**ANNEX GEN 19: Cash Grant VS Procurement**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Cash grant** | **Definition** | **Example** | **Procurement Action required** |
| Unconditional Cash | People are given money with no conditions on the use or repayment of the same. | In Cambodia, DCA and consortium partners provided cash grants to 833 very poor households who had limited capacity to work and who did not harvest sufficient quantities of dry-season rice due to being hit by devastating floods. Cash grants were distributed to help families recover their livelihoods. | **None.** A prerequisite for unconditional cash programming is that a market of a sufficient size exists. This assessment is not undertaken by the Procurement Officer. |
| Conditional Cash | People are given money with specific conditions on how it may be spent, for example for paying for the reconstruction of the family home. | Following a devastating cyclone in India, DCA’s partners provided cash grants to 300 households with the condition that they utilize the money to purchase materials on the local market to repair their homes, both supporting the local economy and quickly assisting families in need of shelter. | **None.** Please refer to the “Cash Vouchers” section. |
| Cash for Work | People are given money (in cash or vouchers) as a wage for work. | In Ethiopia, DCA’s partner provided 90 days of Cash-for-Work grants to more than 12,000 people affected by food insecurity and drought, thus enabling people to purchase food on the local markets. | **None.** Please refer to the “Unconditional Cash” section. |
| Cash Voucher | A voucher that can be exchanged for a fixed value of goods (e.g. $15). | The beneficiaries are free to choose between a mix of commodities and services from a list of pre-selected shops. E.g. food, non-food items, milling, healthcare. | **None**. A market assessment on current prices and availability of products shall be conducted and an agreement reached with selected shop owners. Price fluctuations and the quality of supplies shall be monitored during the implementation - however, these activities are not necessarily carried out by a Procurement Officer. |
| Commodity and Service voucher | A voucher that can be exchanged for a fixed quantity of preselected commodities or services. | The beneficiaries are given vouchers for e.g. 5kg of maize; milling of 5 kg of maize. The beneficiaries may choose between a number of different shops. | **Yes.** The Procurement Officer (or the partner) conducts a market survey and identifies suitable suppliers. Procurement Procedures are conducted according to the contract value. Contracts with a relevant number of contractors (business owners) that meet the technical specifications and offer the best price are signed. |