

Summary Note on Cash Working Group (CWG) Meeting

Date/ Time & Venue	11 August 2022, 10.00 – 12.00 AM (via MS Teams)	
Chair / Co-chair	John Nelson (Mercy Corps)	
Participants	Action Aid, CARE, CESVI, CRS, DCA, DRC, ECHO, Food Security Cluster, German Red Cross, HPA, IOM, JICA, ICRC, IFRC, LIFT, Mercy Corps, MRCS, NRC, OCHA, PUI, REACH, UNDP, UNFAO, UNHCR, UNICEF, WASH cluster, UNWOMEN, WFP, WFP – FSC, WFP – Sittwe, WFP- Myitkyina, WVI, Zigway	
Agenda items and summary of discussion	Action Points	
<p>1. Sub-National CWG updates</p> <p>Kachin</p> <p>In Kachin, continued restrictions, increased checkpoint scrutiny and intensifying conflicts, are posing challenges around transferring cash from partners to beneficiaries. Although private banks resume operation, liquidity issue persists with 1-3% cash out fees. CWG partners operating in NGCA areas, especially those near China border are facing exchange rate fluctuation and will only distribute equivalent MMK for 45 Yuan starting from August 2022. This would result in transfer value decreases for beneficiaries.</p> <p>Rakhine</p> <p>In Central Rakhine, rice prices spiked despite new harvest season due to high production cost resulted from MMK being weaker. Markets are still viable; however, rice supply is limited in Minbya and Mrauk-U. Differences between media and partner analysis can be seen in high quality rice price which went up by over 25% in Sittwe, 17% in Mrauk-U. Generally, the upward trend will continue to be seen. The revised exchange has negative impacts on household (HH)'s consumption and purchasing power. There were fuel shortages in official market, while the black market sells 20-30 % higher price which further affects the commodities prices. Food security situation is getting worse and partners are trying to reach to areas which were difficult to access before in an attempt to get full picture of the situation. E-cash activities restored to the level before suspension, however, upscaling will be slowly. Partners are trying to replace cash in envelope with e-cash in IDP camps, however, SIM card registration is not feasible especially for Rohingya population. Overall, the situation is not improving but partners are working closely with community to ensure beneficiaries benefit from resources provided.</p> <p>Southeast</p> <p>CARE is having ongoing discussion with Southeast ICCG member regarding potential to lead the cash coordination in Southeast, preferably co-leading with Food Security cluster. Subsequent discussion will be made bilaterally between CWG co-chairs and CARE to explore further on establishment of cash coordination mechanisms in the area.</p> <p><u>Partner Updates</u></p> <p>CARE</p>	<p>#CWG co-chairs to have follow-up discussion with CARE on SE Cash Coordination</p>	

CARE is discussing with ONGO FSP for the cash program in Mon State and Northern Rakhine State. CARE has an agreement with ONGO FSP for this cash transfer/disbursement services in these areas. CARE completed the beneficiary selection process on cash assistance for food security in 7 townships (Mawlamyine, Mudon, Chaungzon, Paung, Kyaikmaraw, Thaton, Thanbyuzayat) of Mon State. Target beneficiary is 1525 households in Mon State. CARE will distribute cash to beneficiaries through Nway Htwe Thaw Yin Khwin local partner and ONGO FSP as per agreement in August and September. CARE is thinking of supporting the Sub-National Cash Working Group together with the Food Security cluster in SE level if feasible. CARE has plans to provide cash programs for the purpose of MPCA, food security and livelihood in Mon, Kayin and Kayah State in coming six to 9 months. CARE completed the Rapid Market Analysis in Kayah and Southern Shan State and the reports will be shared with CWG members and presented in next CWG meeting.

DRC

Kachine: DRC implemented MPCA under DANIDA project and distributed to total 398 (348 HHs in July and 50 HHs in August) in five IDP camps: Loije RC Camp, Loije Seng Ja Camp, Loije Nyaung Napin Camp, Mina AG Camp and BP-6 Camp. It was a once-off distribution of 280000 MMK/ HH.

NSS: MPCA cash support provided for three rounds in NSS under DANIDA. Two rounds of support were completed in June and July targeting 236 HHs, including Mine victim referral 15 HHs. These HHs were provided with 182000 MMK per beneficiary per round for only food component. DRC plans to provide MPCA 3rd round under ECHO-HIP in August 2022.

Rakhine: DRC is planning cash to buy vegetables seeds and tools for 150 beneficiaries under Danida Project.

2. Market updates

Mercy Corps and WFP provided market price updates for July 2022 respectively on geographical areas, and nationwide market price updates.

Overall, basic food basket prices increased by 34% in June compared to same time last year. Fuel prices decreased by 21% on average, however, the price varies depending on fuel type and geographical areas. The price of onions went up to 7% compared to June 2022 due to supply and demand issues. Month-to-month prices of key commodities were stable; however, average prices are significantly higher for most commodities compared to 2021. Key factors driving price spikes are due to high fuel prices and transport fees.

In Central and Northern Rakhine and Chin state, prices shifted significantly in July with clear trends across different product categories. Increases were widespread for items such as palm oils, pulses, meat/fish and hygiene products. Compared to same time last year, price increases for many products stood at 15% or less, although prices for many NFIs remain nearly 50% higher, while palm oil price remains 86% above 2021 level. In comparison, Ponnagyun and Rathedaung townships saw uniquely broad price increases in July 2022.

For more details on WFP and Mercy Corps MPM, please refer to attached presentations. Please visit [here](#) for WFP market monitoring dashboard and follow this [link](#) for Mercy Corps MAU dashboards and reports.

3. ECHO's presentation on new cash policy

ECHO presented the DG-ECHO thematic policy on cash transfer to partners for familiarization of policy and to introduce priority topics for Myanmar. The new policy targets the humanitarian partners and staff of ECHO as main audience and applies to all cash programmes. The policy considers MPCA for basic needs and applies to MPC and CVA for specific sectoral outcomes. The outcomes of the policy are to operationalize the nexus programming, target the most vulnerable and provide adequate, equitable and timely assistance which are accountable and measurable in line with VfM. The new policy presents itself as a more comprehensive document with focus on cash over vouchers. It focuses more on linkages between cash and social protection as well as with other humanitarian reforms and policy developments. Multiple avenues for innovation such as digitalization, market support and group cash transfers are highlighted in the policy. The policy noted that partners are required to calculate total cost to transfer ratio (TCTR) for all cash assistance above EUR one million equivalence. For more information, please refer to attached presentation.

There were questions around TCTR, group cash transfers, ECHO's position on the use of informal money transfer agents (IMTA) and the use of third-party monitoring. In terms of group cash transfers, policy mentions that it should not be a stand-alone type of intervention but complementary to other humanitarian actions to meet basic needs, emergency food needs and collective preparedness and capacity of HHs to withstand shocks. The group cash transfer is still in pilot phase and should not be considered the most common way of cash transfer. On question related to the use of IMTA, ECHO replied that eligibility and official status are big questions and highlighted the need to consider feasibility of formal banking system in hard-to-reach areas and risk associated with last-mile delivery. With regards to third-party monitoring, it is possible to use this approach as long as these are separate organizations in intermediary role, or different members of consortium of local implementing partners, and to keep two contacts separate at all times.

Members are encouraged to access the full policy [here](#) for information.

4. AOB

WFP co-chair updated that WAVE MONEY contacted WFP with major changes in eKYC regulations. These new regulations will make it mandatory for individuals cashing out with Wave Money agents to possess an NRC card which will be copied at each transaction and will have a significant and immediate impact on the way that the members of the CWG interact with beneficiaries. Ad-hoc meeting will be called next week to discuss way forward (negotiation for exceptions, joint advocacy etc.).

Useful links

- [Cash Programming page on MIMU Website](#)
- [Mercy Corps MAU market price report dashboard](#)
- [WFP market monitoring dashboard](#)
- [Myanmar: Cash Working Group \(CWG\) on MIMU Page](#)
- [Myanmar CWG final Terms of Reference \(June 2020\)](#)

Next CWG meeting: Thursday, 10:00 – 12:00, 8 September 2022