleshoot and coordinate cash assistance activities at regional level, ensure harmonisation with the national CWG and smooth transition into early recovery, as well as to maintain a working relationship with the local government at all times, especially whenever CWG members use the government guidelines, such as the “Listahanan” data or the minimum wage for the Cash for Work activities. These focal points should then report systematically to the national CWG and/or its relevant task forces.

5.3 Alignment with existing standards and government regulations

In April 2022 the DRMB/DSWD and the World Bank released the first version of the Emergency Cash Transfer (ECT) operations manual. The document, composed of eleven chapters, is based on memorandum circular no.17 (series of 2019): Guidelines in the Implementation of the ECT during disasters. The following main objectives are outlined:

1. Provide operational clarity and guidance to decision-makers and implementers of ECT;

2. Enable all concerned agencies and partners organisations to understand the institutional arrangements, procedure, and scope of work in implementing ECT;
3. Specify the roles, responsibilities and accountabilities of the stakeholders in ECT operations;
4. Guide the operations of ECT to ensure consistency, timeliness and accuracy;

The manual does recognize that multi-purpose cash assistance (termed ECT by the Government of the Philippines) is a suitable modality of response to disasters, which, in itself, is an important step towards more effective aid delivery, as far as CWG is concerned.

The manual seems to prioritise the poor and near-poor households identified through the National Household Targeting System for Poverty Reduction (NHTS-PR) or Lisitahanan. They belong to one of the two groups:

1. Families from 4Ps beneficiary-households identified through the Pantawid Pamilya Information System (PPIS)
2. Families from households considered as poor and near-poor in the NHTS-PR, but are not yet enrolled or not eligible for 4Ps

The manual suggests to calculate the ECT value using the formula based on the minimum wage: *75% x regional minimum wage x max 90days*. As explained in the section on harmonization of transfer values (page 7) there are significant problems with adopting such a standard for humanitarian cash transfer if we are to safeguard international standards for MPC and the quality of program delivery.

Nevertheless, the government standards with respect to CfW are sound; cash actors in the Philippines agreed to use these standards to create their CfW programs and this may be the basis of similar future responses.

The key to harmonized CfW is to ensure the use of updated minimum wage rates found on the government website

<https://nwpc.dole.gov.ph/stats/summary-of-current-regional-daily-minimum-wage-rates-by-region-non-agriculture-and-agriculture>

6. Information Management - 5Ws (Who, What, Where, When, for Whom)⁷

Following a disaster, OCHA, its stand-by partners (notably CashCap) or the CWG co-chairs shall take the responsibility to gather 5W data from all CVA actors. The gathered information should subsequently undergo analysis by an IM specialist and be visually presented in a form of an interactive 5W dashboard (as was the case during STY Rai response) or another comprehensive and consolidating tool accessible to all.

An important lesson learned from the Odette response is that at the very onset of the crisis agencies planning to engage in CVA should designate a focal point/s to gather 5W data on behalf of their respective agencies to systematically report to the CWG. If possible, the HCT asks for such a designation to all humanitarian agencies involved in the delivery of cash assistance because having 5W data focal points from the start improves timeliness, quality and relevance of this mapping exercise, minimising duplication and maximising coordination efforts. Conversely, the CWG stipulates the frequency of data collection, setting deadlines and communicating them clearly to the members.

The 5W template created for the latest Typhoon Odette response may be found on the website: <https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>. It serves as the most

⁷ See Annex 2

comprehensive consolidating tool available and may be used for coordination purposes across all sectors, both internally and externally.

7. Technical Outcomes

7.1 Targeting of beneficiaries in the Philippines, lessons from Odette

After Typhoon Odette made its landfall in the Philippines, UN agencies and NGOs as well as the Red Cross societies, scrambled to obtain the best possible lists of affected populations to kick start their activities. Various agencies used the “Listahanan” as the basis for beneficiary selection, juxtaposing the list with households affected by the Typhoon.

The “Listahanan” remains the most comprehensive available list of vulnerable households in the Philippines. However, it is far from perfect, with many names on the list no longer relevant - using the “Listahanan” requires significant verification time and was a cause of delay for some agencies that were using it.

It was also observed that, due to the complex and decentralised government structure in the Philippines, various humanitarian agencies worked at different levels of Government: Municipal, Provincial, Regional or National. The choice at which level to communicate came largely from previous engagement of the agency in question and the government unit (e.g. FAO typically worked with the Department of Agriculture while UNICEF and WFP with DSWD etc).

As much as such a relationship may seem natural, it may have also contributed to the delays in the delivery of humanitarian assistance post-STY Rai. In particular, the fact that humanitarian responders used different sources for data collection at different levels of Government meant that the risk of duplication was high from the start. Having no minimal operating standards for data sourcing created a situation where agencies writhed for whatever data they could obtain; those working with lower levels of Government, i.e. closer to the affected communities, typically received data quicker than those working at higher levels of Government, i.e. further from the affected communities. In effect, some agencies finished the emergency response much sooner than others. These discrepancies exposed limitations in the coordination system.

The 2022 survey among the CWG members showed that systematizing the targeting process is one of the top priorities for the group. Efforts were since made to develop a minimum operating standard for targeting of beneficiaries post-disaster - an arduous task considering the necessary involvement of the Government and the need for a consensus among many agencies. More details on the matter of targeting are provided in the Operating Procedures section of this Reference Guide.

7.2 Harmonization of transfer values and the Minimum Expenditure Basket (MEB)

The Philippines is one of the few major countries in the Asia Pacific region without a Minimum Expenditure Basket. Up until 2022 the humanitarian community relied on the DSWD calculation for emergency cash transfers – now formalized in the ECT manual – that considers minimum wage as a basis of its calculation: $75\% \times \text{regional minimum wage} \times 1-90 \text{ days}$ (page 28 of the ECT operations manual).

There are two fundamental challenges for the humanitarian community when relying on the ECT calculation.

- Multitude of possible transfer values / de-harmonization

There are 17 regions in the Philippines, each with three minimum wages: one for non-agriculture and two for agriculture-plantation and agriculture-non-plantation, which are often different from each other. In addition, the multiplication of days can stretch up to 90 days. Considering the numbers, such a set up generates hundreds (or thousands) of potential transfer values, depending on region and type of minimum wage. In addition, the multiplication of days can stretch up to ninety.

- Definition and purpose of the minimum wage

In its own definition, the Government of the Philippines notes that the minimum wage is: “*the lowest wage rate fixed by law that an employer can pay his/her worker*” (page 7, Memorandum Circular No.4 on the Enhanced Guidelines for the Implementation of Cash [...]⁸, 2021). In other words, the minimum wage is a legal framework for employers. Humanitarian cash transfers, however, are set to ensure that a household is able to purchase basic and essential items in the market – an objective that is not preserved by the scope of the minimum wage. As such, basing a cash transfer on a minimum wage computation cannot ensure that a household can access basic needs, the very aim of cash-based programs and MPC in particular.

At the onset of the Odette response, humanitarian agencies decided to provide conditional and unconditional multi-purpose cash. Unfortunately, the unspecific formula caused many interpretations. The situation was made more confusing by the presidential decree that recommended the use of flat PhP 5,000 rate by all organizations, including the Government itself.

Based on the March survey, the humanitarian community considered harmonization of the transfer values as the most important matter to be dealt with by the CWG. The main arguments being: (a) safeguarding of the Do No Harm principle – equally vulnerable households affected by the Typhoon should receive the same amount of assistance; giving different amounts of money by different agencies in the same area may cause tensions in communities and (b) providing an amount of money that is indeed sufficient to attain basic needs, as per MPC purpose.

With this in mind, the CWG crated an MEB⁹ and a corresponding transfer value that is based on real market prices. Keeping in mind that the largest transfer value eligible in the Odette-affected areas (in region VII where minimum wage is the highest of the Odette-affected regions, and for a max of 90 days) based on government’s formula is PhP 27,270¹⁰, the CWG strives to facilitate an MEB-based transfer value that will fall below this ceiling (i.e. fall within the maximum framework of the ECT).

8. Minimum standards for market analysis

(Key conditions necessary to operationalise cash assistance programs based on Minimum Standards for Market Analysis (MISMA), CALP, Humanitarian Standards Partnership)

Most of the world’s population depends on markets to purchase essential products and satisfy basic needs. As the world becomes increasingly urbanized and more people have access to markets, the role of cash assistance and market-based programming is likely to continue increasing.

Any aid agency considering the delivery of conditional or unconditional cash assistance should first consider conducting a market analysis to ensure that markets are functional and cash modality may be considered as a safe and effective response. Whenever markets are part of the response design, humanitarian and development practitioners ought to confirm that they are healthy and can safely¹¹ absorb the extra cash injection foreseen for the target population relying on these very markets.

⁸<https://www.dswd.gov.ph/issuances/>

⁹ See Annex 5

¹⁰ Using wage rates from Q1/2022

¹¹ Without harm to people relying on markets

One of the primary purposes of market-based programming is to work through and support local markets to assist crisis-affected populations cope with emergencies. Market-based programming may, therefore, take various supportive roles, strengthening the supply side, the demand side or both sides, as well as reinforce infrastructure and relevant services, and advocate for improved market policy, if appropriate. Market-based programming may therefore be multifaceted.

This reference guide relies on the Minimum Standards for Market Analysis (MISMA)¹², a voluntary and self-regulatory standard, much like the Sphere Standard. The MISMA puts forward five key actions to be completed before embarking on a cash program design.

¹²<https://spherestandards.org/wp-content/uploads/MISMA-EN.pdf>

MINIMUM STANDARD FOR MARKET ANALYSIS (MISMA)

THE MINIMUM STANDARD AT A GLANCE

Figure 1: The standard, key actions (KA) and indicators



9. Operating guidelines

Based on the experience gained during responses to STY Haiyan and Rai, the CWG has developed and refined minimum operating standards for CTP. Most processes outlined in this section are based on the evolving discussions and lessons learned in the CWG during the first three quarters of 2022. At the time, finding consensus among all members was difficult thus many procedures outlined in this section were not officially endorsed by all agencies and members, instead this section presents approaches taken during the STY Rai response and recommendations of CashCap and OCHA.

9.1 Data sourcing and cooperation with the government post-disaster

Approaches taken: A number of agencies, including UNICEF and WFP, signed MoUs with regional DSWD offices in the areas affected by the Typhoon while keeping the capital DSWD office informed about their operations. They then proceeded to source data through regional offices. This approach proved effective, although not rapid enough to ensure emergency assistance delivery within 3-months. Other agencies, such as IOM and various NGOs, sourced data at provincial and municipal levels, closer to the affected areas, where data was consolidated quicker. PRC, which sits on the board of NDRRMC, was able to start operating instantly. Some local agencies worked to develop their target groups together with Baranghays and the affected population (for example A Single Drop of Safe Water).

When writing this reference guide, the CWG's task force on targeting and vulnerability was deliberating whether setting up a standardized approach to sourcing data from the Government may be achieved. It is not an easy feat considering that some agencies, such as FAO, are bound to work together with the Department of Agriculture (DP), whose data is not consolidated at DSWD and requires separate engagement altogether.

Recommendation: Whenever feasible and as per guidance from DRMB, DSWD, agencies should coordinate with DRMB to determine the geographical area with the most severe unmet needs. In order to obtain lists of beneficiaries timely and effectively it is further recommended to engage with the affected LGUs through the C/MSDWO or PSWDO and at community level.

Agencies should note that relying on existing data sets may require data verification necessary to ensure program quality.

At all times, the Disaster Response Management Bureau (DRMB) of DSWD Manila HQ should be informed to safeguard a holistic coordination effort.

9.2 Targeting of cash beneficiaries

Approaches taken: No standardized vulnerability criteria for the selection of cash beneficiaries existed at the time of Odette response. However, the CWG looked at various agencies' criteria to develop a consolidated list of vulnerabilities for CVA beneficiaries. These minimum standards were a subject of discussion at the CWG and approved by the Targeting and Vulnerability Task Force (see CWG minutes of meeting, 22.06.2022). Using the same criteria for cash beneficiary selection is important to minimize exclusion and inclusion errors; all equally vulnerable households should be eligible for cash assistance across all areas of response.

Recommendation: In order to ensure that households exerting the same (or very similar) vulnerabilities are selected for a cash program, it is recommended to consider the following minimum vulnerabilities:

Measuring Vulnerabilities		
	Head of Household	Members of household
1	Female headed household (FHH)	Nr of Persons with disability (PwD)
2	Child headed household (CHH)	Nr of Senior citizens
3	Person with disability (PwD)	Nr of Pregnant, lactating women (PLW)
4	Senior citizen	Dependency ratio
5	Pregnant, lactating women (PLW)	Household poverty level / income
6	Unemployed	Nr of Unemployed
7	No formal education	Nr Without formal education

(the formula/weights applied on these measurements depend on agency's approach)

9.3 Transfer values for Multipurpose Cash Assistance (MPC)¹³

Approaches taken: During the Odette response a number of different transfer values were adopted agencies: anywhere from PhP 2,500 per transfer to PhP 12,000 per transfer for unconditional cash assistance (primarily MPC) were recorded. The most common amount among agencies was PhP 5,000, as this followed the presidential decree (ex-president Rodrigo Duterte), which recommended using that amount as ESA (emergency shelter assistance). This amount became the median MPC value. Importantly, it must be noted that the PhP 5,000 was not based on market prices or other reliable formula, instead it reflected Philippines' Government budget for the Odette response.

The only viable and updated MEB existing in the Philippines for the Odette response was created by Action Against Hunger in Caraga. This MEB was specific to Caraga and served the BHA-consortium program delivering MPC (among other activities) and including AAH, Relief International and CARE. The basket considered food, WASH, shelter, transportation and communication, but did not include the ICCG in its computation and thus was not endorsed at the CWG. Still, it represented a good practice and the most comprehensive method to deliver MPC available at the time of Odette. The total basket amounted to PhP 12,105 and AAH decided to cover 42% of it in order to align with the PhP 5,000 government recommendation (the decision on the transfer value is often sensitive therefore, the computation for MPC should be computed with the CWG and ICCG to safeguard buy-in of the humanitarian community).

Some agencies used a formula: $100\% \times \text{regional minimum wage} \times 10\text{days}$ to develop their MPC. However, the calculation did not follow government recommendations which stipulated 75% for MPC-type of assistance and 100% for CfW-type of assistance. This matter was a subject of prolonged confusion, not least because at the onset of the Odette response the DSWD made apparent verbal promises at a CWG meeting, which they then did not keep.

At the time of writing this reference guide the CWG endorsed an MEB, using a "rights-based approach".¹⁴ Each cluster recommended essential items to be included in the basket, considering basic needs of a vulnerable population post Typhoon.

¹³ See Annex 5

¹⁴ <https://docs.wfp.org/api/documents/WFP-0000074198/download/>

Minimum Expenditure Basket (Philippines, 2022)			
Items	PhP	USD	%
Food	7582	138	40%
WASH	1023	19	5%
Shelter	3340	61	17%
NFIs	1526	28	6%
Debt	400	7	2%
Services	550	10	3%
Education	458	8	2%
Health	176	3	1%
Protection	2116	39	11%
Livelihoods	2333	42	12%
TOTAL	19504	355	100%

Cluster leads were responsible to provide the list of essential items with prices. Two sections without a cluster, debt and services, were computed based on approximations: average monthly repayment in case of the former and regular transportation fee and cost of basic data bundle in case of the latter.

The understanding of the MEB is that some items are distinctly one-off and not suitable for recurring transfers (i.e. shelter equipment, NFIs etc). Therefore, the first MEB-based transfer should consider the entire MEB, while subsequent transfers should consider only the recurring costs:

Recurring MEB Items	
Items	PhP
Food	7582
WASH (w/o jerry can)	773
Debt	400
Services	550
Educ. wifi	300
Livelihoods	2333
TOTAL	11938
%	61%

At the time of writing this Reference Guide, the CWG was discussing the rationalisation of MEB coverage. After an internal analysis, the CWG decided to endorse the transfer value reflecting 50% coverage of the MEB, for the following reason:

The poverty line in the Philippines¹⁵ = PhP 12,030 (2021) [100%]
 CWG MEB = PhP 19,504 (2022) [162%]

DSWD ECT coverage (75%) = 75% x 12,030 = PhP 9,022¹⁶
 CWG MEB coverage (50%) = 50% x 19,504 = PhP 9,752

The 50% coverage of MEB works towards aligning the transfer value with the rationale of the ECT.

¹⁵ <https://psa.gov.ph/poverty-press-releases/nid/167972>

¹⁶ Assuming that the minimum wage rate, which the ECT utilises as a basis for its formula, is reflective of the poverty line threshold.

At the time of writing this Reference Guide, the CWG was liaising with the national office of DRMB/DSWD about the utilisation of the MEB and the transfer value coverage.

Recommendation: Follow the CWG-endorsed MEB-based transfer value of PhP 9,750 for the first MPC instalment and subsequent transfers of PhP 5,950, reflective only of the items required on monthly basis. Based on the MEB guidelines (annex 1) the food basket of the MEB will be monitored monthly (WFP) and other items should be monitored quarterly, including inflation. Any deviation of 20% should render a re-calculation of TVs.

Agencies should use the CWG-endorsed transfer to ensure MPC is based on market prices, to harmonized programming and safeguard the Do No Harm principle across the Philippines

9.4 Financial service providers (FSPs)

Financial inclusion landscape: In the Philippines financial services are available and functional throughout the country and most commercial banks are present in many regions, but still over 40% of the total adult population remain without access to an account¹⁷.

Approaches taken: Landbank is the Philippines's Government FSP, used for its 4Ps social protection program, one of the largest in the world. In spite of the scale at which it operates, Landbank is not the most progressive player - or one with the largest network - in the country.

During the Odette response the most widely used FSPs were the pawnshop networks (Palawan, M. Lhuillier, Cebuana, RD pawnshops), Money Transfer Agents (Western Union, USSC, LBC), Banks and Mobile Money Operators (Globe/Gcash, SMART/PayMaya). The Philippine Red Cross used Phil Post.

The CWG established an FSP Task Force for FSP mapping and for the selection of additional or alternative FSPs, taking into account lessons learned and the needs of the CWG members.

Recommendation: Although the Task Force agreed that multiple FSPs (including non-bank providers such as Gcash and PayMaya) and payment modalities will still be needed in future cash assistance operations, opportunities (no physical distributions, cheaper transfer fees) and constraints (KYC requirements, access to/ownership of a mobile device, network availability) for delivering humanitarian transfers digitally needs further analysis and assessment. Despite the a/m constraints the growth in cell phone ownership continues at pace and with it the expectation is that users will opt to engage with mobile money platforms.

As the Government of the Philippines and the Bangko Sentral ng Pilipinas advocate for responsible digital payments and are leading the way through their own programmes¹⁸, humanitarian actors should work closely with the Government to piggy-back on its efforts to use digital solutions for Social Protection programmes in the Philippines. Otherwise, synergies could be also developed with respect to the Government's FSP Landbank. There are also useful references that offer recommendations and good practice examples to guide humanitarian actors on their journey towards digitization of humanitarian transfers including:

1. UN Principles for Responsible Digital Payments – Overview for International Organizations

¹⁷ [The Global Findex Database 2021](#). The percentage of respondents who report having an **account** (by themselves or together with someone else) at a bank or another type of financial institution (financial institution account), or report personally using a mobile money service in the past year (see mobile money account).

¹⁸ [https://www.bsp.gov.ph/PaymentAndSettlement/BSP-Forging_pathways_to_a_cash-lite_society-Status_of_Digital_Payments_in_the_Philippines_\(2021_edition\).pdf](https://www.bsp.gov.ph/PaymentAndSettlement/BSP-Forging_pathways_to_a_cash-lite_society-Status_of_Digital_Payments_in_the_Philippines_(2021_edition).pdf)

9.5 Post distribution monitoring (PDM) and cash indicators

Approaches taken: Agencies used existing - or developed new - PDMs to measure the effect of the CVA distributed. The PDMs served as measures of satisfaction, relevance, effectiveness, efficiency and timeliness of the emergency responses delivered by agencies, often incorporating specific cross-cutting issues, such as Covid-19 measures, protection, PSEA and LGBTQ+.

Recommendation: The CWG has looked at various agency's PDMs in the Odette response and compiled a database of questions relevant to cash assistance beneficiaries.¹⁹ It is advisable to use the questions²⁰ in the database to update PDMs for future responses.

For agencies that are interested in measuring the impact of cash assistance, they may want to follow the ECHO or USAID guidance notes and thematic policy documents on the matter, available online. The main impact indicators to be measured for MPC are the following:





	Indicators
1	Food consumption score (FCS)
2	Reduced Coping Strategy Index (rCSI)
3	Livelihood Coping Strategy Index (LCSI)
4	% assistance delivered in safe and dignified manner (AAP)
5	% of HH satisfied with the assistance provided (AAP)
6	% of assistance received timely (i.e. in time to purchase basic needs) (AAP)
7	% of HH meet basic needs
8	% women decision making (Gender)
9	% of HH meet shelter standards (Shelter)
10	% of HH meet WASH standards (WASH)

(target values are available online and can be adapted to context/area)

9.6 Sectoral Cash

Approaches taken: Clusters are ultimately responsible to develop sectoral cash standards, with support from the CWG. In the context of the Philippines little such standardisation has taken place in the past years. During the Odette response agencies used their own standards for cash for protection, cash for health, cash for food and cash for shelter (among others). An effort was made to use these good practices as reference to sectoral cash.

Recommendations: With the help of cluster leads the CWG consolidated items and prices to compile sectoral cash standards. Working with UNHCR and UNFPA in protection, WHO and UNFPA in health, WFP and FAO in food and IFRC and IOM in shelter,

			
Cash for Food PhP 7,582 <small>Average from Region VII, VIII and Caraga</small>	Cash for Maternal Health PhP 3,000	Cash for Shelter PhP 3,340 <small>Minimum Emergency Shelter Assistance (ESA)</small>	Cash for Protection PhP 2,116

¹⁹See Annex 3

²⁰Best to use all questions for comparability purposes. If this is deemed too heavy/long, at least all questions marked as "important" should be used.

sectoral cash amounts were assembled²¹. The CWG's role is to support the clusters, help to communicate their rationale for calculating transfers and the design of sectoral cash programs.

9.7 Cash for Work and early recovery

The Government of the Philippines' minimum wage approach is suitable for the CfW activities. Using the regional minimum wage, the formula stipulates: $100\% \times \text{regional minimum wage} \times \text{nr of days (max 90)}$.

The wage rates selected per region should be the highest available – non-agriculture – following the official government website, which updates them regularly: <https://nwpc.dole.gov.ph/stats/summary-of-current-regional-daily-minimum-wage-rates-by-region-non-agriculture-and-agriculture>

The following is a computation of daily rates per region, based on the government website (as at June 2022):

DSWD CfW Recommended Rates, June 2022 (max)	
Region	CfW daily rate
NCR	570
CAR	380
I	370
II	400
III	450
IV-A	435
IV-B	355
V	345
VI	450
VII	435
VIII	350
IX	351
X	390
XI	427
XII	352
CARAGA	350
BARMM	325

It may be important to confirm the minimum wage in the given region with a regional or provincial office prior engaging in the activity in order to ensure harmonization. Wage rates changes frequently in the Philippines.

²¹ Note: these figures change frequently depending on fluctuating market prices, which, at the time of writing this reference guide, are exacerbated by the war in Ukraine. Thus, these figures should only be treated as an indication of what has been done/recommended during the Odette-response. Also, to note, some of these amounts are recommend as one-off (e.g. Shelter), recurring (e.g. Food) or only for specific groups (e.g. Maternal Health).

Regional cash focal points should be tasked with such work, if and whenever established in a disaster response and in the absence of an active Early Recovery cluster, which, unfortunately, remained largely inactive post Odette response.

The importance of harmonizing the values for CfW holds an additional benefit: UN organizations and NGOs should not be seen as better or worse employers by the affected populations. The same work should be given the same rewards. Otherwise, the humanitarian community is running a reputational risk and may induce negative incentives among the population in the future

9.8 Standardized data sourcing

Taking into consideration past disasters in the Philippines, it is seldom that the Government requests direct support from the humanitarian community. It is more common that such support is offered by the agencies and subsequently accepted by the Government. Therefore, the line of communication with a government office may be predetermined by the request. If it is not, then the agencies may have more flexibility in choosing which government unit to engage with; likely one that is located in more proximity to the disaster area.

Based on the STY Rai experience, the humanitarian community could speed up its emergency response by sourcing its data from the LGUs, namely M/CSWDOs or PSWDOs. Such an approach would ensure that agencies obtain the first officially consolidated data available post-disaster. At the same, the DRMB should lead in geographical targeting of areas most in need of humanitarian support.

National	<ul style="list-style-type: none"> •Coordination •Geographical targeting
Region	<ul style="list-style-type: none"> •Coordination •Geographical targeting
Province & Municipality (LGUs)	<ul style="list-style-type: none"> •Data collection •Targeting & beneficiary selection

The proposed model may have the following advantages:

- Standardising data sourcing across all agencies mitigates duplication;
- An operating procedure for data sourcing would help agencies obtain information in similar time and therefore start and finish activities synchronously;
- Sourcing data at the LGUs encourages working closer to the affected areas and stronger community engagement;
- This approach utilizes partners on the ground, including CSOs and local NGOs (localization);

10. Cross-cutting issues (Gender, Environment)

Cash transfer programs in the humanitarian as well as development contexts pose a variety of challenges across the world. Injecting cash into a household or a community has the ability to influence gender dynamics, induce unwanted sexual or otherwise exploitative behavior or affect the environment.

When adopting CVA in a response adequate consideration should be given to potential effects on local labour, social roles, control of resources, various types of discrimination and violence, to name a few. The effect of cash injections

should be considered on different vulnerable groups, such as people with disabilities, senior citizens, single headed families (especially women- and child-headed households), LGBTQ+ communities, pregnant and lactating women and indigenous communities.

10.1 Gender

Participatory and inclusive process: Be sure that cash-based programming meets current needs, is accessible to all intended beneficiaries, fosters long-term recovery and builds resilience whilst not worsening potential protection risks. A truly participatory approach requires actively involving a wide range of representative women, girls, men and boys in CBI-specific assessment, analysis and planning. This includes using age-, sex- and diversity-disaggregated focus group discussions, engaging female and male staff and translators to access female and male beneficiaries and ensuring the availability of childcare and other supports.

Include gender in assessments/analysis: Ask about the specific needs and roles of women, girls, men and boys regarding receiving and managing household cash. How easy is it for women and girls to access markets and do the markets stock the items they require? In cash for-work programmes, what types of labor are culturally acceptable and viable for women and men? What additional supports, such as childcare and transit, do women need to engage in work-based activities? What are the household attitudes towards women handling cash and deciding on its use? Do women and men have the identification documents and/or access to technology that is required to receive the cash? What potential activities could women engage in that would increase their self-efficacy and resilience? Sex- and age-disaggregated data (SADD) Data gathered and analysed by sex and age can provide a clearer picture of needs, access, and retention in CVA.

Adapted assistance: Tailor CVA delivery mechanisms to reflect social, economic, communication and physical barriers to access for women, girls, men and boys to register to, claim and either spend cash or redeem vouchers. (Note that different mechanisms might be required for women and men in the same community.) Verify that women and men have equal access to mobile phones, bank accounts and identification cards, as necessary. Ensure they have the ability to reach registration sites, cash-out distribution sites and the markets. Alternatively, make sure there are provisions for nominees to collect cash on behalf of those unable to travel. Recognise disabilities and impairments (e.g. speech, hearing and visual) in targeting beneficiaries and put in place appropriate alternative mechanisms for registering/receiving cash. People with diverse gender identities and sexual orientations facing public discrimination may prefer more discreet delivery mechanisms such as mobile phone transfers. Frequency and size of transfers should also be considered. For example, for safety reasons women may prefer smaller, more frequent cash-out options over one lump-sum cash-out (or vice versa).

Ensure centrality of protection: Work with Protection, including GBV sub-cluster and Child Protection Working Group colleagues, to ensure that CVA programming is mitigating, not exacerbating, risks of gender-based violence and other types of protection issues. Adherence to protection principles should be safeguarded throughout the program cycle. For example, proactively addressing issues that could potentially lead to household violence, with supplementary programme components, may reduce risks of GBV. These can include communicating to male and female household members the targeting rationale. If women are selected, both men and women should be supported by other activities (e.g. livelihoods, psychosocial support, gender discussion groups) to avoid deepening household tensions.

10.2 Environment

Include environment in program design: Seek support from an environmental specialist at program design phase to safeguard environmental protection.²² Integrate environmental considerations in assessments, including market and supply chain analysis. For example, consider whether it is a risk that the amount of cash transferred is insufficient, beneficiaries may choose materials which are less environmentally sustainable, unhealthy and/or of lower quality. Apply restrictions and conditions as needed to shape beneficiary behavior and limit environmental impacts. Can sourcing of local materials compromise fragile environmental conditions for example by overusing wood and sand, and create harm in the long-run.

Adapted assistance: Build capacity of the affected populations to strengthen environmental management and sustainable recovery. Consider the use of cash for work schemes to address direct and secondary environmental impacts in a manner that facilitates community-based environmental protection. Make sure the appropriate technical expertise is included in programme design and delivery. For example, cash for work to reuse coconut lumber and clear debris, with focus on reusing and recycling.²³

Monitoring and evaluation: Incorporate environmental indicators into monitoring systems. Evaluate environmental impacts of CVA as part of humanitarian response evaluations. Ensuring participation of beneficiaries in the monitoring and evaluation process is crucial. This may be done through the conduct of Post Distribution monitoring where there are tools that may be able to measure the effectiveness of the program, particularly on the processes involved.

11. References

²² Looking Through an Environmental Lens - Implications and opportunities for Cash Transfer Programming in humanitarian response, 2018. <https://reliefweb.int/report/world/ctp-looking-through-environmental-lens-implications-and-opportunities-cash-transfer>; The Environmental Impact of Cash and Voucher Assistance https://www.urd.org/wp-content/uploads/2020/11/RapportENVCash_En_GroupeURD_2020.pdf

²³ The United Nations Environment Programme (UN Environment) and the UN Office for Coordination of Humanitarian Affairs (OCHA) Joint Unit (JEU) works at the interface of environment and emergencies. https://www.unocha.org/sites/unocha/files/05_Factsheet_Environment%20and%20Humanitarian%20Action.pdf
The JEU can mobilize environmental experts and equipment for deployment to the affected country, conduct rapid environmental assessments, and provide remote support. https://www.eccentre.org/wp-content/uploads/2019/07/factsheet_Response_new-logo.pdf

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https://ndrrmc.gov.ph/attachments/article/4181/DSWD_ECT_during_Disasters_Operations_Manual.pdf
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4. Memorandum Circular No.4 on the Enhanced Guidelines for the Implementation of Cash and Food-for-Work, Training, Caring (C/FF/W/T/C) for disaster risk reduction and management (DRRM) (DSWD, 2021): <https://www.dswd.gov.ph/issuances/>
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8. CTP: Looking Through an Environmental Lens <https://reliefweb.int/report/world/ctp-looking-through-environmental-lens-implications-and-opportunities-cash-transfer>;
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10. Environment and Humanitarian Action – Joint Environment Unit (JEU)
https://www.unocha.org/sites/unocha/files/05_Factsheet_Environment%20and%20Humanitarian%20Action.pdf https://www.eecentre.org/wp-content/uploads/2019/07/factsheet_Response_new-logo.pdf

12. Annexes

1. CWG Terms of Reference (August, 2022),
<https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>

2. Information Management role in Asia-Pacific Regional Cash Working Group (July, 2022)
<https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>
 3. Post Distribution Monitoring (PDM) set of recommended questions (May, 2022)
<https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>
 4. 5W template (Typhoon Rai/Odette)
<https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>
 5. MEB Guidance Note (August, 2022)
<https://www.humanitarianresponse.info/en/operations/philippines/cash-working-group>
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