



Council of the  
European Union

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COHAF 63  
DEVGEN 110  
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#### **OUTCOME OF PROCEEDINGS**

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From: Council

On: 22 June 2015

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Subject: Council Conclusions on Common Principles for Multi-Purpose Cash-Based Assistance to Respond to Humanitarian Needs

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Delegations will find in the annex the Council Conclusions on Common Principles for Multi-Purpose Cash-Based Assistance to Respond to Humanitarian Needs as adopted by the Council on 22 June 2015.

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**COUNCIL CONCLUSIONS ON COMMON PRINCIPLES FOR MULTI-PURPOSE CASH-BASED ASSISTANCE TO RESPOND TO HUMANITARIAN NEEDS**

1. The intensity and range of current humanitarian crises, and the number of vulnerable people affected by them, are unprecedented in recent history. Innovative efforts need to be made to ensure that the basic needs of the most vulnerable can be met.
2. The Council acknowledges the importance of making the current aid system more effective, efficient and people-centred. Improving the efficiency and effectiveness of humanitarian aid is a key objective of the European Union and its Member States, as highlighted in a number of strategic documents such as the European Consensus on Humanitarian Aid<sup>1</sup> and the Commission Communications and Council Conclusions on Humanitarian Food Assistance<sup>2</sup> and Resilience<sup>3</sup>. This is also one of the central themes in the preparations for the World Humanitarian Summit to be held in Istanbul in May 2016. The use of cash-based assistance is one of the new approaches with significant potential that have been identified in these documents and discussions.
3. In this context, the Council notes that there is a growing body of evidence which demonstrates that, in some contexts, the use of cash-based assistance can prove more efficient and effective than delivering in-kind humanitarian assistance. This evidence base continues to be added to and enriched. Meanwhile, only a small percentage of humanitarian assistance is currently cash-based.

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<sup>1</sup> OJ C 25 of 30.1.2008, p. 1.

<sup>2</sup> COM(2010) 126 final of 31.3.2010 (Commission Communication) and ST 9133/10 (Council Conclusions)

<sup>3</sup> COM(2012) 586 final of 3.10.2012 (Commission Communication) and ST 9325/13 (Council Conclusions)

4. The Council believes that there is significant scope for increasing the use of multi-purpose cash-based assistance in humanitarian responses, depending on the context. In appropriate contexts, this approach ensures better "value for money" by lowering transaction costs; it allows beneficiaries a wider and more dignified choice of assistance, based on their preferences; and it empowers vulnerable groups. It can be a vital contribution to making affected people the prime agents of response. Furthermore, multi-purpose cash-based assistance supports local markets, and can enhance communities' economic recovery, preparedness and resilience, and can in certain cases complement existing social protection systems.
5. The Council recognises the innovative nature of multi-purpose cash-based assistance. It acknowledges the need to ensure that such assistance enhances protection and is provided in a gender sensitive manner with due consideration for relationships within households, meeting the highest donor and beneficiary accountability standards. It is important to ensure that multi-purpose cash-based assistance takes place in a way that upholds the humanitarian principles, is appropriate to the situation and meets expectations in terms of effectiveness and efficiency.
6. The Council notes that a "one size fits all" approach is not applicable. If intended outcomes, such as improved nutrition, are to be achieved, the means of delivery of each individual humanitarian assistance programme has to be context-driven and be part of a well-designed programme, with multi-purpose cash-based responses considered alongside other modalities. Equally, multi-purpose cash-based assistance programmes rely on a functioning market and stable prices. There must also be safe and equal access to markets.

7. The Council welcomes the initiative taken by the European Commission in proposing common principles for multi-purpose cash-based assistance (annexed to these Conclusions), which provide a strategic framework for the use of cash-based assistance and would contribute to more effective, efficient and innovative humanitarian assistance across sectors. The Council confirms its endorsement of the 10 common principles.
8. The Council invites the EU and its Member States as well as humanitarian partners to take the principles into account in designing and implementing responses to humanitarian crises. The Council encourages the EU and its Member States to ensure that the principles are advocated in the lead-up to the World Humanitarian Summit. The principles may also be used to reassure humanitarian partners and other stakeholders that cash-based assistance is, in appropriate contexts, not only effective and efficient, but is a way to meeting needs responsibly, while helping to promote recovery and resilience.

10 COMMON PRINCIPLES FOR MULTI-PURPOSE CASH-BASED ASSISTANCE TO  
RESPOND TO HUMANITARIAN NEEDS

1. Responses to a humanitarian crisis should be effective and efficient, responding to the most pressing needs of affected people and representing the best value for money.
2. Humanitarian responses require needs to be met across multiple sectors, assessed on a multi-sector basis and provided to meet basic needs.
3. Humanitarian assistance must be provided in a way that enhances protection and upholds the safety, dignity and preferences of beneficiaries.
4. Innovative approaches to meeting needs should be fostered.
5. Multi-purpose assistance should be considered alongside other delivery modalities from the outset – we need to always ask the question "Why not cash?"
6. A combination of transfer modalities and delivery mechanisms may be required, depending on the nature and context of the crisis, and used at various stages of the crisis – an optimum response may require them to be used in combination.
7. An appropriately detailed assessment of the capacity of markets and services to meet humanitarian needs must be carried out at the outset of a crisis, integrated within the overall assessment and regularly monitored and reviewed.
8. Agencies involved in responding to a crisis should establish, from the outset, a clear coordination and governance structure and streamline assessment, beneficiary registration, targeting and monitoring.

9. Linkages with national social protection systems need to be exploited whenever possible.
10. Accountability considerations require the use of robust impact and outcome indicators, which should be limited in number and which will be a combination of agency-specific and broader indicators.

The rationale for each principle is set out in the concept paper "10 Common Principles for Multi-Purpose Cash-based Assistance to respond to Humanitarian Needs". It is available from the website of the European Commission at:

[http://ec.europa.eu/echo/files/policies/sectoral/concept\\_paper\\_common\\_top\\_line\\_principles\\_en.pdf](http://ec.europa.eu/echo/files/policies/sectoral/concept_paper_common_top_line_principles_en.pdf)

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