CASH & MARKETS WORKING GROUP
Strategic Workshop Report,
6\textsuperscript{th} - 7\textsuperscript{th} February 2018,
LIBYA
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Online access icon to documents and infographic shared by the Cash & Markets Working Group.

**CMWG Drive**

- https://drive.google.com/open?id=1fWdw-M4JsGJtKvB-Gcc-L0TtttBkZBoR
- List of CMWG documents
  - https://drive.google.com/open?id=1-XetxF5K3uT3MDyYSFkiexZ4vHg9kdv_4U3tk2AzwKs
Acknowledgments

The Cash & Markets Working Group (CMWG) wishes to thank all participants for their active and expert contributions to this 2018 strategic workshop. A special thank you goes to the presenters for sharing their latest updates which allowed a more in-depth and up-to-date analysis of the context as well as technical and strategic aspects. This workshop was facilitated by Mr. Charlie Rapoport, coordinator of the CMWG for Libya and co-facilitated by Mrs. Elena Bertola.
Workshop objectives

On the 6th and 7th of February 2018, a two days meeting opened to the members of the CMWG, Sector Leads, World Bank, UNSMIL, OCHA and Donors was held in Tunis to review the achievements, gaps and challenges of cash programing and articulate the 2018 humanitarian Cash Strategy for Libya. Supported by a review of the key technical and strategic aspects as well as the specificity and risks of operating in the Libyan context, discussions were articulated around the following four pillars:

Pillar 1: Harmonised Cash Delivery Approach
Pillar 2: Harmonised Beneficiary Data Management
Pillar 3: Harmonised M&E and Third-Party Monitoring
Pillar 4: Anchorage to National Social Safety Nets

What

MEB & transfer value

Present the draft of updated MEB (2nd version)
Discussion on composition (multisectorial)
Linkage with transfer value (geographical variation, trigger for update)

M&E / TPM

Discuss the feasibility to harmonize the M&E across CMWG partners.

Social Safety Nets

Present the mapping methodology of National Social Safety Nets mechanisms and stakeholders in Libya
Discuss areas of coordination with WB, MoSA, MoFA and the GoL key partners with regard to SSN
Understanding of subsidies, eligibility criteria and caseload
Understanding value of subsidies (MEB: Income/ expenditures)

FSP & banking landscape

Up to date assessment of FSP in Libya.
Presentation of FSPs and innovative financial transfer mechanisms.
Presentation of banking structure in Libya. Role of CBL, Libyan financial regulation, challenges and area of coordination.

SOPs

Presentation of SOPs analysis
Matrix and methodology for the harmonization of activities
Presentation of key sequences and activities of CBI / programme cycle
Discussion on feasibility of harmonization of SOPs.

Who

Vulnerability criteria

Presentation of draft approaches/ scorecard (MPCG & sector specific).
Discussion on socio-economic/sector specific & multisector vulnerability.

Beneficiary data management

Discuss rationale, tools and potentials for harmonized beneficiary data management system/platform.

Context

Shadow economy

Understanding of implication, risk, challenges and mitigation measures for the implementation of CBI in the Libyan context. Identification of Do’s & Don’ts; best practices and mitigation measures.

Market functionality

Introduction of JMMI (Joint Market Monitoring Initiative), active since June 2017 (Market Functionality, Acces to Market, Price Monitoring and trends).

Tendering

Presentation of the concepts of:
- Joint FSP Tendering
- Harmonized tendering approach.

Risks & mitigation matrix

Present the consolidated Risks & Mitigation Matrix associated with planning and implementation
Group activity on the main identified risks.
Recommendations

CONTEXT

Market functionality

- **Rational**
  Pre-condition to CBI programming

- **Buy-in**
  Yes

- **Feasibility**
  Feasible

- **Progress**
  Ongoing

- **Next Steps**
  MEB and variation prices included in the JMMI factsheet.

- **Stakeholders**
  Reach, WFP, ACTED, DRC, and Mercy Corps. Funded by UNHCR and OFDA

Shadow economy

- **Rational**
  Do no harm and ethical approach to humanitarian and CBI programming

- **Buy-in**
  Yes

- **Feasibility**
  Complex but critical

- **Progress**

- **Next Steps**
  Discussion to take place within a Task Force (TF) composed of CMWG, World Bank, UNSMIL and OCHA. Identification of Do’s & Don’ts, best practices and mitigation measures.

- **When**
  March 2018: initiation TF - then: ongoing

- **Stakeholders**
  CMWG, World Bank, UNSMIL and OCHA

- **Lead**
  UNSMIL & World Bank

WHO

Vulnerability criteria

- **Rational**
  Pre-condition to good humanitarian programming (status vs vulnerability based response)

- **Specificity of MPCG**

- **Buy-in**
  High

- **Progress**
  Initiated but slow. Needs more engagement from stakeholders

Beneficiary data management

- **Rational**
  Pre-requisite to CBI scale up

- **Buy-in**
  General agreement for the development and implementation of data management platform(s), either common or agency specific/inter-operable

- **Feasibility**
  Feasible

- **Progress**
  Early stage: no single or combined/inter-operable beneficiary data platform. Most organizations still use Excel. UNHCR rolling out ASSIST & PROGRESS.

- **Next Steps**
  Take stock of existing beneficiary data management supporting cash programs. Better understanding of ASSIST through trainings to UNHCR partners; Review of best suited alternative platforms and inter-operability processes in other humanitarian operations. Decision on best suitable beneficiary data management platform for cash actors. During the 3rd week of February, UNHCR organized a training on ASSIST with partners.

- **When**
  End of February

- **Stakeholders**
  CMWG, UNHCR

- **Lead**
  UNHCR

WHAT

MEB & transfer value

- **Rational**
  Pre-condition for MPCG programming

- **Buy-in**
  Sectors to be more proactive in supporting the CMWG, when needed

- **Feasibility**
  Feasible

- **Progress**
  MEB nearly completed

- **Next Steps**
  Frequencies and / or triggers for the update of the Transfer Value and its geographical standardization need to be established. Presentation of updated MEB to the ISC for input and endorsement - Awaiting endorsement by ISC.

- **Stakeholders**
  CMWG, Sector leads and ISC

- **When**
  March 2018

- **Lead**
  CMWG, REACH
Rational
Grand Bargain, “Delivering cash should, where possible and appropriate, use, link or align with local and national mechanisms such as social protection systems”. Exit strategy
Buy-in
All participants agreed to the concept and methodology
Feasibility
Feasible
Progress
CMWG: initial stage World Bank: in-progress
Next Steps
Establishment of a formal platform of collaboration and coordination between CMWG, World Bank and key GoL stakeholders. Clarification of the notions of vulnerability, social status and subsidies (nature and amount) and the criteria for inclusion/exclusion from respective NSSN programmes. CMWG to follow-up on NSSN mapping from World Bank. Understanding of the determination of vulnerability criteria based on socio-economic criteria vs. Humanitarian criteria.

Stakeholders
CMWG, World Bank, DFID, UNSMIL & GoL
Lead
World Bank

Tendering

Rational
Combined approach to the FSP market
Harmonization of programming (delivery)
Economy of scale
Exchange of technical capacities
Buy-in
TBC at the moment, high in future
Next Steps
Meeting with FSPs to show a unified approach to the market, explain the specificity of humanitarian CBI and planned collective volume of financial operations for 2018. Meeting with CBL to define and understand the legal framework for FSPs activity. Consolidation of specifications across the CMWG members Pre-tendering meeting with FSPs, insuring support of CBL
When
1st week of March: Consolidation of specification
March: FSP & CBL meeting in Tunis

Stakeholders
CMWG, CBL, FSPs
Lead
CMWG
Feasibility
Feasible
Progress
Discussion at initial stage
	tenders launched by: CESVI, MC.
	Yet to tender: all other members of CMWG

HOW

Social Safety Nets

SOPs

Rational
Design solid sustainable and harmonized approached accross CMWG member organizations
Buy-in
Yes
Feasibility
Feasible
Progress
Initiated
Next Steps
Collect (anonymous), analysis and consolidation of CBI SOP’s Identification of commonalities, gaps and specificities per organisations, modalities and mechanisms
When / where possible harmonisation and sharig of SOP’s

FSP & banking landscape

Rational
Pre-Condition to CBI programming
Buy-in
Yes (in principles) - FSPs to be tested.
Next Steps
Keep abreast with FSP sector See below tendering

Stakeholders
CMWG, FSPs, CBL and GoL
Lead
DRC
Feasibility
Feasible
Progress
CMWG: initial stage World Bank: in-progress

M&E / TPM

Rational
Agencies have, currently, their own M&E systems in place. UNHCR for its partners is opting for a third party monitoring (national NGO)
Buy-in
Yes / TBC
Feasibility
Feasible
Stakeholders
CMWG
Progress
Agencies have, currently, their own M&E systems in place. UNHCR for its partners is opting for a third party monitoring (national NGO)
The Libya CMWG was established in August 2016 to support the humanitarian operations to affected populations of Libya. The CMWG is a community of practice of humanitarian actors that operates in line with the Cash Learning Partnership (CaLP) definition of Cash Based Interventions (CBI). It includes both technical functions that focus on process (such as sharing lessons learnt, harmonizing approaches to delivering cash, developing guidelines) and strategic functions that focus more on results and impact (such as insuring coherence of activities and standards, avoiding gaps and duplications, advocacy to promote appropriate cash-based interventions and influence policy). The CMWG is hosted by UNHCR with a dedicated coordinator provided by NORCAP (CashCap) with fundings from ECHO. In 2017, ACTED co-lead this group, replaced in 2018 by Mercy Corps.

In 2017, the CMWG worked at demonstrating the pertinence and feasibility of CBI in Libya and advocated for the expansion of this modality - when and where feasible and pertinent - in volume and across sectors. Valuable tools such as the MEB, enabling to calculate a standardized transfer value, and the JMMI were developed. The CMWG took a lead role in consultation with the ISC members to design an initial vulnerability score-card. Combined with strong research capacities (reports on shadow economy, market analysis, FSP landscape) this work provided analysis and evidences to support the members of the CMWG in the delivery of quality programming. In 2018, the strategy of the CMWG will focus primarily on the operationalization at scale of Cash Based Response, designing solid, sustainable and harmonized approaches across cash actors. Understanding the specific risks linked to the implementation of CBI at scale in the Libyan context and developing proper mitigation measures will be of paramount importance.

Implementation of programs, particularly cash-based responses remotely presents multiple challenges including third party monitoring of humanitarian programs and annex aspects. As the collective humanitarian response expands, more rigorous beneficiary data management will be required to facilitate and support programming, coordination and reporting. In a context of acute cash liquidity and complex economic and political dynamics, conventional delivery mechanisms such as bank transfers and cash in envelopes have restrained delivery capacities. Starting in 2017, several new Libyan Financial Service Providers have emerged. Available FSPs and delivery mechanisms (e-card, mobile money mostly) have increased in number and coverage. These have been carefully reviewed by members of the CMWG. These FSPs are yet to be contracted and tested at scale. The wealth of CBI programmatic and coordination initiatives and capitalization exercises across the MENA region and beyond provides the members of the CMWG with valuable insight. This is particularly important as the scaling up of CBI in Libya is only at its early stage.

As per the Grand Bargain, “Delivering cash should, where possible and appropriate, use, link or align with local and national mechanisms such as social protection systems”. Avenues to operationalize this commitment in the Libyan context will be explored. The collective responsibility of the members of the CMWG to deliver a well-coordinated sound strategy and response will be under high scrutiny from key stakeholders. However, the methodology and guidelines available / discussions do not show specific information for non-Libyans.

This document aims at establishing and capturing at this point in time, the feasibility, buy-in, areas of collaboration, stakeholders and next steps necessary to implement coherent collective Cash Based Programming in the context of the Libyan crisis.
**Cash assistance overview**

### 2017 Cash response

Based on the Humanitarian Response Plan (HRP) of 2017, 11,000 persons received at least one cash transfer value. Outside the 2017 HRP, 250 Refugees, Asylum seekers and migrant’s persons were targeted for cash assistance.

**ASSISTANCE FREQUENCY**

- One-off & regular

**RECOMMENDED TRANSFER VALUE**

- 370LYD

### 2018 HRP - Cash component

Under the 2018 HRP, the number of projects with a cash component has increase substantially with 12 projects across 4 sectors, implemented directly or indirectly by 8 organizations (3 United Nations Agencies (UN) and 5 INGO’s). National Libyan organizations were and will remain involved in the implementation of cash programs in 2017 and 2018. It is estimated that 5% of people in need identified by the HRP 2018 should receive at least one transfer. Cash based response features 12% of HRP 2018 for a total 35.9M$. The 2018 HRP features CBI across the Shelter-NFI, Protection, Food Security, and under yet to define “multisector”. Planned cash assistance aims at Libyans nationals under 9 projects whereas non-Libyans nationals are assisted under 3 projects (total of the 3 projects: approx. 20.7M$).

**BENEFICIARIES TARGETED IN 2018 (PERSONS)**

- IDPs
- Refugees, Asylum seekers and migrants
- Non displaced
- Returnees

**12 PROJECTS WITH CASH ASSISTANCE ACTIVITIES 35.9M$**

- Budget dedicated to cash assistance

**ASSISTANCE FREQUENCY PLANNED**

- One-off & regular

**RECOMMENDED TRANSFER VALUE UNDER REVIEW**

- 370LYD

**CONDITIONALITY PLANNED**

- UNCONDITIONAL CASH TRANSFER
  - 80% of activities
- CONDITIONAL OR RESTRICTED CASH TRANSFER
  - 9% of activities (Shelter & NFI)
  - COMBINED CONDITIONALITY OF CASH TRANSFER
  - 9% of activities (Shelter & NFI)
  - 2% not determined

**12 PROJECTS WITH CASH ASSISTANCE ACTIVITIES 35.9M$**

- **Shelter/NFI: 10.6M$**
  - 2 PROJECTS: 10.3M$ - UNHCR & IOM
  - IDPs, Returnees & non displaced
  - 1 PROJECT: 345K$ - ACTED
  - IDPs

- **Food security: 2.1M$**
  - 1 PROJECT: 1.6M$ - UNHCR
  - IDPs, Returnees
  - 1 PROJECT: 50K$ - ACTED
  - IDPs, Returnees & non displaced

- **Protection: 1.6M$**
  - 1 PROJECT: 1.6M$ - UNHCR
  - IDPs & Returnees

- **Multi-sectorial: 21.4M$**
  - 1 PROJECT: 11.3M - UNHCR
  - Refugees, asylum seekers & non displaced
  - 1 PROJECT: 7.3M - IOM
  - Migrants
  - 3 PROJECTS: 2.4M - ACTED & MC
  - IDPs, Returnees & non displaced
  - 1 PROJECT: 264K$ - ACTED
  - IDPs & non displaced
Shadow economy

“Libya has been in a state of turmoil since the overthrow of longtime leader Muammar Gadhafi in 2011. Conditions deteriorated significantly after a power struggle between rival political factions escalated in the summer of 2014. Civil, security, and social services have since collapsed in many parts of the country, as the power struggle between rival political forces increasingly cripples the ability of state institutions to respond to public needs.”


“Libya is experiencing an economic crisis, characterized by a drop in GDP, the drastic depreciation of the Libyan dinar, a severe liquidity shortage and rapid inflation. (...) the economy is undergoing a process of ‘black-marketization’ - a vicious cycle, in which the shadow economy both feeds on the liquidity crisis and exacerbates it. The importance of the shadow economy should not be underestimated: it is assumed that more than half of the money circulating in Libya moves within the informal sector.”


With the risk of feeding directly or indirectly the shadow economy, Cash Based Programming present specific challenges in the Libyan context. Understanding these risks and establishing mitigation measures are paramount to ensuring responsible and ethical programming inline with the Do No Harm approach. An estimated 165,478 people remain internally displaced. 341,534 returnees were identified while 704,142 migrants were identified in January 2018 by the Displacement Tracking Matrix (Round 17) of the International Organization for Migration (IOM).

Presentation
UNSMIL and Mercy Corps

Recommandation
Creation of a Task force composed of World Bank / UNSMIL /OCHA to analyse and recommend on best practices to ensure that there is no engagement with the black market. Design and sharing of best practices (do’s and don’t) with regards to financial interaction in the Libyan context.

Timeline
initiation TF March 2018

CWMG Shadow economy folder
https://drive.google.com/open?id=1WFnd-rb6EMZ4LgMOpd_vFyzhx9kF-IBV
Market functionality

“Throughout the country, people have been facing price inflation and a shortage of hard cash, which has reduced their purchasing power and further put vulnerable households at risk. In this environment, aid organizations are looking at options to scale up cash-based interventions as an effective means of assisting vulnerable households. In early 2017 the Libya Cash & Markets Working Group (CMWG) identified critical information gaps in terms of market functionality and prices of basic goods and thus launched the JMMI in June 2017. A key objective of the initiative is to inform cash-based responses by providing accurate information on the prices and availability of basic food and non-food items.”


Eight rounds of Joint Market Monitoring Initiative (JMMI) have been completed, with price data gathered for 32 basic items from 323 individual shops in 24 locations. The monitoring showed that both Food and NFI prices rose since October, with a decrease in HHs purchasing power. The market assessment concluded that market systems and supply chains are functional and flexible, basic food and non-food items are continuously available, and physical market access is largely guaranteed given. Access to cash remains a major challenge for many HHs who face lack of cash and withdrawal limits, which affects their purchasing capacity.

Two market-related initiatives were launched in 2017: The Joint Market Monitoring Initiative (JMMI) led by REACH, and a detailed review of the “Market Systems in Libya - Assessment of the Wheat Flour, Insulin, Tomato and Soap Supply Chains”

Presentation
REACH

Recommendation
In future rounds of the JMMI, the factsheet to include an agreed Minimum Expenditure Basket (MEB). Prices associated with the MEB will illustrate variations in prices across assessed locations. Insure sustainability of fundings for the JMMI and market related analysis. Insure sustainability of funding for the JMMI.

Timeline
February 2018

CMWG Market functionality folder https://drive.google.com/open?id=1F-v7LbC7MJNI1C03UqWDGlkcKlsh6c1Vm
JMMI folder https://drive.google.com/open?id=1sAqdHpn8dzyoEzYuJQXuRbrJceZH8a-83
Vulnerability criteria

Background to the selection of beneficiaries

Throughout 2016 and 2017, the members of the CMWG have been using a combination of status and vulnerability-based approach to select beneficiaries. The starting points for the selection of Libyan beneficiary are lists (usually of a few thousand households) provided by the local crisis committees, Social affairs and Libaid. Based on these, organization implementing Cash Based Programs are administrating beneficiaries a vulnerability score card to identify the "most vulnerable". A verification is usually conducted upon pre and post-distribution monitoring.

Given the complex political environment and relying on established lists, inclusion and exclusion of beneficiary might be not be neutral and / or impartial. Some of the most vulnerable may not feel comfortable approaching these Committees or may not be aware of their existence which exclude them de facto from the original lists supplied to humanitarian organizations.

As far as non-Libyans are concerned, in 2016 and 2017 cash programs have been directed mostly to people belonging to the 7 nationalities recognized to be refugees only, namely Palestinians, Iraqis, Syrians, Ethiopians, Eritreans, Sudanese and Somalis. These programs have been implemented within the domain of UNHCR intervention, through UNHCR selection and distribution procedures, which include:
- Eligibility screening (eligible nationality)
- Protection needs assessment (screening of needs and vulnerabilities as per UNHCR set criteria, which take into consideration the individual as well as the family dimension)
- Pre and post distribution monitoring

During this session, ACTED - on the behalf of and in consultation with the CMWG - presented a draft updated version of the vulnerability scorecard for Libyans. Building on criteria developed in 2016 in consultation with the sector leads, this draft scorecard combines protection and socio-economic vulnerabilities. The new version is being reviewed taking in consideration the lessons learnt by DRC, ACTED & Mercy Corps during their assessments and implementations cash-based programs. This scorecard focuses on socioeconomic and demographic vulnerabilities looking more specifically at dependent groups (pregnant and lactating single women headed family etc …). Protection is mainstreamed. However, assessment of sectoral vulnerabilities need to be conducted ex ante as the purpose of this tool is to identify the most vulnerable households. A scorecard for non-Libyans is yet to be determined. The CMWG stands ready contribute and support the Mix Migration WG in this exercise.

Beneficiary data management

With the sharp expansion of operations both in term of beneficiaries and organizations, sound data management and coordination between actors will be key to the coherence of the collective cash response. During the strategic workshop the session was introduced by UNHCR with a presentation of RAIS (Assistance Platform in Middle East - used in Lebanon) and ASSIST (Assistance in Information and Service Tracking). These platforms will be rolled out by UNHCR for Libya and made the standard reporting tool for UNHCR partners. UNHCR suggested to make these platforms available for the entire humanitarian community as this is the case in Lebanon. Discussions revolved around the rationale, tools and challenges for a harmonized beneficiary data management system. From the NGO perspective, options of a common platform were weighed against organization in-house, interoperable platforms supported by data sharing agreements and allowing cross referral. The next steps include a review of respective systems used by organizations, a compilation of best practices used in other comparable contexts, an ASSIST training and an assessment of practicalities, resources, challenges.

Recommendations

- Take stock of existing beneficiary data management supporting cash programs. Better understanding of ASSIST through trainings to UNHCR partners; Review of best suited alternative platforms and inter-operability processes in other humanitarian operations. Decision on best suitable beneficiary data management platform for cash actors. During the 3rd week of February, UNHCR organized a training on ASSIST with partners.

Timeline

End of February

CMWG folder https://drive.google.com/open?id=1KgRo4Icb2Has6Q_GALpSupY75LCfshSG
Minimum Expenditure Basket (MEB) & Transfer Values

The Minimum Expenditure Basket is defined as the minimum amount of goods an average Libyan household needs to consume each month to meet all basic needs. The calculation is not an exact science, but a rational estimation of funds absolutely needed by a household. The calculations are based on an average household size of 6 people. While the prices of items vary across locations, the suggested items listed in the Libya MEB are generally harmonized, though not all items are prioritized in the calculation of each location.

The Libya CMWG calculated the MEB by considering the following:

- Results of a REACH/CMWG assessment on household expenditures and consumption patterns in Libya
- Beneficiary needs assessments – both surveys and focus group discussion on target group Prioritized needs. Affected households themselves defined basic needs.
- On-going post distribution monitoring and beneficiary satisfaction surveys
- Cash Learning Partnership (CaLP) and other guidance, best practices and lessons learned and
- Prices from local markets and access

As part of the monthly monitoring of commodities prices included in the MEB, the full cost of the MEB, and by extension the standard cash transfer value, can be calculated and updated on a monthly basis. This standard transfer value takes in consideration the expenditures as well as the incomes per household. Income can originate from either paid work, subsidies or another humanitarian assistance.

On behalf of the CMWG, REACH, in consultation with sector leads has compiled an initial version of the MEB. Version 1 of this MEB will be submitted to the ISC for comments, modifications and endorsement.

Presentation
REACH
Recommendations
Frequencies and / or triggers for the update of the Transfer Value and its geographical standardization need to be established
Presentation of updated MEB to the ISC for input and endorsement
Establishment of recommendation for the update frequency and geographical standardization of transfer values

Timeline
March 2018
CMWG folder https://drive.google.com/open?id=19gYL4ujPAj7y_-KAcCntY3LXL1_KaV29

REACH collects data on behalf of CMWG
Preiliminary data analysis
Markets Task Force agrees on composition of MEB
Meetings with sector heads to request MEB input
Composition of MEB finalized, standard transfer value calculated
MEB endorsed by CMWG and incorporated into CBIs

Monthly HH Expenditure (medians per category) (in % of total expenditure)

- Hygiene: 18%
- Education: 5%
- Medicine: 5%
- Communication: 4%
- Fuel: 3%
- Household items: 3%
- Healthcare: 3%
- Transportation: 0%
- Debt servicing: 0%
- Electricity: 0%
- Saving: 0%
- Rent: 0%

Food: 53%
FSPs and Banking Landscape

“The liquidity crisis and weaknesses of the banking sector in Libya have created limitations to conventional methods of cash assistance to vulnerable households, including direct bank transfer. Beneficiaries often cannot access their installments in a timely or efficient manner due to withdrawal limits (below 1000 LYD per month for the majority of households,) long wait times, or lack of bank notes available at banks. In light of these difficulties, the Cash and Market Working Group (CMWG) has been collecting information on alternative cash delivery mechanisms in terms of time-cost efficiency, risks, appropriateness, and feasibility (...)”

ACTED, Tadawul Point of Sale, October 2017

During this session, the CMWG presented a brief overview of the Libyan banking system, followed by DRC which presented its ongoing FSP’s assessment. As a follow up from START NETWORK, this assessment looks extensively into the newly established FSPs, their services and delivery mechanisms as well as accessibility and coverage. While Libya FSP’s and services in partnership with commercial banks, are accredited by the Central Bank of Libya and generally appear to be operational for private customers, payment solutions other than cash have only been introduced in Libya over the last three years. It is important to mention that the infrastructure in the country was not adequate to introduce sophisticated electronic payments, but things are changing slowly. Access to financial services for Libyan beneficiaries does not seem to present any legal restriction. Accessibility to services for non-Libyan nationals is more challenging.

Presentation
DRC
Recommendations
Keep abreast with FSP sector See below tendering
Timeline Not available
CMWG folder https://drive.google.com/open?id=1vPfGeEV0TXHzc3KK7GyST7WbGNbgNQ_B
Documents LIBYA, Delivery mechanism mapping for cash based interventions 2017/2018, DRC, Feb. 2018

SOPs Harmonization

Harmonization of processes along the main sequences of program cycle (preparation – implementation – review) could enable organization involved in cash based programing a greater level of coordination and programmatic coherence.
A full alignment of SOP’s across organisations might not be feasible for each program sequences. Typically, delivery processes and mechanisms will be FSP specific.
Never the less, organizations would greatly benefit in harmonizing key aspects (and tools) such as vulnerability assessments (score cards), beneficiary data management (beneficiary data management platform), risks analysis and mitigation (Risk register).

Recommendation
Collect (anonymous), analysis and consolidation of CBI SOP’s
Identification of commonalities, gaps and specificities per organisations, modalities and mechanisms
When / where possible harmonisation and sharig of SOP’s
Timeline
March 2018
CMWG folder https://drive.google.com/open?id=1dkszQ0GPqD5x6_EIPpanBXA_wzV7vexu
Financial services providers (FSP) & Points of sale (PoS), Libya

File name: LY_FSP_CMWG_022018 - DRAFT - Date: 05 Feb. 2018 - Author: CMWG & DRC

The following infographics are based on an online research conducted by DRC and the CMWG in February 2018. See information sources on the excel table related to this document (FSP_Services_Overview.xls). The data visualisation aim to facilitate the reading and the location of baladya can be approximative.
Tendering

On the 25th of January 2018, UNHCR Senior Regional Supply Officer for MENA region, presented the members of the CMWG the technicalities, process and advantages of joint FSP tendering during a half day workshop. A technical level session aimed primarily at supply and program officers was followed by an exchange with the management of some of the CMWG member organizations. During this strategic training (6th and 7th of Feb), discussions did not look at the technical aspect but at the rationale, buy-in and potential for a joint or harmonized tendering approach. Mercy Corps is finalizing its procurement, CESVI has already initiated theirs. Most other organizations are actively involved in the pre-tendering processes. Discussions on joint tendering were held but were not conclusive as organizations prefer to keep a level of autonomy during the piloting of their cash delivery. However, a harmonized and unified approach to the FSP market and CBL was received as a feasible option by the members.

In order not to stop or slow down the individual processes, the recommendations below will take place in parallel.

**Recommendations**
- Meeting with FSP’s to show a unified approach to the market, explain the specificity of humanitarian CBI and planned collective volume of financial operations for 2018.
- Meeting with CBL to define and understand the legal framework for FSPs activity.
- Consolidation of specifications across the CMWG members
- Pre-tendering meeting with FSP’s, insuring support of CBL

**Timeline**
- Consolidation of specification: 1st week of March / FSP & CBL meeting in Tunis : March 2018

**CMWG folder**
https://drive.google.com/open?id=1RGHN-n9k8elB_ju1t1tSavpt5D5HptMSDy

Harmonized-joint M&E and Third-Party Monitoring

Pooling resources for a harmonized M&E and TPM across organizations would enhance the quality of programming while rationalizing efforts and costs per organizations. The UNHCR, in partnership with Moomken has established a TPM for its programs. First PDM has been shared with partners but is still to be finalized with agencies to reach an agreement on its usability and updating. Discussions as whether the UNHCR-Moomken TPM could cover all of CMWG members activities or if a specifically CBI TPM for the CMWG members should be developed were inconclusive as objectives, costs and benefits, alongside with standards and donors requirements needs more clarification. This discussion fits into the “harmonization of SOP’s”.

**Recommendation** N/A

**CMWG folder**
https://drive.google.com/open?id=1yjOIXZd6xaN15aNyC66PrVm1Hp_95Elw

Anchorage to National Social Safety Nets

Anchorage of the humanitarian response - more particularly CBI - to Social Safety Nets is a key commitment of the Grand Bargain. This is particularly relevant in the Libyan context, where subsidies have been delivered for several decades. Understanding of the stakeholders, nature and amount of subsidies as well as delivery modalities and mechanisms is a pre-requisite for the CMWG to decide on best suited approach. The WB presented the methodology for their ongoing National Social Safety Net assessment in Libya. This exercise is estimated to be completed in 6/9 months. At this point in time, only early scale data is available. Preliminary findings show that the Libya Social Solidarity fund, which is not income-based, can serve selected needs whereas the Social Economic Fund in southern Libya did not operate last year.

**Recommendation**
- Establishment of a formal platform of collaboration and coordination between CMWG, World Bank and key GoL stakeholders. Clarification of the notions of vulnerability, social status and subsidies (nature and amount) and the criteria for inclusion/exclusion from respective NSSN programmes. CMWG to follow-up on NSSN mapping from World Bank.
- Understanding of the determination of vulnerability criteria based on socio-economic criteria vs. Humanitarian criteria.

**CMWG folder**
https://drive.google.com/open?id=15ZuPvpXCIE7SnjsMecKoR0CqTG6pX3xU
Understanding the specific risks linked to the implementation of CBI at scale in the Libyan context and developing proper mitigation measures will be of paramount importance. The consolidated Risks & Mitigation Register presented during this session evaluates the risks from the beneficiaries, implementing organization and donors perspectives during the planning, implementation and closure phases. Access to liquidity or goods, inflation, connectivity, FSPs coverage, access, extra charges imposed on FSP services users, data protection, CBL rules and regulations, currency of payment, Anti Money Laundering, due diligence, accountability and data accuracy to name only these few are being investigated. Risk registers are live documents. Coordination on risks, identification and mitigation across several organization presents specific challenges with regards to update and exchange of critical information. Mechanisms to assess the triggers of risks, design and implementation of mitigation measures needs to be established.

**Recommendation**
Establishment of formal communication channels / coordination platform to analyse, share and mitigate risks

**Timeline**
N/A

**CMWG folder**
https://drive.google.com/open?id=1RiPLIe8dAFJW24bkYTnZHZ2mXG818BjK
TOPICS UNDER DISCUSSION

Reporting

Given the current humanitarian coordination architecture and the fact that cash is not a sector (but a modality), reporting cash-based intervention across several sectors presents specific challenges. In 2017, all cash activities were reported under the shelter-NFI sectors. In 2018, Shelter-NFI, food security and Protection assistance featured under the HRP will be reported under their relevant sectors. The yet to be defined “multi-sector”, not fitting under any specific sector will need special attention in term of reporting. The CMWG, with dedicated IM resources provided by UNHCR will consolidate, analyze and share monthly an overview of the cash-based interventions. To avoid duplication of effort, reporting formats for sectors and cash specific will be standardized.

2018 reporting system

- March and when needed: Project registry matrix is sent to partners to report and update ongoing or planned projects. The matrix needs to be updated when partners.
- 1st - 9th: 5Ws Matrix is sent to partners to report and update previous and ongoing activity
- 11th - 12th: IM Task Force share 5Ws products draft with OCHA and partners for feedback
- 5th-19th: 5Ws Product is disseminated

Capacity building

As in 2017, capacity building of members of the CMWG and relevant stakeholders (ISC members, FSP’s, Central Bank of Libya…) will be a key activity of the CMWG. A program of online and face to face training will be elaborated and shared. These trainings will take place both in Libya and Tunisia.
Table of References
Desk Review of Cash & Market Studies in Libya
Libya Joint Market Monitoring Initiative (JMMI) December 2017
Cash delivery mechanism assessment for refugees, migrants and asylum seekers in Libya
Libya’s Shadow Economy
UNHCR Procurement for CBI
Case Study Findings - Cash Consortium Iraq
Lessons Learned from large scale cash-programming in Lebanon 2014 – 2017
Libya Cash & Markets WG - MEB and transfer value
Protection and Financial Risks Mitigation Matrix Draft
SOPs Harmonization Matrix Draft

PARTICIPANTS