

Cash Centre of Excellence

Middle East and North Africa

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Cash for Work in Livelihoods | Process and Challenges from SARC Experiences

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In collaboration with MENA Cash Center of Excellence

2024



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Introduction

After more than 13 years of the Syrian crisis, the Syrian Arab Red Crescent (SARC) is still responding to help the most vulnerable population. In 2019, the Syrian Arab Red Crescent (SARC) started using cash and vouchers assistance in its response within different sectors by using different types of CVA, and since 2019 till now many of other humanitarian organizations who work in the Syrian response used Cash for Work in their interventions but SARC hasn't implemented any project by using cash for work (CFW) yet. This paper is going to highlight why SARC has to start using CFW as one of the tools within its response and specifically in Livelihood interventions. In addition, the paper will provide the potential benefits on both individual and community levels. This paper will also shed a light on the reasons and challenges behind SARC's barriers to not use the CFW in its responses, such as operational, logistical, financial, sustainability, and the most important one of these challenges is SARC's policies. These different challenges will be reviewed and discussed in details to see how they affect the ability of SARC to use cash for work. Moreover, this paper will provide the possible solutions and the recommendations that SARC can use to overcome these challenges and obstacles.

The primary aim of this learning paper is to investigate the challenges encountered in cash-for-work (CfW) programs within the context of the Syrian Arab Red Crescent (SARC) livelihood projects. By examining these challenges, the paper seeks to inform actionable recommendations that can enhance the effectiveness and sustainability of CfW initiatives.

Syrian context

In 2024, 16.7 million people (8.4 million female, 8.3 million male) are assessed to need humanitarian assistance across Syria, up from 15.3 million in 2023. Of the 16.7 million people in need, 5.5 million are displaced, including over 2 million who live in last resort sites¹. This comes as consequence of 12 years of hostilities and persistent economic crisis, worsened by the earthquake that hit northern Syria and Türkiye on 6 and 20 February 2023. The earthquakes uprooted hundreds of thousands of families, resulted in almost 5,900 deaths, more than 12,800 people injured, and severely damaged infrastructures already weakened by the conflict.

As Syrians grappled with these shocks, economic indicators took a further downturn, high inflation, currency depreciation, and increase in commodity prices continued to drive humanitarian needs in Syria. This resulted in an increase in poverty and reliance on humanitarian assistance. Since February 2023, the Syrian pound (SYP) has lost about half of its value against the US dollar (US\$), averaging around SYP 14,200/US\$ in the parallel foreign exchange market in November 2023. In this context, the earthquake impact increased people's vulnerabilities especially those that have lost their main breadwinner due to death or injury, already unable to meet their basic needs.

¹ Humanitarian Needs Overview, Syrian Arab Republic 2023

What are Livelihoods

Livelihoods comprise the capabilities, assets and activities required for generating income and securing a means of living.²

SARC has been implementing livelihoods program since October 2015 until now with different range of livelihoods interventions with support of IFRC, Movement partners, UN, INGO's, and Local NGO's.

The aim of SARC Livelihoods Unit is to support vulnerable households and communities in all times protecting livelihoods to be prepared, cope with and recover from shocks and economic stresses, while maintaining and strengthening their capabilities and assets.

Livelihoods' interventions are focused on restoration/protection of disrupted livelihoods for affected households and communities focus in Agro interventions (food security and agriculture restoration), Employment, and income-generating opportunities.

What is the Cash for Work (CFW)?

Cash-for-Work is a short-term intervention used by humanitarian organizations to provide temporary employment in public projects (such as repairing roads, clearing debris or re-building infrastructure) to the most vulnerable segments of a population. And the wages which be given in CFW projects usually set slightly below market labor rates to avoid competing with the labor market. This methodology is relatively new, but its use has become increasingly common in food insecure, disaster-affected or post-conflict environments.³

Why the Syrian Arab Red Crescent has to use cash for work in livelihood projects?

In the context of the Syrian crisis, the CFW projects have emerged as essential tools for humanitarian response utilized by some of the humanitarian organizations. This section will explore the reasons that can lead the SARC to take the decision and start using the CFW within the Livelihood intervention.

1- Empowering Beneficiaries and Local Community:

- **Power of choice and dignity:** unlike traditional aid distributions, CFW allows people with the opportunity to earn money through work, fostering a sense of dignity and control over their lives.

² IFRC guideline for livelihoods programming, 2010

³ <https://www.calpnetwork.org/publication/guide-to-cash-for-work-programming/>



- **Providing a temporary employment to individuals in their community:** particularly those who are unemployed, CFW provides a source of income that can help workers and their families to purchase goods and services that most matters for them. Sufficient income is essential for households trying to cope with and recover from a disaster.
- **Improving the beneficiaries' skills:** CFW projects can be designed to involve activities that enhance or develop existing skills, providing long-term benefits to the beneficiaries.
- **Supporting the local communities:** One of the main goals of the CFW is to rebuild and rehabilitate infrastructure in local communities. It will help these communities to overcome and recover from the effects of the disaster and crisis.
- **Supporting other interventions:** CFW is often linked to the rehabilitation of the infrastructure of the targeted communities, and this infrastructure may be necessary for other interventions in the same communities to be successes. Therefore, CFW project may constitute a benefit to ensure the integration and success for these interventions.

2- Boosting Local Markets

- **Economic stimulus:** Cash injections through CFW programs put money directly into the hands of beneficiaries, who then spend it in local markets. This stimulates economic activities and benefits the local markets.
- **Improving access to markets:** CFW projects can be designed to address disruptions in supply chains by engaging beneficiaries in activities to enhance agricultural production and enhance agricultural production that contribute to supporting the availability of food in the markets and support supply chains, or it could be used on market infrastructure such as market rehabilitation, encouraging vendors to reopen their shops. Additionally, CFW can be used to clean up the debris of the severely affected areas and roads by the crisis usually used by the local community to access the local market, and thereby boosting market activity in these areas.

3- Additional Benefits

- **Improving food security:** By earning income, beneficiaries can afford to buy more and better-quality of food for their families to improve their food security.
- **Psychological well-being:** Having a support and earning income can contribute to a sense of normalcy and hope for the future, which can be beneficial for mental health.

Livelihood sectors which were affected during the Syrian crisis and the earthquake.

Agricultural and livestock sector

Agriculture and livestock were among the most sectors that affected during the Syrian crisis, and the damages have inflicted on these sectors are the following:

- The major destruction of irrigation canals, which the farmers were highly relied to water their crops.
- Significant damage that happened to the facilities of agricultural associations, where the farmers held their meetings.
- The damage that happened to the barns that livestock breeders used to raise their livestock.

Case Study

Agriculture is the most prominent sector of the economy and business activities in Deir ez-Zur governorate. The conservation economy depends on the cultivation of agricultural crops such as wheat, cotton, sesame, vegetables as well as livestock. Farmers' main income and food security depend on seasonal crop revenues, which is why agriculture is the key to the stability of the population in Deir ez-Zur governorate.

Prior to the Syrian crisis, cooperative agricultural societies played an important role in supporting farmers by providing basic agricultural inputs such as seeds, fertilizers, pesticides, fungicides and other essential materials and services. It also provided water supply, transportation and sale of agricultural products in the local market. During the crisis, the situation of the agricultural sector in the province deteriorated, as cooperative agricultural associations and extension units ceased to provide services and assistance to farmers, making it more difficult to secure and afford basic agricultural supplies, resulting in a decline in the proportion of cultivated land, which adversely affected many agricultural land left in port for several seasons and requiring costly agricultural rehabilitation for fertility. Not to mention the destruction of agricultural infrastructure, especially irrigation channels, pumping stations and irrigation water distribution system.

In 2019-2020, Syrian Recovery Trust Fund and FAO on collaboration with the Syrian Ministry of Agriculture launched a joint project; they used cash-for-work to rehabilitate the agricultural sector Infrastructure.

The project aims to rehabilitate agricultural infrastructure through the rehabilitation of the main and sub-irrigation channels. In addition, to rehabilitate the water pumping stations, and rehabilitate the maintenance of the water distribution system and the provision of agricultural support to farmers. The project objectives were:

- Rehabilitation of its water irrigation channels and pumping stations. Rehabilitation work included cleaning water channels, restoring and isolating damaged concrete parts, repairing pumping stations, maintaining pumps and rehabilitating buildings, and upgrading the electrical grid. The Canal's rehabilitation benefitted directly from 20,000 farmers planting 12,000 hectares of land.
- Rehabilitation of the irrigation water distribution system and its pumps in agricultural communities. Rehabilitation work includes maintenance or replacement of equipment such as pumps, valves and generators, and rehabilitation of canals, which restored the irrigation capacity in target communities.
- Agricultural support to farmers through support to cooperative agricultural societies, where basic agricultural inputs were distributed to farmers registered with cooperative societies in seven target communities. Wheat seeds, public safety clothing, pesticide spraying equipment and agricultural cooperative societies were provided with agricultural tractors and harvesters.
- Provision of "cash-for-work" opportunities through agricultural infrastructure rehabilitation activities.

With a total budget of Euro 8.7 million and a six-month implementation period, the intervention aimed to improve the living conditions of the population of the targeted areas by enhancing their economic security and sense of stability. More than 23,000 farmers benefitted directly from this intervention and 133,000 people benefitted indirectly in the target areas.⁴



Local markets and vocational shops

The damages sustained in these sectors include the following:

- Several markets and vocational shops were destroyed during the Syrian crisis, and it has become difficult for merchants, sellers, and vocational owners to return to their work without restoring and repairing the damage which occurred to their facilities.

⁴ <https://www.srtfund.org/projects/385-rehabilitation-of-a-water-irrigation-channel-and-pumping-stations-and-agricultural-support-in-deir-ez-zor>

- The main damage to the markets roads was caused by the destruction of the infrastructure of these roads or by the accumulation of rubble from destroyed buildings, which stopped the supply chains and the possibility of goods reaching these markets, and also hindered people's access to these markets.

Case Study

Homs, one of Syria's oldest cities, is renowned for its historic markets, or traditional marketplaces. However, the Syrian crisis caused significant damage to these beloved landmarks. Between 2014 and 2019, the Homs Governorate, in collaboration with UNDP, embarked on an ambitious project to revitalize 890 shops within 13 markets.⁵

The approach for this project was as follows:

- Clean up all the rubble from markets.
- Fixed the electricity, water, and other basic infrastructure in the markets.
- Put new roofs on some of the markets (the beneficiaries were from the local communities, whereby they repaired the shops themselves).
- Clean debris on these streets that lead to the markets, in order to facilitate local people's access to these markets (the beneficiaries working at this stage are residents of the shelters).

To implement these ambitious projects, the project used the CFW approach. This strategy engaged local community members in the rehabilitation efforts, providing them with temporary employment opportunities while simultaneously contributing to the restoration of their own neighborhoods.

The results of this project included:

- 13 markets in old Homs returned their daily activity and work
- About 10 thousand temporary jobs were created in over 5 years
- Communities were able to access their needs from local markets



⁵ we could not find any report for this project, and all information that mentioned is gathered unofficially.

Challenges Facing the Syrian Arab Red Crescent in Implementing Cash for Work Projects in Livelihood Interventions.

CFW projects are a powerful tool for supporting livelihoods and promoting economic recovery in conflict-affected areas. However, SARC faces several challenges in implementing these projects effectively within livelihood programs.

Operational and logistical challenges

- **Security concerns:** After 13 years of crisis in Syria (and still counting), many areas are suffering sensitive security conditions, despite the partial return of stability to some areas. Therefore, SARC and other Humanitarian organizations in Syria, have to carefully plan and coordinate with local authorities and be committed strictly to the security protocols, to ensure the safety of their crews and participants.
- **Limited access to resources:** The Syrian crisis has severely restricted access to basic resources due to lack of transportation due to fuel shortage, makes it difficult to implement CFW projects in remote or underserved areas.
- **Unexploded remnants of war risks:** it poses a significant threat, especially in areas that have experienced heavy shelling. Removing unexploded remnants of war requires specialized expertise and equipment, which can place a financial and logistical burden on SARC. Unexploded remnants of war risks can also lead to project delays or cancellations.
- **Limited Experience:** CFW projects aim to rehabilitate facilities through huge funding. And because of the SARC does not have any intervention to CFW. Therefore, INGO's and other partners find it easier to implement through organizations which have previous experience in implementing CFW projects.

Financial and sustainability challenges

- **Funding shortfalls:** The decreasing of funds effects significantly on the projects that SARC is working on. This includes cash for work projects. Therefore, any delay or cancellation of funding by any partner or donor will directly affect the implementation of the projects.
- **Financial process:** The administrative procedures within the finance department at SARC takes a long period of time (between two till three weeks) to process cash transfers in general. When considering the CFW projects, the delay in the financial transfers to reach the beneficiaries is considered relatively long, which is a disadvantage, as the CFW projects are known to have a very short implementation period (the period of CFW projects around two months). Moreover, individuals that are considered as CFW project's beneficiaries are among the most vulnerable groups (usually unemployed) who need to receive their financial assistance as quick as possible in order to cover their basic needs.

- **Livelihood sustainability:** Due to the challenging economic situation in Syria, that was a result of the Syrian crisis, February Earthquake, as well as the high inflation rates and fluctuation of exchange rate that affected the country; SARC aims to alleviate the suffering of targeted communities through the implementation of projects with long-term impact. On the other hand, cash-for-work projects are the type of projects that provide a temporary source of income to beneficiaries for periods that are considered relatively short.

Institutional and policy challenges

- **Coordination with government agencies:** CFW projects are closely linked to efforts made to rehabilitate areas and infrastructure that were affected by the Syrian crisis and the earthquake, and these efforts require close cooperation with government agencies to coordinate interventions and responses in line with the government's vision regarding rehabilitation and reconstruction. Over the past years, achieving this coordination with various humanitarian organizations in Syria has been challenging due to the country's emergency response phase.
- **Community engagement:** Due to the importance of Community engagement in CFW projects in decision-making to determine the type of intervention and the objective of the project. SARC must have specific community engagement tools that are designed for CFW projects, to ensure that the projects are designed to suit the context of the targeted community. The involvement of all groups of targeted community (especially the most vulnerable and marginalized groups) is a must. Taking into consideration that the Security concerns may limit the community engagement in any project.
- **Monitoring and evaluation:** According to the phases of CFW, monitoring and evaluation challenges are divided into two types: The first one appears in the implementation phase, which requires the presence of expert people to directly supervise the participants. These people are responsible for ensuring the quality of the implemented work. The second challenge is the lack of appropriate evaluation tools for CFW projects at SARC, which is considered extremely important for preparing reports for partners and donors to indicate the extent of the project's success and whether the desired objectives have been achieved or not.
- **Lack of a clear legal format for contracts with beneficiaries:** Implementing CFW projects without a contract will expose the organization to a risk of legal disputes; therefore, CFW projects require signed contracts between SARC and the participants, these contracts guarantee the rights of both parties. All duties and obligations must be explained in the contract and each party has to be committed to it during the whole project period. The lack of such clear legal contracts has constituted an obstacle for implementing CFW projects.
- **Accident/Health insurance:** CFW projects are classified as high-risk projects in terms of the occurrence of injuries to participants, and no health insurance, that includes work-related injuries may expose the organization to legal accountability. This challenge is considered as an obstacle to SARC, since it does not share the beneficiaries' data with the partners and has no contract with health insurance companies for them.

How to overcome the challenges faced by the Syrian Arab Red Crescent in Implementing Cash for Work in Livelihood Projects

Operational and logistical challenges

- **Security concerns:** During the 13 years of the crisis, SARC gained trust due to its commitment to the RCRC principles, which allowed it to communicate closely with all actors and with the targeted communities. However, some security challenges remain an obstacle in implementing CFW projects. which can be overcome by increasing the degree of coordination with various government and security agencies and with local community leaders to conduct risk assessments and develop mitigation strategies. Security and safety training must also be conducted for all SARC staff, as well as for participants in CFW projects.
- **Limited access to resources:** The challenge here is not the availability of the fund to cover the logistics, but the challenge is the availability of these materials themselves. In order to overcome this challenge, SARC must cooperate with donors and government agencies responsible for providing this logistics to ensure the continued supply to ensure the best possible functioning of humanitarian work.
- **Unexploded remnants of war risks:** Work with unexploded remnants of war risks team to identify and clear area before project implementation. And give the CFW participants an awareness session about Unexploded remnants of war risks and safety protocols.
- **Limited Experience:** SARC has to start implementing pilot projects by using CFW in order to build capabilities and gain experience in this type of projects. By implementing these pilots and preparing reports and success stories for them, SARC can attract more partners and donors who want to implement CFW projects

Financial and sustainability challenges

- **Funding shortfalls:** SARC should diversify its funding sources by using the support of private donors, companies, and local institutions. SARC should also start searching for income resources to be able to fund its own projects without the need of external support. As same as the Iranian Red Crescent which is a self-funded organization. SARC can also explain the impact and success of CFW projects by submitting reports and success stories for these projects with the aim of attracting funding from partners and external donors.
- **Financial process:** Usually CFW projects are for a short period of time, so the financial department must develop SOPs in order to ensure the speedy transfer of the money for the beneficiaries on time. It is also possible in this type of projects to transfer the cash to the FSPs in advance, whereby the cash will be with the FSP ready for distribution at any given time. This is to ensure fast and quick implementation.
- **Livelihood sustainability:** SARC can include the participants of the CFW projects, after the end of these projects, in vocational training centers, or refer them to the livelihoods unit to be included in MEI projects within livelihoods.

Institutional and policy challenges

- **Coordination with government agencies:** After the earthquake struck the northern regions of Syria, the High Relief Committee was activated, and SARC was an active member in this committee. SARC works closely with government authorities and other humanitarian organizations within this committee to coordinate efforts and interventions regarding the rehabilitation of infrastructure and reconstruction of facilities in the affected areas. Here, SARC can play an effective role in encouraging the implementation of CFW projects.
- **Community engagement:** SARC has to develop community engagement tools that appropriate to CFW projects and then work closely with local community leaders through meetings, conducting focus group discussions, and other community engagement tools, with the aim of reaching the most vulnerable groups. marginalized people, to include these groups in CFW projects.
- **Monitoring and evaluation:** Firstly, SARC has to set clear and measurable objectives for CFW projects. SARC can rely on its staff and employees who have extensive experience in rehabilitating facilities and infrastructure, especially from the WASH department, and if it is not among SARC staff. they can contract with experts from outside of SARC, whose mission is to supervise the work carried out. secondly, the PMER unit has to develop monitoring and evaluation tools that are appropriate for CFW projects in order to ensure the good progress of the project according to the objectives which set for it, and prepare reports for partner and donors.
- **Lack of clear legal documents for contracts:** to avoid any violation to the labor regulation, the legal department should be fully aware of these regulations and develop standardized contracts that are fair and transparent for both SARC and beneficiaries. It is also possible that SARC could cover the wages of the workers from municipalities and government institutions on daily contracts during the project period.
- **Accident/Health insurance:** Contracting with health insurance companies that have the ability to make contracts for limited duration. Or SARC can contract with companies that provide labors for these projects. In this case, the contract must include all details to ensure the validity of all beneficiaries' rights in this project.

After mentioning all the challenges and obstacles that were the reasons behind not using cash-for-work (CFW) in SARC's response and interventions, we noted that there are external and internal challenges. External challenges can be overcome by SARC through more coordination and cooperation with other concerned parties. As for the internal ones, the solutions stem from the SARC must work to overcome its internal challenges by developing multiple forms of documents that are flexible and appropriate to the specificity of each project.



Conclusion

With ongoing challenges that are stemming from the Syrian crisis and ending by the latest disasters, SARC has remained unwavering in its dedication to assisting the most vulnerable groups. Even while SARC has made great steps in many areas, it has not yet completely included CFW projects into its livelihood plans. The need for and potential advantages of CFW for communities and individuals have been emphasized in this study, along with the operational, financial, and policy-related difficulties that must be resolved for successful implementation.

Through skill development, local economic stimulation, and temporary employment, the integration of CFW projects can empower beneficiaries. SARC must, however, overcome challenges and challenges like funding shortages, institutional obstacles logistical constraints, and security concerns. SARC can effectively integrate CFW into its humanitarian efforts by implementing strategic initiatives, such as improved cooperation with government agencies, creation of community engagement tools, and developing clear legal frameworks.

By approaching these challenges creatively and forming solid partnerships, SARC will be able to use CFW projects as a successful tool in its goal of reducing suffering and fostering economic development in Syria. The resilience and stability of impacted communities can be greatly enhanced by the successful implementation of CFW, paving the way to a more sustainable future.