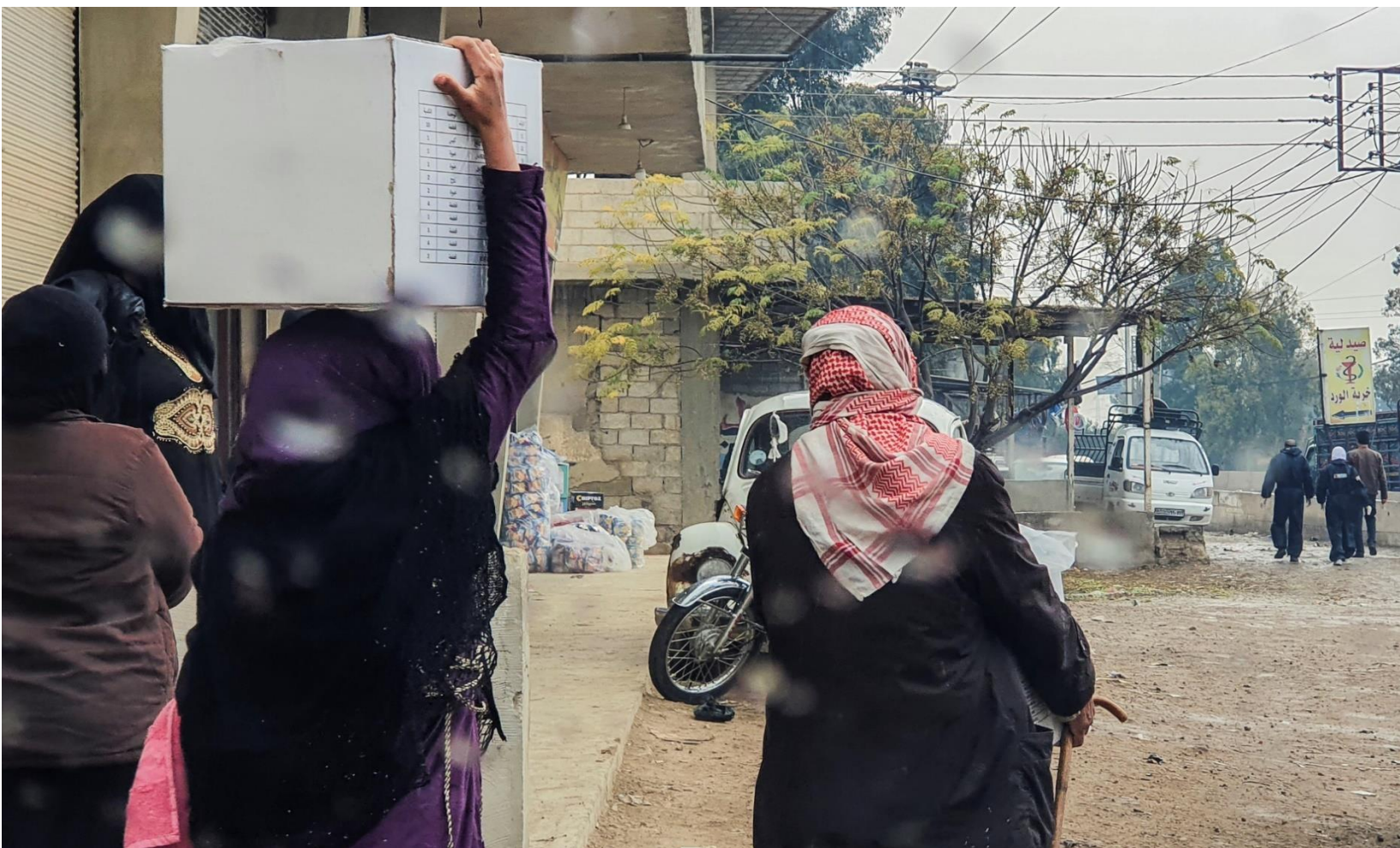


Safety net and humanitarian cash in the Emergency Response in Lebanon – what can we learn?

Advocacy Paper

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Executive summary

Lebanon is facing a severe humanitarian crisis exacerbated by economic turndown, widespread poverty, and displacement resulting from the escalation of the hostilities into war between Hezbollah and Israel on September 23, 2024.¹ A ceasefire was reached in the early hours of November 27, 2024, for a 60-day period. The dramatic wave of violence on 23 and 24 September pushed up to one million people away from their homes in the South, Beirut southern suburbs or the Beqaa in the span of a few days. Almost symmetrical movements took place the days following the cessation of hostilities, mainly reflected in numbers, as many people could not return to their homes, either because they were damaged or located in territory still occupied by Israel.

There has been a significant scale up of the cash response, mostly through the expansion of the Government-lead safety nets. This paper focuses on the opportunities and pitfalls of the complementarities between emergency humanitarian cash response and existing safety nets. Therefore, while most CVA findings would apply across population groups, including Syrian refugees who have been equally affected by the conflict, this paper narrows the elements to the Lebanese population.

The aim of this paper is to deliver a nuanced conversation surrounding ways of cash in an emergency response, and in particular the added value of having Government safety nets and humanitarian cash mutually strengthen one another. As such, this paper seeks to enhance the humanitarian response and provide recommendations to support the development and implementation of novel policies and practices to improve the cash response in Lebanon.

Key highlights:

1. There has been a significant scale up of the Government-led safety net to provide support to vulnerable households, who have been recently discontinued from different forms of assistance by WFP/MoSA and either originating from insecure areas or living in areas where displaced people had relocated. As evidenced in other contexts, this is indeed a good vehicle for a swift expansion of cash programming in a crisis. However, the design of this program has not been adjusted in parallel to the drastic change in context, neither in its targeting nor the support package it provides -in the sense that transfer value that is relevant for a poverty reduction program may not be suitable for humanitarian needs during displacement and returns to areas affected by the conflict.
2. The weaknesses of the coordination around cash in Lebanon did not create the opportunity to discuss how humanitarian partners and the emergency response could complement the existing safety net, with a temporary cash top up or the temporary inclusion of new households who have been pushed into a high level of vulnerability because of the conflict.
3. Cash actors and the overall coordination factored the dimensions of market functionality and market accessibility, with regular disseminated market functionality monitoring by WFP, and individual organizations assessments. Cash remained feasible in the areas where most of the response was happening, outside of the areas that were highly insecure. It is worth noting that despite markets being functional, and cash being the preferred modality in most cases, in-kind distributions were sometimes recommended as response modality by sectors.
4. While questions around targeting and arbitraging the transfer values for cash are always sensitive, it seems that there was no space for these discussions in Lebanon apart from the Protection Working Group, as all

¹ A 2022 household survey in five governorates revealed that 1 in 3 Lebanese in these areas lived in poverty. The share of poor Lebanese nationals has risen to 33 percent, with the poverty gap increasing from 3 percent in 2012 to 9.4 percent in 2022.

efforts and intention for the scale-up of cash were through the safety net, without reviewing key aspects of its design.

Recommendations to the Humanitarian Country Team in Lebanon:

1. Reinvigorate a **collaborative and technical cash working** group to facilitate exchange around targeting, transfer values, harmonization, data protection protocols, etc. The late inter-sector guidance has had a negative consequence on the ability of actors (donors and implementing agencies) to scale up cash.
2. Humanitarian cash and safety nets are not mutually exclusive. **Emergency humanitarian cash and safety nets should not deduplicate**, as they serve different purposes, with different criteria. There should be a level of coordination to ease implementation and impact, making sure affected households receive the adequate assistance to meet their emergency needs.
3. **MOSA registration system is a positive development** in terms of coordination of cash across humanitarian actors and sectors. **However, any new system building takes time and is not appropriate during an emergency response.** The general preference is to either use existing systems to expand (like shock-responsive safety nets) or allow multiple actors expand reach in parallel and establish a deduplication system to ensure there is no overlap. This would have been a faster and more effective response and should be considered in case a new scale-up is required.
4. **Return to a cash first approach**; deliver in kind only when cash is not an appropriate response modality. Humanitarian actors should use cash as the default response wherever market functionality and security allow, and in line with community preferences. This will deliver a more efficient and effective response and will offer more value for money.
5. Elaborate a strategy for cross-referral between humanitarian organization and the government to **maximize the reach of both humanitarian cash and social protection systems.** The strategy should contain guidelines for humanitarian cash programming that includes a lens that considers not only broad targeting methods such as poverty and the wider range of needs associated with displacement and the conflict, but it should also prioritize specific needs and vulnerabilities such as disability, old-age and gender-based violence.
6. Include a focus on the cash response, both from the implementation and reach, as well as the coordination aspect in any upcoming **learning exercise** of the Emergency Response.

By leveraging the power of cash assistance, Lebanon can address the immediate needs while laying the groundwork for an effective, equitable and efficient response to the needs of affected populations. However, achieving this outcome requires robust actions, commitment, coordination and sufficient funding to fill in the gaps and strengthen the response.

THE POWER OF CASH

The use of humanitarian CVA has expanded significantly over the past decade, though 2023 data suggests this growth may be slowing.² This expansion has been driven by both donors and implementers, who widely agree that CVA can be a more cost-effective way to deliver aid compared to other methods while also offering choice and dignity to affected populations. Under the Grand Bargain, the increase in global cash and voucher transfer volumes has been a notable success, rising from USD 3.6 billion in 2018 to USD 7.8 billion in 2023, following a peak of USD 8.4 billion in 2022. International actors, particularly UN agencies, remain the primary providers of global CVA.³

² Bryant, J. & Fouad, L. July 2024. Change without transformation: How narratives influenced the humanitarian cash agenda. HPG working paper. https://media.odi.org/documents/HPG_narratives_cash_WP-final.pdf.

³ Development Initiatives. October 2024. Falling short? Humanitarian funding and reform. <https://devinit.org/resources/falling-short-humanitarian-funding-reform/executive-summary/>.

Cash assistance is cheaper

Amidst With crunching humanitarian funding globally, there is a renewed call to ensure aid efficiency. Shifting from less to more cost-effective interventions enable a given budget to create a greater impact for the targeted population and/or extend assistance to more people by scaling up critical development or humanitarian efforts. For example, the new USAID policy paper on efficiency is urging partners to ask themselves: “How does the per-dollar impact of alternative approaches compare with that of an equivalent-sized monetary transfer, provided directly to individuals or households”?⁴

Cash assistance, by virtue of its flexibility, enables program participants to access a wide range of goods and services, thereby enhancing the overall efficacy of aid delivery. There is a growing body of research and global recognition that CVA offers more value for money and is more cost efficient compared to in-kind assistance, even in humanitarian contexts. For example, studies show that mobile money transfers are the most cost-efficient method, with food transfers being the most expensive form of assistance delivery.⁵

Studies have consistently demonstrated that cash is more cost-effective than in-kind distributions and is uniquely placed to enable value-for-money gains in the humanitarian system, often resulting in significant cost savings and reduced logistical overheads. In other words, it usually costs less to give people cash than food. Cash provides recipients with flexibility to meet their needs, avoiding the need to sell food aid for cash to buy other essentials. This approach also reduces overhead costs for aid providers and improves efficiency compared to traditional in-kind distribution methods.⁶

Cash is the preferred modality for most people

In-kind assistance tends to remove agency from affected populations, as people have to do with what they are given and are not supported to make their own decision. In contrast, the flexibility of cash assistance translates into choice for ‘consumers’ as opposed to a system that decides for them. Cash assistance offers more agency and dignity to communities in need, who have the power to decide what to buy, rather than receiving supplies that are unlikely to cater to their specific needs. Concerns that cash assistance will be spent on ‘temptation goods’ are largely unfounded. CVA enables decision-making power and autonomy for aid-program participants, inherently offering a more dignified approach.⁷

In Lebanon, a study conducted by Mercy Corps in October 2024 shows that interviewed displaced populations expressed a preference for monthly unrestricted cash transfers over in-kind assistance due to the flexibility and choice they offer, particularly during displacement.⁸ One of CAMEALEON’s partners confirmed this through its Post Distribution Monitoring (PDM) conducted in December 2024 on cash and in-kind assistance disbursed to displaced households. Overall, 67 percent of respondents preferred cash, 27 percent preferred in kind assistance, and 6 percent were indifferent. However, there is an interesting difference depending on how people received assistance. Eighty-nine percent of the persons receiving cash preferred cash, and 11 percent were indifferent. On the other hand, 39 percent of respondents who received in-kind would have preferred cash, 13 percent in-kind assistance, and 48 percent were indifferent. For those who preferred cash, 47 percent stated that cash would allow them to meet a range of personal needs such as medication, food, and rent, with another 33 percent emphasizing that it makes sense due to lost income sources. Sixteen percent cited cash as easier to carry when fleeing during bombings, 3 percent found cash assistance through financial service providers convenient, and 1 percent felt that NFIs might arrive incomplete or be stolen. For those who preferred in-kind assistance, 85 percent

⁴ USAID. October 2024. USAID Position Paper: Cost-Effectiveness. <https://www.usaid.gov/policy/cost-effectiveness>

⁵ Trako, I. & Jeong, D. September 20 2022. What do we know about cash and in-kind transfers in humanitarian setting? Not Enough. <https://blogs.worldbank.org/en/developmenttalk/what-do-we-know-about-cash-and-kind-transfers-humanitarian-settings-not-enough-0>.

⁶ Bryant, J. & Fouad, L. July 2024. Change without transformation: How narratives influenced the humanitarian cash agenda. HPG working paper. https://media.odi.org/documents/HPG_narratives_cash_WP-final.pdf

⁷ https://media.odi.org/documents/HPG_narratives_cash_WP-final.pdf

⁸ Genovese, C. October 2024. Cash in Armed Conflict: A Feasibility Assessment of Cash Assistance in Lebanon. Mercy Corps Lebanon. <https://mercycorps.org.lb/cash-in-armed-conflict-a-feasibility-assessment-of-cash-assistance-in-lebanon/>.

said it eased the burden of purchasing essentials and 13 percent valued the high quality of materials they couldn't afford.

Cash assistance has a multiplier effect on local markets

The use of cash to respond to the needs of those affected by conflict, displacement and crises has proven to be effective in areas where local markets are functioning. It not only empowers households to prioritize their needs, granting them the autonomy to make decisions, but it also enhances their power to purchase essential goods and services from local markets.⁹

There is significant research that show that cash assistance generates multiplier effects on the economy. Global research shows that for every dollar of cash transfers, an additional USD 1.30-2.50 is generated in the local economy- a significant benefit beyond the immediate recipient households.¹⁰ The recent USAID policy paper on direct monetary transfers clearly state that cash and voucher assistance (CVA) can strengthen local markets. CVA create positive outcomes that extend beyond those who directly receive the transfers. In many situations, cash transfers enable recipients to engage more actively in markets, which strengthen existing markets and can sometimes lead to the creation of new ones. Transfers help create demand for goods and services, and, under favourable conditions and attract more suppliers, fostering local and even regional economic growth.¹¹

Specific research conducted in Lebanon has shown the multiplier effect. The IRC's winterization evaluation found that USD 51 million in CVA distributed during the 2013/14 winter generated an additional USD 109 million in economic activity, with a cash multiplier of 2.13.¹² A Mercy Corps market impact assessment conducted in March 2024 found that most merchants experienced an increase in sales in areas where there were MPCA beneficiaries and implementation.¹³ As the Lebanese economy is projected to contract by 15.6 percent in 2024 due to the recent escalation of hostilities, the multiplier effect of CVA may be a desirable effect to support the economy.¹⁴

In contrast, data on multiplier effects of in-kind assistance is very limited, and direct comparisons of multiplier (or indeed, other economic) effects of cash, vouchers and in-kind assistance.¹⁵ In-kind assistance is more visible than cash assistance, and some agencies prefer it as a first-line response due to the high visibility it gives to their response. However, the use of in-kind aid in humanitarian situations where markets are functioning can undercut local businesses and markets, jeopardizing livelihoods, and the ability of businesses to cope with economic crises.¹⁶

CASH IN THE EMERGENCY RESPONSE

Cash has remained possible

During the escalation, a major concern for the use of cash in the response was market functionality, Lebanon's stock of food and non-food items, and the ability to transport those items to marketplaces close to where people

⁹ Social Science in Humanitarian Action Platform. October 11 2024. Key Considerations: From In-Kind to Cash-Based Assistance in Lebanon and Syria. <https://reliefweb.int/report/lebanon/key-considerations-kind-cash-based-assistance-lebanon-and-syria>.

¹⁰ Gassman, F., Gentilini, U., Morais, J., Nennenmacher, C., Okamura, Y., Bordon, G. & Valleriani, G. July 2023. Is the Magic Happening? A Systematic Literature Review of the Economic Multiplier of Cash Transfers. Policy Research Working Paper 10529. World Bank. <https://openknowledge.worldbank.org/entities/publication/d6ad211f-53e7-4331-8b67-a6ee55247f38>.

¹¹ USAID. October 2024. Direct Monetary Transfers for Development Outcomes. USAID Policy Paper. <https://www.usaid.gov/policy/direct-monetary-transfers>.

¹² Cabot Venton, C., Bailey, S., & Pongracz, S. February 2015. Value for Money of Cash Transfers in Emergencies. <https://www.calpnetwork.org/wp-content/uploads/2020/01/424-summary-vfm-cash-in-emergencies-report-final.pdf>

¹³ Mercy Corps Lebanon. June 24 2024. Market Impact – MPCA. <https://mercycorps.org.lb/market-impact-mpca/>.

¹⁴ WFP. October 29. 2024. WFP RAM | Food Security Analysis - Lebanon Market Monitor, September 2024. <https://reliefweb.int/report/lebanon/wfp-ram-food-security-analysis-lebanon-market-monitor-september-2024>.

¹⁵ Bailey, S. & Harvey, P. March 2015. State of evidence on humanitarian cash transfers Background Note for the High Level Panel on Humanitarian Cash Transfers. <https://media.odi.org/documents/9591.pdf>.

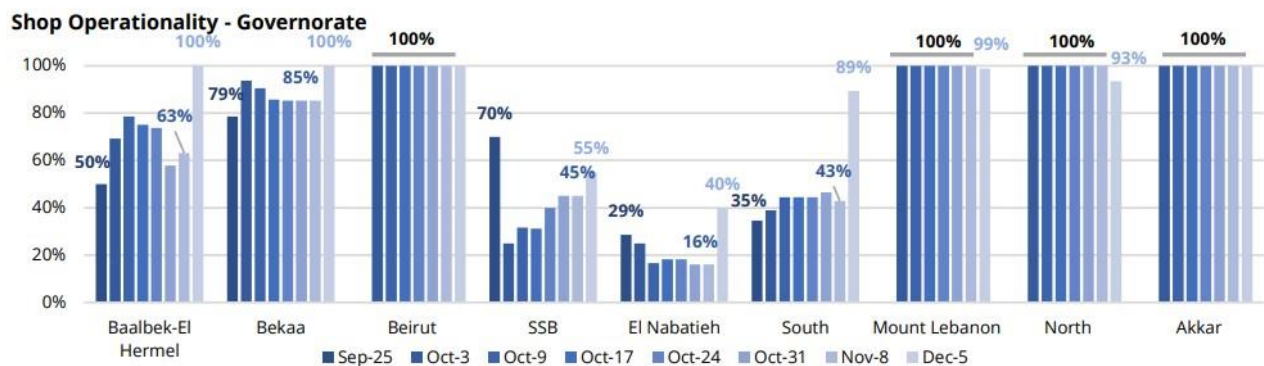
¹⁶ Mercy Corps. March 2018. Beyond Cash: Making markets work in crisis. https://www.mercy Corps.org/sites/default/files/2019-11/CashMarketsMercyCorpsApril2018_0.pdf.

live. WFP regularly monitors market functionality through its Rapid Market Assessment (RAM), issuing a report right after the start of the escalation. The four rapid retail assessments, carried out between September 25 and October 17, 2024, evaluated shop functionality and accessibility across various regions. In parallel, WFP’s price analysis monitors weekly trends in the cost of essential food items.¹⁷ These reports were issued at least on a monthly basis.¹⁸

Relatively solid market functionality was observed in most governorates outside South, Nabatieh and Baalbek-Hermel, building on healthy levels of assortment and availability of items as well as strong resilience of supply chains. However, severe access constraints were registered in these 3 governorates as well, due to the conflict. Retail functionality remained highly fluid in areas highly affected by escalation of hostilities and fluctuations in prices have been observed.

WFP’s RAM issued in November noted a prevalent improvement of markets in the South (43 to 89 percent) and Baalbek-El Hermel (63 to 100 percent), with a notable reemergence of markets taking place in Bent Jbeil (29 percent) and Nabatieh (44 percent).¹⁹ The assessment also found markets throughout the rest of Lebanon all operating at 100 percent, except for the Southern Suburb of Beirut (55 percent). This level of market functionality was confirmed by other cash actors, such as Mercy Corps and CAMELEON partners.

Graph 1: Shop operational status by governorate, WFP RAM (Sep-25 – Dec-5 2024)²⁰



Financial transfer operators continued to function normally, except for money transfer operators located in areas affected by airstrikes that have shut down due to security concerns. This resulted into longer timeframe needed to redeem assistance, although the vast majority of program participants in one CVA program manage to do so within 14 days.²¹

As such, market conditions were conducive to scale up existing or complementary CVA programs in Lebanon to assist people in need during this crisis, contingent on funding.

Shock responsive safety nets – a horizontal expansion

Existing social protection schemes, and in particular safety nets, can be very good vehicles to provide a rapid response to a shock incurred by poor and vulnerable households. Expansion of such programs can be vertical, i.e., providing a temporary additional cash amount to existing recipients or expanding the duration of transfer for

¹⁷ WFP. October 29, 2024. WFP RAM | Food Security Analysis - Lebanon Market Monitor, September 2024. <https://reliefweb.int/report/lebanon/wfp-ram-food-security-analysis-lebanon-market-monitor-september-2024>.

¹⁸ WFP. December 27, 2024. WFP RAM | Food Security Analysis - Lebanon Market Monitor, November 2024. <https://reliefweb.int/report/lebanon/wfp-ram-food-security-analysis-lebanon-market-monitor-november-2024>.

¹⁹ WFP. December 27, 2024. WFP RAM | Food Security Analysis - Lebanon Market Monitor, November 2024. <https://reliefweb.int/report/lebanon/wfp-ram-food-security-analysis-lebanon-market-monitor-november-2024>.

²⁰ Ibid.

²¹ Genovese, C. October 2024. Cash in Armed Conflict: A Feasibility Assessment of Cash Assistance in Lebanon. Mercy Corps Lebanon. <https://mercycorps.org.lb/cash-in-armed-conflict-a-feasibility-assessment-of-cash-assistance-in-lebanon/>.

existing caseload due to exit the program, horizontal, i.e., temporary inclusion of new recipients affected by a crisis or a combination of both vertical and horizontal expansion.

In Lebanon, Lebanese vulnerable populations receive assistance mainly through unconditional cash transfers for food and other needs through the World Bank-funded AMAN/ESSN large-scale national safety net program, with implementation conducted in coordination between WFP, the Ministry of Social Affairs and the Presidency of the Council of Ministers. AMAN/ESSN beneficiaries receive USD 20 per person per month for food needs (capped at six members per household) and USD 25 per household per month for non-food needs.

There was a scale up of the safety net, in connection with the impact of the conflict though not directly relating to displacement. WFP mostly used the MoSA's social registry database that consisted of households registered for National Poverty Targeting Program (NPTP) and initiated joint efforts with the Disaster Risk Management Unit (DRM) and local authorities. The breakdown of beneficiaries includes families discontinued from the NPTP in the merge of the two safety net schemes existing in Lebanon, households registered with the WFP for in-kind assistance that were phased out before the escalation and IDP families registered with the DRM following October 8, 2024.²² WFP and MOSA have re-included people recently discontinued from NPTP (i.e., not transferred to the ESSN). To be re-included, these families had to be registered either in cadasters with high conflict activity or in cadasters with a high number of displaced had sought refuge. As a result, 263,000 Lebanese individuals or 56,600 households affected by the conflict received cash during the escalation.²³

There is no public information on the status of this shock-responsive social protection recipients -whether displaced or not, nor the breakdown of their reported residency. Sharing this info early on could have helped the humanitarian actors in understanding whether there are still gaps in the response. Transparency on data and the establishment of better communication among practitioners would greatly advance efficiency and effectiveness of humanitarian responses, to be able to discuss and address gaps in different geographic areas and work out a deduplication system.

The eligibility criteria to the safety nets in Lebanon are primarily based on a proxy-means testing (PMT) formulas, meaning that households are scored based on more than 40 variables including income, assets, housing quality, occupation, and demographic characteristics correlated with poverty. In addition to PMT, the ESSN also uses categorical targeting that targets beneficiaries by selecting individuals belonging to a certain category of vulnerability, including age, gender, or disability status. While this data-driven method has enabled the set-up of several safety nets globally, there is a rising criticism about a potential bias that leads to the exclusion of the most vulnerable.²⁴

Cash response as planned in the Flash Appeal (October to December 2024)

The first Flash Appeal from October 2024 mentions a “cash-first approach” wherever and whenever it is feasible and appropriate, complemented by in-kind assistance where it is required. Cash assistance and cash-based interventions are mentioned several times in the Flash Appeal, across 9 sectors (see the annex for the complete overview).

- Basic assistance – multipurpose cash assistance (non-food) for people outside collective shelters – USD 100, twice.
- Education – Emergency cash to remove barriers for education.

²² <https://x.com/HectorHajjar/status/1849053001953997035>.

²³ WFP. November 26 2024. WFP Lebanon Emergency Response: External Situation Report 9 – 21 November 2024. <https://reliefweb.int/report/lebanon/wfp-lebanon-emergency-response-external-situation-report-9-21-november-2024>.

²⁴ Kidd, S., & Athias, D. June 2020. Hit and Miss: An assessment of targeting the effectiveness in social protection. Development Pathways Working Paper. <https://www.developmentpathways.co.uk/publications/hit-and-miss-an-assessment-of-targeting-effectiveness-in-social-protection/>; CAMEALEON. March 2024. From Insight to Impact: Leveraging Evidence for Social Assistance Policy in Lebanon. Learning Brief. <https://camealeon.org/activities/learning-brief-from-insight-to-impact-2/>.

- Food security and Agriculture – cash assistance covering food needs (outside collective shelters), cash or vouchers for conflict affected farmers and rural households – Amount – USD 20 per person for food.
- Protection (include child protection and gender-based violence) – cash for protection in emergency cases, USD 90 per case.
- Shelter – cash for shelter for displaced households outside collective shelters and in informal settlements, USD 125 twice per household.
- WASH – cash for water, sanitation and hygiene needs for displaced population outside collective shelters, USD 55 per household.
- Livelihoods – cash for work for affected populations – USD 12 for non-skilled workers and USD 14 for skilled workers or workers with disability, for maximum of 40 days per year.

Lebanon has been a forward-looking context when it came to documenting the multisectoral impact of multipurpose cash assistance.²⁵

As with other forms of assistance, cash is not always appropriate and its use should always be a context-specific judgement based on sound response analysis, and the caveat about context in the Flash Appeal illustrated that this was taken into consideration (see annex one for detail).

Multi-purpose cash opens possibilities for enhanced collaboration among technical sectors and between cash and sector experts and creates additional efficiencies. Recent joint guidelines were also disseminated in 2025 by the Basic Assistance, FSA and the WASH respective sectors on more medium term multi-sectoral cash-based activities starting in April 2025 till June 2025 of a USD 200 per month (USD 100 from FSA, USD 45 from BA and USD 55 from WASH). To take better advantage of these opportunities, cash and sector specialists need to collaborate constructively and strategically to explore ways in which cash can best contribute to sectoral outcomes in conjunction with other forms of support.

Challenges in implementation

Prior to the ceasefire, the Ministry of Social Affairs (MoSA) had requested that humanitarian organizations to reduce the disbursement of cash to affected populations as “it would cause harm or tensions if it is not coordinated” until the Disaster Risk Management Unit (DRM) and MoSA’s social workers register all the IDPs inside and outside collective shelters in the span of 40 days.²⁶ While this was meant to be completed by the end of December 2024, this is now announced for April 2025.

Around mid-October, some NGO implementing cash were delayed in their program design and implementation as Basic assistance and Food Assistance sectors had not released a joint guidance –which effectively was circulated on December 29th. This absence of standardization has negatively impacted the appetite of donors to funds multi-purpose cash as a response modality. The guidance was released a month after the cessation of hostilities agreement –and midway through the 60-day period agreed upon. It seems that a major question mark has been around navigating the risks of duplication with MoSA safety net.

On December 9, 2024, the Minister of Social Affairs signed a letter endorsing the use of cash by humanitarian cash actors, acknowledging the benefits of cash.²⁷ The letter also suggested that MoSA lead the core group and coordinate the data management through first working with WFP, UNICEF, and the MOSA social workers on the collection of data of displaced and affected population, and secondly through the triangulation of data with

²⁵ Chaaban, J., Ghattas, H., Salti, N., Moussa, W., Irani, A., Jamaluddine, Z., & Al Mokdad, R. March 2020. Impact Evaluation on the Well-Being of Syrian Refugees. CAMEALEON, American University of Beirut (AUB). <https://camealeon.org/wp-content/uploads/2022/03/CAMEALEON-Impact-evaluation-on-the-well-being-of-Syrian-refugees-Mar20.pdf>.

²⁶ Basic Assistance Working Group Meeting on November 21 2024.

²⁷ Basic Assistance Working Group Meeting on December 11 2024.

partner humanitarian organizations by signing Memorandums of Understanding (MoUs) and Data Sharing Agreements (DSAs).

The hold-up in providing adequate and timely guidelines on the disbursement of cash, including quality comparable data, created a three-month delay in the humanitarian cash response, additional time that could have been used by cash actors to make the necessary arrangements to disburse cash, including direct data collection or triangulation of existing lists. International organizations that have been working on cash-programming in the field reportedly enjoy a good relationship with local authorities and could have been more active in implementing cash to effectively support displaced and affected populations during the war had guidelines been provided sooner.²⁸

Several cash actors managed to implement a cash-based response between October 2024 and December 2024 to support IDPs and affected populations. According to the Activityinfo database and from key informant interviews conducted for this paper, organizations and initiatives including ABAAD, ACF, Caritas, DRC, INTERSOS, IRC, MEDAIR, Mercy Corps, Nabad, NRC, Nusaned, Oxfam, Save the Children, SHIELD delivered emergency cash assistance. Some of them reported they could have scaled up their response if the guidance and the system would have allowed. As a result, the response to Lebanese displaced people outside the collective shelters has been patchy and did not apply a cash-first approach.

Some, included some of the above, also conducted an in-kind response outside collective shelters. The response in Lebanon has been yet another example where different standard applied to a cash response compared to an in-kind one -as the requirement for deduplication was not imposed on the in-kind response.

EMERGENCY CASH AND SAFETY NETS – OPPORTUNITIES AND PITFALLS

Linking emergency response with national social protection systems, particularly cash-based social assistance, offers potential opportunities for more timely delivery of emergency assistance. Taking advantage of an existing system is a powerful way to bring rapidly a response at scale, in addition to being cost effective. Conversely, humanitarian cash-based responses connected to safety nets can contribute to strengthening the state system, for instance with a better reach. In a virtuous circle, and resources allowing, that would in turn bring sustainable assistance to households selected for humanitarian support who may also meet poverty targeting criteria or thresholds. Humanitarian cash and safety nets can coexist and be mutually beneficial if they are properly articulated – in the case of Lebanon, where the fragmented nature of the social protection system has left a significant number of people without coverage.²⁹ Ukraine was a recent prime example of such an articulation, showing how both systems can play a role in supporting affected populations.³⁰

The benefits of a robust cash coordination system

Coordination efforts ensure that resources are allocated efficiently, that beneficiaries are accurately targeted and deduplicated and cash transfers are implemented smoothly across agencies.³¹ Central to these efforts is the establishment of a Cash Working Group (CWG). The CWG can significantly enhance coordination, harmonization, and deduplication of cash-based responses by promoting collaboration between agencies, standardizing data collection and eligibility criteria, facilitate information sharing among sectors, creating centralized systems and

²⁸ A key informant from a cash-based program elaborated on the benefits of having worked in the field for a protracted period in forming connections with local communities and partners and the way it has facilitated the access to beneficiaries.

²⁹ ILO. March 2021. Towards a Social Protection Floor for Lebanon: Policy options and costs for core life-cycle social grants. Available at: https://www.ilo.org/beirut/publications/WCMS_828592/lang--en/index.htm.

³⁰ Toney, D. & Palacios, V. January 4 2023. Linking Humanitarian Cash and Social Protection in Ukraine. CALP Network. <https://www.calpnetwork.org/publication/linking-humanitarian-cash-and-social-protection-in-ukraine/>.

³¹ Smith, G. February 2020. Cash Coordination Tip Sheet. <https://www.calpnetwork.org/publication/cash-coordination-tip-sheet/>.

agreements for data sharing, and leveraging digital technologies to deduplicate.³² It can also support in the establishment and updates setting up guidelines on targeting, modalities, and transfer values.

The CWG in Ukraine was agile in coordinating among humanitarian cash actors harmonizing the design of MPCA programs (targeting, delivery mechanisms and transfer values, registration, and monitoring) and with Ukrainian government agencies to facilitate data sharing and primary data collection. It also engaged the different social protection actors to link social protection with humanitarian assistance by facilitating the collaboration of the different humanitarian cash-actors to implement complementary cash programs through top-ups and cash plus approaches.³³

The shortfall in coordination in Lebanon has been exacerbated by the absence of a strong Cash Working Group, as numerous sectors continue to do cash without a cohesive body to set out guidelines on all cash activities nor is there comprehensive and cohesive information sharing among clusters.³⁴ The absence of the CWG has also posed a challenge to cash actors in defining the transfer value in the new context, ensuring the response is efficient in meeting people's increase needs, most prominently in the basic assistance and food security respective sectors.³⁵ However, the Protection Working Group is one of the few clusters that recently confirmed and increase in the recommended transfer values from USD 90 to USD 150 in January 2025, in recognition of the increased cost of protection risks.³⁶ Moreover, there are a series of newly revised tools that set the scene for cash coordination, and that were not in use in Lebanon.³⁷

Efficient systems – scale up and deduplication elsewhere

The use of online digital platforms to register people affected by crisis online greatly facilitated the rapid scale up of cash, as it is an effective and cost-efficient modality of reaching as many people as possible in a space where there is digital literacy.³⁸ The multiple self-registration systems, including the government one, allowed for the largest cash program response in Ukraine, providing assistance to 7 million internally displaced or affected persons in 18 months.³⁹ When done with clear guidance and transparently, it enhances practices of deduplication.

Blockchain technology is a type of decentralized database that records transaction shares across a network of multiple participants and enabled sharing of information, facilitating the access of all participants in a network to a ledger of registered populations in real time.⁴⁰ This allows humanitarian actors to have better control on the distribution of aid and ensure that funds reach the intended recipients and to deduplicate and identify eligible households.

WFP has used blockchain-based cash distribution systems in numerous settings, including Ukraine and Lebanon. WFP's "Building Blocks" network served as a coordination platform in Lebanon to streamline the operation of 15

³² CALP Network. September 2022. Registration, Targeting and Deduplication: Emergency Response inside Ukraine Thematic Paper.

<https://www.calpnetwork.org/wp-content/uploads/2022/09/Registration-Targeting-and-Deduplication-Emergency-Response-inside-Ukraine-Thematic-paper-1.pdf>; Global Cash Advisory Group. 2023. New cash coordination – Frequently asked questions. <https://www.calpnetwork.org/publication/new-cash-coordination-frequently-asked-questions/>.

³³ Lacerda, C. April 2022. Why (and how) should humanitarian actors consider looking at existing Social Protection systems from the 'first-wave' of an emergency response? A take on the Ukraine crisis. <https://humanitarianoutcomes.org/publications/why-and-how-should-humanitarian-actors-consider-looking-existing-social-protection>.

³⁴ A key informant highlighted the need for a CWG to facilitate information sharing among actors, sectors and clusters and ensure complementarity, efficiency and targeting of cash programs.

³⁵ WFP Lebanon. April 2024. Economic Capacity to Meet Essential Needs of Syrian Refugees in Lebanon. https://fscluster.org/sites/default/files/documents/FSAS_ECMEN_2024.pdf.

³⁶ The increase in the transfer value was endorsed by MoSA and the Projection Cash Task Force based calculations of costs for protection risk, derived from the Protection Cash SoPs.

³⁷ [Tracking Minimum Requirements methodology, IASC guidance on MPCA and CVA overview in HRP](https://www.calpnetwork.org/publication/new-cash-coordination-frequently-asked-questions/)s; Global Cash Advisory Group. 2023. New cash coordination – Frequently asked questions. <https://www.calpnetwork.org/publication/new-cash-coordination-frequently-asked-questions/>.

³⁸ IOM, OCHA, & Ukrainian Red Cross Society. March 11 2024. Multi-purpose Cash Assistance – Ukraine 2023 Response Analysis Snapshot (January to December 2023). <https://response.reliefweb.int/ukraine/cash-working-group-cwg>.

³⁹ CALP Network. September 2022. Registration, Targeting and Deduplication: Emergency Response inside Ukraine Thematic Paper.

<https://www.calpnetwork.org/wp-content/uploads/2022/09/Registration-Targeting-and-Deduplication-Emergency-Response-inside-Ukraine-Thematic-paper-1.pdf>.

⁴⁰ ICHA. March 2018. Blockchain Technology in Humanitarian Programming: A Pilot Project in Cash Transfer Programming in Kenya. https://cash-hub.org/wp-content/uploads/sites/3/2020/10/Blockchain-Technology_Pilot-Project-in-Kenya_2018.pdf.

different organizations following the Beirut port explosion, which helped avoid deduplication and provide families with the right support in a timely and efficient manner.⁴¹

Like Ukraine, digitalized technology was used in Colombia to scale up its emergency cash transfer programs and made use of its well-established CWG to coordinate and deduplicate lists of recipients. This required that cash actors in Colombia sign MoUs and Standard Operating Procedures (SoP) for deduplication at Cash Working Group level.⁴²

In addition to online platform, there is still value to in-person registration, where face-to-face channels, especially for older persons or digitally illiterate, can provide more meaningful and sometimes more appropriate means of interaction. Limited opportunities for face-to-face interaction can contribute to feelings of disempowerment and dissatisfaction, such that technological platforms and face-to-face meaningful engagement should both be leveraged in complementarity and in relevant contexts.⁴³

As of January 1st, 2025, there is still no reliable platform that allows for the identification, deduplication and targeting of IDPs and affected people. There is, however, a platform for the regular ESSN (DAEM) that MoSA in collaboration with WFP and UNICEF, is building a compatible interface to include displaced people. The capacity for data sharing and deduplication, targeting, and inter-operability are critical in the long-run and for cross-referrals. However, other approaches exist, such as geographically based coordination, to ensure humanitarian cash actors do not overlap, and this is a common coordination mechanisms used in Lebanon.

Adapting targeting and building in cross-referrals

The ESSN and NPTP were developed to target people structurally poor and affected by the economic crisis. As explained earlier in the paper, the horizontal expansion has led to the re-inclusion of families, residing in the areas of conflict and in the areas of displacement, who used to be included based on poverty targeting and had recently been removed from assistance. It seems a very sensible and efficient proxy to reach vulnerable families who have been likely to become even more vulnerable with the conflict. However, it is also likely to exclude families from assistance who were further away from the inclusion in the safety nets before the shock, even though conflict and displacement may have increased their vulnerability. Conversely, the inclusion of the same category of families in areas of displacement has led to a scale up that included families who were not directly affected by the conflict. Moreover, the restriction of the horizontal expansion to previous recipients of the safety nets is de facto a restriction to poor households who would qualify but were not included because of lack of means. Social safety nets in Lebanon cover approximately 20 percent of population,⁴⁴ while the portion of people living under the poverty line tripled from 12 percent in 2012 to 42 percent in 2022.⁴⁵

Short-term humanitarian cash should not be deduplicated from the government's social safety net programs, because emergency humanitarian cash and safety nets target different vulnerabilities. The aim of the ESSN is "to arrest the increase in extreme poverty" and target based on wealth, assets and demographics. It is clear that the conflict and displacement affect at least wealth and assets. Emergency cash programming may include people who are not current or past recipients of any safety nets. Additionally, one would also work cross-referral pathways to enable verification of these newly included households against the eligibility of the safety net, and where justified, include them, thus creating a link between humanitarian assistance and social protection.

⁴¹ WFP. Building Blocks. <https://innovation.wfp.org/project/building-blocks>.




⁴² CALP Network. September 2022. Registration, Targeting and Deduplication: Emergency Response inside Ukraine Thematic Paper. <https://www.calpnetwork.org/wp-content/uploads/2022/09/Registration-Targeting-and-Deduplication-Emergency-Response-inside-Ukraine-Thematic-paper-1.pdf>.

⁴³ CALP Network & CAMALEON. September 2019. Cash assistance in Lebanon. Research report on AAP in the World Food Programme's multi-purpose cash programme. https://www.calpnetwork.org/wp-content/uploads/2020/06/1571834650.AAP-Report_24092019_Print.pdf.

⁴⁴ Saghir, C., Al Shami, F., & Tonea, D. October 2024. Lebanon's Social Protection System Suffers Amidst the Current War: Urgent Action Needed! https://camealeon.org/wp-content/uploads/2024/10/Lebanon_crisis_Camealeon.pdf.

⁴⁵ World Bank. 2024. Lebanon Poverty and Equity Assessment: Weathering a Protracted Crisis. Washington DC. <https://documents1.worldbank.org/curated/en/099052224104516741/pdf/P1766511325da10a71ab6b1ae97816dd20c.pdf>.

Adjusting the amount

	Food and non-food for a family of five
	Full SMEB
	LBP 40.3M (+2.2 percent since Sep-24)
	USD 446 (+2.2 percent since Sep-24)
	Full MEB
	LBP 50.4M (+1.8 percent since Sep-24)
	USD 559 (+1.8 percent since Sep-24)
	Food needs per person
	Food SMEB
	LBP 3.39M (+4.2 percent since Sep-24)
	USD 37.4 (+4.2 percent since Sep-24)
	Food MEB
	LBP 4.44M (+3.2 percent since Sep-24)
	USD 49.1 (+3.2 percent since Sep-24)
	Non-food needs for a family of five
	Non-Food SMEB
	LBP 23.3M (+0.9 percent since Sep-24)
	USD 259 (+0.8 percent since Sep-24)
	Non-Food MEB
	LBP 28.1M (+0.7 percent since Sep-24)
	USD 313 (+0.6 percent since Sep-24)

Multi-purpose cash is usually calculated as a contribution to a Minimum Expenditure Basket (MEB), which represents the absolute minimum needed to survive and keep an individual or family from destitution and poverty. While the MEB is defined as what a household requires to meet its essential needs, the SMEB is the absolute minimum amount required to cover lifesaving needs. The S/MEBs are composed of three sub-baskets:

- Food
- Non-food items
- Non-food services

The values of the S/MEB are fairly similar when established in 2014,⁴⁶ respectively at USD 571 and USD 435 in 2014, and 559 and 446 in 2024.

Figure 1: S/MEB October 2024, WFP RAM, November 2024

The transfer value of the AMAN/ESSN of USD 145 for a family of 5 covers 53 percent of the food needs and 10 percent of the non-food needs in October 2024,⁴⁷ based on the Survival Minimum Expenditure Basket (SMEB). It is not adjusted to the multifaceted shocks induced by conflict, be it displacement or destruction. It does not allow a family to face the series of new needs that emerged after conflict – repair, rent, buying new households items, loss of livelihoods, etc.

The humanitarian community, and in particular the Basic Assistance and Food Security Sectors, did not re-evaluate the appropriateness of the MEB definition and the adequateness of the transfer value in the new circumstances of conflict and displacement. The discussion around what would be the required contribution for the vulnerable households affected by displacement, destruction of assets and loss of livelihoods, often in a cumulative fashion did not happen in Lebanon.

When the context allows, humanitarian responses require that regular cash assistance programs are used in complementarity with other cash programs to ensure that cash is effective in responding to the needs and ensuring the well-being of populations affected by shocks and risks associated with crises, conflict and displacement.⁴⁸ In Lebanon, the government and humanitarian community should not only cover the gaps in the horizontal expansion to include more people, but they should also consider collaborating to address the shortfall in the transfer value by vertically expanding cash programs to fill in the gaps of cash benefits provided through Lebanon’s social safety nets.

Many fragile countries face certain obvious challenges in designing and implementing social safety nets, particularly in matching institutional capacity, physical infrastructure, and financial capacity with high demand. As a result, “governments often face hard choices about the type, affordability, and sustainability of social protection initiatives, particularly in fragile states”.⁴⁹ It may well have been the dilemma in which the Government of Lebanon found itself. Humanitarian actors and the international community only contributed partially to a quality emergency response as these points have not been addressed.

⁴⁶ WFP. November 12 2020. Review of the Survival and Minimum Expenditure Baskets in Lebanon - Updated SMEB and MEB Components and Costs - September 2020. <https://reliefweb.int/report/lebanon/review-survival-and-minimum-expenditure-baskets-lebanon-updated-smeb-and-meb>.

⁴⁷ WFP. December 27 2024. WFP RAM | Food Security Analysis - Lebanon Market Monitor, November 2024.

⁴⁸ Lacerda, C. April 2022. Why (and how) should humanitarian actors consider looking at existing Social Protection systems from the ‘first-wave’ of an emergency response? A take on the Ukraine crisis. <https://humanitarianoutcomes.org/publications/why-and-how-should-humanitarian-actors-consider-looking-existing-social-protection>.

⁴⁹ World Bank. Social Safety Nets Respond to Crisis. <https://documents1.worldbank.org/curated/en/304291468124760233/pdf/926420BRI0Box30s0Brief040120120v2so.pdf>.

Annex 1 – Cash response in the sectors of the Flash Appeal

	Cash activity
Basic Assistance	<p>Sectoral Impact:</p> <ul style="list-style-type: none"> Market conditions vary significantly across the country, affecting the availability of goods, prices' variations, and determining the feasibility of using cash-based interventions <p>Immediate needs:</p> <ul style="list-style-type: none"> In regions where markets are still functional, cash-based interventions should be activated, empowering affected families to purchase necessary non-food items. Multi-purpose emergency cash assistance for households whose livelihoods have been disrupted will serve to cover essential non-food needs and help quickly restore some level of self-reliance. The response must remain adaptable, adjusting the type of assistance (cash or in-kind) based on displacement patterns, security levels and market availability, ensuring that timely, needs-based and safe support reaches affected populations. <p>Priority activities:</p> <ul style="list-style-type: none"> Distribution of emergency multipurpose cash assistance – non-food component – to households affected by the conflict outside of collective shelter regardless of nationalities.
Education	<p>Priority activities:</p> <ul style="list-style-type: none"> Assist households to remove barriers to education and maintain access to education, including through the provision of off-line learning management system, age-appropriate learning materials and recreational kits, emergency cash, and the establishment of child-friendly learning spaces in or near displacement sites
Food Security and Agriculture	<p>Sectoral Impact:</p> <ul style="list-style-type: none"> Market functionality varies across regions, affecting the availability of food and the feasibility of cash-based assistance. <p>Immediate needs:</p> <ul style="list-style-type: none"> Cash-based food assistance for households in areas where markets are functional and accessible, enabling them to purchase essential food items. One-time emergency cash assistance for farming communities whose livelihoods have been disrupted, helping them cope with loss of income and food security. <p>Priority activities:</p> <ul style="list-style-type: none"> Cash covering food needs (outside of shelters). Unconditional cash assistance or vouchers conflict affected farmers and rural households (including IDPs with access to land and rural households who remain in affected regions).
Prot.	<p>Priority activities:</p> <ul style="list-style-type: none"> Cash for protection in emergency cases.
Child Prot.	<p>Priority activities:</p> <ul style="list-style-type: none"> Provision of emergency CP case management, including emergency cash assistance, for UASC, children at risk of violence, abuse, neglect, and exploitation, and other children affected by displacement and armed conflict.
GBV	<p>Priority activities:</p> <ul style="list-style-type: none"> Distribution of emergency cash assistance for GBV survivors and those at risk of GBV.
Shelter	<p>Immediate needs:</p> <ul style="list-style-type: none"> Equal access to adequate and secure shelters for displaced families of all nationalities, including shelter kits (to both inadequate urban shelters and to informal settlements), cash assistance, and repairs to collective sites. <p>Priority activities:</p> <ul style="list-style-type: none"> Cash for shelter to support those who relocated to shelters outside collective sites and informal settlements.
WASH	<p>Immediate needs:</p> <ul style="list-style-type: none"> Support for displaced populations outside of temporary shelters through cash assistance or in-kind support to meet their water, sanitation, and hygiene needs.
Livelihoods	<p>Priority activities:</p> <ul style="list-style-type: none"> Cash for work/employment intensive investment activities, to ensure temporary livelihood opportunities for affected populations.

Annex 2 – Options for engagement between humanitarian cash and safety nets (taken from [calp-humanitarian-pratitioners-guidance-notes-en-web.pdf](#), Working with cash based safety nets in humanitarian contexts, Guidance Note for Humanitarian practitioners)

Name of Option	Description	Example (refer to Annex 1 for detailed case studies)
Vertical expansion	Increasing the benefit value or duration of an existing programme. May include: - Adjustment of transfer amounts - Introduction of extraordinary payments or transfers	Scale up of social assistance by UNICEF for earthquake response in Nepal
Horizontal expansion	Adding new beneficiaries to an existing programme. May include: - Extension of the geographical coverage of an existing programme - Extraordinary enrolment campaign - Modifications of entitlement rules - Relaxation of requirements/conditionality to facilitate participation	Hunger Safety Nets Programme in Northern Kenya
Piggybacking	Using a social protection intervention's administrative framework, but running the shock-response programme separately. May include the introduction of a new policy	Scale up of the Pantawid (4Ps) programme by WFP for the Haiyan response in the Philippines
Shadow alignment	Developing a parallel humanitarian system that aligns as best as possible with a current or possible future social protection programme	The Kenya urban food subsidy programme of Oxfam and Concern Worldwide
Refocusing	In case of a budget cut, adjusting the social protection system to refocus assistance on groups most vulnerable to the shock	

Source: OPM, 2015, *Shock responsive social protection systems, Literature review (modified by author)*