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# Cash-Based Transfers WFP Myanmar

## What are Cash-Based Transfers?

Cash-based transfer (CBT) is the provision of monetary assistance in the form of physical cash to the targeted most food-insecure and vulnerable communities. In areas with accessible markets and functioning cash infrastructure, CBT enables the beneficiaries to access food directly or through service providers. This way, WFP empowers the beneficiaries with choice to address their essential needs in local markets, while also helping to boost these markets. Cash transfers include assistance distributed as physical bank notes, e-money or mobile money, and through debit cards or value vouchers which are redeemable at locally-contracted shops.

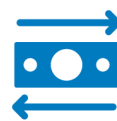
## CBT in Myanmar

Myanmar remains one of the least developed nations in the world with an estimated 24.8 percent, or 13.3 out of its 54 million population, living below the poverty line. High levels of disaster risk and conflict remain challenges to the livelihoods and food security of communities. In 2019, more than 941,000 people in Myanmar are in need of humanitarian assistance, of whom 244,000 are internally displaced. Additionally, Myanmar is extremely susceptible to varying natural disasters. Most people in the country struggle with physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs, and undernutrition rates are among the highest in the region.

As the global leader in the fight against hunger, WFP employs CBT as an effective and innovative way to deliver food assistance in

a changing world. WFP in Myanmar started to implement conditional CBT through its community asset creation and livelihood programme in 2008 in Chin State, where participants from marginal and vulnerable populations received cash for themselves and their families in return for work. Following the success of this assistance modality, WFP's relief programme has since started a gradual shift from food assistance to CBT depending on the context of the situation.

CBT is appropriate in Myanmar, where frequent disasters require WFP to act quickly and efficiently, and diets vary across diverse populations. Beneficiaries in WFP's community asset creation and livelihood programme receive a wage through cash in return for work, and in relief operations, monthly CBT rations are calculated based on the number of persons per household, inflation rate, seasonality, and market value of WFP food basket items. WFP CBT assistance is constantly informed by market data and vulnerability assessments in order to ensure that local markets are both accessible and thriving, particularly in conflict-affected areas.



## WFP's cash transfers to beneficiaries

Year	Amount (US\$)	Beneficiaries
2017	6.3 million	174,000
2018	7.1 million	325,000



**Photo:** Beneficiaries share information about WFP E-Wallet in Myitkyina Township, Kachin State

## Why Cash Instead of Food?

Delivering cash to food-insecure people instead of food holds several benefits:

- **Efficiency:** cash is faster and easier to transport than large quantities of food and can be transferred to beneficiaries through a variety of methods. Cash is cheaper in most cases, especially where functioning markets exist .
- **Personal control and dignity:** beneficiaries can meet self-identified needs, rather than having to rely on predetermined goods.
- **Strengthened local markets:** CBT benefits communities through restoring and contributing to local economies, particularly in the aftermath of emergencies.
- **Cost cutting:** cash cuts down the costs of transporting and storing food, and reduces overhead operational costs in the longer term.

## Cash Working Group

In August 2015, following the emergency flood response in Myanmar, a national-level Cash Working Group was formed, chaired by WFP. The working group provides a platform for coordination and learning, strengthening CBT across sectors and clusters in development programmes and disaster response. Growing interest in CBT has led more than 35 organizations, including WFP and UN agencies, WFP's cooperating partners, government departments and other stakeholders to join the working group, with the aim of collaborating to deliver effective and efficient assistance to the most vulnerable populations. Led by WFP, state-level cash working groups are functioning well in Kachin and Rakhine states, allowing partners to share knowledge and coordinate on cash-related issues on the ground.

## E-Wallet Project

In recent years, Myanmar has experienced rapid development within telecommunications, bringing mobile and internet coverage to the majority of the population. In February 2017, WFP launched a pilot programme of electronic cash transfers via mobile phones, known as E-Wallets and Cash Over the Counter, to internally displaced people (IDP) in six camps in Kachin State, where IDPs use private accounts on their phones to receive monthly cash assistance. This initiative represented the first use of such technology in humanitarian work in Myanmar. As the pilot was successfully implemented with a high level of acceptance from different stakeholders, WFP has gradually scaled up Cash Over the Counter, reaching 1,450 households in 23 IDP camps in Kachin State as of mid-2019.

## Accountability and transparency

WFP in Myanmar recognizes the importance of designing and implementing CBT that focuses on increasing the safety, dignity, and integrity of beneficiaries. To further engage local populations in decision-making and increase transparency and accountability,

communications channels such as the Complaint and Feedback Mechanism are established in all operational areas. Beneficiaries use telephone hotlines, emails, and staff members to communicate with WFP.

In implementing CBT and electronic cash transfers, WFP is working with cooperating partners, beneficiaries, camp management, protection committees and gender-based violence groups to ensure the proper implementation of the "Do No Harm" approach, protecting vulnerable and marginalized groups.

## The Road Ahead

Within WFP's Country Strategic Plan (CSP 2018-2022), CBT is one of the strategic shifts to achieve Agenda 2030 for Sustainable Development. With this aim, WFP is scaling up CBT in safety net programmes such as relief and community asset creation activities. WFP has introduced CBT in the school meals programme since 2017 and has gradually scaled up where appropriate and feasible. WFP has also implemented maternal and child cash assistance activities with CBT in Yangon peri-urban areas.

WFP will continue to strengthen the capacity of the Government of Myanmar related to CBT in the context of social protection programmes such as maternal and child cash transfers. WFP will also continue to support the Department of Relief and Resettlement with emergency preparedness programmes, as well as facilitating the Cash Working Group to address recovery and resilience-building.

## WFP CBT Activities 2019

