

Meeting Needs & Empowering PeopleWFP'S CASH-BASED FOOD ASSISTANCE IN UGANDA



is the deal with cash SXN8X



Responding to humanitarian emergencies is a primary focus of WFP. The choice of the assistance modality (food or cash) is based on feasibility and appropriateness. WFP brings food to places where markets are disrupted and less functional, while cash-based assistance is preferred in places where food is available and markets are well integrated. WFP Uganda is providing cash transfers to refugees residing in refugee settlements in West Nile and the South-Western regions of the country. Refugees need relief assistance to guarantee minimum food consumption and prevent malnutrition.

WFP's cash assistance not only grants households greater agency in determining the makeup of their meals - an important social, psychological and cultural anchor for families living in uncertain times – it can also provide a substantial boost to local economies. A study conducted in Uganda in 2016 by researchers from the University of California at Davis, has shown that every US\$ 1 given in cash to a refugee translates into about US\$ 1.5 pumped into the local economy, compared to an average of approximately US\$ 1 when food rations are provided.

now

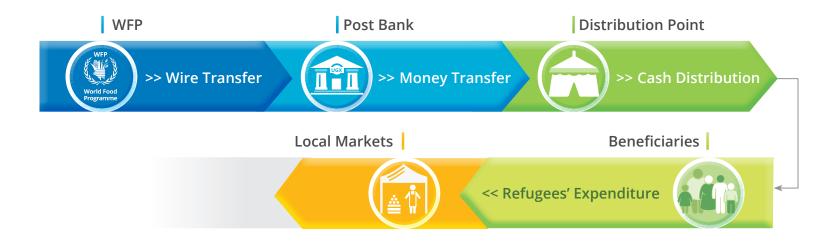
As part of its General Food Assistance (GFA) to refugees in Uganda, is currently providing unrestricted monthly cash transfers to almost 400,000 refugees across nine settlements (as of November 2019), representing about one-third of the total assisted refugee population. This amounts to an overall transfer volume of USV\$ 3.2 million into refugee hosting districts every month. Refugees enrolled for CBT currently receive UGX 31,000 (US\$ 8.46) per person per month, to meet the minimum caloric requirements of 2,100 kcal per person per day. This amount is based on how much it costs refugees to buy WFP's in-kind food basket on the local market. For equity reasons within WFP's general food assistance response and given the high levels of cross-country mobility of refugees, cash beneficiaries receive the equivalent monetary value of what WFP's in-kind food beneficiaries receive in the form of commodities.

Expansion of cash transfers within WFP's GFA to refugees is being implemented on a gradual basis, based on voluntary enrolments, ensuring market functionality, accountability to affected populations and adhering to the overall policy environment of the Government. By the end of 2020, resources permitting and unless markets become severely disrupted due to factors over which WFP has little control (e.g. insecurity, conflict, economic crisis, natural disasters, etc.), cash transfers will be scaled up to reach over 600,000 refugees in Uganda.



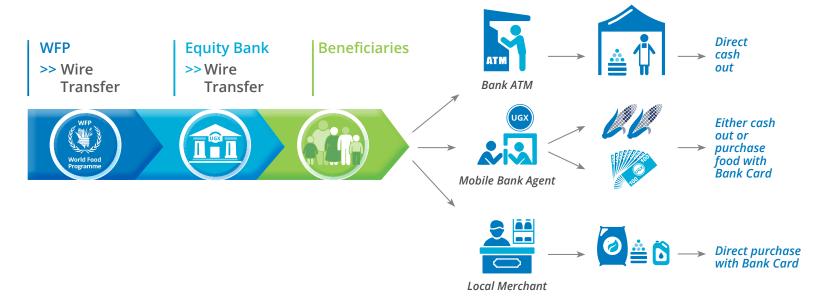
and Rollings gxUgx just how is this being done 8xn8x Ugxxgugxxgugxxgugxxgugxxgugx

mobile branch office banking on wheels



WFP and Post Bank Uganda set up Mobile Branch Offices every month, to enable refugees to withdraw their cash entitlements from their accounts in select settlement locations. However, WFP also recognizes that this model provides limited flexibility for refugees to receive cash transfers, resulting in queuing at cash distribution points. WFP is working with both Post Bank and Equity Bank to develop the necessary service infrastructure within and around the settlements to enable refugees and host populations to access financial services.

agent banking model



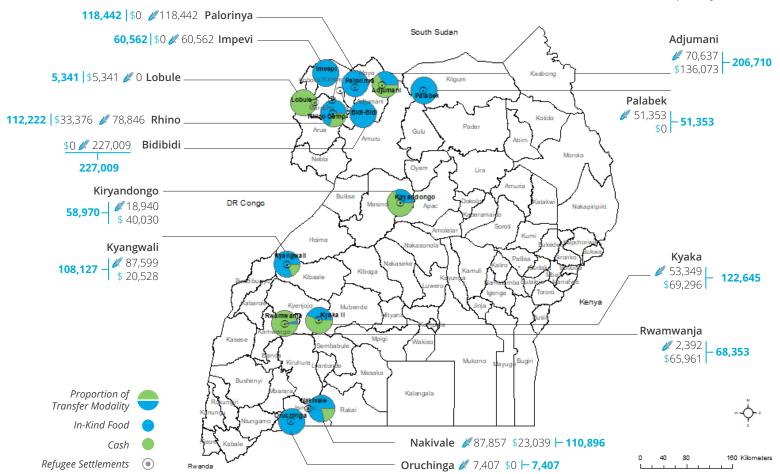
In June 2019, WFP introduced Agent Banking by opening refugee-owned bank accounts and issuing bank cards to 24,000 in the Nakivale settlement. Agent banking is an extension of banking services outside of the traditional avenues of tellers, a licensed and supervised financial institution contracts a third-party operator (agent), who is approved by Bank of Uganda, to provide financial services on its behalf. This delivery mechanism for providing humanitarian cash transfers offers flexibility for withdrawals and brings financial services closer to the affected populations, while promoting financial inclusion and empowerment. It also encourages a saving culture among the communities we serve.



where is this being rolled out

WFP Uganda Operations September 2019 In-Kind Food & Cash Assistance 1,258,037 ASSISTED BY WFP

* Statistics compiled by WFP AMEL



what will WFP's cash-based Financial inclusion has been identified as a key enabler of improved livelihoods, including it's contribution to food security. WFP's cash programmes are a starting point for promoting the financial inclusion of unbanked persons through the opening of bank accounts and the provision of access to financial services. Bringing access of financial services closer to remote rural areas, where FSPs would otherwise not go, will thus remain a key objective for WFP. This is expected to stimulate competition in the sector and to open opportunities for other private and public stakeholders to develop suitable financial products (savings, credit, insurance, payments, and remittances) for individuals – notably the excluded and underbanked – micro, small, and medium enterprises, at a reasonable cost, and on a sustainable basis.

WFP is also committed to designing its cash programmes in support of national social protection systems, with a strong focus on making such systems more efficient and effective. This approach seeks not only to make sustainable contributions to country systems, but also to help leverage the efforts and resources of these national programmes, services and systems to achieve enhanced results.



for t **CDT** gxUgx gx UgxxgUgxxgUgxxg to be effective & sustainable we must ensure that; Ugx Ug Ugxxqugxxqugxxqugxxqugxxqugx



- Cash can be an effective and efficient path to achieve food security and nutrition results;
- Food and nutrition requirements can only be meaningfully addressed by meeting a family's range of essential needs at the same time;
 - It makes sense for WFP as a food security agency to provide vulnerable people with cash to meet their essential needs;
- The cash policy discourse, both in Uganda and globally, needs to be elevated from one focused on transfer efficiencies ('mere delivery') to one focused on ensuring outcomes, effectiveness and accountability for people in need.



to be effective & sustainable we need the international donor community to;



- Acknowledge WFP Uganda's strength in multiple assistance modalities;
- Focus less on modalities (transfer efficiencies) and more on outcomes (effectiveness);
- Focus less on modality restrictions and more on programme design as the means to obtaining results;
- Recognize WFP Uganda as effective, efficient and accountable;
- Understand addressing essential needs as a cost effective and efficient way of achieving food security and nutrition outcomes in a context of increased needs and insufficient resources;
 - Increasingly coordinate among themselves.



Thank you to our **Donors**:









Meeting Needs & Empowering People WFP'S CASH-BASED FOOD ASSISTANCE IN UGANDA

UN World Food Programme in Uganda

Plot 17-19 Clement Hill Rd. | Kampala, Uganda WFP.org/countries/uganda +256(0)312 242 000