

## **Narrative Report of the 'Cash Knowledge Transfer Workshop'**

Date: January 21, 2008  
Prepared by: Durzijaalbuu Sengee  
Position: Workshop Organizer

### **1. Project Details**

Project: Organization of the 'Cash Knowledge Transfer Workshop'  
Location: in Ulaanbaatar  
Dates: from September 25 to November 08, 2007  
Contact information: Mr. Durzijaalbuu Sengee  
Sukhbaatar Str. 2  
Tel/ Fax: 00976 11 324099  
Email: [info@linkingmongolia.net](mailto:info@linkingmongolia.net)

### **2. Introduction**

Among the international humanitarian aid and development assistance communities, there is an increasing interest in cash-based responses to emergencies and also a growing body of experience in implementing 'cash transfer' projects. The provision and direct distribution of cash during and after an emergency has proven to be appropriate and highly effective in empowering victims and increasing their ability to cope with the disaster. Also in the development context, cash transfers are increasingly used for social assistance and for specific family assistance.

Over the last ten years, the Swiss Agency for Cooperation and Agency (SDC) gained a wide experience in various types of cash transfer projects. In the period 2002-2006, SDC has implemented four consecutive phases of 'Cash for Herders' in Mongolia. The 'Cash for Herders' projects were implemented in response to "dzuds", a disastrous winter condition with heavy snow and temperatures up to -40°C, which occurred in Mongolia between 1999 and 2002. The 'dzud' situations caused massive animal losses and heavily affected herder families. To capitalize its varied experience in Mongolia, SDC organized a knowledge transfer workshop on "Experiences and Potentials with Cash-based Approaches in Mongolia".

### **3. Goal and objectives**

The workshop aimed at sharing experiences and lessons learnt from Cash Transfer Projects with interested individuals and institutions. The workshop should build a platform to exchange and experiences and information and to discuss the ways in future. The workshop has strived for threefold result:

- To learn about the benefits and limitations of the cash-based approach in prevention, emergency, rehabilitation and development contexts relevant for Mongolia;
- To increase the acceptance of Cash Transfer Projects in Mongolia among key stakeholders; and
- To outline ways to further develop cash-based approaches to address social security as well as disaster risk reduction.

### **4. Activities**

#### **Workshop preparation**

The active preparation work for the Cash Transfer Knowledge Workshop started when Linking Mongolia was assigned for the organization of the workshop on September 25, 2007. The preparation work involved some delays because of no or little interest of co-organizers f. e. Linking Mongolia was not able to meet of responsible person from the Ministry of Social Welfare and Labor to discuss organizing issues. Also, after some hesitation the World Bank has agreed

to give only a presentation on the workshop. But, the National Emergency Management Agency of Mongolia was very cooperative and contributed a lot to an successful organization f. e. through providing room and technical facilities as well manpower. Despite of these facts, the preparation was completed timely and successfully in the respect that the workshop ran without delays.

### **Workshop participants and discussion issues**

The workshop was held on the November 06 and 07 at the National Emergency Management Agency of Mongolia. 23 organisations, governmental and non-governmental as well as development agencies, participated in the workshop. International and local non-governmental organisations have shown particular interest in the topic as they have represented 60 % of the participants.

While the first day was dedicated to provide information on existing knowledge and experiences concerning the cash-based approach and its practical implementation and lessons learnt, the second day was reserved for group discussion with aim at exchanging ideas and views on possible cash transfer projects.

### **Workshop proceedings**

The agenda of the first day of the workshop was comprised of three blocks, 'Cash based approach in Poverty Mitigation Strategy', 'Cash-based approach in Emergencies' and 'Some other experiences'. So, the first day's session started with the presentation of the Ministry of Social Welfare and Labour. It explained the actual Children's Money policy of the Mongolian Government against a historical background of Mongolia with experience in providing cash to poor, ill and elderly people. Afterward, the World Bank critically examined the Children's Money Policy in light of its three-year study.

In the second block, SDC presented the general implementation methods of the cash-based approach in emergencies and provided in-depth information in case of 'Cash for Herders'. Other organisations such as NEMA and Khovd Aimag government reported their experience with the cash transfer projects and highlighted the pro and contra of the implementation.

At the end of first day participants heard about experiences of Cash Transfers in livelihood sector in Sri Lanka. A great interest came across as the World Bank presented its methods of index-based livestock insurance.

The second day started with a wrap-up of the previous day and a discussion on what the main findings of the previous day session. The appropriateness of the cash-based approach in certain sector of Mongolia such as social welfare and emergency relief was also in the centre of this discussion. As result the participants identified need for further discussion on the following topic:

1. Methods which do not support disincentives for work and eliminate inclusion error
2. Tools to reduce vulnerability and to improve coping strategies in case of cash transfers in emergencies
3. Assessment to implement a cash transfer project
4. Integration of the cash-based approach in micro-enterprise development program.

These topics were the basis of the group discussion afterwards. Divided into four groups, the participants discussed and subsequently presented the results of their discussion. The results of the group discussion were recommendation and suggestions of general nature.

## **5. Results of workshop**

In the workshop, the experiences and methods of projects, which have used the cash-based approach in different situation such as emergency, rehabilitation, and improving livelihood, were presented. Also, the participants were given ideas when to use the cash-based approach and what are the advantages and limitations of the approach in the respective situation. Below, the results of the discussions after the presentation blocks and in working groups are presented.

In Mongolia, the government practices an unconditional form of cash transfer as 'Children's Money'. The World Bank revealed in its study on the 'Children's Money' the unconditional cash transfer leads to undesired side-effects. For instance, the unconditional cash provision creates disincentive for work and supports idling manner because one gets money for not working. On

the other hand, the unconditional form provides cash to persons, who do not need support from the government (inclusion error). For this reason, participants clearly stated, particularly in the working group discussions, that there is need for developing methods, which can help to avoid creating disincentives for work and also inclusion errors. In working groups the participants discussed these issues. It was difficult to develop concrete methods in the short time given. However, it was pointed out to stronger involve the target population to determining their need and taking action.

The presentations in the block 'Cash-based approach in Emergencies' have shown, the cash-based approach is one of the most suitable methods in emergency situations as it allows to quickly respond and to directly implement without high administration or transportation expenses. On the other hand, cash transfers helped only to overcome a difficult time, but many families remained vulnerable. Therefore, the participants questioned how the cash-based approach can be used in the way that people can be prevented from being repeatedly affected by natural disasters (sustainability). This was then discussed in the group discussion and various options were suggested f. e. to target the traditional 'hot ail'<sup>1</sup>, not the individual families. However this discussion shall be continued in the future to find concrete solution.

Summarizing, the workshop provided clear indications to the participants what are the advantages and limitations of the cash-based approach. In group discussion, it was discussed how the cash-based approach can be used to achieve to more satisfying results. Participants, particularly among local and international NGOs were highly interested to consider the cash-based approach as alternative to the conventional way. With this, the workshop has achieved first two of the three set objectives (see 3 Goal and Objectives).

On the second day, the participants were expected in the group discussions to work out concrete steps for future implementation of the cash transfer projects in Mongolian context. The group discussion was fruitful and delivered practical advises and suggestions, which we can consider in future application of the cash-based approach. But the expectation of outlining concrete models was a bit unrealistic.

## **6. Lessons learnt/ Action required**

Despite of successful proceedings of the workshop some issues can be tackled differently, even better in the future.

1. In the same week, more than three other workshops were held. This high number of workshops at the nearly same time produces workshop-tiredness and disinterest among the international aid community. This prevented from greater participation as it would have been possible. The high number of workshops also is reason for demotivation among co-organizers, f. e. the World Bank and the Ministry for Social Welfare and Labour. In the future a stronger coordination of workshops within the donor community is needed. One can consider the option to shift the venue outside of the city where people shall stay for the duration of the workshop and they are possible to concentrate on the topic.
2. Developing the workshop agenda, it is important to know how much the participants can do and what can be expected from the workshop. The objectives shall be formulated clearly and realistically (see 5 Results of the workshop). Also the aim of the second day to outline a potential scenario in the group discussion was too optimistic to achieve for the given short time.
3. The practice to use simultaneous translation for workshop is getting common in Mongolia. For our workshop it has proven to be effective. It saved time and made the communication flowing. Therefore this practice is recommended to use in the future.
4. Workshop facilitator was able to communicate both in Mongolian and English, which made the communication between participants and facilitator very flexible. If the workshop is held only English, the participants, who speak only Mongolian, have often barrier to participate in discussions. Therefore, local facilitators with respective language

---

<sup>1</sup> The 'hot ail' consists of families related to each other and builds subsistence group.

and other necessary skills are to be recommended. Of course, it is to consider what the purpose of the workshop is.

5. The workshop was reported in the main newspapers and short news was broadcasted on more than six TV channels. Here, the media department of the SCO Ulaanbaatar maintains good and contributes to succeeding PR work.

## Annex 1. Workshop Agenda

Tuesday, November 06 / 2007

### OBJECTIVE:

**Experience of cash-based approaches in poverty mitigation and relief by the Mongolian government and donor organizations is shared and discussed.**

The first day of the workshop is addressing those individuals and representatives of Government Institutions, NGOs and international partner organisations interested to learn more about Cash Transfers and its experiences in Mongolia.

9:00-9:30	Registration of the participants at NEMA <i>All participants will be registered and receive name tags.</i>
9:30-9:50	Opening and welcome Remarks <i>Minister of Social Welfare and Labour</i> <i>Minister of Emergency Management Issues</i> <i>Country Director SDC Mongolia</i>
9:50-10:00	Outline of the workshop programme <i>Aim and expected results of the workshop clarified (Workshop Facilitator).</i>
	<b>Cash-based Approach in the Poverty Mitigation Strategy</b>
10:00-10:30	'Cash Transfer Services in the Social Security and Future Trends and Perspectives' <b>Mr. Sh Otgonhundaga</b> , Ministry of Social Welfare and Labour of Mongolia, <i>Strategies of the Mongolian Government are explained in light of the cash-based approach.</i>
10:30-11:00	'Social Assistance System in Mongolia: an unfinished Agenda' <b>Mr. Arshad Sayed</b> , the World Bank <i>Results of three years studies are presented.</i>
11:00-11:30	Tea break
	<b>Cash-based Approach in Emergencies</b>
11:30-12:00	SDC's Cash Projects, <b>Mr. Mathias Rickli</b> , SDC Headquarters <i>A general overview of SDC's experience in implementing cash projects.</i>
12:00-12:30	'Cash for Herders in Mongolia', <b>Mr. Durzijaibu Sengee</b> , SDC Ulaanbaatar <i>The results, experiences, and lessons learnt from SDC four consecutive Cash Transfer Projects in Mongolia will be presented.</i>
12:30-1:00	Discussion Session All questions will be answered and discussions to deeper understanding of Cash Transfer projects (Workshop facilitator).
1:00-2:00	Lunch at Brauhaus
2:00-2:15	Wrap-up of the morning programme (Workshop facilitator).
2:15-2:35	'Cash Transfers as Relief Actions', <b>Mr Turbat D.</b> , the National Emergency Management Agency
2:35-2:55	'Cash for Herders IV' in Khovd Aimag, <b>Mr Narandorj D.</b> , Khovd Aimag Government
2:55-3:15	'Cash for Herders' – <b>a documentary film</b>
3:15-3:45	Tea break
	<b>Some experiences of Cash Transfers</b>
3:45-3:55	'Introductory thoughts on Index-based Insurance', <b>Mr Mathias Rickli</b> , SDC Headquarters
3:55-4:15	'Experiences of Index based Livestock Insurances in Mongolia', <b>Mr. O. Erdenedalai</b> , Index based Animal Insurance Project
4:15-4:45	"Cash Transfers as Supporting Livelihood", <b>Marc Fumeaux</b> , IFRC
4:45-5:00	Wrap up of the day and Explanation of the objectives second day, <b>Mr. Mathias Rickli</b>

Wednesday, November 07 / 2007

**OBJECTIVE:**

**Appropriateness and potential of cash-based approaches in poverty mitigation and relief is discussed and concrete applications for Mongolia elaborated**

Divided into working groups, participants will discuss the experiences of the Cash Transfer Projects and work on outlining potential approaches and scenarios for further cash transfers.

The second day of the workshop is addressing representatives of Governmental institutions, NGOs and international partner organisations interested to develop scenarios and options regarding the appropriateness of Cash Transfers in Mongolia.

9:00-9:15	Welcoming and wrap up of the previous day (workshop facilitator)
9:15-9:45	Preparation of group work <i>Sectors for group work defined and working group defined.</i>
9:45-10:30	Group work: Development of cash-based projects/programmes in Mongolia <ul style="list-style-type: none"><li>• as poverty reduction strategy in livelihood and social security sector</li><li>• as relief actions</li><li>• in other areas (human trafficking etc.)</li></ul> <i>Elaborations new or fine tuning existing cash-based approaches in Mongolia in the different sectors</i>
10:30-11:00	Tea break
11:00-12:00	Presentations of group works form morning session <i>Findings of group work are presented and shared.</i>
12:00-12:15	Synthesis of the group work <i>Audience agrees on potentials of cash-based approaches in Mongolia.</i> Closing of the workshop, <b>Mr. Mathias Rickli</b> , SDC Ulaanbaatar
12:15	Lunch at Brauhaus

## Annex 2: Workshop Participants

No	Name	Organization
1	Mr. B. Batsukh	Ministry of Social Welfare and Labour of Mongolia
2	Mrs. Yu. Otgonbileg	Ministry of Social Welfare and Labour of Mongolia
3	Mr. D. Chojilsuren	Labour and Social Welfare Service Agency of Mongolia
4	Enkh-Amgalan	Center for Policy Research
5	Mrs. D Ganchimeg	Labour and Social Welfare Service Agency of Mongolia
6	Mandakhgerel	National Emergency Management Agency of Mongolia (NEMA)
7	Mrs. D. Namsrai	NEMA
8	Mrs. B. Davaadorj	NEMA
9	N. Gantumur	NEMA
10	Mr. D. Turbat	NEMA
11	Mrs. Ch. Ariunaa	NEMA
12	A. Bymbagarchaa	NEMA
13	Taivankhuu	NEMA
14	Ariundalai	NEMA
15	Mr. Arshad Sayed	The World Bank
16	Mr. Mathias Rickli	Humanitarian Aid Department, SDC Headquarters
17	Dr. Markus Dubach	SDC in Mongolia
18	Mr. Batsaikhan Usukh	SDC in Mongolia
19	Mrs. Davaasuren Barbaatar	SDC in Mongolia
20	Mr. Durzijaibuu Sengee	SDC in Mongolia
21	Mrs. Valérie Ginhoux	Action Contré la Faim
22	Mr. Jannie Armstrong	ADRA – Adventist Development Relief Agency
23	Mrs. L. Enkhtuvshin	CaBSAF
24	Mrs. Yu. Tsetsegee	CaBSAF
25	Mr. John Koehler	GEO Global Economic Outreaches
26	Mrs. Ch. Uranchimeg	Gobi Altai Aimag
27	Mr. Ts. Sambuuudash	Governor's Secretary Office of GovbiAltai Aimag
28	Mr. Marc Fumeax	IRCS in Sri Lanka
29	Mr. Marlow Ramsay	JCS
30	Mrs. B. Munkhzaya	Mercy Corps
31	Mrs. Enkhjargal Davaasuren	National Center against Violence
32	Mrs. D. Enkh-Amgalan	Social Policy Department of Khovd Aimag
33	Mrs. Ts. Batgerel	The Red Cross Society of Mongolia
34	Mr. Yanim Mazudari	UNICEF
35	Mrs. D. Hurelmaa	UNICEF
36	A. Prior	Center for Human Rights and Development
37	U. Uranbileg	Center for Human Rights and Development
38	Khishigbayar	Gender Equality Center
39	Ts. Enkhtuya	Liberal Women Brain Pool
40	Ts. Oyunbileg	United States Agency for International Development
41	Batbaatar	World Vision

### Annex 3: Results of group discussion

#### Group 1: Methods to prevent from disincentives for work and to eliminate the inclusion errors.

Reasons for supporting work disincentive and idling:	Improvement suggestions
1. Using wrong terms (f. e. poor people as target group)	1. Target group defines their priorities on their own
2. Wrong sizing, timing, and conditionality	2. Target group develops project to solve their problems of first priority.
3. Low involvement/ participation of the target group	3. The Target group shall participate and be involved in the project implementation
4. Low administration capacity of the state organisations	4. Do not focus on poor people, but focus on measurements which prevent people from depriving.
5. Management structure	5. Involvement of the social workers in the project monitoring and assessment

#### Group 2: Tools to reduce vulnerability and to improve coping strategies

##### 1. Involve local people in project development and implementation

2. It is to consider whether the assistance shall be rendered to each family or to group of families
3. Investigate what is common need and define what kind of assistance of proper
4. Consider the peculiarity of the local situation
5. Different cash amount according to the affectedness of the beneficiaries, f. e. 300,000 MNT for hardly affected, 100,000 MNT for less affected etc.

#### Group 3: Assessment steps to implement a cash transfer project

Risk of Social 'Hazard' → A need of Cash transfer project towards people in problem situations	
Monitoring	What are the problems?
	What is the need and what services are needed to overcome the situation or how can be the problem solved?
	The target group/ person has really decided how to overcome the difficult situation and is willing?
	How can the cash-based approach be applied? (project plan, implementation) - Criteria of cash provision
	Assessment and results

#### Group 4: Integration of the cash-based approach in micro-enterprise development program

Micro Insurance		
Recovery	Strengthening Existing small business	Starting New Experiences

Replacement	<ul style="list-style-type: none"> <li>• Upgrading of equipment</li> <li>• Market links</li> <li>• Packaging</li> <li>• Advertising/ marketing</li> <li>• Food</li>   <li>• Generated employment</li> <li>• Sustainable</li> </ul>	<ol style="list-style-type: none"> <li>1. Household level</li> <li>2. Common interest group <ul style="list-style-type: none"> <li>• Relatives 5</li> <li>• Cooperatives 9</li> <li>• Partnership 3</li> </ul> </li> <li>3. Unemployed/ unskilled/ marginalized <ul style="list-style-type: none"> <li>• Felt making</li> <li>• Handicrafts</li> </ul> </li> </ol>
Cash Grant – one off ad hoc	credit	Cash grants (instruments?) + training (local network/ credit