Rapid Reflection on the optimal use of CVA for the Ukraine Response by DEC member charities and their partners

Regional overview: Ukraine, Moldova Poland, & Romania

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Acknowledgments

Acronyms

CAG	Global Cash Advisory Group
CBI TWG	Cash Based Interventions Technical Working Group
CVA	Cash and Voucher Assistance
CWG	Cash Working Group
HRP	Humanitarian Response Plan
KI	Key Informant
MEB	Minimum Expenditure Basked
MPC	Multi-purpose Cash Assistance
PWD	Person with Disability
RAIS	Refugee Assistance Information System
RCM	Refugee Coordination Model
RRP	Refugee Response Plan
SP	Social Protection
ToRs	Terms of References
WFP	World Food Programme

I. Introduction

Since February 2022, Ukraine and the neighbouring countries are facing a humanitarian crisis of unparalleled scale, ranking among the fastest-growing crises observed in the past decade and the largest in Europe since the end of World War II. In the first two months of conflict, more than 30 percent of Ukraine's population had been coercively displaced and by fall 2023, 6,240,400 refugees had left Ukraine[1] and 3,674,000 people were internally displaced.[2]

Thanks to a uniquely conducive environment across Moldova, Poland, Romania and Ukraine, the Ukraine response witnessed the fastest and largest cash programming scale-up in history. In 2023, in locations where it is contextually and operationally feasible, cash transfers have been used at scale to cover war-affected households needs. Based on a highly conducive environment for CVA, with well-functioning markets and strong financial and digital infrastructure, and to the nature of needs and vulnerabilities, cash transfers have been prioritized by the humanitarian community in Ukraine as the preferred and default response modality wherever feasible.

In Ukraine, the fastest and largest cash programming scale-up in history disbursed US$1.7 billion as CVA between February 2022 and October 2023, with Multi-Purpose Cash Assistance (MPCA) representing 46 percent of the total 2022 Ukraine Flash Appeal[3] and 23 percent of the 2023 Appeal.[4] In Moldova, Poland and Romania, CVA funding requirements represent 27 percent of the regional requirement of the 2023 Regional Refugee Response Plan.[5] DEC member charities and their partners have used Cash and Voucher assistance at scale in their response. CVA represents 65 per cent of programme expenditure while MPCA 26 per cent.

This paper reflects on the **optimal use of CVA by DEC member charities and their partners**, more than one year into the crisis in Moldova, Poland, Romania and Ukraine. The two focus research areas are: i) the inclusivity of targeting mechanisms used to reach the most in need, and ii) the extent to which CVA delivery was locally led. The paper draws from 28 semi-structured key informants' interviews with key cash stakeholders, a sectoral CVA mapping[6] completed by 20 DEC members and partners and a desk review of available literature (Bibliography).

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[1] UNHCR, 2023, Operational Data Portal: Ukraine Situation. Accessed October 12th 2023
[2] IOM, 2023, Displacement Tracking Matrix, Ukraine. Accessed November 10th 2023
[3] OCHA, 2022, Ukraine Flash Appeal March to December 2022.
[4] OCHA, 2023, Ukraine Humanitarian Response Plan 2023
[5] UNHCR, "Ukraine Situation Regional Refugee Plan", 2023.
[6] The mapping is available here: https://docs.google.com/spreadsheets/d/1U7i34iY5UjB0cPTu1_ythPMevKRTusdQ0ffXz7tZb74/edit?usp=sharing
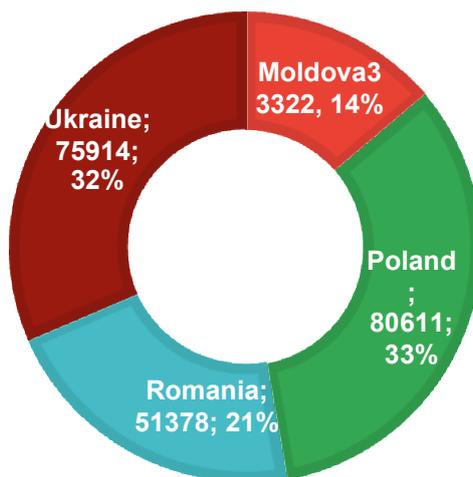
II. DEC members and partners CVA overview

Below is an overview, as per the mapping completed by the DEC member charities, of CVA response in the four countries by DEC members and partners. A template was sent in August 2023 to DEC representatives in Ukraine, Romania, Moldova and Poland to input details on their sectoral CVA activities. Twenty organisations completed the mapping across the four countries. Type of information collected in the mapping included number of individuals reached (disaggregated by gender/ age/ PWD), modality, conditionality, transfer value, frequency of payments, number and duration of payments and sector.

The overview (especially the raw figures) is to be taken with caution as the mapping is not exhaustive: information is drawn from 20 organisations (annex 1 for the complete list) who completed the survey. Not all entries were DEC funded and the mapping focused on sectoral cash.

Number of individuals reached
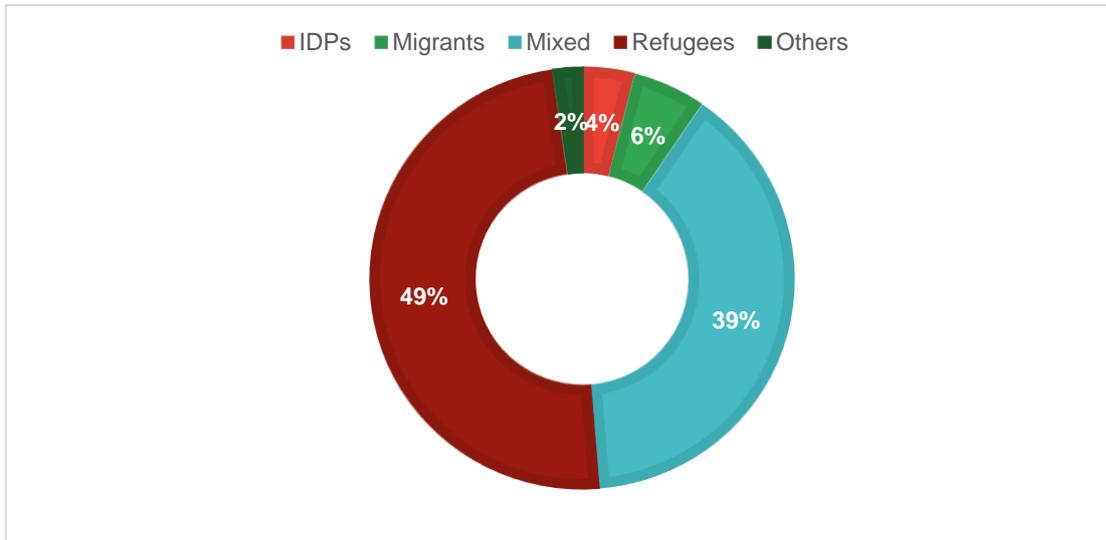

Figure 1 – Number of individuals reached per country

A minimum of 241, 225 people were reached through CVA by DEC members and partners as of August 2023.[7] This is fairly evenly spread across the four countries with the largest share being in Poland (33per cent) and Ukraine (32per cent).

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[7] Data was collected in August 2023
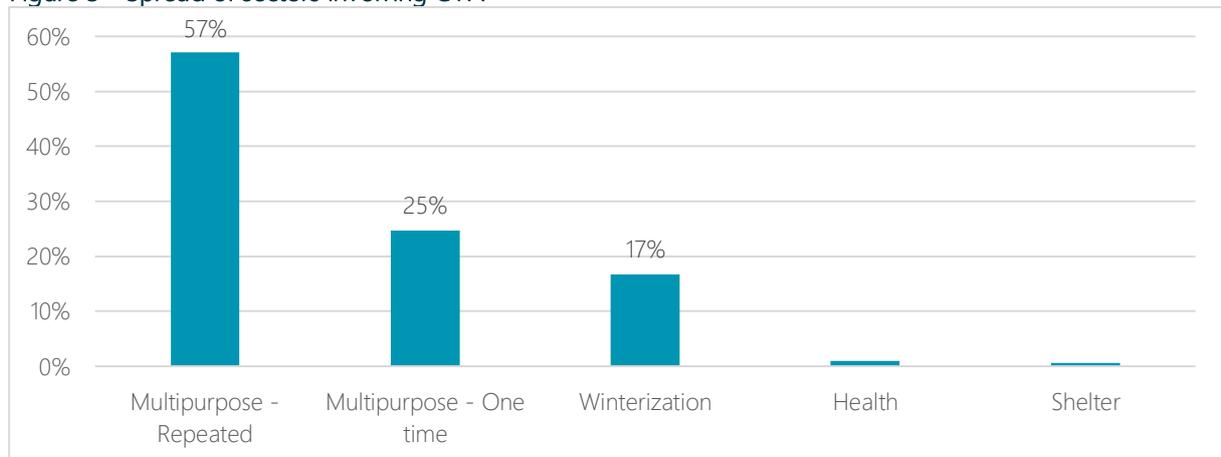
Type of people reached

Figure 2 - Type of people reached through CVA

The majority of CVA by DEC members and partners targets refugees (49 per cent) followed by a mix of recipient (IDPS, migrants, and refugees). IDPs represent a smaller proportion as they are only present in Ukraine.
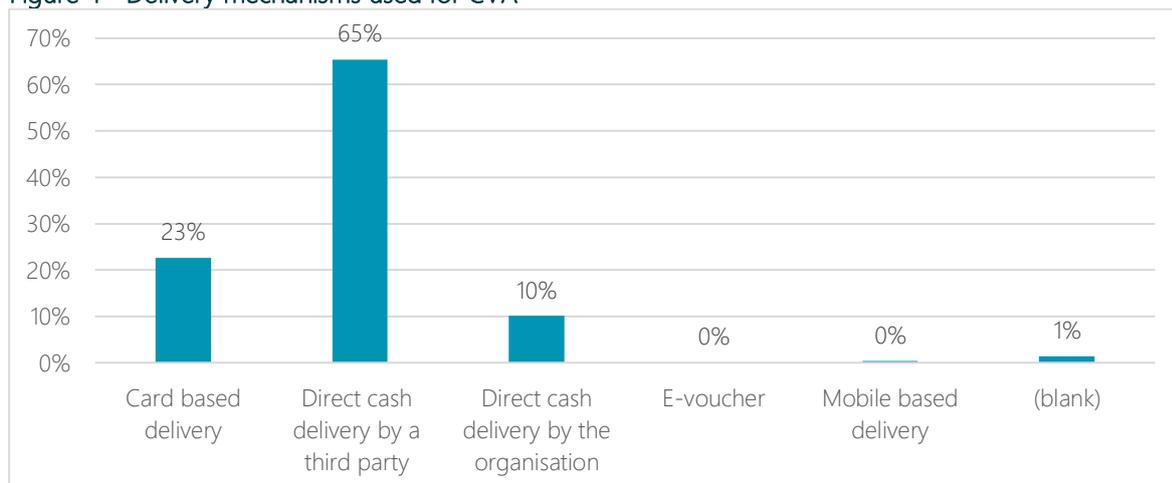
Sector

Figure 3 - Spread of sectors involving CVA

Repeated multipurpose cash was the most common use for CVA (57per cent) followed by one-time multipurpose cash (24per cent) and winterisation (17per cent). The health and shelter sectors each represent 1per cent of CVA and the Livelihoods, protection and food security sectors, close to 0per cent.

Delivery mechanism

Figure 4 - Delivery mechanisms used for CVA

The most used delivery mechanism in all countries was direct cash delivery by a third party (65per cent) followed by card-based delivery (23per cent).

III. Inclusivity of targeting mechanisms

Research question 1: How have DEC member charities and partners adjusted targeting mechanisms and criteria to reach the most in need considering factors such as gender, age, disability status and geographic areas impacted by the conflict?

Key Finding 1: DEC members and partners demonstrate having gender and age sensitive tools in place, but more difficulties were observed with regards to disability.

All DEC members and partners consulted reported taking vulnerability criteria into consideration to reach the most in need with tools and practices differing depending on the organisation and country. Types of tools used include disaggregated questionnaires, vulnerability scorecards, assessments by case managements teams and UNHCR targeting framework. For example, In Moldova, Oxfam provided guidance to LNAs to explain targeting based on vulnerability criteria. They developed a joint questionnaire with detailed vulnerability breakdowns with an LNA to support them with their targeting and which could be shared with others.

"We had very clear guidance, and developed a comprehensive questionnaire with Oxfam which was completed for each case. It tackled vulnerability level, age, location, disease, etc." DEC partner – LNA, Moldova

Criteria mentioned by consulted stakeholders were mainly gender and age related (pregnant women, women with protection risk, the elderly) and less frequently referred to disability. For example, only two organisations (in Poland and Ukraine) referred to using the Washington Group Questions on Disability, which is in part reflected in the types of people reached by DEC member charities. As observed in the graphs below, targeting and tools and mechanisms used by DEC member charities and partners were sufficiently comprehensive to be aligned with gender and age and breakdowns outlined in the Ukraine HRP and RRP planned responses but lagged relatively with regards to reaching people with disabilities.

Figure 5 – HRP[8] planned response vs CVA reach by DEC members in Ukraine
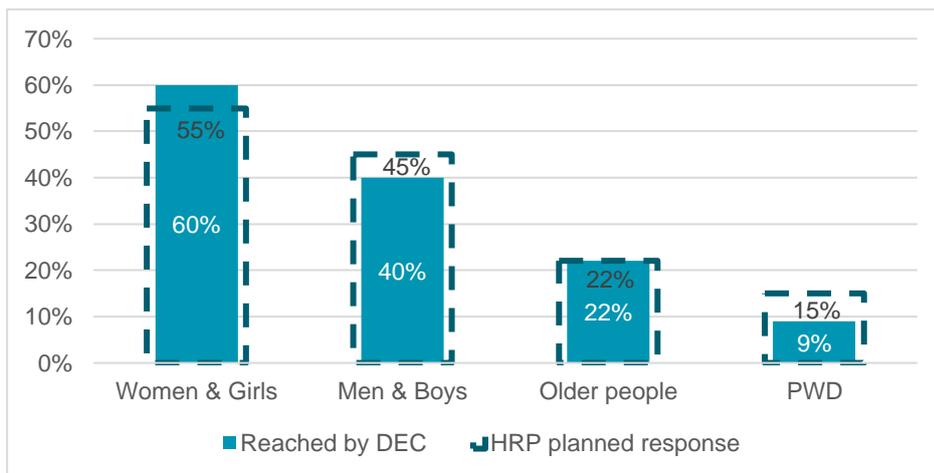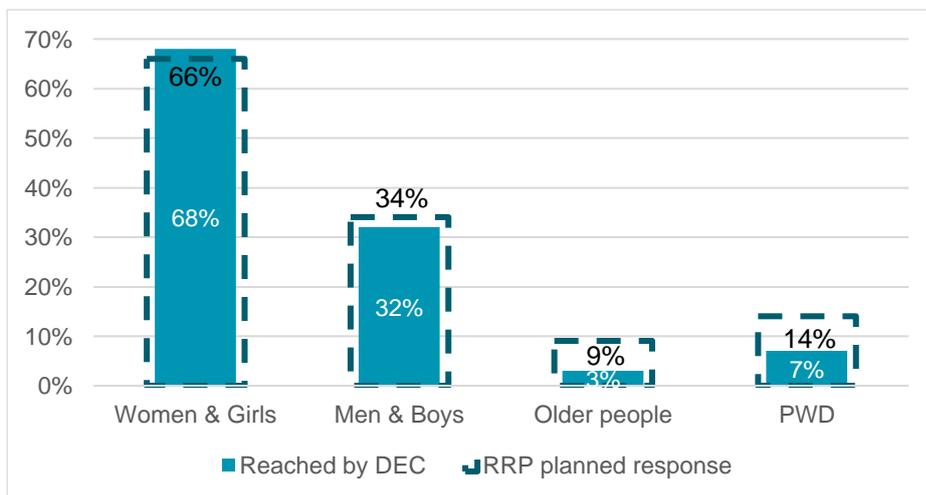

Figure 6 – RRP[9] planned response in refugee hosting countries vs DEC CVA reach in Romania, Poland & Moldova

In all countries, DEC members surpassed objectives set in the HRP and RRP for targeting women and girls (by 5 per cent in Ukraine and by 2 per cent in refugee hosting countries). The extent to which this can be fully attributed to tools used is hard to ascertain. As 85 per cent of refugees are women and girls,[10] programmes were inherently designed to include them. The use of adequate targeting mechanisms has nonetheless undoubtedly been able to accompany this result which is an achievement.

All countries lagged behind in reaching objectives for PWD relative to the RRP and HRP and not as many older people as expected were reached in refugee hosting countries. In Ukraine, learnings from the research papers show that this gap is also linked to registrations mechanisms as, for example, the vast use of digital self-registration platforms posed accessibility issues who could not use them.[11] Additionally, local organisations, were not always adequately involved in supporting local

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8 "2023 Humanitarian Response Plan Ukraine," 2023.
9 "Ukraine Situation: REGIONAL REFUGEE RESPONSE PLAN," December 2023.
10 Juillard H., Charlot C., Labaume C., Minnitt N., Chene H. (2023), Evaluation of UNHCR's Level 3 Regional Refugee Response to the crisis in Ukraine. UNHCR: Geneva
11 Luca Sangalli, "'Cash and Beyond' - Analysis of Extra Costs Associated with Disabilities and Disability-Specific Social Proection in Ukraine, in the Aftermath of the Russian Invasion," December 2022.

registration of people for humanitarian support, which might have further hindered PWD's access to CVA.[12]

"Blind people have huge problems with registration for assistance. People with disabilities find it very difficult to get assistance." LNA, Ukraine

Limited guidance on appropriately including PWD and the elderly in programmes may have affected organisations' ability to include these groups. According to key informants in Poland, there was information lacking on how to specifically target older people and those with disabilities. Although they were identified as vulnerable by the targeting taskforce, not enough guidance was provided on how to address their basic needs and include them in programmes.

Key finding 2: Targeting criteria is influenced by other structures (SP & CWG), but lack of consensus and harmonisation encourages actors to continue relying on their organisational priorities.

Efforts have been made to align CVA to Social Protection (SP) schemes, when possible, in particularly with regards to eligibility criteria. For example, Moldova has made stronger efforts than other countries in the region to align targeting mechanisms, particularly of vulnerable host communities with social protection schemes.[13] Contrarily to other countries in the region, humanitarian CVA in Moldova was under the most pressure to target both poor Moldovan households and refugees in a view to maintain social cohesion which affected organisations targeting strategies.[14] However, as the ambition to reconcile the two systems (SP and humanitarian) has not yet materialised in any of the four countries, despite SP systems being for the most part mature and diverse and Humanitarian CVA being at scale and well resourced, organisations continue to exercise a degree of autonomy with regards to targeting.

The CWGs are another structure gaining an increasingly important role in harmonising criteria for MPCA across organisations but with mixed success. Most organisations consulted reported using a mix of sector-based criteria and organisational based criteria for targeting. For example, one DEC member in Poland reported that vulnerability criteria set by the CWG was not complete enough in terms of accounting for the elderly and PWD. In Romania, organisations are wary of imposed criteria that do not align with their organisational mandate (e.g. StC want to focus on children not the elderly, etc) which contributed to the inability to find consensus in targeting.[15] Hence, DEC members are prioritising specific needs rather than adhering to the vulnerability criteria established by the CWG. This approach involves concentrating efforts on specific, tailored support initiatives.[16]

"We did needs assessment and had vulnerability criteria that was separate to the criteria of the CWG (the UNHCR one). Each NGOs had their own criteria." LNA, Romania

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[12] CALP, "Registration, Targeting and Deduplication: Emergency Response inside Ukraine Thematic Paper," August 2022, https://www.calpnetwork.org/wp-content/uploads/2022/09/Registration-Targeting-and-Deduplication-Emergency-Response-inside-Ukraine-Thematic-paper-1.pdf.
[13] STAAR, "Humanitarian Assistance and Social Protection Linkages: Strengthening Shock-Responsiveness of Social Protection Systems in the Ukraine Crisis," July 2022.
[14] CWG, "Moldova CWG Minutes of Meeting - 14th July 2022," July 2022.
[15] As per KIIs and the Romania roundtable discussion
[16] As per the Romania roundtable discussion

Key finding 3: A more nuanced approach to targeting is being implementing as the response moves away from blanket cash

CVA programming is moving away from blanket or status-based targeting to more specific targeting based on vulnerability. As the response moves into 2024, respondents were unanimous in calling for a renewed focus on targeting, quality and impact, harmonization with social protection, accountability to affected people, better use of evidence to drive the response, and de-duplication and coordination with sectoral responses. Some felt that targeting in the early days of the response by many agencies remained too broad, highlighting the need to refocus assistance on the most vulnerable rather than on the wider population who have been economically impacted by the war. Inclusion errors and overlap which had been an acceptable cost of doing business in the early days of the response now need to be addressed as funding declines.

An opportunity is to strengthen links between MPCA and sectoral cash with the end goal of joint vulnerability analysis, coordinated cross-response targeting and effective rollout of de-duplication mechanisms. As well as being preferred by recipients, MPCA can make an important contribution to sectoral mandates or project specific sectoral outcomes.

"Quantity vs quality has been a huge issue in this cash response, but I'm confident we're on the right track", Donor, Ukraine

Key finding 4: In Ukraine, there exist a consensus to refine targeting criteria as the war progresses to different geographies

The 2024 HNRP will set out clear geographical prioritisation, and many stakeholders have called for a tighter focus on people in frontline areas, in particular elderly and disabled people. It has been requested that the CWG issue stronger guidance to drive this.

Per CALP research, while a blanket approach for IDPs is no longer sustainable in accessible areas, a fully targeted approach is still operationally difficult to implement in hard to access areas.[17] Since May 2023[18], there has been **progress in refining MPCA targeting criteria** through two established pathways which take into account geographic location and associated vulnerabilities and challenges to targeting incurred:

1. **A rapid pathway** tied to recent displacement and for those living close to areas of active hostilities, based on status - having been displaced in the last 30 days or living in active combat areas. (Rapid Emergency MPCA),
2. **A 'stability' pathway** for those in protracted displacement or residing further away from the front line, based on economic vulnerability analysis (Emergency Cash Assistance ECA).

IV. Localisation approach employed by DEC

Research Question 2: to what extent has CVA delivery by DEC member charities and partners been as locally led as possible?

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[17] CALP, "Registration, Targeting and Deduplication: Emergency Response inside Ukraine Thematic Paper."
[18] Multi-Purpose Cash Assistance Targeting Framework, May 2023, Ukraine CW

Key finding 5: The majority of cash programmes delivered by DEC members and partners involve local partners

A high proportion of cash programmes delivered by consulted DEC member charities and partners involve local partners in all four countries. This contributes towards localisation objectives of increasing international investment and respect for the role of local actors, with the goal of increasing the reach, effectiveness, and accountability of humanitarian action.[19]

Table 1 - Percentage of projects involving LNAs in cash programmes delivered by DEC members

Country	Ukraine	Poland	Moldova	Romania
Percentage of projects involving LNAs[20]	100%	85-100%	80%-100%	0-100%

As demonstrated in Table 1, between 80 to 100 per cent of projects involve LNAs (in any capacity) in Ukraine, Poland and Moldova. In Romania the greatest share of CVA implementation is conducted by the Romania Red Cross and Save the Children Romania. As they are focusing on building their capacity in Romania, they are not bringing on any other LNAs at this stage. This is why the range is from 0-100 per cent as other DEC members in Romania almost all work with LNAs.

Key finding 6: LNA's involvement in the roll out of CVA programs is evolving to become more inclusive across the entire project cycle - a new partnership model?

As the vast majority of local organisations had limited experience in the formal humanitarian sector and as DEC member charities had limited operational footprint in the area prior to February 2022, partnerships between national and international organisations quickly appeared as mutually beneficial. The Ukraine response also presents opportunities to advance the localisation agenda because of the high scale and relatively high funding coverage of the response and thanks to well-developed infrastructure, and a strong civil society network.

There have been discussions that partnership models are evolving beyond traditional sub-granting with INGOs playing a facilitation role between LNAs and donors by fulfilling grant management requirements and facilitating access to funding.[21] However, the extent to which this model simply replicates the implementing partner model or offers a more equitable partnership relationship, with equal visibility, decision-making, and adequate support funding remains unclear.

As the response evolves and more areas become accessible, there is a larger scope and role for local organisations, as their competitive advantage lies in their community-led approaches and outreach capacities, particularly for hard-to-reach communities.

Types of involvement ranged from being as light as accepting referrals to supporting with outreach or fully implementing projects on behalf of INGOs – as some DEC member charities reported not participating in any direct implementation but acting more as "technical backstopping". LNAs are gradually more involved in conducting assessments and providing input in the design phase with a

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[19] https://www.ifrc.org/happening-now/advocacy-hub/localization
[20] Based on qualitative data obtained from KIIs
[21] Diana Tonea and Vicente Palacios, "Role of Civil Society Organisations in Ukraine - Emergency Response inside Ukraine Thematic Paper (CALP)," October 2022.

view to increase their autonomy, aligning with the progressive exit strategies of international organisations.

Yet this attribution of responsibility is not being reflected in funding allocated to LNAs. The 2023 DEC report on localisation of aid in Ukraine[22] reveals that the sector is still falling short of its commitment, with less than 1 per cent of humanitarian contribution for the Ukraine crisis that has been transferred directly to local organisation. The Ukraine response has been emblematic of where humanitarians are today with the localization, with the vast majority of humanitarian funding still being channelled through a limited number of international organisations.

Key finding 7: Effectiveness of capacity strengthening for local partners is hindered by lack of resources and limited active engagement in CVA coordination platforms

Many DEC member charities provide cash related capacity strengthening support to their local partners and in most cases this support is co-designed to address the identified gaps. This support can take the form of training or technical back stopping.

DEC member charities commitment to build partners' capacities aligns with recognised effort from the international aid community overall: as per the CALP, 75 per cent of INGOs in Ukraine[23] provide organizational capacity strengthening support. Strengthening capacity of LNAs is also one of the CWG strategic objectives in Romania and Moldova. In Moldova INGOs have already provided cash trainings, and this year's appeal process for the RRP received six proposals from LNAs relative to two in 2022.[24]

Key challenges affecting the effectiveness of capacity building initiatives is the limited active engagement and representation of these organisations in CVA discussions and national coordination platforms. Interviewees reported language and resource barriers to explain limited local participation (meetings are often held in English and LNAs don't have the resources to attend them). INGOs also face resource (time and money) constraints with regards to providing trainings, with a number suggesting that this function could be taken up by CWGs as it is a big responsibility to place on NGOs.

V. Recommendations going forward

CVA programming has major endeavours and opportunities lying ahead to improve targeting, quality and impact, harmonization with social protection, accountability to affected people, better use of evidence to drive the response, and de-duplication and coordination with sectoral responses.

Further efforts to refine targeting, reach the most vulnerable and define how CVA (in particular MPCA) can shift to meet different types of need should be prioritised in 2024, by DEC members, partners, other implicated organisations and the sectoral and CWGs in all countries. With regards to ensuring broader participation of actors, progress is occurring in the right direction in all countries, with sustainability of partnerships becoming an increasing point of discussion.

Table 2 - Table of recommendations

Theme	Recommendations

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[22] DEC. 2023. Local Humanitarian Action in Ukraine. A scoping exercise report

[23] Diana Tonea and Vicente Palacios, "Role of Civil Society Organisations in Ukraine - Emergency Response inside Ukraine Thematic Paper (CALP)."

[24] Per KIIs and the roundtable discussion in Moldova

1. Work towards having vulnerability-driven targeting criteria that are reflected in a more cohesive approach across the response.	• Agencies to agree on a common vulnerability assessment survey and start collecting data on key indicators that are the future basis for an evidence-based selection model.[25] • Consistently engage with SP stakeholders to identify where bridges can be made as all targeting models should consider potential points of convergence with government SP schemes. • Inclusive CVA needs to be continuous and consistent throughout the project cycle. Mainstreaming of gender, age and disability considerations are to be considered in the targeting phase but also during preparedness, assessment, design, distribution, and monitoring, to be fully effective.[26]
2. Further support the broader participation of local actors, particularly as the involvement of international organisations begins to decline.	• Ensure there are benefits for LNA to attend and participate in Cash Coordination. • Hold meetings and produce documents in the local language. • Undertake capacity building activities for LNAs and ensure they have (human) resources to attend and engage in cash coordination. • Involve the CWG and other coordination bodies in the organisation and delivery of wide reaching, harmonised and needs based capacity building initiatives for LNAs. • Advocate for a larger proportion of funds to be allocated directly to LNAs.

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[25] ICRC, "Targeting, Selection and Prioritisation Methods for Economic Security Programmes Guidance," 2022, https://shop.icrc.org/download/ebook?sku=4567/002-ebook.

[26] Luca Sangalli, "'Cash and Beyond' - Analysis of Extra Costs Associated with Disabilities and Disability-Specifi Social Proection in Ukraine, in the Aftermath of the Russian Invasion."

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Ukraine CWG, 2023, Multi-Purpose Cash Assistance Targeting Framework.

VII. Annex

List of organisations that participated in the sectoral CVA mapping:

Country	Organisations
Moldova	World Vision
Poland	Action contre la Faim (Poland)
	Fundacja Polskie Centrum Pomocy Miedzynarodowej (PCPM)
	International Federation of the Red Cross and Red Crescent Societies(IFRC)
	International Rescue Committee (IRC)
	Save the Children International (Poland)
Romania	International Federation of the Red Cross and Red Crescent Societies(IFRC)
	Jesuit Refugee Services (JRS) Romania
	Save the Children Romania
	World Vision
Ukraine	Action Against Hunger (ACF)
	Action contre la Faim Ukraine

ActionAid- Ukraine response
Depaul Ukraine
International Rescue Committee (IRC)
Partnerships for Every Child
Pomogaem
Ruki Druziv
Save the Children International (Ukraine)
Slavic Heart