

CASH FOR RENT

TECHNICAL GUIDELINES

Afghanistan Shelter Cluster

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1. BACKGROUND AND GOALS OF CASH FOR RENT INTERVENTIONS

Widespread displacement within Afghanistan has implications for all facets of Afghan society. The strain born by civilians related to displacement is compounded by the capacity of local communities to receive Afghans returning from neighbouring countries. Cultural norms often dictate that host communities bear the responsibility to receive displacement-affected and returnee families, often supporting incomers to meet their shelter, food and other basic needs for a short period of time regardless of their own socioeconomic standing. While families are sometimes displaced to neighbouring villages or areas where they can take up accommodation with relatives, it is often the case that they must relocate to district centres and provincial capitals in their province of origin or neighbouring provinces where they may not have existing relationships or support networks.

In conflict-affected villages where there is little to no respite from violence and the threats of violence and it remains unsafe to return, displaced households often struggle to sustain the cost of rent when displacement periods become prolonged and host communities may feel obligated to continue to dedicate resources, financial and other, to families in need. This coping mechanism, which should not necessarily be discouraged, gives rise to certain risks to both host and displaced populations that should be considered in all cash-for-rent activities. Data captured by Emergency Response Mechanism (ERM) teams in the North, using the Emergency Households Assessment Tool (HEAT) to assess displaced household shortly after displacement, indicates that roughly half (54.2%) of households assessed are living in some form of accommodation for free that they do not own. While there is regional variance, assessment teams frequently encounter families living cost free for short periods of time in accommodation provided by members of the host community. For those households who reported paying some amount of monthly rent the average price of monthly rent was 1,146.60 AFN.¹ By a conservative estimate, ERM partners assume the average cost of rent per month per household is equal 2,000 AFN.

¹ The cost of rent is averaged across 4,041 households surveyed in ACTED ERM areas of operation in Northern Afghanistan between the 1 May 2017 and 30 April 2018. Roughly 66.96% of these households report paying 1,000 AFN or less each month for accommodation.



When taken with anecdotal evidence provided by ERM assessment teams this data indicates that host communities have adopted the practice of providing rented accommodation to displaced families at a discounted rate. While this data does not comprehensively explain the rental environments where these families take up temporary accommodation it does expose certain behaviours that prevail when entire communities are displaced in Afghanistan. Anecdotal evidence and accounts collected by ERM assessment teams also shows that monthly rental payments vary from region to region and based on the situations of individual families. Rental agreements are often established informally or verbally to establish the terms of discounted rent. However, this way of establishing the terms of rent is fraught where it reduces the security of tenure and increases the risk of exploitation and potentially eviction by landlords and hosting families.

Based on this reality Cash-Based Interventions (CBIs) such as Cash-for-Rent (CfR), when thoughtfully designed with the participation of local communities, can contribute to reducing the financial burden born by displaced families as well as restore dignity to affected families and promote social cohesion by providing a substantive source of income for members of the host community.

CfR is **(a) a means of basic financial assistance** provided to very vulnerable households aimed at ensuring their access to safe shelter for a limited period of time. The support provided may or may not fully cover all housing costs depending on the resources and other sources of support that targeted households (HHs) are able to access. The CfR amount per household is determined based on the local price of shelter meeting minimum standards and as an emergency measure. Assistance is provided for a period of three months to cover the temporary or transitional shelter need of individuals families. However, as part of Cash-for-Rent plus initiatives, assistance can be provided to support transitional shelter arrangements for a period up to one year in order to minimize the effects of negative coping strategies, mitigate protection risks and reinforce the safety and dignity of families benefitting from CfR plus activities.

CfR interventions **(b) should be comprehensive in addressing additional vulnerabilities**. The first CfR instalment can be included in the Multi-Purpose Cash Assistance (MPCA) package distributed in coordination with partners through the Emergency Response mechanism. As a Transitional Shelter modality, CfR can address protection concerns and vulnerability that result from; a lack of a formal and/or written lease; incomplete awareness and understanding on the part of beneficiaries regarding tenant rights and landlord obligations; the risk of eviction; and/or overcrowded accommodation.

CfR activities should also seek to identify households living in open areas and makeshift or substandard shelters that cannot be upgraded and **(c) provide support to these families to move into rented accommodation** as an immediate outcome of the intervention.

CfR activities also **(d) encompass the provision of information on the dweller's rights** and available legal protections as well as guidance on accessing channels for dispute resolution when eviction is threatened.

2. OBJECTIVE OF THE CASH FOR RENT GUIDELINES

The primary aim of these guidelines is to support Afghanistan Shelter cluster partners to align CfR activities across Afghanistan based on harmonized criteria and a common understanding of the modalities and aims of CfR interventions. The main purpose of CfR is to address humanitarian shelter needs and to support very vulnerable persons of concern to access adequate and dignified shelter; to cover individual household's basic need for shelter and reduce vulnerability (such health and GBV concerns) resulting from overcrowding, poor shelter conditions and/or homelessness. While CfR is meant to be a time-bound intervention that can be linked to more sustainable long-term shelter solutions, it can also represent a sustainable shelter option by itself that bridges the gap to more durable solutions when complemented by a holistic set of activities including things such as rights awareness, written tenancy documents, and support for livelihoods opportunity.

3. PROGRAMMATIC STEPS OF CASH FOR RENT INTERVENTIONS

The following steps are intended to guide the implementation of CfR projects by humanitarian agencies in Afghanistan. Understanding of the local context and the risks of vulnerabilities of targeted families prior to and during interventions is critical so that CfR activities can meaningfully contribute to the wellbeing of families in need.

3.1 Rental market survey

A rental market survey and market analysis should be used to determine the appropriateness of CfR. By analysing survey findings, feedback provided by assessment teams and qualitative data collected from surveyed families, organizations will better understand the conditions of localized rental markets and will be able to use their findings to guide the design and target locations of CfR interventions. This step will also allow organizations to define the financial risk associated with providing CfR to beneficiaries based on their economic, social and vulnerability status.

3.2. Needs assessment and targeting of CfR beneficiaries

Beneficiary households who will be supported with CfR assistance will be selected based on pre-defined criteria. Building on the work of partners who contributed to the creation of a Shelter Cluster Strategy, a standardized *CfR survey tool* will be developed and shared to guide beneficiary identification and selection for agencies implementing CfR humanitarian programming in Afghanistan.

Individual households targeted for CfR assistance will be impacted by and displaced by conflict and/or natural disaster, returnees, and host community families from which those identified as in most urgent need for presenting certain vulnerabilities. The *CfR household assessment tool* will enable organizations to assess vulnerability based on conditions such as gender, age, mental and physical well-being, and various other protection concerns. With key protection considerations in mind, beneficiaries will be selected based on current shelter conditions, household standard of living and financial capacity to contribute a monthly cost of rent.

Household assessment teams should be trained to conduct CfR specific surveys, count with enough experience working with local communities and include male and female members to ensure reaching all beneficiary profiles and fully capturing the entirety household's needs. Existing tools, such as the cluster validated HEAT assessment tool, can be used to help assessment teams capture relevant information such as financial and employment status, access to water and sanitation facilities, food stocks and consumption levels, access to markets, shelter structural soundness, overcrowded living conditions, and availability of NFIs alongside family's coping mechanisms, amongst other multiple household characteristics.

3.3. Determination of CfR value, duration and delivery mechanisms.

Determining the cash transfer value and its duration will be an evidence-based process that factors in both individual household situations and local context. Agencies seeking to provide CfR should always seek to coordinate with actors already providing cash support in a given area of intervention, to ensure a harmonized understanding of local rental market prices and the availability of rental accommodation. CfR assistance amounts should be decided on a district basis to prevent the exacerbation of social tensions between families in an area and with special consideration for larger families, local context and social dynamics.

3.3.1. Value and duration

- *Related to contextual factors*, as part of the rental market assessment to be conducted before initiating any CfR intervention (cf. section 3.1), financial assessments should aim to ensure that the injection of cash will not destabilize local rental markets. In this sense, the duration of CfR interventions should be carefully considered where rental prices are demand-driven and very susceptible to changes over time especially in areas with high influx of new customers. CfR program designers should be aware of the potential of CfR activities to be a pull factor and take steps to mitigate against this risk.
- *As for household-specific factors*, those identified as most-vulnerable in the initial assessment will be prioritized for CfR support. The income-generation capacity of the household and its ability to contribute to monthly rent costs will help determine the duration of CfR assistance. Whenever possible, assisted households should be encouraged to contribute to pay for utilities, as a way to elicit community buy-in, prevent dependency and build resilience.

CfR interventions should adhere to the 'Do No Harm' principle and always take care to not create additional risks for beneficiaries. This includes taking into consideration the potential negative impacts of cash programming due to poor design and planning and lack of appreciation for the complexity of the operating environment. Assessments should always be carried out by adequately trained teams with male and female staff. CfR assistance should be given directly to beneficiary households, rather than landlords which is standard practice in other contexts, in order to promote financial independence and restore agency and dignity to targeted families. Agencies should aim to build cohesion and foster social inclusion especially when the scope of a CfR program encompasses both host communities and recently displaced families.

A monthly CfR amount will be determined depending on the average cost of single rental unit and considerations such as individual vulnerability, household financial capacity etc. and protection concerns.² It can be expected that initial assistance period will cover household rent costs for a minimum of three months and its extension from the first instalment up to 12 months as a transitional shelter solution will be based on updated data from the case management on the needs of the household, the improvement or deterioration of the household's situation – and within funding possibilities of the CfR provider or shelter cluster partner.

3.3.2. Cash delivery mechanisms

The cash delivery mechanism will be decided based on the local context of target areas, the nature of the environment – e.g. urban or rural, the availability of cash transfer services as well as standard practices being employed by local communities and/or other agencies related to the provision of housing services.

Regarding cash transfer modalities, mobile money transfer services, especially in urban areas, can be considered especially when there is need to transfer CfR to multiple beneficiaries at one time. *Hawala* agents can be used due to their widespread availability and high community acceptance in Afghanistan. In past practice *Hawalas* have been the preferred option for cash transfer programs especially in hard to reach areas where mobile operators do not have reliable networks for cash distribution and the local population prefers to rely on community-based providers. Transfers to bank accounts of contract holders are a third option where beneficiaries have access to financial institution but this is less so the case in more rural areas and where communities have poor socio-economic standing.

CfR assistance can be provided as a lump sum on a monthly or bi-monthly basis depending on the duration and value of an individual family's assistance package. However, where paying advance rent is an accepted and common practice, agencies can consider providing a single lump sum equal to the value of three month's rent at one time in order to facilitate a safe and rapid distribution. CfR assistance will be distributed using a *Hawala*, mobile money service or bank deposit and will be issued directly to the tenant. Direct cash transfers to landlords have been part of cash-based interventions in Afghanistan but they were generally part of Occupancy Free of Charge programs which differ from the CfR interventions that these Guidelines are focused on. CfR partners should ensure that a receipt of payment or similar verification method is used and confirm that the correct amount has been received by the targeted family.

3.4 Rental agreements support

Agencies should support the creation of a rental agreement between tenant and landowner, preferably written (See Annex I for Rental Contract Template). Beneficiary households may require assistance to successfully negotiate a fair rental agreement, which can be provided by CfR partners where trained agency personnel provide relevant guidance and information to the head of household or serve as third party oversight to ensure the fairness and legality of an agreement. Agencies should endeavour to provide technical guidance related to the terms of a rental agreement whenever possible to prevent unproportioned arrangements that favour the landlord and put displaced peoples and families in need at further risk of eviction and/or exploitation.

² The value of one month of CfR assistance is set at \$75 USD per family by the Afghanistan Shelter Cluster.

Following the establishment of an agreement, an information session should be conducted targeting both the tenant and landowner. This session should be organized by the CfR partner and serve to explain the rights and obligations of both parties as well as clarify any confusion and uncertainty. Copies of the agreement in the local language should always be provided to both parties. Additionally, CfR partners should provide information to beneficiaries on how to communicate issues and concerns, such as through a feedback hotline, and/or and communicate a schedule for follow-up to ensure that tenant-landlord relations remain stable and build confidence in formalized dispute resolution processes. The frequency of follow-up contact will depend on the vulnerability of the household and will range from once a week to bi-monthly.

Related to their content, rental agreements should specify the right of the beneficiary household to use the land/house for a predetermined period of time at a fixed monthly cost. The duration of the rental agreement can exceed the duration of assistance to transition the full cost of rent to targeted households over time. CfR partners should ensure that the most common disputes expected to arise are explicitly dealt with in the scope of the agreement as a conflict prevention measure and way to build confidence among the parties. CfR partners should consider different options when dealing with male and female contract holders where female contract holders might require specific terms and considerations in order to protect the security of their tenure. Female-headed households are prevalent in displaced and conflict-affected communities and agencies should endeavour to understand how to negotiate gender-sensitive contract to balance gender sensitives and gender-specific protection concerns.

3.5 Post-Distribution Monitoring

It is highly encouraged that partners develop a Post-Distribution Monitoring (PDM) system to ensure oversight of an form of cash assistance. The goal of PDM activities should be to gauge community satisfaction and perception of programmatic activities to improve future programming. The quality and relevance of the intervention should be assessed as well as the impact of CfR distributions according to the project's logical framework. PDMs should be conducted through household-level field visits on a sample of beneficiaries.³

Based on past practice and partner experience, PDM visits should be conducted every six weeks to monitor shelter conditions, mitigate protection risks and determine the appropriateness of extending the initially-set CfR assistance timeframe. Special attention should be paid to the protection needs of individual targeted households in monitoring activities. The visit should also verify the running occupancy ratio, household sources of income, relations with landlord, regularity of utility bills/ rent payments, vulnerability specific for a particular family issues (medical assistance, children at school, etc.) to ensure agreements remain tenable.

It is expected that an adapted version of the Cash and Voucher Working Group (CVWG) PDM tool can be used to ensure that partners have comparable data across cash-based programs. This tool should limit itself to additional questions related to the specificities of CfR interventions as deleting question and rephrasing questions and/or choices renders the information collected incomparable to other cash-based interventions.

³ 10% of the total beneficiaries is a commonly agreed standard for PDMs, but in case of large programs (more than 3400 households), probabilistic samples should be applied as they are more cost effective and reliable.

4. COMPREHENSIVE PROGRAMMING

Additionally to employing CfR as an emergency response measure, Shelter Cluster partners, in coordination and bringing in experiences from Housing, Land and Property Taskforce and CVWG, will seek to improve and complement existing efforts aimed at achieving sustainable housing solutions. To maximize the ability of Transitional Shelter CfR activities to link to and reinforce durable solutions, initiatives should focus on the following:

Eviction prevention. To ensure that the rights of both host and displaced peoples, landowners and renters are not being violated agencies should include eviction monitoring components in their activities. Agencies can pull from similar activities with success in non-Afghan contexts as well as look to information sharing forums in Afghanistan, such as the clusters, where partners can benefit from each others' experience. Implementing partners should expect to have contact with relevant government agencies and line ministries as these are often the actors with the greatest power to safeguard tenant-landlord rights based on local law. Partners should also endeavour to understand the nature of existing dispute resolution mechanism, both government-sponsored and community-led customary processes, to best advise and support aggrieved parties in cases of wrongdoing.

PDM activities will also help teams to determine the need for remedial support where families are facing risk of eviction. Regular monitoring visits to supported households will allow teams to identify and respond to eviction threats based on the rights of both parties and the terms of the rental agreement. In more extreme cases agencies will need to link beneficiaries to an appropriate and reputable legal service provider.

Dispute resolution. Tensions between landowners and dwellers are common and can lead to further unexpected ending of the contract and eviction. Providing details of where the parties can go in case of dispute directly in the rental agreement stage (agreed mediators specified in the contract and legal aid providers) or at a later stage can significantly support the affected parties. In Afghanistan, community-based resolution mechanisms, through local Shuras and Mullahs can significantly facilitate the resolution of the conflict. However, international CBI experience has also shown that the main reason for moving out from the rental unit before the end of the contract, is *not* due to dispute with landlords, but rather due to the lack of services (specially schools, clinics and markets). Therefore, special emphasis needs to be done when selecting the location of the CfR implementation.

Protection monitoring activities should be complemented by a functioning referral pathway system. Referral pathways may need to be set up or reinforced and individual agencies will need to assess the existence and functionality of these systems in a given area during the program design stage. Where referral pathways are undeveloped, or non-existence agencies should include activities to build pathways with local partners and actors as part of the CfR intervention.

When functioning, referral pathways allow agencies to more comprehensively support beneficiaries who can be linked to supplementary programming and complementing assistance providers with specific technical expertise. Livelihoods, vocational skills trainings, microfinance support and legal support are among the many types of supplementary support families may benefit from when referral pathways are engaged. Implementing partners should be aware of all ongoing humanitarian and development interventions as well as the eligibility criteria in order to comprehensively inform beneficiaries of the support available to them in a given area. As an example, while it is still premature in its implementation, the government's land allocation scheme can be leveraged as a referral pathway for refugees.

Financial management sensitization should be considered as a component of CfR initiatives so that beneficiaries may be supported to avoid the accumulation of future debt and achieve financial independence. Agencies should look to partner experience and specialized actors, to include private sector and national non-governmental organizations with financial literacy experience, when designing this component. This assistance could be delivered through community information sessions and/or follow-up household visits that aim to share information, understand how families are allocating their income to meet their sectoral needs and guide household financial management to avoid debt and prevent the exacerbation of vulnerability.

5. COORDINATION

To avoid duplication and maximize the positive impact of the assistance, CfR partner responses should consider the experience, capacity and strategies of other humanitarian agencies, civil society organisations and relevant authorities. Assessment reports and information about program plans and progress should be regularly shared with the Shelter Cluster and open channels of communication established and maintained early on and throughout programming.

Shelter cluster partners implementing CfR programmes should also consider the following:

- Assessing impact – short and long-term;
 - Ensuring adherence to global humanitarian standards;
 - Eliciting the participation of beneficiaries and communities in programming;
 - Guaranteeing program accountability to beneficiaries;
 - Ensuring that CfR interventions are transparent, consistent and inclusive;
- a) *Transparency*: by sharing CfR Guidelines and partner response plans (including beneficiary selection criteria, cash delivery amounts and mechanisms with relevant public stakeholders...) within the cluster;
 - b) *Coordination*: with government and CfR partners should be maintained throughout all aspects of programming with attention to the protection need of beneficiaries and the need to protect beneficiary confidentiality in certain cases. Personal data should be carefully managed and agencies carry out their due diligence to understand the motivations of various actors seeking to access sensitive beneficiary information;
 - c) *Consistency*: CfR partners commit to follow a CfR common strategy and implement agreed upon practices, including those outlined in this guideline. Partners should communicate openly with the cluster when changes to the guidelines are required or a review becomes necessary;
 - d) *Inclusion*: CfR partners commit to address exclusion but understanding the sensitivities and complexities of the local operating environment. Agencies should take care to reinforce and



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promote robust grievance and redress mechanisms that solicit a diversity of opinions and can resolve disputes and support the achievement of social cohesion.

6. EXIT STRATEGY TO CASH FOR RENT:

As it relates to all Shelter Cluster response and in line with Inter Agency Standing Committee principles, an exit strategy must be planned prior any project or activities. Referral pathways linking CfR initiatives to government-led and other development programs or transition to Bai Wafa type tenures of security arrangement may be key components in a sustainable exit strategy. In all cases the target population must be informed of the duration of the planned initiative and made aware of supporting programs and services that are available and may enable beneficiaries to independently meet their longer-term shelter needs. The operating environment in Afghanistan however, is likely to remain characterized by complexity and insecurity. Agencies should understand the realities of this context and acknowledge the lack of long-term social supports and sufficient governed programming related to safe and secure housing. While recent progress has been, it is important that implementing partners account for the realities on the ground and be prepared to manage needs that outweigh the availability of assistance. Moving forward partners should commit to ongoing discussion and acknowledge the need for more learning on the topic of Cash-for-Rent initiatives in Afghanistan.



Annex I:

Lease contract

This is () S/O () G/F/Name ()
 Holding National ID No () residence of () province () legally acknowledge that
 I am the owner of the house which has () rooms located on (), as I have my own legal
 authority without any pressure I rented my property (house) on monthly rate of
 (Afg) which is half amount is (Afg) to Mr. () S/O () holding National ID No
 () residence of () province (), the following terms and conditions apply;

This contract is effective from () to () for the duration of one year and the amount
 of (Afg) is paid as advance by lessee to the lessor and the remaining rent will be paid on monthly
 bases.

All related utilities of the house which are registered separately submitted to the lessee and will be
 returned back to the lessor in the end of contract.

This document is arranged in two copies with the same contents, one copy is for the owner of the
 property (lessor) and the second one is for the renter (lessee), both sides are committed to the contents
 of this contract and are honest in their acknowledgment.

Signature and fingerprint of the owner (lessor)

Signature and fingerprint of the lessee (renter)

Signature and fingerprint of the witness

Signature and fingerprint of the witness