

Yemen Food Security and Agriculture Cluster Guidelines



Conditional Cash Transfers (CCT)

April 2024 Update



Background

Yemen continues to be one of the poorest and most food-insecure countries in the world, with extreme levels of multiple deprivations, as a result of the ongoing conflict in Yemen, which is now in its ninth year. Pervasive conflict, severe economic downturn, food insecurity, epidemic outbreaks, and the collapse of essential services continue to inflict damage on the population, aggravating an already precarious situation. Due to a collapsing economy, diverging currencies, and soaring price increases, fewer people can meet their basic requirements, and more are dependent on humanitarian aid. Millions of people have been affected by donor community funding shortages since the start of 2022. In 2023, the collective FSAC response was only 35% funded. Security instability, drought, epidemic outbreaks, and seasonal flooding have compromised food production and disrupted livelihoods while food prices continued to climb. Internally, a more than one-year nationwide truce precipitated the most peaceful period since the start of the conflict. However, the security situation remains volatile. Externally, the consequences of Russia's invasion of Ukraine, which has increased global food shortages, have touched many Yemeni people, as food and fuel prices have become unaffordable for poor households.

As a result, an estimated 17.3 million people in Yemen (52% of the total population) are likely to be severely food insecure (IPC phase 3 and above) in 2024, with 5.9 million expected to experience emergency levels of food insecurity (Phase 4). To address the protracted nature of food insecurity in the Country, FSAC partners are using a twin-track approach through provision of emergency food assistance and livelihood support (agriculture and off-farm livelihood) to the same locations. This approach will enhance timely and cost-effective access to diverse food to achieve nutrition and food security objectives sustainably. As planned in Yemen HRP 2024, FSAC partners aim to provide emergency food assistance to 10 million of the most vulnerable food insecure individuals covering 50% to 80% of their minimum daily requirement (From Sphere reference standard of 2,100 kcal / person / day). The primary goal of emergency food assistance is to save lives by ensuring immediate availability and access to food. Emergency livelihood assistance will be provided to 1.5 million vulnerable rural population. Time-sensitive emergency livelihood support, especially when combined with cash assistance have been proven to have significant positive impact on food security, health and nutrition outcomes. According to FSAC HRP 2024, conditional



and season-specific cash transfers will be provided to 1 (one) million people to increase household income and provide seasonal employment opportunities, thereby engaging/bringing the most vulnerable people into the local economy, while also supporting the rehabilitation and consolidation of critical community assets and infrastructure. Similarly, support for livelihoods assets restoration and establishment of micro-businesses/ income-generating activities will be provided to 300 K vulnerable people to enhance employability and offer some financial stability.

Why the Update?

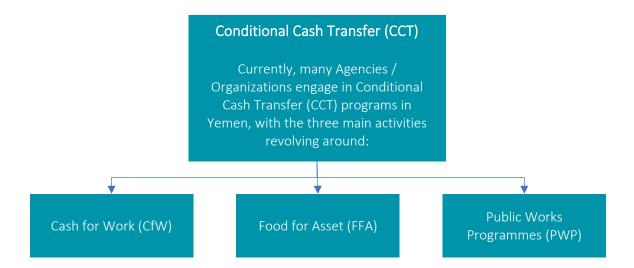
Conditional cash transfers are provided to recipients with the condition that they fulfill certain requirements or engage in specific activities during or after a crisis. These transfers aim to achieve various objectives, such as bridging food consumption gaps, offering temporary employment opportunities, and facilitating the rehabilitation of community assets. The specific type of conditional cash transfer activity utilized, such as Cash for Work, Food for Assets, or Public Work Programming, has a set of defined objectives that determine the nature of the required actions. Given the wide range of CCT programming activities implemented by multiple FSAC partners, it is critical to develop and update relevant guidance regularly, aiming to ensure that assistance remains adequate and effective, considering evolving circumstances and the changing needs of the affected population.

Based on the average prices from July to December 2023, the FSAC Minimum Food Basket Transfer value (MFB TV) in YER experienced a 3% increase in IRG-controlled areas and a 7% decrease in SBA-controlled areas since the last UCT value revision in July 2023. As a result, UCT Transfer Value was updated to respond promptly and effectively to the changing circumstances and needs. This guidance ensures that the transfer values of CCT consistent with those of UCT, and thus, the changes in UCT transfer values are promptly applied to CCT. The guidance provides essential information for FSAC partners to design appropriate CCT responses, ensuring that the most vulnerable households have access to safe food with the proper nutritional quality and quantity.



Defining CCT

There are three main CCT programmes ongoing within the country:



- 1. Cash for Work (CfW) Provides transfers to vulnerable, food-insecure and crisis-affected HHs in return for the provision of labor (particularly through labor-intensive construction and rehabilitation projects). The two main objectives of CfW programmes are to:
 - (i) Provide short term income opportunities, increase consumption of goods and enable HHs to meet their food needs; and
 - (ii) Build or repair assets and infrastructure that are vital for sustaining the livelihoods of a community.

Cash payments are provided on the condition of undertaking designated work. CfW program assistance can be delivered in the form of cash, vouchers (if necessary) or e-transfers.

2. Food Assistance for Assets (FFA¹) – A mechanism whereby an agency / organization provides food, vouchers or cash to bridge food consumption gaps while rehabilitating or

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



building community assets that reduce the risk of disaster, boost livelihoods and foster resilience over time. FFA focuses on restoring acceptable food security levels in the short term while supporting assets directly or indirectly benefiting the target population. Supported assets seek to strengthen targeted populations' longer-term livelihood, resilience to shocks and food security and nutrition.

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

Updated CCT Values Effective 29th April 2024

1. The last revision of the CCT Guidelines was in July 2023. Since then, the macro-economic conditions in Yemen have significantly changed, impacting exchange rates, household (HH) purchasing power, commodity prices, and applicable daily rate of remuneration and daily casual laborers. These changes have necessitated a review of existing CCT Guidelines. The key to each program is understanding the individual donor requirements and the project's objective, whether to meet food gaps, focus on building or rehabilitating infrastructure and

income resulting from FFA transfers can contribute to the HH capacity to cover other current and future priorities.



assets or dual objectives of addressing immediate food gaps while linking the cash transfers in rehabilitating infrastructure and productivity to increase their income temporarily.

2. The National Food Security and Agriculture Cluster (FSAC) partners agreed to have a harmonized technical guideline for livelihood related CCT programs in Yemen to be adopted by all FSAC partners undertaking the requisite activities. This document was developed by the FSAC Livelihood Technical Working Group (LTWG) and endorsed by the FSAC partners. The updated monthly CCT values are the following:

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IRG AoC  
• 140,000 * 110% = 154,000 YER
• USD 100 * 110% = 110 USD

SBA AoC  
• 58,000 YER * 110% = 64,000 YER (Rounded off to 1,000 YER)
• USD 110 * 110% = 120 USD (Rounded off to the nearest 5 USD)
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- 3. The revised CCT Guidelines comes into effect as from 29th April 2024 for all new projects, or yet to be signed agreements and will remain valid until the next formal update.
- 4. For operational and budgetary reasons, partners with ongoing, or already funded conditional cash transfer projects / programmes could adopt a phased approach in shifting to the new guidelines.

Needs Assessment

The needs assessment is critical to ensure the design of the CCT programme is appropriate. A needs assessment is a systematic process for determining the gaps between current conditions and desired conditions, which assesses local priorities surrounding needs and identifies local capacities and resources to meet needs. With regards to CCT interventions, it is used to understand the most urgent needs of the target population and the population's ability to meet those needs.



FSAC partner may conduct either rapid or in-depth needs assessments, depending on the onset stage of the crisis, the dynamics of the situation, the objectives of the assessment, and other factors, such as access restrictions to the field, security situations, the time required in hours or days, etc. The FSAC market feasibility assessment tool, CFW appropriateness assessment and FSAC focus-group-discussion tool for cash-based interventions are good assessment tools FSAC partners can utilize during needs assessment.

CCT programmes (CFW/ FFA/ PWP) must be based on a needs analysis, market feasibility assessment and cash for work appropriateness assessment. They should be planned and implemented only once it has been assessed that;

- 1. There is a need for such a programme.
- 2. It is clear that a conditional cash programme is the most appropriate instrument to meet this need in a timely, efficient and effective manner.

Before undertaking a CCT programme, it is critical to verify the following:

- The average daily Local Market Unskilled Labor Rate (LMULR) at district and Governorate level.
- Markets are functioning.
- CCT activities will not interfere with the community's main livelihood strategies.
- Assets and infrastructure to be built or rehabilitated will meet the basic needs of the
 targeted population and have positive impact on food security and agriculture situation.
 In addition, the assets created and rehabilitated, and the income generated should
 contribute to relieving transitory or structural food security/poverty.
- It is imperative that FSAC partners consider the contextual nuances of their operational areas, whether situated in urban or rural settings. For example, urban areas tend to exhibit a higher school enrollment rate, therefore CCT programs should focus their efforts on strengthening service delivery infrastructures, such as schools and healthcare facilities. However, rural areas may necessitate the restoration of productive assets to enhance livelihood opportunities, such as supporting agricultural production.



All CFW/ FFA/ PWP programmes should adopt a "do no harm" approach through a preliminary assessment to ensure that assets created will not trigger conflicts within the community. The following elements should be taken into account:

- Ascertain whether the target groups will actually benefit from the intervention. Agencies /
 Organizations need to verify whether the potential recipients are willing and able to carry
 out the work and whether the assets / infrastructure that will be built or rehabilitated are
 useful to the community and can be maintained.
- Verify that CCT programmes do not negatively affect the main livelihood strategies and existing social norms of the local community. This implies, on one hand, being familiar with these strategies, and on the other, understanding how a CCT programme can help HHs to address their livelihoods problems.
- To optimize the use of resources, it is important to weigh the cost of activities against how
 much it is prioritized by the community as the activities selected are recommended to not
 be very costly in terms of inputs and materials.

Principles of CCT Programmes for unskilled labour

The below considerations are related to projects whose <u>priority is to meet the basic food needs of</u> <u>the targeted population</u>. As such, if partners intend to implement a project with different priorities requiring different CCT values, they should consult with FSAC Coordination Team.

- 1. One CCT value for IRG Area of Control (AoC) and one CCT value for the SBA AoC. CCT values expressed in YER².
- 2. The CCT values should be 10% higher than unconditional cash transfer value (UCT), aiming at ensuring a larger coverage (from 80%-85% Kcal according to the MFB composition to the 90%-95% Kcal) of the MFB. For more information, please refer to the UCT Guidelines: (https://fscluster.org/document/fsac-unconditional-cash-transfer-0). The CCT values should be computed as follows: CCT = UCT * 110%.

² For program design purposes, partners should use the real-time exchange rates when designing their projects.



- 3. Considering the uniqueness of FFA, when utilizing other food assistance modalities (voucher or in-kind) it is important to take into account the commodity procurement involved and other supply chain issues. In addition, since it is still needed to provide an incentive for participants, the transfer value is increased (from 80%-85% Kcal according to the MFB composition to 90%-95% Kcal). The 10% top-up can be on any of the food commodities. It is up to each partner undertaking FFA to decide which commodity ration to top up, however this must be communicated to the FSAC for coordination purposes.
- 4. The CCT transfer value at AOC level will be divided by the daily LMULR to compute the number of working days required in each Governorate.
- 5. The suggested minimum number of working days per month is 10 days, while the maximum number of working days is 15 / month. If in a given Governorate and based on the calculation envisaged by point (iv), the number of working days exceeds 15 days, the number of participants / HH should be increased from one to two. The extra HH member would work for the number of days that exceeded 15 days.
- 6. Six working hours should be considered as the maximum working hours/day, as beneficiaries need 1-2 hours to reach CFW/FFA locations.
- 7. **Duration of programs**: When selecting the time and duration of a CCT programme, FSAC partners must consider that communities are already engaged in other livelihood and productive activities. Communities are often engaged in various livelihood strategies and working on a CCT programme has an opportunity cost unless the targeted beneficiaries are unemployed e.g., if a program is targeting a community whose employment is primarily in agriculture, it is best to start it during the off-season and continue throughout its duration (usually three to four months). The following are consideration for CCT interventions tenure:
 - CFW programs should be for a minimum of 3 months and a maximum of 6 months, contingent on the type and objective of the work and donor requirements.
 - FFA programs should be for six months, as the purpose is to meet the food gaps of moderately food insecure HHs (HHs in IPC phase 3 whether they live in IPC phase 2, 3 or 4 Districts).
 - PWP programmes should be for a minimum of 3 months.



- 8. In the event of a depreciation of the YER, it is envisaged that partners will make savings due to the conversion of the CCT programme payout amount from USD to YER. Savings can be utilized as follows:
 - Partners to engage new beneficiaries to complete the ongoing activities,
 - Partners to add one extra round to the same beneficiaries to complete the ongoing activities.
 - Partners to provide more workdays to the same beneficiaries (if the savings made are not enough to engage new beneficiaries) Partners may consider adding extra work to ongoing activities in order to improve the rehabilitation of community assets and increase the impact of the program. For example, this could include increasing the length of road to be rehabilitated based on community consultation and in alignment with the remaining savings. By expanding the scope of the program, partners can help maximize the impact of the activities and ensure that the community's needs are met to the greatest extent possible. However, it is important to carefully consider the feasibility and sustainability of any proposed expansions, as well as the potential costs and benefits, in order to ensure that they are aligned with the goals and objectives of the program.
- 9. In cases where there is a significant appreciation of the YER, leading to the cost of partners' transfer values specified in project budgets in USD being lower than the required amount, it is recommended that partners reach out to the FSAC coordination team with providing comprehensive details about the encountered situation and engage in discussions to identify potential solutions.

Targeting Principles for CCT Interventions

The targeting process consists of several stages, including coordination and stakeholders' consultation, needs assessment, choice of targeting approach, beneficiaries' selection, and monitoring, ensuring that assistance reaches the right individuals or communities. By following this structured approach, FSAC partners can effectively allocate resources, maximize impact, and maintain accountability throughout program implementation.



- 1. Coordination and stakeholders' consultation: Targeting should be carried out according to clear and transparent criteria and involve the community and local authorities. Coordination and stakeholder consultation are essential for the successful targeting and implementation of CCT programmes in Yemen. By taking the time to consult with stakeholders and coordinate efforts, this will ensure that the interventions are aligned with the needs of the community, build trust and cooperation, avoid duplication of effort, and improve the efficiency and sustainability of the interventions. This process should involve consulting several stakeholders prior to selection of targeted areas as follows;
 - FSAC partners should use gap analysis data developed by FSAC in the most recent dashboard published monthly, to be aware on the coverage of activity number one (Rehabilitation of community assets, provision of seasonal employment and increase of HH incomes through Conditional Cash Transfers) under FSAC SO2 and recognize needy districts where significant gap exists. FSAC partners are encouraged to consult with FSAC coordination teams in their respective hubs for further information on detailed needs at sub-district/village level, area context and viable activities. (The FSAC Interactive Dashboard is available here; FSAC Information Management Products).
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 - FSAC partners presence and monthly planning dashboard developed by FSAC to
 identify implementing partners in the geographic areas under consideration. FSAC
 partners should consider ongoing, confirmed and planned activities to avoid any
 overlapping or to ensure successful complementarity where needed. FSAC partners
 need to coordinate with other partners at the field level and gather secondary data on
 the concerned areas.
 - The selection of target districts and villages should be processed through coordination
 and consultation with line-ministries, government offices and local authorities to
 ensure effective and well engagement of government in process of selection of
 targeted areas as well as facilitate and grant the approval of government on final
 selected areas It is imperative to consider the operational area and the nature of
 activities to ensure coordination with relevant ministries and entities.



- 2. Beneficiaries' selection: is the process of implementing targeting and prioritization decisions, which include preparatory steps, applying eligibility criteria to generate a list of beneficiaries, enrolling them in the program, and providing the necessary assistance.
 - Targeting depends on the objective of the CCT program, i.e., if the program aims to reach a particular group (e.g., women or the poorest / most vulnerable sectors of the population) or vulnerable communities in each geographic location.
 - When selecting beneficiaries, several key criteria are applied. Some of these criteria include the following;
 - Only adults over 18 years old should participate.
 - Ability to physically work (this may exclude the elderly, pregnant women, youths below a certain age).
 - Ability / flexibility for workers to continue to carry out domestic tasks (e.g. taking care
 of young children).
 - Individuals belonging to HHs who do not have people currently engaged in other
 employment and / or who do not have any source of regular income (e.g. receiving
 rent, regular remittances etc.). This does not exclude HHs whose only income is from
 using severe negative coping strategies (selling organs, child labor, transactional sex,
 etc.).
 - It is important to consider environment policy when targeting beneficiaries, in terms of having a balance between displaced/marginalized persons and Host Community Populations during targeting. It is advisable to recognize the ratio of displaced/marginalized persons to host community populations, as well as to consider the vulnerability criteria of each group for targeting purposes.

<u>Note</u>: FSAC vulnerability and targeting working group are working on the new vulnerability and targeting guidance to develop approaches of enhancing the Food Security and Agriculture Cluster (FSAC) vulnerability-based targeting, informed by direct and proxy food security indicators, while fully mitigating risks of inclusion and exclusion errors possible. The targeting for CCT programmes is included in detail in this guidance, which will be shared once completed and endorsed.



Gender considerations

- 1. In many situations, the participation of women in public CCT programmes is conditioned by local socio-economic and cultural circumstances and norms. In communities with few work opportunities and where wage work is traditionally reserved for men, women face many obstacles in seeking employment in CCT programmes. Furthermore, public works programmes should take into account that women are often already occupied with many HH and other tasks.
- 2. Gender roles and their control over financial resources may vary from one location to another and according to the context, whether urban or rural. In order to encourage women to participate in these activities, it is important to determine the gender division of labor in the HHs and the time available to women and the gender analysis for conditional cash programmes activities.
- 3. Designing CCT programmes activities for women should take into consideration the following:
 - Cultural acceptability teams composed of men and women might generate disapproval for religious/cultural reasons. Different tasks could be proposed on different sites and teams should be set up per gender when needed.
 - Women's responsibility for domestic tasks and childcare means programming for women should take this into account with shorter working days, different timing, and lighter tasks. The substitution of other HH members is acceptable.

Monitoring Mechanisms for CCT Interventions

(i) Monitoring is a continuous process that should be carried out throughout the duration of the project implementation. It should be inclusive of all project results, the security context, cash flow, compliance with procurement procedures, and project objectives to ensure efficiency and effectiveness of the program. (M & E) is a crucial step in measuring the success of the CCT programme. Regular monitoring allows accurate determination of who received what, examining how the conditional assistance were used, and more



importantly necessitates the determination of the repercussions on the expansion and development of the local food security situation and microeconomy are all made much easier through monitoring and evaluation. There are other important aspects such as technical guidance on constructions on sites, problem solving, and confidence-building of the beneficiaries etc. Progress monitoring allows project monitoring to gauge its impact on both **household** and community levels.

- (ii) Feedback and complaint handling mechanisms work in partnership with M&E in all phases of the program lifecycle. The complaint and feedback handling mechanism can take various forms, such as a hotline telephone number, a complaint desk, feedback, and complaint boxes, and so on. More information on this is available in Yemen.
- (iii) Post Distribution Monitoring (PDM) activities are recommended for each round of cash disbursement. The PDM will include:
 - Assess satisfaction: The PDM will assess the satisfaction of beneficiaries with the payment processes, the utilization of cash received, changes in coping strategies, garage some response results, etc.
 - Understanding Dynamics: PDM helps to understand intra-household and community dynamics concerning accessing assistance and using the distributed items.
 - Improving Procedures: The information collected through PDM is used to assess and improve the procedures of distribution and to report to the program's implementers and donors.
 - **Identifying Risks**: PDM allows the program to identify and prevent any potential protection risks.
- (iv) Ad-hoc monitoring visits can be performed as needed, as direct visits to the project site are limited to a maximum of three times. Regular follow-up visits should be conducted both in-person and over the phone with beneficiaries.



- (v) Monitoring by the community and groups leaders: Community members and leaders have a role in the monitoring process through identifying the issues and collecting any feedback from community. Where applicable, the CFW group's leaders are involved in monitoring activity in terms of monitoring the implementation of CFW activities at the field level based on the orientation and guidance of FSAC Partners.
- (vi) What to Monitor: A variety of monitoring indicators can be used to gauge the following:
 - The progress and quality of the work: The work that beneficiaries must do should be timely, quality and relevant to their skills and abilities.
 - The safety of the work: The work that beneficiaries must do should be safe and not pose a risk to their health or well-being.
 - The payment of wages: Beneficiaries should be paid on time and in full for their work.
 - The satisfaction of beneficiaries and complaint handling: Beneficiaries should be satisfied with the program and should feel that they are benefiting from it. Their grievance and feedback should be heard, respected and timely addressed.
 - The Food Security and Livelihood situation: Impact of the CCT interventions on the food security and livelihood situation of the vulnerable population.
 - **Gender Sensitivity**: Monitoring should collect, analyze and report data disaggregated by gender, to examine and address any unequal power distribution between men and women.

The below is example of monitoring indicators for consideration for Conditional Cash Transfer activities:

Outcome Indicators	Output Indicators	Process Indicators
Food Consumption	% of people who cover their	Amount of cash distributed to
Outcomes	basic food needs through	beneficiaries under rehabilitation of
 Food Consumption 	conditional cash transfer	community assets, provision of
Score	activities	seasonal employment and increase
 Household Diet 	• % of total cash expenditure	of HH incomes through Conditional
Diversity Score	spent on food	Cash Transfers (disaggregated by
		cash and voucher)



Household Hunger Scale Household Food Insecurity Access Scale. Livelihood Outcomes Reduced Coping Strategy Index Livelihood Coping Strategy Index	 % of households who have their calorie intake increased to 2,300 Kcal pp/pd. % of households who are able to meet the FSAC Minimum Food Basket. Mumber of CFW high quality projects/assets completed according to the technical specification. Number of community assets rehabilitated and reutilized used efficiently by the community. # of beneficiaries who participated in rehabilitation of community assets, provision of seasonal employment and increase of HH incomes through Conditional Cash Transfers. Number of CFW high quality projects/assets completed according to the technical specification. Number of community assets rehabilitated and reutilized used efficiently by the community. # of beneficiaries who report saving part of their wages 	
AAP Indicators		



Participants Risk Management

Ensuring the safety of participants is of utmost importance in CCT programs. Each partner should establish comprehensive safety measures and provide safety tools to participants to minimize the risk of any potential injuries. These safety measures may include but are not limited to providing protective gear, conducting safety training sessions, and implementing proper supervision protocols. It is essential to communicate clearly with participants about their responsibilities regarding safety and to emphasize the importance of adhering to safety guidelines. Regular monitoring and evaluation of safety measures can help identify areas for improvement and contribute to the overall effectiveness and accountability of the CCT programs.

Examples of community assets / infrastructure that can be rehabilitated or constructed³ through CCT programmes

Canal	Cistern	Dam
Gabion	Grazing area protection	Latrine
Pond construction	Road	School ⁴
Health facility	Spring	Water tank
Soil conservation	Agriculture and conservation land	Reforestation
Waste disposal	Water reservoir	Water network

For more information on the guidelines, contact the following persons:

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- 4. Shadi Abdulgalil; shadi.abdulgalil@fao.org (FSAC Cluster Coordinator, Aden).

³ The specific activities can be rehabilitation of existing structure/assets, construction of new structure/assets, improving the existing structure/asset, or completing an unfinished project. This will be contingent to a specific location, donor requirements, agreement with local authority, and endorsement from community committee in charge for the project. The assets/infrastructure to be rehabilitated or constructed must be a community asset (that will benefit all community members) and not specific individuals!

⁴ The list is not exhaustive.