READY OR NOT?

EMERGENCY CASH TRANSFERS AT SCALE

BY LOIS AUSTIN AND JACQUELINE FRIZE
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EMERGENCY CASH TRANSFERS AT SCALE
A report for the Cash Learning Partnership – CaLP

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Valid International
October 2011
The Cash Learning Partnership (CaLP) aims to promote appropriate, timely and quality cash and voucher programming as a tool in humanitarian response and preparedness.

Originating from the will to gather the lessons learnt from the Tsunami emergency response in 2005, the CaLP is today composed by Oxfam GB, the British Red Cross, Save the Children, the Norwegian Refugee Council and Action Against Hunger / ACF International. The five steering committee organisations have come together to support capacity building, research and information-sharing on cash transfer programming as an effective tool to support populations affected by disasters in a way that maintains dignity and choice for beneficiaries while stimulating local economies and markets.

In 2010, the CaLP partnered with the International Federation of the Red Cross and Red Crescent societies (IFRC), with support from ECHO and Visa Inc.

For more information, visit: www.cashlearning.org
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ACKNOWLEDGEMENTS

The research team would like to thank all those who helped provide valuable information for this study, giving up their time to allow us to hold frank and open discussions on the topic of how to better prepare for implementing large scale cash transfer programmes in emergencies. Particular thanks go to those who were working hard on the response to the Horn of Africa emergency but who still managed to find the time to work with us. The research also benefitted a lot from the comments and support provided by the external reference group for this research: Hisham Khogali, Paul Harvey, Devrig Velly and Nupur Kukrety.

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# ACRONYMS AND ABBREVIATIONS

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<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>ARC</td>
<td>American Red Cross</td>
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<td>ATM</td>
<td>Automatic teller machine</td>
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<td>CaLP</td>
<td>The Cash Learning Partnership</td>
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<td>CFW</td>
<td>Cash for work</td>
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<td>CRS</td>
<td>Catholic Relief Services</td>
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<td>CT</td>
<td>Cash and voucher transfers</td>
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<td>CTP</td>
<td>Cash and voucher transfer programmes/programming</td>
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<tr>
<td>DFID</td>
<td>UK Department for International Development</td>
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<td>ECHO</td>
<td>European Community Humanitarian Office</td>
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<td>EMMA</td>
<td>Emergency Market Mapping and Analysis</td>
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<td>FAO</td>
<td>UN Food and Agriculture Organisation</td>
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<td>FFP</td>
<td>Food For Peace (USAID)</td>
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<td>GoP</td>
<td>Government of Pakistan</td>
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<td>HSNP</td>
<td>Hunger Safety Net Programme</td>
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<td>IBLI</td>
<td>Index based livestock insurance</td>
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<td>ICRC</td>
<td>The International Committee of the Red Cross</td>
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<td>IFRC</td>
<td>The International Federation of Red Cross &amp; Red Crescent Societies</td>
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<td>ILRI</td>
<td>The International Livestock Research Institute</td>
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<td>MIFIRA</td>
<td>Market Information Food Insecurity Response Analysis</td>
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<td>MoU</td>
<td>Memorandum of understanding</td>
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<td>NGO</td>
<td>Non-governmental organisation</td>
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<td>OFDA</td>
<td>The Office for US Disaster Assistance</td>
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<td>PEFSA</td>
<td>Pakistan Emergency Food Security Alliance</td>
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<td>PoS</td>
<td>Point of sale terminal</td>
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<td>RCM</td>
<td>International Red Cross/Red Crescent Movement</td>
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<td>SOP</td>
<td>Standard operating procedures</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UNHCR</td>
<td>United Nations High Commission for Refugees</td>
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<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>WFP</td>
<td>United Nations World Food Programme</td>
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EXECUTIVE SUMMARY

The current study was commissioned by the Cash Learning Partnership (CaLP) in order to assess the preparedness of humanitarian actors to design and implement cash transfer programmes (CTP) at scale in emergencies.

Whilst there is significant experience of implementing CTPs in emergencies this has seldom been at a scale comparable to in-kind responses. A number of critical gaps and blockages standing in the way of scale programming in the wake of a disaster have been identified through this study, with recommendations made as to how these might be addressed.

The study research is based on key lines of enquiry assessing the extent of preparedness of humanitarian actors in the following four fundamental areas:

- Appropriate procedures, systems and guidelines to facilitate speedy and large scale cash and voucher transfer programming.
- Technical capacity to assess needs, design appropriate programmes, implement and monitor them.
- Contingency planning including relevant analysis and prepositioning activities.
- Coordination with other actors, particularly the private sector.

In addition, the study has defined a number of overarching issues which are hindering preparedness for achieving scaled up CTPs, many of which are interconnected. These include:

- Risk aversion in many forms including putting increased checks and balances in place for CTPs; fears of the unknown effects of large scale CTPs on inflation; a weak evidence base illustrating the outcome and impact of scaled up CTPs; security issues and acceptance by governmental or relevant authorities; and a focus on channelling CTP through the food security sector which is limiting overall scale up potential using other sector responses, and is limiting the models of how CT are disbursed because of their comparison with food assistance systems.

PROCEDURES, SYSTEMS AND GUIDELINES

Although a number of technical guidelines exist on “how to” design and implement large scale CTPs, there is a lack of documented policies and strategies for humanitarian agencies and donors alike in terms of direction or formal institutional support. In spite of this, CTPs continue to be implemented with increasing frequency – though rarely at scale in emergencies. There is, however, a general agreement that if documented policies supporting CTP at scale in emergencies did exist this would improve confidence amongst humanitarian actors to initiate such programmes, especially in management and key decision-making circles.

Responsibility for CTP is rarely captured by one person or one team either within donor or humanitarian agencies, perhaps reflecting institutional set up for in-kind responses. Responsibility for CTP tends to be spread across different teams (either sectoral or geographical), which hinders them going to scale, and making it difficult for them to access coherent legal, administration, finance and logistics support.
Funding processes are often too slow to allow for scaled up CTPs in the earliest days of an emergency response in spite of some attempts by donors to set up ancillary channels to overcome this. Although agencies often use their own funds to cover this gap, such funds rarely allow for scale and are more a mechanism for allowing speed.

The development of systems to support cash transfer programming is essential if such programmes are to be implemented at scale. WFP, the IFRC and the American Red Cross are in the process of adapting their systems to overcome this issue and smaller organisations are taking similar steps, although funding for these developments is not always easy to obtain.

**TECHNICAL CAPACITY**

One of the key gaps identified in terms of assessment is the absence of a tool that allows for rapid, simple, one-day market analysis. In addition, there is an absence of pre-disaster large scale market data which could be used as a baseline. To compound this, needs assessments continue to be sectorally focused and with CTP being applicable in all sectors, its use is hampered as there is no methodology to define overall needs and pinpoint which of those needs could best be met through cash or voucher transfers.¹

Although the increased use of technology to deliver CTPs does allow for cash programming at scale, this is only realistic in contexts where the technology exists before the disaster and is functioning rapidly post-disaster. Where this is not the case, the time taken to train beneficiaries (and private sector representatives) in using the technology and also in forming agreements with partners to work together post-disaster stands in the way of rapid scale programming.

There are very few, if any, examples where CTPs designed and implemented in response to an emergency have connected to longer term CTPs such as government social safety net systems. This is seen to be a key gap.

Regardless of the form of assistance being provided, setting up targeting and registration systems post-disaster is a complicated and time consuming task. A number of stakeholders proposed that large scale pre-disaster registration of potentially vulnerable populations (for example those living in locations that are affected by predictable disasters) would be one way around this. Another option for ensuring that affected populations are able to receive cash (and/or other appropriate commodity) rapidly post-disaster is to undertake one-off blanket distributions. Such an approach is not, however, always supported by implementing agencies or donors.

The lack of outcome and impact data relating to CTPs at scale in general was seen as a key blockage to their scale up. There is also a lack of information on the impact of CTPs on specific issues such as acute malnutrition rates, inflation and the impact on regional markets. In fact, one of the key skills found to be lacking within humanitarian agencies was the ability to monitor inflation and the secondary effects of CTPs, particularly when implemented at scale.

**CONTINGENCY PLANNING**

Not all organisations have systematic processes for devising contingency plans and of those that do, very few are CTP-specific. Agencies acknowledged that scaling up CTP is more dependent upon market assessment and operational capacity than on pre-defined response plans to emergency scenarios. The speed of response rather than scale of response is believed to be more relevant to contingency planning.

An awareness of government disaster plans and regulative frameworks is seen to be important and this is more likely to be viable when organisations have a pre-disaster country presence. The most practical level of preparedness was found to be establishing stocks of CTP supplies. However,

¹ Current inter-agency inter-sector tools are considered to be disparate to the tools that operational agencies are using to actually design CTPs.
financing these stocks remains a difficulty for most agencies.

COORDINATION

Coordination in all its forms – inter-agency, internal organisational, between implementing agencies and other stakeholders and between donors – was considered to be an area in need of much strengthening if CTP is to be implemented at scale in emergencies.

The UN cluster system has no obvious place yet for CTP and this has led to a lack of clarity as to which UN agency should facilitate inter-agency discussions on cash. CaLP has supported coordination mechanisms, particularly on a technical level, in some large scale emergencies, such as the response to the Haiti earthquake in 2010, but has a limited role and capacity for taking on larger inter-sector coordination.

Internally, where cross-departmental working is required in order to ensure scaled up CTP, there appears to be a time lag between operational strategic thinking on how this can be done and the support services that are required to ensure that it is done in an accountable and transparent manner. A continued lack of senior management understanding of and commitment to CTP in general is also seen to be an obstacle.

In order for CTP to be implemented at all, and particularly at scale, host government acceptance is critical. Many of those interviewed considered that this is still a blockage with fears focusing around dependency and sustainability. There is a lack of agency pre-disaster coordination and dialogue with governments that would help to facilitate rapid CTPs post-disaster.

From a donor perspective there are no formal coordination mechanisms focusing on CTP although information-sharing does take place to an extent.

Finally, coordination with the private sector is an increasingly important issue. This includes dialogue and formal relationships with traders providing goods as well as service providers such as banks, mobile phone companies and security companies. Dialogue here remains challenging although there is an interest from the private sector to engage with humanitarian responses either from a corporate social responsibility perspective or with the understanding that at some point their business capacity will be increased through such partnerships.

In recent years significant steps have been made in the implementation of CTPs in response to emergencies. There is, however, significant work to be done, both in terms of changing mind-sets as well as concrete, practical action, if such programming is to be rapidly implemented at scale. As soon as support systems are in place and the relevant groundwork has been done in terms of obtaining government support, a donor and implementing agency (or alliance of agencies) need to take the next big step and implement a significantly scaled up CTP. In this way lessons can be documented and learned so that, as a community, humanitarian stakeholders are better prepared to use cash transfers as a reliable and equal option in the next disaster.

The study has made a total of 29 key findings with connected recommendations that are targeted separately towards CaLP, donors and implementing agencies. Presented below are the seven priority findings and their connected recommendations.

Top level findings:

- Organisations have taken many years to set up reliable, accountable and functioning logistics, administration and finance systems for the delivery of in-kind assistance. The current systems for programming cash at scale have not been tried and tested to the extent that in-kind ones have. The time required to set up equivalent systems for the delivery of cash (particularly at scale) which are currently generally not in existence, should not be underestimated.2

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2 The time taken to establish reliable and trusted systems will vary from organisation to organisation. The IFRC have been working on adapting their systems for approximately 12 months and aim to undertake pilots before the end of 2011. WFP’s Cash for Change initiative which was launched in 2008 is not scheduled for completion until 2015 (with systems, processes and staff in place for large scale deployment envisaged for 2013).
➤ Risk averse systems and procedures (that disproportionately affect cash programming) stand in the way of scale up. Efficient, tried and tested support systems with practical sign-off levels are required, so that cash is as easily programmable as in-kind.

➤ There is a lack of overall coordination to provide an overview of CTP contributions in given emergencies.

➤ Better linkages may be possible between existing long term safety net programmes and emergency CTP disaster responses. CTP has the potential to bring humanitarian and development actors together.

➤ There is a trade-off between scale and speed. Implementing targeted CTP at scale takes too long for an emergency response.

➤ A fear of damaging markets (disproportionately affecting cash rather than in-kind programmes) limits scale-up. Better market analysis tools are required, as is an understanding of the trade-offs between going to scale and adversely influencing markets. Agencies do not sufficiently factor in the traders’ response when undertaking market assessment and analysis. Agencies often do not inform traders of their intended response and therefore influence how markets react. This is especially true of food markets.3

➤ There is a cost attached to maintaining systems (and people) that allow for a readiness to go to scale rapidly. Resources are required in order to maintain this readiness.

RECOMMENDATIONS

Donors should consider a broader, more inclusive CTP funding strategy based on overall need that allows:

• for CTP to break through its current food/food security programming focus to include other needs usually addressed through sector specific responses, by means of an analysis of the overall needs of affected populations;

• funding proposals for emergency responses to include a justification of why a CTP has not been considered;

• for support to funding information systems for pre- and post-disaster data.

Donors should continue to fund evidence-based studies to feed into strengthening of scale up activities and strategies.

Donors should encourage and lead dialogue between ministries of national governments to explore the potential for flexibility in social safety net programmes to expand in times of crisis to include those affected by disasters. A cross-ministerial working group would support this process.

Donors should ensure more agile financial disbursement systems that make it easier for organisations to implement the CTP option that suits them, from immediate blanket unconditional cash grants to conditional transfers supporting sector responses with recovery components.

Donors should become more open to funding preparedness activities that are specifically linked to speeding up emergency programming e.g. baseline assessments of vulnerable populations in disaster prone countries.

Agencies should streamline internal decision-making processes that enable more CTP to be scaled up when this is in line with overall organisational humanitarian response aims, including decisions around:

• systems for inter-divisional ways of working,

• standard operating procedures, and

• corporate level decisions on how to build and fund capacity

Agencies should more systematically establish at field level coordination mechanisms that enable an overview of the contribution of CTP to meeting humanitarian needs.

3 This is often true for in-kind responses as well.
Agencies should simplify recipient identification and registration criteria and systems when appropriate in order to meet immediate emergency response aims.

Agencies should continue the joint initiatives at field level for addressing the technical aspects of designing and implementing CTP, where this adds value, including:

- involving government ministries in CTP, including pre-disaster dialogue on the topic;
- making the most of opportunities for economies of scale when contracting out CT disbursement services from the private sector, or investing in database systems;
- strengthening the relationships with private sector providers and traders;
- market assessment tools to speed up decision making (pre and post-disaster tools);
- considerations of disaster affected labour markets.

CaLP should continue to create advocacy messages and convene high level dissemination events to raise awareness of CTP successes based on cumulative evidence acquired to overcome some of the existing resistance amongst some actors, including donors.

CaLP should continue investing in learning and development activities around CTP based on evidence of how CTPs contributes to humanitarian programme aims. This learning should not be limited to emergencies – direct links between social safety net systems and emergency responses involving CTP in countries prone to emergencies need to be included.

CaLP should continue investing in the dissemination of tools to enable all those designing and implementing CTP to:

- strengthen outcome and impact monitoring tools that measure the contribution of CTP to programme aim;
- consider which transfer modality may be most appropriate helping to fill the existing market assessment information gap;
- engage more effectively with private sector service providers and traders.

All actors should agree inter-cluster coordination and facilitation mechanisms on CTP, including which UN agency will take the lead, before the next large scale disaster occurs.
The Cash Learning Partnership (CaLP) has initiated the current study in order to assess the level of preparedness amongst humanitarian actors (donors, NGOs, UN agencies, international organisations, governments and the private sector) to design and implement cash transfer programmes (CTPs) at scale in emergencies. The CaLP is of the opinion that better preparedness in terms of developing systems/procedures/guidelines, enhancing technical capacity, harnessing innovations in technology and ensuring coordination/linkages is important for humanitarian agencies to embark on large scale responses.

In recent years there has been a significant increase in the use of cash and vouchers by agencies and governments in response to humanitarian crises. It is anticipated that this trend will continue in the coming years with greater investments being made by a number of agencies to build systems and capacity to implement cash and voucher transfer programmes, with the support of donors such as ECHO, DFID, USAID and others.

Some believe that an increased interest in cash and voucher transfer programming among donors and governments provides an opportunity to implement cash transfer programming at a much larger scale than is currently being put into operation by humanitarian actors. Different models of trying to achieve scale have emerged in recent years ranging from a single agency model to a multi-agency model.

It has been recognised that adequate preparedness and coordination can play a significant part in the efficient delivery of aid to those affected by crisis. However, there is significant lack of clarity regarding the extent to which efforts are being made to enhance preparedness among humanitarian agencies to implementing large-scale cash and voucher transfer responses.

In the past few years, the private sector has played an important role in facilitating CTPs. Innovations in technology have played a critical role in achieving scale in some cases (once the rest of the programme activities related to assessment of needs and beneficiary identification processes are in place), yet the engagement of humanitarian actors with the private sector appears to be a challenge.

For a number of organisations, experience of undertaking cash based programming has taken place during recovery operations (sometimes at scale) with less experience of this in the very early stages of a relief or emergency response phase.

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2 PURPOSE AND SCOPE OF THE STUDY

The overall purpose of the study is to explore answers to the following questions:

- What is the extent of preparedness among key humanitarian donors, UN agencies, NGOs and some governments in disaster prone countries on:
  a) Appropriate policies, procedures and systems to facilitate speedy and large scale cash and voucher transfer programming?
  b) Technical capacity to assess the need, design appropriate programmes, implement and monitor them?
  c) Contingency planning that includes an analysis of social relations, delivery mechanisms, security, and prepositioning of relevant material/resources?
  d) Coordination/linkage with others, especially private sector and investments in innovation?

- What are the key gaps and blockages that need the attention of humanitarian actors to enhance sector-wide capacity to design and implement cash and voucher programmes at scale?

- How can the identified gaps and blockages can be addressed?

It is intended that primarily the study will make recommendations for use by donors, humanitarian organisations and governments to address the key gaps and blockages identified.
A four person team undertook the study over a period of 48 days. Two of the team members undertook the research work, supported by the other two members at the inception and report finalising stages.

The research methodology involved four distinct stages:

i) Agreement on research methodology through an inception report and meeting with the CaLP Reference Group for the study.

ii) The selection of three case studies where large scale cash transfer programmes have taken place, for more in depth investigation of the study topics. With guidance from the CaLP Reference Group, the Kenya Hunger Safety Net Programme (HSNP) and the Horn of Africa crisis in 2011, the Pakistan 2010 flood response and the response to Hurricane Katrina in the USA in 2005 were selected. The case studies aimed to tease out some of the practical implications and experiences of programming at scale with regard to organisational systems, technical capacity, contingency planning and coordination issues. The case studies were not intended to provide an overview of the humanitarian cash transfer responses in these countries.

iii) Semi-structured stakeholder interviews were held in person and by telephone with a range of key informants working in the humanitarian arena at head office levels and in the chosen case study countries. Initial contact was made with 34 individuals recommended by the CaLP Reference Group, and a snowball technique for identifying additional stakeholders for interview was used. A total of 98 individuals from 41 organisations were successfully interviewed (see Annex 1).

iv) A desk review of main CTP related literature linked to the interviews and case study countries focusing specifically on issues related to scaling up and preparedness (see Annex 3).

Limitations:

Some key informants were hard to access, as they were responding to the Horn of Africa crisis. None of the stakeholders interviewed were found to be against scaling up CTP in emergencies. This is likely to be an effect of the design of the study and must be considered when interpreting the findings.

The focus of the key informant interviews was on humanitarian agencies and donors. Accessing the private sector was a challenge in spite of continued efforts to do so.
4 DEFINING TERMS: SCALE AND SPEED

Our research has shown that there is no common understanding of what programming at scale means. Interpretations amongst those interviewed depended upon:

- total programme funds available;
- amount of cash disbursed;
- numbers of households assisted (ranging from 6,000 for some organisations to >100,000 for others);
- percentage of those in need covered by the programme;
- geographical coverage;
- an intervention where the local market is affected by the CT programme.

Furthermore, it is difficult to track those CT contributions which are currently being made as many emergency programmes include both in-kind and cash components and there is often no breakdown available as to what proportion of donor funds has gone to which component. ECHO is an exception in this regard.\(^5\)

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\(5\) DG ECHO invests approximately 20% (60 million euros) of its overall food security humanitarian assistance resources in cash transfer programming.

**BOX 1 DEFINITIONS OF SCALE FROM KEY STAKEHOLDERS INTERVIEWED**

- Covering the population in need.
- Combination of numbers assisted, money disbursed and geographical area covered.
- Numbers affected combined with Global Acute Malnutrition and Severe Acute Malnutrition rates.
- Volume of food and money disbursed.
- Production, programming and delivery of a defined number of smart cards within a defined timeframe.
- Relativity to what an organisation has programmed previously.
- Number of households (ranging from 6,000 for some organisations to >100,000 for others).
- Scale is a variable dimension; it is not about the volume.
- At scale may be something comparable to what we programme with commodities.
- Small numbers of organisations implementing CTP increasing to significant numbers in a given response.
- Absolute funding level allocated to CTP in an emergency.
- OCHA’s humanitarian dashboard.
- FAO’s IPC framework.
- Any intervention, no matter what the size of the affected or served population, where the market is affected by the CT should be seen as being at scale.
Definitions of speed also differed with some agencies seeing an emergency response programme as providing assistance within two to four weeks of the disaster occurring and others as providing assistance at some point within the first three months of the disaster occurring.

**Box 2 Approaches to Defining Scale**

- The American Red Cross is working on finding a way of defining small, medium and large scale in order to identify a tipping point that determines the scale for their relief operations.

- Oxfam GB categorises disasters by the number of people affected. A category 1 disaster affects 200,000 to 2 million people. Oxfam aims to reach about 20% of disaster affected populations, although it is context specific.

- ECHO is in the process of trying to define its thinking on scale, proportion and magnitude and is looking at OCHA’s humanitarian dashboard and FAO’s IPC framework to help guide this thinking.
Each of the four main lines of enquiry detailed in the study terms of reference has their own chapter section:

- Procedures, systems development and guidelines (5.2);
- Technical capacity (5.3);
- Contingency planning (5.4);
- Coordination (5.5).

In addition to these, the research identified a number of overarching issues standing in the way of the programming of cash at scale in emergencies. These are discussed below.

## 5.1 OVERARCHING ISSUES

### RISK AVERSION

A culture of increased monitoring and checks and balances amongst humanitarian actors implementing CTP, either to meet donor requirements or to satisfy internal accountability requirements and programming systems, means that scale up is sometimes hampered by risk aversion tactics. This includes concerns about reputational risk if there is reported misuse of CTPs. This risk averse approach was identified as a perceived fear amongst staff in many of the organisations interviewed, and not necessarily grounded on actual donor requirements or evidence of CTP being more easily corrupted. There is a certain element of CTP being perceived as new by some, contributing to a perception that CTPs have to be implemented on a small scale in more controlled environments. This perception hinders scale up.

### INSECURE CONTEXTS

For those working in conflict or unstable environments, one of the issues that is most likely to stand in the way of implementing at scale is gaining acceptance from the authorities. In most cases the preference is to establish a more traditional (in-kind) programme to gain acceptance and then raise the potentially more sensitive issue of implementing cash or vouchers, rather than starting with CTP from the beginning. There is a perception that implementing CTP requires a more refined relationship of trust with the authorities. This is also the case in contexts where there has been little or limited pre-disaster (or pre-conflict) presence.

Those interviewed reported that in insecure contexts, delivery of assistance is more risky. The current response to the Somalia crisis was often cited as an example where insecurity made in-kind delivery of assistance very difficult and where more CTP was being tried for lack of a better option. Security does
however remain a key concern of implementing agencies. In addition, as has been seen recently with the response to the current drought in Somalia, there has been a need for a long term advocacy campaign in order to convince donors that CTPs at scale in insecure environments are possible. Some respondents believe however that the months spent on advocacy for CTP in Somalia impeded agencies from being able to start programming earlier and perhaps stood in the way of preventing the mass migration of refugees and of saving lives and livelihoods.

INSTITUTIONAL MIND-SET

In some cases there is a resistance to CTP in rapidly changing emergency situations from divisions within organisations that are implementing CTP for development aims. Here, the fundamental question as to which form of assistance best meets the intended objectives and has the desired impact is not being asked systematically by agencies in a way that fully considers CTP on an equal footing as in-kind. Instead the debate still seems to be about whether CTPs are a feasible option in emergencies. Some donors even suggested that it may be time to consider agencies justifying when a CTP is not the default option.

In addition, a lot of decision-making around programme design is taken in the field, when agencies are assessing need, assessing potential national responses and potential donor funding opportunities. This means that often the design of CTP is dependent on the individuals at the scene, and making the choice as to whether to implement CTPs or not is dependent upon field comfort levels.

EXTERNAL CONTROLS

When new technology is being used to deliver cash transfers the private sector and government have the ability to control delivery mechanisms by, for example, shutting down communication networks or policing the internet. This could affect CTP coverage, enhance exclusion issues and could impede scale (and speed).

OVERARCHING ISSUES – GAPS AND BLOCKAGES

<table>
<thead>
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<th>Negative institutional mind-set towards CTP, particularly in emergencies.</th>
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<td>Risk aversion in many forms.</td>
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<td>There is a lack of evidence base as to what works, outcomes and impact of large scale CTP in emergencies.</td>
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EVIDENCE BASE

There is a lack of documentation and evidence on the outcome and impact of large scale CTPs in response to emergencies which is undermining the confidence of some donors to fund such programmes. The focus still appears to be on how cash transfer money is spent, rather than on the contributions of CTP to meeting humanitarian needs, and how more scale can be achieved. It should be noted however that as there are very few examples of large scale CTPs in response to emergencies it is impossible to document outcome and impact. Scale will not be achieved until agencies are ready to implement and donors are ready to fund.
5.2 PROCEDURES, SYSTEMS DEVELOPMENT GUIDELINES

ANALYSIS AND FINDINGS

Procedures

Procedures are considered to cover a number of different areas including policies and documented strategic approaches adopted by stakeholders involved in CTPs.

Policies

Where policies do exist, they do not appear to be designed to be prescriptive but rather to accommodate CTP. Few agencies, donors or governments were seen to be programming to a specific policy, even those implementing CTP regularly. However, as the use of CTP increases, some agencies are investing in devising policies/strategies to reflect this and to be more transparent about their commitment to CTP. In spite of this policy gap, CTPs have been implemented for a number of years in a variety of contexts, suggesting that a lack of written policy does not necessarily restrict practice. Again, the links between CTP policy and practice were found to be variable, with some donors and agencies able to support considerable CTP, often due to a small number of key people able to influence practice, or due to a general institutional culture of acceptance towards CTP that does not require written policies. In most cases it was found that practice is influencing policy. There was a general consensus among implementing agencies, however, that if CTPs were more formally documented in policy or strategy documents this could assist in promoting confidence for programming at scale.

Most donors interviewed had no written policy, but their systems allow them to fund CTPs if they so wished. The findings clearly show that implementing agency strategies linked to CTP have been heavily influenced by funding opportunities. This includes the UN and international NGOs whose traditional donors have provided them with opportunities to trial CTP.

Box 3 POLICIES AMONG DONORS INFLUENCING CTP SCALE UP PRACTICE

ECHO’s Humanitarian food assistance policy has been a key instrument for generating acceptance of CTP as a possible response option among in-country ECHO staff and their partners.

USAID has recently changed its FFP Title II policy to explicitly include CT. This policy change has opened up CTP opportunities for a number of organisations that perhaps would not have considered it otherwise.

The next notable policy contribution to potentially scaling up CTP could be proposed changes to the Food Aid Convention and the complete disappearance of tied aid given by the 27 European countries as well as that managed by the European Commission.

SDC’s CTP funding mechanism allow it to fund institutions as well as to implement directly based on the deployment of SDC staff and then handover to Swiss agencies in the field, providing opportunities for scale up.

Some organisations do have unwritten agreements as to when to programme cash but these approaches tend not to be formalized. For example, where infrastructure allows, UNHCR is agreed that programming cash in urban environments is preferable to providing in-kind.
Internal coordination

Programme staff are, for the most part, designing and implementing CTP but internal procedures related to financial systems, logistics and administration can limit scaling up. For example, WFP has created a new division at HQ to improve the coordination and role of different support service providers (ICT, finance, policy, logistics, procurement) in response to its new Strategic Plan (2008–11). This includes CTP as one of the available tools to meet food assistance needs. Another example involves the IFRC which has established a steering group to oversee its initiative to re-design its logistics and support systems in order that CTPs receive equal levels of support as in-kind programming. The steering group has representatives from finance, audit, programmes and logistics and together they will develop SOPs to match the new logistics and support systems for CTPs. Few other interdivisional examples were found although some agencies were focusing their internal coordination to working with finance departments specifically. This was seen to be the most consistent internal form of coordination relating to scaling up CTP, both at HQ and at field level.

Lack of senior management buy-in was cited as one of the main blockages for scaling up by some key stakeholders. This was not necessarily linked to a lack of acceptance of CTP among managers, but sometimes a lack of understanding as to how such programmes are implemented as well as a lack of familiarity with them and therefore a concern about the higher level management commitments required to make CTP programming at scale happen. The general awareness of what it takes to implement CTP and how much of this rests on management decisions and institutional commitment from various agency staff is still perceived as a blockage to scale up. The use of pilots to test the waters has helped somewhat, but there appears to be no systematic way of ensuring a consistent mind-set shift across the board.

Fund disbursement

Funding processes are often considered to be too slow for scaled up CTPs in the emergency response phase. Some initiatives to try and overcome this have been established. In Pakistan, for example, the Consortium of British Humanitarian Agencies (CBHA) enabled those NGOs who were already present to establish rapid response mechanisms in some areas which were difficult to reach. Another example is the Common Humanitarian Fund but this channel is not yet able to provide large scale transfers. DFID’s Rapid Response Facility (RRF) aims to deliver rapid funding support to humanitarian organisations that have completed a pre-qualification process which, amongst other things, includes an analysis of areas of operational expertise. Expertise in CTP is one of the specific fields which organisations can highlight as an area of their expertise. Some implementing organisations have established their own quickly accessible disaster response funds but these pots of money are generally too small to support large scale programming regardless of the resource ultimately being distributed.

BOX 4 INTERNAL COORDINATION

Oxfam GB’s SOPs for CTP in emergencies are being devised with the finance department, so that roles and responsibilities are clearly defined and systematically include a finance officer. Field level assessment missions include a finance perspective so that the design of CTP incorporates financial requirements of different delivery mechanisms. This hopes to encourage a more systematic and practical acceptance of the role of financial controls.

As has been previously mentioned, within organisations CTP falls under people with multiple sectoral and/or geographical responsibilities. In many agencies, field level responsibility for CTPs lies with a “focal point”, usually from a technical sector. Increasingly, as agencies implement and become more experienced, there appears to be an attempt to shift this responsibility towards the management.

The RRF was launched in October 2011 and aims to provide funding to pre-qualified NGOs within 72 hours of a disaster occurring.
Large scale grant management

Considerable funding is required when addressing large scale needs, and there is an apprehension on the part of NGOs in accepting large grants for large scale CTPs on behalf of a consortium. No single NGO wants the responsibility of managing a large grant if partially on behalf of another NGO. In Pakistan in 2010 and the Horn of Africa in 2011 some NGOs have formed alliances whereby they share their skills and/or agree to common approaches but each has responsibility for managing their own individual funding grant.

SYSTEMS DEVELOPMENT

Service support systems

Humanitarian agencies have years of experience of delivering in-kind assistance, with food consistently representing a high proportion of all in-kind support for any emergency. Logistics, administration and financial systems to enable this have been fine-tuned over many years. WFP, for example, delivered 4.6 million MT of food to 109.2m people in 75 countries in 2010 for emergency, rehabilitation and development operations and its systems and culture have become very specialised to enable it to deliver food in many contexts. Similarly USAID Food For Peace (FFP) and DEVCO’s food facility grants have been designed to support the delivery of food related operations in emergencies. These systems have developed over years and have been based on practical experience.

The current systems for programming cash and vouchers at scale have not been tried and tested to the extent that in-kind systems have. Some organisations, such as WFP, the IFRC and the American Red Cross, are currently investing in adapting their systems in order to increase their capacity to do more CTP in both emergency and non-emergency situations. Smaller organisations, some of whom have a wealth of experience in implementing small scale CTPs, are doing the same but have less readily-available funding to do so.

In a number of organisations the finance, logistics and procurement regulations that apply to in-kind support have not been adapted to include CT specific elements. In some cases the existing systems are too restrictive, placing checks and balances and layers of sign-off procedures that limit CTP possibilities and favour in-kind responses. In other cases, the support services have not yet caught up with programming realities and the checks and balances and procedures that support implementation do not apply to CTP. This includes tendering systems for voucher programmes, legal liability for the work component of cash for work (CFW), minimum wage setting for CFW, regulations on how much cash a member of staff may be responsible for and acceptable charges for bank services. These are examples of the sorts of issues that can be addressed by standard operating procedures (SOPs) that will allow agencies to scale up CTP more confidently.

An additional finding is that the actual costs of establishing a CTP and having cash as the resource being programmed are often considered to be significantly lower than the implementation costs associated with in-kind programming. It is considered

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BOX 5 ECHO FUNDING CAP

It is hoped that the ECHO cap of 100,000 euro on funding NGOs to implement unconditional cash transfer projects, which is seen as a blockage to achieving scale, will be removed in the coming year.

BOX 6 THE CHALLENGE OF GLOBAL STANDARDISATION

The IFRC is in the process of developing a delivery mechanism and SOPs to streamline business processes and allow for the delivery of cash transfers at scale in emergencies. The challenge is to develop a system and procedures that are global and standardised and can be applied in all contexts.

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7 OCHA Financial tracking service, the food sector has consistently received the largest share of funding of all sectors over the last 10 years http://fts.unocha.org/pageloader.aspx?page=Trend-TrendAnalysis
by some agencies, especially WFP, and some donors such as SDC that programming CTP at scale could mean increased economies of scale, where start-up costs and bank or mobile phone charges could be negotiated at better rates as the volume of transfers increases.

**Standard Operating Procedures**

A number of organisations are using multiple methods of programming cash and vouchers depending on the context and very few have SOPs which can be lifted from one context and adapted for another. Country offices appear to be better prepared than agency headquarters for preparing SOPs for their operational context and updating them. It appears that preparedness in terms of SOPs is still happening at field level as humanitarian actors work it out for themselves, and that these are yet to be streamlined into HQ level strategies that are able to guide implementation globally. Exceptions to this include Oxfam and Save the Children’s HQ-led SOP development processes which aim to provide an overarching framework and some best practices.

**Beneficiary data management**

Programming CT or in-kind at scale requires efficient ways of managing beneficiary data. Operational agencies are increasingly relying on databases and systems to track their beneficiary registration and delivery of assistance processes. CTP have led to further use of data management systems that combine beneficiary information and CT disbursement data. For example the American Red Cross has a Client Assistance System which is used to document a client interview, including needs and recovery plans. It serves as the case record for the assistance provided to a client by the American Red Cross until the case is closed. It is also the basis for any referrals to assistance from other agents. Thorough follow up procedures for every client meant that some cases were still being followed for three years post Hurricane Katrina, which had considerable data management implications. Investment in this sort of information management system requires funds and often new skills related to accessing the technology to store, process and retrieve data. Some of those interviewed considered the complexity of tracking beneficiary information combined with CTP disbursement information as an obstacle standing in the way of programming cash and vouchers at scale.

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**BOX 7 BENEFICIARY DATA MANAGEMENT**

The American Red Cross (ARC) provided 1.4 million families (approximately 4.5 million people) with emergency financial assistance in response to Hurricanes Katrina, Rita and Wilma in 2005. This was 19 times more people than in previous responses. The urgency to scale up to meet the overwhelming needs involved a vast network of ARC volunteers and staff completing Client Intake Forms around the country by phone or in person and tracking the claims through an electronic Client Assistance System. A lesson learnt by ARC is the importance of using a centralised tracking system to help reduce double entry and simplify case load management and monitoring. It has taken ARC seven years to centralise these systems around the country due to the relative autonomy of the Red Cross Chapters.

There are additional issues of data protection and data processing which still apply, despite advances in technology. Field level verification systems for dealing with double entry and exclusion still need to be addressed. These operational aspects of data management hamper scale up for some agencies and organisations. One-off relief distribution programmes have very different beneficiary data requirement needs than programmes involving numerous disbursements. This limits the ways data can be shared between agencies. For some stakeholders, one of the advantages of blanket one-off disbursements is that it may avoid some of the complexities around beneficiary identification, registration and data management.
READY OR NOT? EMERGENCY CASH TRANSFERS AT SCALE

BROADER PROGRAMMING APPROACHES

There is an awareness that current internal systems and procedures need to be adapted to accommodate more CTP in emergency responses, but some agencies do not want to limit this to emergency contexts. Scaling up CTP in more stable environments, sometimes but not necessarily connected to a social assistance programmes, is considered by some to be more appropriate for identifying some of the new systems-related issues related to CTP. These agencies feel they will be better placed to rise to the challenge of implementing more CTP in emergencies, once they have ironed out some of the issues around CTP in more stable contexts.

GUIDELINES

A limited number of agencies interviewed had developed their own technical guidelines specifically for CTP. Where the CTP guidelines do exist they tend to be separate documents to complement other programming guidelines and have been written as “how to” guidelines to help at programme design and implementation level. The guidelines are seldom sufficiently generic to cover all types of CTP for all sectors, and tend to reflect specific agency mandates and core competences. This suggests that CTP options are often being incorporated into existing agency systems and ways of operating. The fact that CTP are generally viewed as an “add on” to traditional ways of working is perhaps one of the key blockages for scaling up CTP in emergencies, once they have ironed out some of the issues around CTP in more stable contexts.

PROCEDURES, SYSTEMS DEVELOPMENT AND GUIDELINES – GAPS AND BLOCKAGES

| Lack of documented policies which include or allow for the distribution of cash. |
| Systems are geared up for in-kind but not for accountable programming of cash at scale. |
| CTPs are “added on” to traditional ways of working meaning that they are bound by existing systems and structures. |
| Organisational set up means that no one unit captures cash leading to different approaches. |
| Slow disbursement of donor funds. |
| Lack of senior management level support for CTPs. |

KEY FINDINGS:

1. Organisations have taken many years to set up reliable, accountable, functioning logistics, administration and finance systems for the delivery of in-kind assistance. The current systems for programming cash at scale have not been tried and tested to the extent that in-kind ones have. The time required to set up equivalent systems for the delivery of cash (particularly at scale) which are currently generally not in existence, should not be underestimated.

2. Risk averse systems and procedures govern most programme design and stand in the way of scale up. In a time when accountability is increasingly high on the agenda, equally efficient tried and tested support systems with practical sign-off levels are required, so that cash is as easily programmable as in-kind.

3. External acceptance is key to scaling up CTP – but internal organisational acceptance needs to happen first.
The development and use of CTP guidelines forms a key component of organisations’ preparedness.

Whilst there are a number of different technical and donor guidelines available to humanitarian organisations wishing to implement CTPs guidelines, what appears to be lacking are written institutional policies or strategic documents which spell out organisational approaches to when, rather than how, CTPs can or should be implemented. For some this is a hindrance to scaling up CTPs in emergency.

Global approaches to CTPs are hampered by lack of HQ involvement in SOP development.

5.3 TECHNICAL CAPACITY

ANALYSIS AND FINDINGS

Internal organisational and external capacity issues impact upon the ability of humanitarian organisations to implement CTPs at scale in emergencies.

Assessment

Markets

Most stakeholders interviewed considered market assessment to be an essential component of programme design to help decide whether to deliver CTP, in-kind or a combination of the two. Donors supporting and agencies working in the food security and livelihoods sectors place significant importance on this. In emergencies affecting large geographical areas and involving numerous market systems, it takes time to collect data and existing rapid assessment tools such as Emergency Market Mapping and Analysis (EMMA) and Mapping Information and Food Insecurity Response Analysis (MIFIRA) were still not considered to be rapid enough in providing information for first response decisions. Also, current market assessment tools do not sufficiently factor in traders or send them the right signals about what kind of humanitarian programmes are going to be launched. This means that humanitarian interventions risk crowding traders out of the market.

In addition, there is often an absence of large scale pre-disaster market studies which could be used to provide baseline data to form an important part of programme design and monitoring for all transfer modalities, whether cash or in-kind. Without this market data there is a continuing nervousness around programming cash at scale due to possible unknown impacts on markets. What appears to be lacking is a tool that allows for one-day market assessment – a quick-look analysis.

Fear of inflation

The effects of a cash injection in disaster affected markets have not been sufficiently documented to dispel the fear of inflation. There is resistance to providing cash in disaster affected areas where increased demand may lead to traders colluding and raise prices. There is no acceptable mark-up price range that humanitarian actors are willing to allow traders to make for the cost of making items available in the markets. An acceptable inflation limit has not been identified and compared to the cost of delivering in-kind. This fear, which centres around expectations of potential increase in prices for goods on the market, seems disproportionately applied to cash rather than in-kind programmes which can also have massive influences on local markets.

a These tools are seen as useful and appropriate for predictable crises where there is more time to utilise them.
Sectoral needs assessments

The preferred system of humanitarian response relies on targeting humanitarian aid on the basis of assessed need and the humanitarian imperative. The assumption continues to be that available resources will not match demand, and that decisions will have to be made on prioritising interventions and beneficiary populations. Needs assessments provide a degree of understanding of the population to be assisted, but there is a general perception that multi-sector assessment methodologies to define overall needs do not sufficiently factor in which needs could best be addressed through CTP. This is seen by some as one of the most fundamental blocks for scaling up CTP, either because the multi-sector assessments are not being carried out by implementing agencies or because agencies are still focusing on responding according to their sector expertise and not to overall need. This sector approach compartmentalises assistance in such a way that a beneficiary may receive assistance from a number of agencies each providing a different service, which is seen by some to be a blockage to CTP scale up linked to fears of duplication. It seems that current approaches to assessments and sector specific responses are not conducive to designing responses in which CTPs are considered as a means of addressing multiple needs. This is a blockage to the potential role that CTP can play in terms of the overall proportion of emergency assistance provided through this modality.

Collecting information

Whilst few questions are asked when in-kind relief items are blanket distributed to hundreds of thousands of people, with CTPs there is a requirement to complete pages of information for every beneficiary. This includes information required for registration, information required for disbursement mechanisms (such as banks), and information collected for monitoring and lesson learning purposes by those who wish to adapt and improve their CTPs and/or need to respond to donor queries. This is another example of the way risk aversion seems to disproportionately affect the CT sector. By contrast, the American Red Cross (ARC) domestic team learnt after the hurricane Katrina response that just eight questions are usually enough for ARC staff to be able to decide if someone is eligible for financial assistance after a disaster.

Design and Implementation

Different implementing agencies are at the early stages of establishing the systems which will allow for the improved design and implementation of large scale CTPs in emergency. Examples include:

- A roster of rapidly deployable staff who are experts in context analysis and programme design with specific experience of CTPs (British Red Cross).

BOX 8 WATAN PAKISTAN 2010/11

The Government of Pakistan’s Watan programme which was launched in response to the devastating floods of 2010 aimed to assist large numbers of affected households through the provision of a smart card which was devised in association with Visa. This partnership had already been formed in response to the 2009 IDP crisis where a similar, albeit smaller scale, programme had been implemented. A key part of the design of the programme was that beneficiaries were required to produce proof of ID, issued prior to the floods through the government’s national registry office. For those who had lost their ID or those who were never registered this was a prohibiting factor. However, in terms of scale, the government’s reach and its partnership with Visa allowed the programme to reach over 1.5 million people. The process of ordering cards and disbursing them took three to four weeks as the cards had to be made outside Pakistan.

- A system designed to reach 10,000 people in 24 hours with smart cards (which have been
stored locally in advance with point-of-sale (PoS) devices) which can then be used to take goods/cash from warehouses, banks or local traders (IFRC).

- Looking at enterprise and recapitalisation of small businesses to ensure that markets are able to function and absorb large scale CTPs (UNDP).
- Linking cash transfers in emergency situations to financial inclusion (UNDP).
- Improving the ability to switch between in-kind and CT as appropriate (WFP).
- Choosing a few CT options that best meet programming aims such as CFW, conditional cash transfers or vouchers, rather than attempting to be able to provide the whole gamut of CT options (WFP).

**Programme design capacity**

A number of stakeholders were concerned about the risk of substituting good programme design capacity for large scale CT programmes, with the increasing potential that technologies offer for reaching a large number of beneficiaries. Deliberating over which delivery mechanism is most appropriate to reach intended beneficiaries is wrought with inclusion and exclusion issues, related to geographical coverage and access, and has become an additional consideration in programme design.

The 2010/11 Pakistan government’s flood response programme, the Watan card programme, was able to reach a large number of beneficiaries. However, alternative systems were needed to support flood-affected victims who were unable to provide the proof of identity required to qualify for entry into the programme.

**Capacity of partners to implement CTP at scale**

During the research, donors and large organisations mentioned limited capacity to implement CTP. Some agencies acknowledged that their partners were learning at the same pace as they were and saw this as a healthy relation.

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**BOX 9 BEYOND CRS VOUCHER FAIRS**

In the last decade Catholic Relief Services (CRS) has become known for emergency response through seed and voucher fairs. During the Pakistan flood response, CRS was able to attract funding from multiple donors to give agricultural support with commodity vouchers and cash grants to more than 30,000 households. CRS had previous experience in-country in successfully implementing voucher, cash grant and CFW programmes to enable households to restore their livelihoods after emergencies in 2009 and 2010.

Some donors suggested supportive measures to increase capacity, and provide funds to do so. Some donors put it down to lack of confidence. In the case of the Pakistan flood response, the number of beneficiaries assisted through CT programming appears to be directly linked to agency size and capacity, with NGOs programming to support thousands of disaster affected people and the government able to support millions. However, the capacity of donors to support more CTP and their overall commitment and capacity to disburse was not mentioned. Smaller NGOs reported not being considered for support because they have reduced capacity to implement and feel that donors prefer to manage bigger portfolios with fewer agencies.

**Transfer technologies coverage**

Humanitarian agencies continue to explore the most efficient ways of delivering cash to those in need. Generally, the more technical the delivery mechanism, the higher the associated costs. For example, a smart card which is able to receive cash transfers from different organisations to achieve different objectives is more costly to produce than a simpler card which allows for a one-off payment.

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10 This topic is likely to be elaborated upon in the CaLP study on Innovative Technologies
A lack of mobile network coverage or banking outlets is one issue which appears to be standing in the way of forming partnerships with the private sector which would allow for implementing large scale programming. Recent increased use of mobile banking systems, e-vouchers, scratch cards and others have brought the possibility of delivering CT through systems that have the potential for speeding up delivery and improving tracking of CT to the intended beneficiary. Some agencies have recognised that these systems do not always add to improved coverage of the intended priority beneficiaries and physical delivery of CT is still necessary because emergencies strike in areas where these services are not available. Rural areas are particularly limited in terms of the use of technology for CTP because of infrastructure and mobile network coverage. Using more intelligent technical systems such as mobile phones (or the banking or post office systems) requires those systems and relevant infrastructure to already be in place pre-emergency. In many countries this is simply not the case. There are ways around this, for example using point of sale devices, but distributing these and ensuring users are familiar with them may not always be appropriate or possible if a rapid post-emergency response is intended.

The potential for these technologies to be used immediately often requires a system for selecting beneficiaries pre-disaster in order to be able to activate the technology to deliver CT, and can be seen as a preparedness activity. Otherwise, it has so far been shown that these technologies require time to set up and that CT delivered in this way should be considered one to three months after a disaster and not before. The technologies appear to increase scale, but not necessarily speed. There is a trade-off between the two which was cited by stakeholders as an important consideration to scaling up. Agencies setting up CTP from scratch in response to the 2010 Haiti earthquake acknowledged that it took them up to three months and even then scale was not achieved. In the Pakistan flood response some were able to operate at speed, but limited their coverage and therefore scale. For some agencies speed and scale can only be achieved in blanket one-off type CTP.

The investment in technology appears to be better suited to agencies intending to offer more than one CT. The joint use of technologies to enable different agencies to deliver CT to the same beneficiary does not seem to have been sufficiently explored. This is linked to the multi-sector needs assessment approaches and the potential for emergency-affected populations to receive assistance to meet more than one need through a joint CTP system, whilst still recognising that in some contexts, physical delivery of cash or vouchers may still be the most appropriate option.

However, cards and card readers are considered by many to be the most appropriate way of distributing cash rapidly post-disaster as they can be prepared in advance of a disaster (although there is a cost attached to this preparation), they are able to function independently of internet and mobile communications systems, and can be loaded with multiple benefits from different programmes with different objectives. In addition, they do not require the sharing of beneficiary data with third parties. For some implementing organisations data protection is an important issue as it conflicts with the principles of neutrality and independence.

**BOX 10 TEACHING TECHNOLOGY TAKES TIME**

In Kenya’s Hunger Safety Nets Programme (HSNPs) beneficiaries receive their cash from local traders participating in the scheme by means of cards connected to wireless point-of-sale terminals. When the programme was set up, significant time was required to train both traders and beneficiaries in how to use the POS terminals as many had never seen, let alone used, such devices. Initially there were a number of teething problems relating to the correct use of the technology to ensure the cash could be distributed. In addition, the bank involved had to be convinced that paying agents (the traders) to be their representatives in remote locations would be beneficial for them. There is little time for such training and private sector partner buy-in in the height of an emergency response.

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In addition some were concerned that providing technology, such as PoS terminals, risk undermining smaller traders who will not be included in programmes where such technology is key.

Whilst voucher programmes are feasible in emergency situations (as can be seen in the current 2011 response to the drought in Somalia) there is often a limit linked to organisational capacity to ensure sufficient accountability and administrative support. This prohibits such programmes being as large scale as may be the case if other delivery mechanisms are used.

External obstacles

An example of an often cited external impediment during the research is security. In certain environments the security situation, when combined with viable delivery options, does not allow for delivery of cash assistance to large numbers of people. This can be seen in Iraq where for instance one organisation recently had to scale down a programme partially because the banking system was only able to cope with small numbers of clients (20 per day and 60 people per location) and did not want large numbers of people visiting them on a regular basis due to the enhanced security risk.

Agencies have also experienced difficulties in scaling up CTP due to limitations in local bank branch capacity to meet increased demand and process payments in disaster affected areas. Oxfam recently overcame this obstacle in Ethiopia by taking on board the costs of local branches providing extra services and increasing their capacity for disaster affected caseloads.

**Box 11** The World Bank linking social safety net schemes to emergency response

The World Bank has recently initiated a project to develop preparedness in existing social safety nets and low income countries which will look at what is required to equip social safety nets in terms of systems, M&E, targeting and payments. The aim is to design a ready-made package with software and decision-trees to ensure that social safety net programmes can scale up and decisions can be made faster in times of disaster. The Bank is already providing technical assistance in this area in Tanzania, Ethiopia and the Caribbean.

**Box 12** Insurance, safety nets and emergency response

There are potential macro level shared benefits that can come from the different forms of CTP above working together. For example, safety net and emergency cash transfers are able to provide recipients with liquidity thus giving them the option to purchase livestock insurance. So when (or if) a disaster strikes those vulnerable are able to avoid further decline by receiving an insurance pay-out. Although this is an untested area of work, the Index Based Livestock Insurance pilot project in Marsabit, Kenya, is aiming to understand more about the potential of this approach.

An additional obstacle that arose with the banks is their culture of promoting bank staff according to the number of new bank accounts and savings accounts they open. Whilst CTP recipients’ ability to access financial systems is generally considered to be a positive effect of CTP, it can slow down emergency response programmes using banks to disburse cash.

**Designing to promote the continuum**

Although there is some discussion around it, there are very few examples of where CTPs designed and implemented in response to an emergency have connected to existing large scale cash transfer programmes such as government social safety net schemes. Both CTPs and social safety net programmes require flexibility in order that they can benefit from one another – a flexibility that appears to be currently absent.

For example emergency CTPs could benefit from the secure, tried, tested and acceptable delivery mechanisms through which social transfers reach an already identified vulnerable population. If flexibility...
could be built into these systems such that they could take on board an increased number of people for a limited period of time in response to an emergency, this could allow those affected to be reached rapidly. Such efforts would however, at least initially, be more governmental and donor focused than necessarily humanitarian agency focused. Amendments to social transfer systems would have to look at budgetary, administrative and HR flexibility. Contingency financing could be one way of doing this as has been seen in Ethiopia’s Productive Safety Net Programme. In the Pakistan 2010 flood response one of the reasons that the programme was able to achieve scale so quickly was the government’s existing social protection programming combined with its shift to computerisation of national ID cards. This allowed the Watan floods programme to reach a number of already registered people with speed.

**Donor potential**

Donors have not yet got to grips with the potential for cash transfer programming in general to better link discussions around humanitarian responses with development responses. The research found that for some agencies CTPs are one of the few types of intervention where those who work on both the humanitarian and the development side speak the same language. This was however not true of all agencies with some still sensing a divide. UNICEF CTPs, for example, have traditionally been seen as falling under social protection activities.

**Targeting and registration**

There is some thinking around trying to register vulnerable populations pre-disaster. This would enable them to be identified and assisted as swiftly as possible when disaster strikes using technology platforms and databases to collect beneficiary information. Some propose that humanitarian organisations and donors should work with national governments to ensure that the poor and vulnerable are included in national identification systems. In this way when disaster strikes there is an entire population profile for the affected area and it is easier to identify the most affected without having to set up a targeting and registration mechanism in the chaos ensuing post-disaster. In theory, a national registration system such as the National Database and Registration Authority (NADRA) in Pakistan should allow for this. However, the most vulnerable, marginalized or mobile are often not registered in such systems. There may be scope here for NGOs to cover the gaps left by government systems or to advocate for and assist those who have been excluded. Such processes do however take time. In other cases there is a resistance on the part of civilians and organisations to undertake large scale census-type exercises that risk building expectations or which may be politically sensitive. Using biometrics is considered to be the most rapid way of registering people. In cases where pre-disaster registration is not in place there are still options for registering more people more rapidly post-disaster. For example, Concern in Kenya distributed funds in clusters so that assistance for ten families went to a cluster leader who collected the cash on behalf of the cluster and distributed it to them. Another approach is to establish a dual registration system where one person is registered on behalf of two people and can collect for both. Community based targeting is another way considered to achieve speed and scale in the case of populations not previously registered.

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**BOX 13 KENYA HSNP AND SCALE UP**

The Kenya HSNP was unfortunately not able to increase its caseload and hence scale up in response to the 2011 crisis in the Horn of Africa beyond the provision of an extra payment to those already included in the programme. The reasons for this include:

- Lack of pre-registered non-HSNP population
- Inability for current smart cards to be layered to endorse multiple objectives
- The number of partners involved making administration of the programme heavy, and any changes to design requiring time and commitment from all
However, the one-off blanket distribution of cash was frequently cited as the most effective way of rapidly delivering cash at scale in emergencies. This was not always considered by agencies, however, to be the most appropriate response to their specific programming objectives. Most agencies do not on their own have either the capacity, internal support or donor acceptance to implement blanket distributions at scale because of concerns around exclusion, inclusion (and perceptions around assisting some who do not necessarily need assisting), duplication with other agencies, sector and/or population group mandates, and the overall cost. Linked to the cost, undertaking blanket distributions in one (or more) geographical locations may prevent agencies from working in other locations where there are needs due to lack of resources.

Again, there is a tension between speed and scale of delivery, where agencies recognise that their beneficiary identification systems require time and this affects their capacity to programme at increased scale. The importance of beneficiary identification is linked to agency programme design. Blanket approaches to provide all disaster affected populations with support are not considered to be strategically viable by many agencies interviewed, mainly because they do not wish to limit themselves to a one-off response. The American Red Cross approach to relief was seen to be one-off the few exceptions to this, and their focus on speed and scale for relief support favours a blanket one-off disbursement for both domestic and international relief when appropriate.

In summary few donors prefer blanket approaches although it is recognised that this would be one way of achieving scale rapidly. This donor view may be because of the current amounts of CTP being channelled through food assistance funding mechanisms. CTPs have not yet been mainstreamed enough in other sector responses, where blanket approaches such as for the provision of clean water are more common than in the food sector.

Those who prefer blanket support see CTP as an opportunity to provide cash injections for disaster affected populations to spend on whatever they need. They tend to be one-off payments and are designed to be delivered quickly. The targeting philosophy in this case is therefore instrumental to speed, and perhaps also to scale up.

**MONITORING**

Monitoring was identified as a key issue with regard to large scale CTPs. Monitoring mechanisms need to be designed to provide outcome and impact data which will contribute to the formulation of an evidence base. This can then be used to encourage donors to be more courageous about funding CTPs at scale in emergencies and national governments to accept them.

**BOX 14 MONITORING AIMS**

An option for the American Red Cross (ARC) in response to Hurricane Katrina was the disbursement of client assistance cards disbursed with specific cash values to be used at ATMs to withdraw cash or purchase goods in stores. The cards had a notice that they may not be used to buy tobacco, alcohol or weapons and recipients agreed to this when they applied for the assistance. The ARC is able to monitor when and where the cards are used and can cancel cards being used at shops that only sell the disallowed items. However the main purpose of tracking types of expenditure is to see if the cards are being used and follow-up if not, and to see if the essential clothing, food, accommodation and basic needs are being prioritised. The system is simple and focuses on need and not misuse. During the hurricane Katrina response ARC was able to provide over half a million of these cards.

Stakeholders interviewed acknowledged the overemphasis placed on monitoring the use of cash transfers to meet perceived donor requirements which detracts from monitoring the outcomes and impact of CTP. Some agencies with more experience of combining CT and in-kind saw this type of monitoring as a way of keeping track of beneficiary choices to help determine the appropriateness of the intervention, but this is still the exception.
For many implementing agencies monitoring is undertaken to dispel fears about the misuse of cash. Monitoring also needs to include the monitoring of traders (which is something that trader groups could actually do themselves). What is required is data to show the impact CTPs have on specific issues such as acute malnutrition rates, regional markets and inflation.

In addition, where new technologies are used to deliver cash, thereby removing the implementing agency from actually delivering the money themselves, for example by phone or through a security company or some other remote mechanism, new ways of monitoring the cash delivery are needed.

To date, there is very little published learning, analysis or monitoring of government-led CTP and of the role of traders in CTP.

SKILLS, KNOWLEDGE AND TRAINING

Although CTPs are increasingly common, an issue affecting the ability to rapidly scale up is the lack of organisation staff sufficiently trained in the design, implementation and monitoring of CTPs. Other specialised skill area also lacking is the ability to monitor inflation and the secondary effects of implementing CTPs, particularly at scale. Such information would form an important part of the currently weak evidence base which may allow for more positive thinking around scaled up programming.

Although programme staff are often familiar with CTPs and their implementation, there remains an absence of management roles where specific awareness and understanding of CTPs are apparent (or required).

Human resources remain an issue for both implementing agencies and donors in terms of headquarters’ support to focus on CTPs particularly as those responsible tend to have wide remits and broad ranging non-CTP related responsibilities too.

Cash is, after all, one form of response, so tends to fall under the responsibility of a person responsible for a sector or geographical area rather than a modality. A related point on the capacity to carry out multi-sector needs assessments and design multi-sector responses that factor in the role of CTP has already been made earlier in this section. Most CTP in emergency response is still concentrated in the food security sector and increasingly the shelter sector.

Factoring in the skills required to ensure quality control of items supplied through markets in CTP is challenging for some agencies and contributes to limiting scale up. It is necessary to mitigate against the possibility that CTP recipients will not get value for their money when they shop at the market, whether it be lower quality goods being sold to people using vouchers, or lower quality construction materials being imported to meet the increased demand for shelter items in a disaster affected population. Whilst fear of inflation has been cited as a blockage to scaling up CTP, there are increasing concerns of trader collusion to supply lower quality items. Agencies involved in CTP need to ensure their programme monitoring staff have the skills that were previously limited to procurement and finance staff. Scale up is limited by this lack of skill.

TECHNICAL CAPACITY – GAPS AND BLOCKAGES

There is a lack of needs assessment methodology which identifies overall needs and specifies which could best be addressed through CTP.

Fear of inflation – the effects of a cash injection in disaster affected markets have not been sufficiently analysed and documented.

The lack of an evidence base on the outcomes and impact of implementing CTPs at scale is standing in the way of implementing at scale – it is almost a vicious circle.

Skills gaps within donors and implementing organisations.
No sufficiently rapid market assessment tool.

Limited baseline data on markets from large scale pre-disaster market studies.

New technology does not always allow for sufficient coverage of affected populations when disaster strikes in locations where infrastructure or communications networks are not in place or not functioning.

There are few examples of CTPs designed and implemented in response to an emergency which have built upon existing large scale CTPs, such as government social safety net schemes.

KEY FINDINGS:

1. Capacity is not necessarily about staff numbers but more about a lack within humanitarian agencies and stakeholders of sufficiently trained staff to implement scaled up CTPs. Staff need to be sufficiently skilled and thought needs to be given to provide appropriate training on technologies, approaches, administration, assessment and analysis tools.

2. There are general and specialist skills gaps within both donor organisations and implementing agencies (and possibly governments too) which do not allow for rapid replication from one context to another.

3. Donors have not utilised the potential for cash transfer programming to link discussions on humanitarian and development responses.

4. There is a trade-off between scale and speed. Implementing targeted CTP at scale takes too long for a rapid emergency response.

5. Beneficiary identification and registration in emergency contexts slows down implementation of CTP and limits its scale. Links with social safety nets programmes would help in more speedily assisting people post-disaster. Alternatives include community selection processes or universal targeting.

6. There is a cost attached to maintaining systems (and people) that allow for a readiness to go to scale rapidly. Resources are required in order to maintain this readiness.

7. Programme design of CTP often includes heavy monitoring systems that monitor the use of cash rather than monitoring outcomes and impact, meaning that little is contributing to the actual evidence base on the success of CTPs.

8. Providing CT at scale involves a new relation with market actors, where they need to be informed of agency intended responses and quality control for goods need to be monitored more closely to ensure beneficiaries get value for money.

9. Programme design is limited by the focus on market analysis. The methods available are not fast enough to programme CT immediately, and market data is soon out of date in rapid onset emergencies that are evolving. Therefore, the balance between understanding how markets are responding to the emergency and the potential they have for absorbing CT needs to be struck. Agencies involved in food related responses do not sufficiently factor in traders’ responses, do not inform them of their intended response and therefore influence how markets react. This is especially true of food markets.

10. At the beginning of an emergency there is often little time to undertake an EMMA or MIFIRA meaning there is a need to rely on existing data if a rapid response is to be implemented. There is, however, a frequent absence of existing data in terms of pre-disaster large scale market studies.

11. The use of technology for delivering cash transfers in an emergency is dependent upon relevant infrastructure and technical systems being in place, functioning and familiar to recipients. In many countries and remote locations this is not the case. This technology can take time to set up and time is sometimes required to ensure that participants in the programme are familiar with how to use the technology. Whilst the use of technology can therefore improve coverage it does not necessarily improve the speed of programme implementation.
5.4 CONTINGENCY PLANNING AND PREPAREDNESS

ANALYSIS AND FINDINGS

Contingency planning activities amongst humanitarian actors interviewed were found to revolve around the standard practice of developing strategies, arrangements and procedures to plan for a potential crisis. Not surprisingly, different stakeholders were found to have different approaches to contingency planning activities, with varying degrees of emergency preparedness (contingency stocks, creation and management of standby capacities, training staff and partners). Two key elements were identified as being relevant to scaling up CTP:

- Strategies for responding with CTP (developing actionable contingency plans and agreements);
- Activities to put strategies into practice.

The stakeholders interviewed provided no clear answer regarding how best to prepare for scaling up CTP in emergency responses. This is partly because CTPs have not yet been trialled in the various emergency contexts they work in, and partly because preparedness activities seemed more focused on internal systems and processes than on the numerous external processes required in preparedness activities. Each type of disaster, according to whether it is slow or rapid onset, manmade, natural or protracted, will require different forms of planning and preparedness.

The speed of the response rather than the scale of the response is believed to be more closely linked to the relevant contingency planning strategies. Haiti was often cited as an example where the preparedness aspects of contingency planning had not been carried out. Here, many stakeholders interviewed found themselves designing programmes from scratch and taking four to 12 weeks to set up CTP systems and programmes. This perceived lack of preparedness has been a key motivating factor for many agencies to focus on contingency planning measures for future responses.

CONTINGENCY PLANS

Most of those interviewed considered including more CTP as part of their emergency response strategies but very few had translated these intentions into concrete contingency plans for specific emergency scenarios. Written contingency plans were often cited as involving a relatively heavy process that does not always translate into action when the emergency strikes. Contingency plans were not identified by those interviewed as a tool to systematically increase CTP. Although the lack of written contingency plans cannot be equated with a lack of planning processes, the value of formalising them through a written plan has been well documented.11

Implementing agencies acknowledged that scaling up CTP was still more dependent on the new information being generated by needs assessment, market assessment and operational capacity assessments in the immediate aftermath of a disaster, rather than on contingency plans laying out possible emergency scenarios and possible responses that included CTP. Despite the growth in CTP over the last few years, it appears that past experience, rather than planning, is a driving factor for scaling up CTP response, even in countries which experienced similar disasters within a short time frame such as Niger and Pakistan.

Whereas some stakeholders preferred to look at contingency planning as a process that left both in-kind and/or CTP as viable options to meet a specific programme objective, others had a clearer vision for CTP to be part of their response for most emergency

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11 IASC Contingency planning guidelines (2001)
scenarios. This variance can be attributed to mandate, programming aims and ways of operating in the field.

In general, most agencies have not yet included specific CTP elements in their contingency planning documents. Contingency planning is considered to be a relatively heavy process which does not always have the sufficient engagement of those who will ultimately be involved in ensuring that the plan is adhered to in case of emergency. This was seen frequently to be due to a lack of awareness and sensitisation within organisations and externally as to what the plan contains.

Contingency plans are frequently needs-based and do not focus on the capacities required to implement the plan. Where this includes financial capacity it is often difficult to know in advance what funds will be available in order to implement plans.

**BOX 15 EXAMPLES OF CURRENT APPROACHES TO CONTINGENCY PLANNING**

- Concern Worldwide is developing a new approach which will initially be adopted in urban environments in key complex emergencies, looking at having a “cash in emergencies” protocol. Concern is also working with Tufts University to see how markets and price data can be monitored pre-emergency in order to easily assess supply chains post-disaster.
- UNHCR does contingency planning with either regional or country level focus using population groups as a basis.
- American Red Cross has preferred supplier arrangements with selected finance service providers connected to smart cards.

**GOVERNMENT NATIONAL DISASTER PLANS**

An awareness of regulative frameworks and connection to national and sub-national level governmental disaster plans was identified by those interviewed as important in order to ensure that programmes are designed in a way which supports and complements these plans. This was found to be of particular importance to the larger actors, UN agencies and donors.

**BOX 16 WORKING WITH GOVERNMENTS**

As mandated by the Government’s National Response Plan, the American Red Cross responds to national disasters through its domestic services and uses CTP as part of its emergency assistance to individuals in combination with community services. The provision of CT is managed on an individual client basis, through case workers, providing a full picture of the RC support being received and the referrals for additional support services form other institutions. The financial, ICT, logistics and human resource systems have been designed to programme in this way, and allow the American Red Cross to assist an average of 90,000 disaster affected people a year. The systems can cope with 25,000 clients a day if there is available funding.

The research found that a pre-disaster country presence is more likely to enable agencies to be part of disaster planning processes and establish working relationships with all potential partners and thereby increase the possibility to scale up programming.

**CONTINGENCY STOCKS**

The most practical level of preparedness amongst agencies was found to be with stocks of CTP supplies. When thinking about creating a contingency stock for a CTP such as pre-printed vouchers, ready-made smart cards, and mobile phones with solar chargers, associated costs need to be considered. For example, debit cards cost approximately $1.50. In order to store these cards for distribution immediately post-disaster, other costs need to be considered such as

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12 Information from the American Red Cross, which has long term experience of providing post-disaster assistance in the form of cash through its domestic programming.
warehousing storage fees and personnel to track the cards. Smart cards can be procured post-disaster, as in Pakistan where the process took three to four weeks from ordering to disbursement (as they had to be made in another country and transported to Pakistan for distribution). However, once the cards were in country, distribution was taking place at a rate of 18–20,000 cards per day.

### Box 17 Contingency Stocks

The American Red Cross keeps between 300,000–400,000 cards in stock at one time for their CTP to national disaster victims. This stockpiling represents a considerable cost to the ARC, as the cards have a shelf life of only 4–6 years. When hurricane Katrina struck, the ARC ran out of cards and suppliers were unable to provide more quickly enough to meet demand, so the ARC devised different ways of disbursing CT to its recipients. There is a cost implication in this type of preparedness activity that needs to be financed.

### Box 18 Market Failure – Trader Collusion

NRC’s Pakistan flood response included a shelter programme with a CT component aimed at allowing recipients to get their housing materials from the market. The agency soon realised that beneficiaries were getting substandard quality material for their money. This would put the programme at risk, so quality control measures had to be introduced and the flexibility to be able to provide materials in kind was not ruled out. The quality control aspect of the CTP had potential implications for scale up in a difficult operating environment.

### Box 19 Institutional Learning

The Spanish Government has invested $10m for cash transfer pilots implemented by WFP which incorporate a specific learning component managed in their programme design. Longitudinal studies to assess the comparable impact of WFP in-kind and CT assistance in various contexts (not just emergencies) have been designed by IFPRI. The results will help WFP prioritise decision making processes.

Acquiring funding for the purchase and storage of pre-disaster response stocks remains a challenge as generally donors require that the stocks are used within a specified timeframe.

Agencies with expertise in large scale in-kind distributions and the necessary associated pipeline arrangements highlighted that scale up is only possible when contingency stocks can cater for both CTP and/or in-kind at scale. The ability to preposition emergency response supplies for CTP and link them to a CTP delivery mechanism should not be at the cost of in-kind supplies in case the markets fail. This was seen to be an important contingency planning measure for all relief items.

### Institutional Learning

Institutional lesson learning through evaluations, workshops and research studies has been identified as an additional preparedness activity in which humanitarian actors are consciously learning the ropes of CTP in various settings and using that knowledge for future programme design. This type of preparedness is closely linked to technical capacity but its experimental nature suggests there is a level of preparedness / readiness to try things out which goes beyond technical know-how and is proof of agency commitment to be in a better position to make decisions and hence be prepared for scaling up.

### Limiting Cash Transfer Options

Although no stakeholders mentioned this specifically, the analysis of their responses indicates that activities to put contingency planning strategies into practice were very much dictated by the type of CT option the agency was considering. Limiting the range of possible CT options appears to be one
way agencies are increasing their ability to scale up CTP. CT options range from one-off cash or voucher payments to more regular conditional cash transfers and few agencies are willing to implement all of these at the moment, so as to be able to speed up and scale up. It is difficult to get an overall sense of the CT strategies that will evolve from this approach, but in terms of contingency planning it allows agencies to focus resources on their implementation plans, operational plans and preparedness activities related to building capacity and partnerships around the specific demands of their chosen CT options.

**CONTINGENCY PLANNING – GAPS AND BLOCKAGES**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Description</th>
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<tbody>
<tr>
<td>Absence of contingency plans which mention specific modalities such as CTP</td>
<td>The lack of detail in contingency plans means that they are not often referred to and sometimes not adhered to.</td>
</tr>
<tr>
<td>Insufficient coordination of contingency plans with government actors</td>
<td>so all those potentially involved in a disaster response are not necessarily on board beforehand, affecting speed of response.</td>
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<tr>
<td>Lack of planning and longer term thinking in advance</td>
<td>meaning that financial inclusion is not possible for those involved in emergency-related CTPs.</td>
</tr>
<tr>
<td>Implications of investing in contingency plans that allow agencies</td>
<td>to shift from CTP to in-kind and vice versa when necessary.</td>
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</tbody>
</table>

**KEY FINDINGS:**

1. The reliance on contingency planning as a tool for scaling up CTP was seen to be minimal, with very few contingency plans making specific reference to CTP.
2. Those organisations that do have contingency plans include delivery mechanisms, security and resource pre-positioning in the plans but generally make no (or limited) analysis of social relations.
3. Pre-positioning of CT cards and other contingency stocks is costly and not easily financed as a preparedness activity.
4. A pre-disaster country presence is more likely to enable agencies to be part of government-led disaster planning processes.
5. Most contingency planning activities appear to be linked to emergency preparedness activities to be able to speed up and scale up, and focus on building operational capacity rather than CTP strategies for specific emergency scenarios.

**5.5 COORDINATION**

**ANALYSIS AND FINDINGS**

As the number of actors implementing CTP responses in emergencies increases, so do the coordination needs among these actors. The following standard coordination mechanisms were considered in this study:

- Inter-agency;
• Within organisations (see section 5.2);  
• Between implementing agencies and other stakeholders (donors, government, private sector);  
• Between donors.

**BOX 20  LOCAL PARTNER COMMITMENT**  
One issue which stands in the way of the RCM (one of the implementing agencies with the largest potential for programming cash at scale in emergencies) implementing CTPs at scale is ensuring agreement from Host National Societies.

**INTER-AGENCY COORDINATION**

**BOX 21  INTER-AGENCY COORDINATION IN THE HORN, 2011**  
• A number of organisations already had CTPs in the Horn.  
• Four NGOs have formed an alliance, agreeing to implement CTPs in a standard way in Somalia. Others are going it alone.  
• There is no pre-determined mandate which gives one UN agency leadership over another.  
• Initial OCHA thoughts were to have a discussion on CTP in each of the clusters for each of the three affected countries – 18 discussions in total.  
• The Humanitarian Country team for Somalia appointed a focal point in each of the nine clusters who have formed an inter-cluster initiative.  
• Only in late September was agreement reached that FAO would lead the inter-cluster initiative – an area where WFP and UNICEF had also shown an interest.  
• The lack of clarity around coordination on cash issues has taken time and hindered effective coordination.

Coordination takes different forms with technical coordination on the one side and the more general sector level coordination on the other. From a technical perspective for CTPs, historically the main focus of technical coordination has been with CFW programmes, normally as part of early recovery discussions where agreements on key issues such as wage rates are made fairly rapidly. This consensus and coordination is less apparent with unconditional CTS and in rapid post emergency responses. CaLP focal points have been used in the 2010 Haiti earthquake, the 2010 Pakistan flood response and 2011 civil unrest in Ivory Coast as a way of providing continuity and to encourage the sharing of monitoring and evaluation tools. A similar effort is currently being made by CaLP in the Horn of Africa drought response in 2011.

From a general sector level, there is still a coordination vacuum. CTP does not fall neatly under one specific technical sector and yet is perceived by many as deserving specific coordination attention. The sector-specific organisation of the UN cluster system makes it extremely difficult to maintain an overall picture of CTP. CaLP has had an increasing coordination (and lesson sharing) role among some actors in recent large scale emergencies such as Haiti, Pakistan and the Horn of Africa. However, it has not always been seen to have a wide enough span to be a comparable coordination system to the UN cluster system (and nor does it have the current ambition to do so).

The research found the lack of an overall coordination structure that provides an overview of the CTP contributions to the humanitarian response of any given emergency to be one of the most fundamental gaps. This coordination gap was considered by stakeholders to be standing in the way of programming at scale for a number of reasons. One of these is that the dialogue needed during each emergency on issues such as value of transfers, targeting approaches and general CTP methodology takes up time that could be better spent actually implementing. In addition, the lack of an overview regarding what all sectors are doing in terms of CTP in a given response risks inhibiting the provision of CT assistance in all places of need and risks increasing duplication. There remains little or no cross-cluster dialogue on CTPs. There also
appears to be an increasing blurring of the lines between coordination and implementation with a number of agencies responsible for coordination also implementing their own programmes. It is unclear therefore where their priorities lie and whether this hinders scale up.

Recent emergency responses have seen an increase in CTP and coordination among implementing actors has had to run in parallel to cluster sector meetings, involving follow-on meetings, sector subgroup meetings and technical working groups to tackle certain aspects of delivery.

In the case of the UN this lack of coordination is further broadened to a lack of clarity around which UN agency takes the lead on deciding whether to programme cash – a decision which has the potential to impact many branches of the UN e.g. UNHCR, UNDP, WFP, ILO – when they work in partnership with each other. For example, if one UN agency is working in a location with host families receiving refugees/IDPs and the agency supporting the refugees/IDPs feels that providing them with cash assistance is most appropriate but the other UN agency does not feel this is appropriate, then it is unclear who takes the lead and ultimate decision on this.

The study did not discover any headquarters level inter-agency coordination systems where the technical aspects of scaling up CT may be discussed and coordinated.

COORDINATION BETWEEN IMPLEMENTING AGENCIES AND OTHER STAKEHOLDERS

Governments

Coordination with national governments is a critical issue when talking about programming at scale. Agencies with established pre-emergency presence in country reported finding it easier to negotiate and design programmes in their usual areas of operation. If such presence is not in existence or relationships with the authorities are fragile then the likelihood of CTP being initiated, let alone scaled up, is significantly reduced. Some of the larger agencies have partnership agreements to be able to respond at national level, whereas most smaller agencies tend to be geographically focused.

Stakeholders reported that in order to try and ensure a better linkage between long term social safety nets programmes and government involvement in disaster response there is a need for the relevant ministries to better coordinate outside times of disaster. In practice it was reported to be seen most clearly for the coordination of preparedness and response to seasonal disasters such as hurricanes and cyclones.

Many of those interviewed considered that there is still not enough government level buy-in for CTP in emergencies. Fear of dependency and of not being able to sustain the transfers was suggested as a contributing factor to some of the resistance to CTP in some contexts. In other countries, CTPs were reported as being accepted as a normal response and very much encouraged by governments. However, a gap for scale up was found to be in relation to coordination with different government line ministries. Large scale CTPs in emergency responses to date do not appear to take enough consideration of the macro-economic aspects of injecting foreign currency and that more coordination was required with those in charge of fiscal policies in emergency affected countries. There is a current bias to work with sector line ministries that match humanitarian agency sector responses.

Private sector

The research found this type of coordination to be the least established in terms of creating and building relationships with the private sector in order to guarantee delivery mechanisms. The two most quoted possible options for establishing coordination here were:
- Establishing agreements at a headquarters level with global organisations that have an extensive international reach.
- Having contracts/MoUs/services agreements and templates established at country level pre-disaster, so they can be activated on the spot once a disaster strikes.
Many NGOs and one UN agency were found to be focusing on the first of these, looking for private sector providers to support various CT delivery mechanisms. The links between faster delivery methods and scale were often made by those interviewed, and it is hoped that the concurrent CaLP-funded study on new technologies will shed more light on how these relationships are developing.

Banks and mobile phone companies were most often cited as the private sector partners needed for scale up. The private sector appears keen on maximizing mobile telephone and banking services as a delivery option, so there are likely to be many untapped opportunities here for collaboration. It may, however, be difficult to get private companies to commit to hypothetical situations in advance. There is some suggestion from responses that this is partly to do with attitudes towards the private sector and lack of experience in dealing with them and their different approach to assistance.

In addition to large scale technical service providers an important section of the private sector that needs to be engaged with is traders, through trader networks. The role of traders in the supply side of CTP has been underestimated according to some stakeholders. Many implementing agencies make it clear that when thinking about scaling up CTP to meet food related aims to match their current food programming, the role of the traders cannot be neglected. However, humanitarian actors are not informing traders of their intentions frequently enough and therefore limit themselves to predicting how the markets will react to a cash injection. Consulting and forming formal partnerships with large scale traders is considered to be key to scaling up CTP and requires having strategies to deal with trader reactions. Involving such networks allows for discussion on supply chains and should form part of the market assessment but can also be done in advance and included in contingency planning. Small scale traders should not be overlooked as they are often extremely quick to re-establish themselves post-disaster, providing an opportunity for voucher or cash programmes to be rapidly set up.

Slow onset disasters do provide the space and time for humanitarian agencies to establish agreements in advance with large private companies and smaller private traders.

One issue arising out of scaled up programming is how to connect programmes to ongoing private sector initiatives such as savings and small credit schemes and the potential handover facilities for this.

**DONOR TO DONOR COORDINATION**

CTP at scale does not feature as a regular coordination subject amongst donors. A recent meeting in Brussels organised by ECHO and WFP was a sign of coordination but the focus was more on information sharing than real coordination of efforts or approaches. However, in order for donors to achieve their strategic objectives there is a certain reliance on the actions of other donors. Donor coordination mechanisms appear stronger when development objectives are on the agenda and perhaps there is an

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**Box 22**

**Box Pre-existing Private Sector Agreements**

In Kenya, Safaricom and Concern WW have a MoU which outlines their working relationship and has included the provision of training to Concern staff. On the basis of this MoU (which took time to set up) a small scale pilot project was implemented in rural communities which then meant that in the wake of the post-election violence in 2008 they were able to put together a rapid response in an urban slum in Nairobi.

In Pakistan, the banking sector is highly sophisticated and this helped ensure that the Watan programme was able to reach large numbers of people at speed and at scale.

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13 Roundtable on scaling up cash transfer programming in emergencies organised by DG ECHO jointly with WFP and in association with CaLP and the IFRC (September 2011)
opportunity here to bring in the link between CTPs in emergencies and those undertaken in longer term development programming.

The picture of overall donor contributions to CTP and their role in scale up linked to funding opportunities is not yet clear. Pilot funding opportunities have helped agencies test the waters and try out different ways of operating CTP, but there is not yet enough confidence in the regularity or scale of this support for the necessary organisational changes that it involves.

Donors who support CTP scale up are looking for more evidence of what works. CaLP activities have helped raise awareness of CTP in a number of countries and create interest and buy-in for CTP.

**COORDINATION – GAPS AND BLOCKAGES**

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<tbody>
<tr>
<td>There is no obvious place yet for CTP in the OCHA UN cluster system.</td>
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<tr>
<td>Lack of an overall coordination structure to provide an overview of CTP contributions in a given emergency.</td>
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<tr>
<td>CaLP has supported coordination in some large scale emergencies but has a limited role for taking on the larger inter-sector coordination that CTP needs.</td>
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<tr>
<td>Donors do not appear to coordinate their approaches to supporting CTP in emergencies and what aspects of scale up they may be most willing to fund.</td>
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<tr>
<td>Engagement between implementing agencies and the private sector is challenging. Traders are the partners that seem to have been left out of the equation so far, with little formal engagement with them.</td>
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**KEY FINDINGS:**

1. There is a distinct lack of overall coordination to provide an overview of CTP contributions in a given emergency.
2. There is no clear UN lead on CTP. Dialogue and agreement on this needs to take place pre-disaster.
3. Implementing agencies feel the need to better coordinate e.g. setting up joint disbursement mechanisms or collaborating on the technological aspects of using banks and technology.
4. Better linkage between long term safety nets programmes and government involvement in disaster response is likely to require a strong lead from donors. The competencies and skills for the different types of programme are different. A cross-ministerial working group would support this process.
5. Government support (or at least acceptance) of CTPs is critical to their success, particularly when talking of scaled up programmes.
6. Donors spoken to have different approaches, agendas and requirements of their implementing partners. However, one issue in common is, in general, their willingness to increasingly accept cash transfer programming as a means of delivering assistance to affected populations in emergencies. The lack of compatibility in donor approach puts additional pressure on humanitarian agencies that may have multiple donors funding their programmes.
7. There is insufficient documented practice to help with advocacy and with increasing confidence around what works.
8. Coordination with traders is key to preparation for large scale CTPs in order to assist in devising strategies for market reactions.
6 CONCLUSIONS

The humanitarian agencies spoken to as part of this study are convinced of the valuable role that CTPs can play as part of a humanitarian response in the appropriate context, and are committed to looking for opportunities for these interventions.

Many of the gaps and blockages to implementing CTPs at scale in emergencies identified in this study are “cultural” in the sense that they are bound up within organisations – lack of policy or strategic guidance on CTPs, insufficient systems to support the delivery of cash to beneficiaries and an absence of clear responsibility and coordination mechanisms for CTPs.

There is a need for a donor and an implementing organisation(s) to “take the plunge” in an emergency and in the build up to an emergency, so that contingency plans (and stocks) are financed in order that a model or approach can be tested in the event of disaster. From this, lessons can be learnt and the model adapted and shared ready for replication by other organisations. Trying this in a predictable situation where cyclical crises are experienced would allow for the time needed to prepare. Lessons learned can then be applied in future responses. At the moment, organisations are working alone, fighting for ground when disaster strikes and insufficiently pooling expertise and thinking. This is partly due to a lack of leadership in this area and partly due to donor led funding opportunities. The NGO alliances seen in Pakistan and more recently Somalia are steps towards this more coherent lesson learning and pooling of thinking. However, experience in the Horn of Africa has also provided the opportunity to display a lack of coherence amongst operating agencies toward CTPs.

There is the feeling that there is more caution around implementing and supporting CTPs than in-kind programmes (although some consider this more of a perception than reality). This may be linked to the fact that an overwhelming amount of CTP in emergencies is channelled through the food security sector and specific food assistance funding mechanisms. This means that much CTP at scale is currently being compared to providing food assistance in-kind and CTP has not yet been sufficiently mainstreamed across other sectors to identify other ways of delivering assistance. Given that one of the reasons for providing cash is to empower people, the over scrutiny of it appears contradictory. Recipients need to be trusted to make the best choices for themselves. The checks and balances built into CTP hinder scale up in various ways, either as a risk aversion strategy to keep numbers tight and easier to manage, or as a set of steps in existing systems that slow down emergency responses and make in-kind options easier to implement. The exception to this is usually from the operational context where in some cases governments may limit how much CTP can be implemented (as in Haiti), or encourage the take-up of CTP because they form part of a national disaster response plan (as in the US or in Pakistan), or where CTP is seen as the only feasible option to meet disaster affected people’s needs (as in the current Somalia response).

Regardless of what commodity (food, non-food or cash) is being distributed, challenges will be faced when it comes to implementing scaled up programmes reaching large numbers of affected people, often in difficult environments. These challenges may centre on establishing appropriate
and acceptable targeting and registration systems, undertaking rapid yet robust needs assessments, ensuring systems allow for the efficient management of beneficiary data and requisite service support for CTPs including reconciliation and delivery mechanisms, and setting up agreements with service providers. The time and the resources it will take to ensure that all these factors are in place and functioning together should not be underestimated. Organisations in this sector learn by doing and while funding opportunities are increasing to implement CTP, this needs to be matched in terms of the many related preparedness activities that will allow CTP to be considered on an equal footing as in-kind responses.

Unless systems for delivering cash are already in place pre-disaster, experience shows that it can take two to three months before any payments are made. By this stage beneficiaries may already have resorted to negative coping mechanisms and organisations are starting to implement recovery programmes. There is a constant tension between speed and scale up in all emergency responses, and CTP-specific programming requires careful consideration of what purpose the CT is meant to serve, so that the disbursement is relevant to the intended aims and impact. Effective programme design and implementation involving CTP, therefore, relies on well-established CT disbursement systems that can ensure timely delivery.

Part of preparedness is ensuring that CTPs are not just discussed in the humanitarian sector but that dialogue is established and maintained with local and national governments. The tools, ideas and networks that CaLP leads have an emergency focus yet are not well known or accessible to those in local and national government or with disaster management authorities and relevant line ministries concerned with fiscal matters.

Humanitarian actors have made massive steps forwards in terms of trialling the many CTP options in recent years in terms of numbers reached, operating environments and delivery options. However, reaching people in large numbers remains problematic for a number of reasons. There is a vicious circle that renders donors cautious and that is funding at scale without concrete evidence surrounding the outcomes and the impact that will be achieved. Without the opportunity to programme at scale and include tangible learning components into programme design, humanitarian organisations remain unable to provide this evidence. This caution is also present within humanitarian organisations and governments in disaster prone countries. A greater investment in monitoring mechanisms that focus on outcomes and impact and the role of the contribution of CTP to intended outcomes may help to overcome this caution.

In addition, a number of stakeholders felt that one of the most effective ways of achieving scale (and speed) would be to undertake one-off blanket CT distributions post-disaster. There remains cautiousness on the part of donors to fund such approaches and on the part of some agencies who perhaps have limited capacity or funds.

In terms of blockages to scale, “fear” remains a critical issue both within humanitarian organisations and externally – fear of what cash might be used for and who may be accessing it. The humanitarian world has overcome this fear with regard to in-kind and seems willing to accept inclusion errors and a certain level of diversion. This must now be applied to CTPs as well. This continuing cautious approach risks increasing people’s suffering in the immediate aftermath of disaster.

In order to link into existing and regular social assistance mechanisms which are familiar with delivering cash to large numbers of vulnerable households there is a need for humanitarian actors to expand their dialogue with donors and with governments in the countries where they operate. Discussions between humanitarian actors and the ministries that administer safety net programmes to define ways in which humanitarian organisations can work with those ministries in times of emergency and make use of their existing payments systems are key. It is recognised that such discussions are likely to be complex and time consuming, with one ministry having responsibility for social assistance programming and another for humanitarian responses. At the same time, donors need to engage in inter-ministerial discussions with governments to
ensure that safety net programmes are prepared to scale up from budgetary and logistics perspectives in times of disaster.

As an overall conclusion, we need to ask whether stakeholders are prepared for the design and implementation of CTPs at scale in emergencies. There is no one organisational response to this, and individuals spoken to within donor organisations and implementing agencies have different perceptions.

There are a significant number of gaps and blockages standing in the way of preparedness for scale – some technical, some systems related, some mind-set issues and some of which are outside the control of those organisations pushing to move forwards in this area, such as security risks and infrastructure gaps.

To be better prepared to respond with cash (if appropriate) at scale in future disasters, there remains the need for increased dialogue, coordination and action within and between organisations and between headquarters and field staff outside times of disaster in order to tackle the issues raised in this study. Although a number of responses in recent years have allowed for the use of cash, support for this form of programming often comes rather late in the day when warning signs and appeals for assistance have been initiated months before any approvals for setting up CTPs are given. There remains a caution on the part of donors to fund preparedness activities for possible disasters even when all indications are that a crisis is looming. In addition it is immediately after a disaster, when things start to normalise, that learning opportunities can be matched to future disaster response preparedness and planning activities at country level, but this requires funding and institutional commitment. If there really are to be steps forward in assisting large numbers of people with appropriate cash transfer assistance in emergencies then this caution will have to be put aside to give humanitarian agencies the possibility to step in before too many lives and livelihoods are lost.

This investment is currently being made by some of the larger agencies but donors may also need to consider supporting some of the smaller organisations to ensure relevant progress in this area in order to achieve scaled up assistance. This is most likely to be successful initially in more predictable crises such as the current drought in the Horn. The lessons learned can then be taken and applied in sudden onset disasters.
Recommendations emanating from the study’s key findings are made firstly towards CaLP as the organisation that commissioned the study, and then to other critical stakeholders.

It is advised that CaLP takes the lead on implementation and follow-up of the recommendations in the study, disseminates the findings of this study and the other three CaLP studies currently in progress and identifies common threads between them that can be built upon. In addition, the role of CaLP over the next five years needs to be more clearly ascertained as operational capacity for implementing CTPs increases at field level.

RECOMMENDATIONS SPECIFIC TO CALP

(i) Continue investment in learning and development activities around CTP based on evidence of how CTPs contribute to humanitarian programme aims. This learning should not be limited to emergencies – direct links between social safety net systems and emergency responses involving CTP in countries prone to emergencies need to be included.

(ii) Continue to create advocacy messages and convene high level dissemination events to raise awareness of CTP successes, based on a cumulative evidence base, in order to overcome some of the existing resistance amongst some actors, including donors.

(iii) Develop training tools:
   • for senior managers in humanitarian organisations and donor agencies to ensure that understanding of CTPs is broadened institutionally;
   • on technologies, approaches, administration, and assessment and analysis for programme implementation staff and for donor representatives.

(iv) Continue investing in the dissemination of tools to enable all those designing/implementing CTP to:
   • consider which transfer modality may be most appropriate, helping to fill the existing market assessment information gap;
   • strengthen outcome and impact monitoring tools that measure the contribution of CTP to programme aims;
   • engage more effectively with the private sector service providers and traders as part of preparedness activities in areas prone to disasters and during emergency response assessments and programme design.

RECOMMENDATIONS SPECIFIC TO DONORS

(i) Continue to fund learning and development activities around CTP, so that robust evidence is built on programming at scale in different contexts.

(ii) Develop CTP-related policy that allows for consideration of a broader, more inclusive CTP funding strategy based on overall need that allows:
   • for better links between development and emergency programming, especially for agencies with experience in both contexts;
for CTP to break through some of its current food/food security programming limitations to include the other needs usually addressed through sector specific responses, through an analysis of the overall needs of emergency affected populations;

• funding proposals for emergency responses to include a justification of why a CTP has not been considered;

• for support to funding information systems for pre and post-disaster data.

(iii) Encourage and lead dialogue between ministries of national governments to explore the potential for flexibility in social safety net programmes to expand in times of crisis to include those affected by disasters.

(iv) Become more open to funding preparedness activities which are specifically linked to speeding up emergency programming e.g. baseline assessments of vulnerable populations in disaster prone countries.

(v) Continue to fund evidence-based studies to feed into strengthening scale up activities and strategies.

(vi) Ensure more agile financial disbursement systems that make it easier for organisations to implement the CTP option that suits them, from immediate blanket unconditional cash grants to conditional transfers supporting sector responses with recovery components.

(vii) Fund a large scale CTP post-emergency with no prejudice, in order that lessons can be learned for future programming.

RECOMMENDATIONS FOR HUMANITARIAN AGENCIES (UN, RCM, NGOS)

(i) Streamline internal decision-making processes that enable more CTP to be scaled up when this is in line with overall organisational humanitarian response aims, including decisions around:

• systems for inter-divisional ways of working;

• standard operating procedures; and

• corporate level decisions on how to build and fund capacity.

(ii) Establish more coordination mechanisms at field level that enable an overview of the contribution of CTP to meeting humanitarian needs.

(iii) Agree inter-cluster coordination and facilitation mechanisms on CTP, including which UN agency will take the lead, before the next large scale disaster occurs. The dialogue on this issue needs to acknowledge that CTP is a modality for providing all forms of assistance and achieving a range of programme objectives. This means it does not neatly fit into the existing cluster system which may need to adapt to this reality rather than focusing discussions on definitions of CTP.

(iv) Continue joint initiatives at field level for addressing the technical aspects of designing and implementing CTP, where this adds value, including:

• economies of scale;

• involving government ministries in CTP including pre-disaster dialogue on the topic;

• strengthening relationships with private sector providers and traders;

• market assessment tools to speed up decision making (pre- and post-disaster tools);

• providing evidence of how CTP meets humanitarian programme aims;

• considerations of disaster affected labour markets.

(v) Simplify recipient identification and registration criteria and systems when appropriate in order to meet immediate emergency response aims.

(vi) Multi-sector assessment tools being used and developed should include an analysis of the feasibility of distributing cash.
INFORMATION GAPS – RECOMMENDATIONS FOR ALL ACTORS

(i) Document when disaster affected populations express a preference for CTP or in-kind more systematically.
(ii) Devise impact analysis tools for CTPs with similar objectives.

(iii) Think through CTP specific issues, such as what is a responsible banking fee to be paying for a service.
(iv) Further develop and promote the CaLP online discussion group (D-Group), so that it becomes a reference tool for all agencies and donors involved in CTPs.
## Annex 1: Key Informants Interviewed

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Key Informant</th>
<th>Position</th>
<th>Date Interviewed</th>
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<tbody>
<tr>
<td><strong>Donors</strong></td>
<td></td>
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<tr>
<td>1 AECID Spanish Agency for International Development Cooperation</td>
<td>Maria Abad Zapatero</td>
<td>Advisor to the Office of Humanitarian Affairs</td>
<td>28 July 2011</td>
</tr>
<tr>
<td>2 DFID</td>
<td>Dr John Barrett</td>
<td>Chief Professional Officer – Climate, Environment, Infrastructure and Livelihoods</td>
<td>9 September 2011</td>
</tr>
<tr>
<td>3 DFID</td>
<td>Iris Krebber</td>
<td>Food Security Advisor, Local Policy Division</td>
<td>25 August 2011</td>
</tr>
<tr>
<td>4 DFID</td>
<td>Dr Joanna Macrae</td>
<td>Team Leader – Governance, Conflict and Social Development Team, Research and Evidence Division</td>
<td>24 August 2011</td>
</tr>
<tr>
<td>5 DFID</td>
<td>Tim Waites</td>
<td>Humanitarian and Resilience Advisor</td>
<td>31 August 2011</td>
</tr>
<tr>
<td>6 DFID</td>
<td>Dylan Winder</td>
<td>Head, Response Group CHASE</td>
<td>17 August 2011</td>
</tr>
<tr>
<td>7 ECHO</td>
<td>Branko Golubovic</td>
<td>Technical Advisor, Islamabad</td>
<td>9 September 2011</td>
</tr>
<tr>
<td>Organisation</td>
<td>Key Informant</td>
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<tr>
<td>8 ECHO</td>
<td>David Sevcik</td>
<td>Head of Office, Islamabad</td>
<td>9 September 2011</td>
</tr>
<tr>
<td>9 ECHO</td>
<td>Devrig Velly</td>
<td>Food Assistance Coordinator</td>
<td>3 August 2011</td>
</tr>
<tr>
<td>10 ECHO</td>
<td>Rehmat Yazdani</td>
<td>Programme Assistant, Islamabad</td>
<td>9 September 2011</td>
</tr>
<tr>
<td>11 French Ministry of Foreign Affairs</td>
<td>Matthias Lange</td>
<td>Food assistance, food security and nutrition officer</td>
<td>9 August 2011</td>
</tr>
<tr>
<td>12 Norwegian Ministry of Foreign Affairs</td>
<td>Johan Meyer</td>
<td>Refugee Policy Director Section for Humanitarian affairs, UN and Peace</td>
<td>22 August 2011</td>
</tr>
<tr>
<td>15 Swiss Agency for Development and Cooperation</td>
<td>Helmut Scheuer</td>
<td>Advisor for (SDC-Cash) Project Development and Implementation</td>
<td>2 September 2011</td>
</tr>
<tr>
<td>16 USAID Bureau for Democracy, Conflict and Humanitarian Assistance, Office for Food for Peace</td>
<td>Adam Nonikane</td>
<td>Food for Peace Officer</td>
<td>11 August 2011</td>
</tr>
<tr>
<td>17 USAID Bureau for Democracy, Conflict and Humanitarian Assistance, Office for Food for Peace</td>
<td>Dale Skoric</td>
<td>Food for Peace Officer</td>
<td>3 August 2011</td>
</tr>
<tr>
<td>Governments</td>
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<tr>
<td>18 Government of Pakistan</td>
<td>Arshad Khan</td>
<td>DG FDMA</td>
<td>5 September 2011</td>
</tr>
</tbody>
</table>
## Annex 1

**Key Informants Interviewed**

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Government of Pakistan</td>
<td>Gohar Khan</td>
<td>Chief Projects Officer, NADRA</td>
<td>30 August 2011</td>
</tr>
<tr>
<td>Government of Pakistan</td>
<td>General Nadeem</td>
<td>Former Chairman of NDMA and former Chief of Special Support Group for IDP crisis</td>
<td>5 September 2011</td>
</tr>
<tr>
<td><strong>NGOs</strong></td>
<td></td>
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<tr>
<td>Action Contre la Faim</td>
<td>Julien Morel</td>
<td>Food Assistance and Social Protection Advisor</td>
<td>26 August 2011</td>
</tr>
<tr>
<td>CaLP</td>
<td>Glenn Hughson</td>
<td>Kenya Focal Point</td>
<td>14 September 2011</td>
</tr>
<tr>
<td>CARE</td>
<td>Daw Mohamed</td>
<td>Senior Advisor, Emergency Food Security</td>
<td>8 September 2011</td>
</tr>
<tr>
<td>Catholic Relief Services, Pakistan</td>
<td>Carolyn Fanelli</td>
<td>Head of Programmes</td>
<td>8 September 2011</td>
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<tr>
<td>Catholic Relief Services, Pakistan</td>
<td>Fahad Khan</td>
<td>Assistant Head of Programmes</td>
<td>8 September 2011</td>
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<tr>
<td>Concern</td>
<td>Amanda McLelland</td>
<td>Emergency Programme Coordinator for Emergency Response Team</td>
<td>23 August 2011</td>
</tr>
<tr>
<td>Concern</td>
<td>Gabrielle Smith</td>
<td>Technical Adviser, Social Protection</td>
<td>16 August 2011 &amp; 12 September 2011</td>
</tr>
<tr>
<td>MercyCorps</td>
<td>Sasha Muench</td>
<td>Deputy Director, Economic and Market Development</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>Norwegian Refugee Council</td>
<td>Austen Davis</td>
<td>Advisor – Food Security Technical Support Section, International Programme Department</td>
<td>16 August 2011</td>
</tr>
<tr>
<td>Norwegian Refugee Council, Pakistan</td>
<td>Qurat-ul-Ain Sadozai</td>
<td>Country Director</td>
<td>2 August 2011</td>
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<tr>
<td>Organisation</td>
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<tr>
<td>31 Oxfam GB</td>
<td>Claudie Meyers</td>
<td>Emergency Food Security and Livelihoods Advisor</td>
<td>19 September 2011</td>
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<tr>
<td>32 Oxfam GB</td>
<td>Nupur Kukrety</td>
<td>Social Protection and Food Security Advisor</td>
<td>23 September 2011</td>
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<tr>
<td>33 Oxfam GB</td>
<td>Camilla Knox-Peebles</td>
<td>Senior Emergency Food Security and Livelihoods Advisor; Humanitarian Department</td>
<td>20 September 2011</td>
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<tr>
<td>34 Relief International, Pakistan</td>
<td>George Asatiani</td>
<td>Country Director</td>
<td>18 August 2011</td>
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<tr>
<td>35 Relief International, Pakistan</td>
<td>Qassim Janjua</td>
<td>Deputy Country Director</td>
<td>18 August 2011</td>
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<tr>
<td>36 Save the Children UK</td>
<td>Neil Elliott</td>
<td>Security Officer</td>
<td>15 August 2011</td>
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<td>37 Save the Children UK</td>
<td>Rosie Jackson</td>
<td>Emergency Food Security &amp; Livelihoods Advisor; Humanitarian Technical Unit</td>
<td>16 August 2011</td>
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<td>38 Save the Children UK, Vietnam</td>
<td>Doan Anh Tuan</td>
<td>Regional Livelihoods Advisor</td>
<td>16 August 2011</td>
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<td>39 World Concern</td>
<td>Merry Fitzpatrick</td>
<td>Livelihoods Advisor</td>
<td>1 September 2011</td>
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<tr>
<td>40 World Concern, Kenya</td>
<td>Tracy Stover</td>
<td>Emergency Coordinator</td>
<td>5 September 2011</td>
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<tr>
<td>41 World Vision International</td>
<td>Maposa Thabani</td>
<td>Global Director; Food Programme and Management Group</td>
<td>13 September 2011</td>
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<tr>
<td>International Red Cross/Red Crescent Movement</td>
<td></td>
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<tr>
<td>42 American Red Cross</td>
<td>Sheila Beard</td>
<td>Executive Director; Finance NHQ</td>
<td>10 August 2011</td>
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<td>Organisation</td>
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<tr>
<td>43 American Red Cross International Response Operations Centre</td>
<td>Tracey Reines</td>
<td>Director, International Response Operations Centre (IROC)</td>
<td>3 August 2011</td>
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<tr>
<td>44 American Red Cross</td>
<td>Michael Zeleke</td>
<td>Senior Advisor, Livelihoods</td>
<td>10 August 2011</td>
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<tr>
<td>45 American Red Cross Panama</td>
<td>Scott DiPietro</td>
<td>Delegate, Latin America</td>
<td>18 August 2011</td>
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<tr>
<td>46 American Red Cross, Disaster Operations Centre</td>
<td>Anthony Benedetti</td>
<td>Senior Associate Individual Assistance, Direct Services</td>
<td>10 August 2011</td>
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<tr>
<td>47 American Red Cross, Disaster Operations Centre</td>
<td>Christopher Boyle</td>
<td>Programme operations lead</td>
<td>10 August 2011</td>
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<tr>
<td>48 American Red Cross, Disaster Operations Centre</td>
<td>Wendy Brightman</td>
<td>Project lead, Cash in Emergencies</td>
<td>10 August 2011</td>
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<tr>
<td>49 American Red Cross, Disaster Operations Centre</td>
<td>Melissa Crews</td>
<td>Manager, Individual Assistance, Direct Services</td>
<td>10 August 2011</td>
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<tr>
<td>50 American Red Cross, Domestic Services</td>
<td>Amy Gaver</td>
<td>Director, Programme Integration</td>
<td>10 August 2011</td>
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<td>51 American Red Cross, International Response Operations Centre</td>
<td>Guillermo Garcia</td>
<td>Regional Director, Latin America/Caribbean</td>
<td>10 August 2011</td>
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<tr>
<td>52 American Red Cross, International Response Operations Centre</td>
<td>Laura Hervesi</td>
<td>Field Operations Officer, IROC</td>
<td>3 &amp; 10 August 2011</td>
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<td>53 British Red Cross</td>
<td>Barry Armstrong</td>
<td>International</td>
<td>16 August 2011</td>
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<tr>
<td>54 British Red Cross</td>
<td>David Peppiatt</td>
<td>International Director</td>
<td>24 August 2011</td>
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<td>55 British Red Cross</td>
<td>Joy Singhal</td>
<td>International Recovery Officer</td>
<td>16 August 2011</td>
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<td>56 ICRC</td>
<td>Nicolas Fleury</td>
<td>Head of Sector; Economic Security Unit</td>
<td>3 August 2011</td>
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<td>Tarun Sarwal</td>
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<td>2 August 2011</td>
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<td>58 ICRC</td>
<td>Dominik Stillhart</td>
<td>Deputy Director of Operations</td>
<td>10 August 2011</td>
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<td>59 IFRC</td>
<td>Emma Delo</td>
<td>Senior Officer; Recovery</td>
<td>9 August 2011</td>
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<td>David Horobin</td>
<td>Global Logistics Service Delivery Manager (former)</td>
<td>9 August 2011</td>
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<td>61 IFRC</td>
<td>Pankaj Mishra</td>
<td>Senior Officer; Preparedness</td>
<td>19 August 2011</td>
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<td><strong>United Nations</strong></td>
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<tr>
<td>62 FAO</td>
<td>Francesco Del Re</td>
<td>Senior Programme Adviser for the Food Security Cluster Global Support Team (TCEO)</td>
<td>7 September 2011</td>
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<tr>
<td>63 FAO</td>
<td>Julius Jackson</td>
<td>Operations Officer/Budget Holder Pakistan Team Leader, (TCES)</td>
<td>7 September 2011</td>
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<tr>
<td>64 FAO</td>
<td>Matthew Keil</td>
<td>Operations Officer/ Budget Holder, and Desk Supervisor a.i. for the Central Asia and Europe Desk (TCES)</td>
<td>7 September 2011</td>
</tr>
<tr>
<td>65 FAO</td>
<td>Sue Lautze</td>
<td>Technical Officer; Emergencies division (TCEO) for the Americas and Africa)</td>
<td>12 September 2011</td>
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<td>FAO</td>
<td>Gwyn Lewis</td>
<td>Humanitarian Policy Advisor Emergency Operations and Rehabilitation Division (TCER)</td>
<td>7 September 2011</td>
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<td>FAO</td>
<td>Neil Marsland</td>
<td>Senior Technical Officer, Emergencies division (TCEO)</td>
<td>7 September 2011</td>
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<td>Giuseppe Simeon</td>
<td>Emergency Operations Officer (TCES)</td>
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<td>FAO</td>
<td>Savina Tessitore</td>
<td>Consultant – support to interagency and intersectoral coordination on nutrition, FAO’s nutrition and consumer protection division</td>
<td>7 September 2011</td>
</tr>
<tr>
<td>FAO</td>
<td>Rodrigue Vinet</td>
<td>Senior Project Coordinator for Chad, Eritrea, Somalia and Sudan(s) Emergency Operations Service (TCEO) Technical Cooperation Department</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>UNDP</td>
<td>Owen Shumba</td>
<td>Team Leader, Livelihoods and Economic Recovery Group, BCP</td>
<td>17 August 2011</td>
</tr>
<tr>
<td>UNHCR</td>
<td>Hannah Mattinen</td>
<td>Senior Liaison and Food Security Officer</td>
<td>9 August 2011</td>
</tr>
<tr>
<td>Organisation</td>
<td>Key Informant</td>
<td>Position</td>
<td>Date Interviewed</td>
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<tr>
<td>74 UNHCR</td>
<td>Audrey Nimmengarten</td>
<td>Associate Livelihoods Officer; Operational Solutions and Transition Section, Division of Programme Support and Management</td>
<td>9 August 2011</td>
</tr>
<tr>
<td>75 UNHCR</td>
<td>Gaela Roudy-Fraser</td>
<td>Senior Livelihoods Officer; Operational Solutions and Transition Section, Division of Operational Services</td>
<td>9 August 2011</td>
</tr>
<tr>
<td>76 UNICEF</td>
<td>Genevieve Boutin</td>
<td>Chief of Humanitarian Policy, Office of Emergency Programmes</td>
<td>29 July 2011</td>
</tr>
<tr>
<td>77 UNICEF</td>
<td>Clare Mariani</td>
<td>Humanitarian Affairs Programme Officer; Humanitarian policy section, Office of Emergency Programmes</td>
<td>29 July 2011</td>
</tr>
<tr>
<td>78 UNICEF Niger</td>
<td>Guido Cornale</td>
<td>Country Director, Unicef Niger</td>
<td>3 August 2011</td>
</tr>
<tr>
<td>79 UNOCHA</td>
<td>Miro Modrusan</td>
<td>Humanitarian Affairs Officer</td>
<td>22 August 2011</td>
</tr>
<tr>
<td>80 WFP</td>
<td>Annalisa Conte</td>
<td>Chief Of Cash for Change Division</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>81 WFP</td>
<td>Ugo Gentilini</td>
<td>Policy Officer; Policy Division</td>
<td>21 July 2011</td>
</tr>
<tr>
<td>82 WFP</td>
<td>Valerie Guarnieri</td>
<td>Programme Division Director</td>
<td>7 September 2011</td>
</tr>
<tr>
<td>83 WFP</td>
<td>Al Kheler</td>
<td>Chief of Programme Design Service</td>
<td>7 September 2011</td>
</tr>
<tr>
<td>84 WFP</td>
<td>Paul McCann</td>
<td>ICT Consultant, Cash for Change Division</td>
<td>2 August 2011</td>
</tr>
<tr>
<td>85 WFP</td>
<td>John Prout</td>
<td>Senior Programme Officer; Cash and Vouchers</td>
<td>28 July 2011</td>
</tr>
</tbody>
</table>
## Annex 1

### Key Informants Interviewed

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Key Informant</th>
<th>Position</th>
<th>Date Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>86 WFP</td>
<td>Issa Sanogo</td>
<td>Senior Food Security Analysis Advisor</td>
<td>22 September 2011</td>
</tr>
<tr>
<td>87 WFP Pakistan</td>
<td>Carl Paulsson</td>
<td>Head of Programmes, Pakistan Country Office</td>
<td>2 September 2011</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>88 CGAP</td>
<td>Sarah Rotman</td>
<td>Associate Microfinance Analyst</td>
<td>2 September 2011</td>
</tr>
<tr>
<td>89 Digicel, Haiti</td>
<td>Marcela Sabino</td>
<td>Tcho Tcho Mobile Product Manager</td>
<td>26 September 2011</td>
</tr>
<tr>
<td>93 Independent</td>
<td>Lesley Adams</td>
<td></td>
<td>7 September 2011</td>
</tr>
<tr>
<td>91 Institute of Development Studies</td>
<td>Stephen Devereux</td>
<td>Research Fellow</td>
<td>9 September 2011</td>
</tr>
<tr>
<td>94 Institute of Development Studies</td>
<td>Rachel Sabates-Wheeler</td>
<td>Research Fellow</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>95 International Food Policy Research Institute</td>
<td>John Hoddinott</td>
<td>Senior Research Associate</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>92 International Livestock Research Institute</td>
<td>Andrew Mude</td>
<td>Project Leader – IBLI</td>
<td>12 September 2011</td>
</tr>
<tr>
<td>96 Mobile Active.org</td>
<td>Katrin Verclas</td>
<td>Co-Founder</td>
<td>30 August 2011</td>
</tr>
<tr>
<td>97 World Bank</td>
<td>Cecilia Costella</td>
<td>Social Protection &amp; Labor (Safety Nets/Social Funds Team)</td>
<td>13 September 2011</td>
</tr>
<tr>
<td>98 World Bank</td>
<td>Rasmus Heltberg</td>
<td>Senior Technical Specialist</td>
<td>13 September 2011</td>
</tr>
</tbody>
</table>
ANNEX 2  KEY INFORMANT CTP INTERVIEW GUIDE – PREPAREDNESS FOR SCALING UP

<table>
<thead>
<tr>
<th>Current and future coverage with CTPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>In recent responses what percentage of the population has your organisation been able to assist through CTPs?</td>
</tr>
<tr>
<td>When talking about programming at scale what percentage of the population would you consider to be “at scale”?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Existing systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is your organisation’s position on cash transfer programming in emergencies?</td>
</tr>
<tr>
<td>Is this spelled out in an organisational policy or strategic document? (does it need to be?)</td>
</tr>
<tr>
<td>What are the key procedures in place that allow your organisation to programme cash transfers?</td>
</tr>
<tr>
<td>What would make at scale programming easier?</td>
</tr>
</tbody>
</table>

Probe for gaps and blockages related to systems and structures

<table>
<thead>
<tr>
<th>Technical capacity</th>
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<tbody>
<tr>
<td>What would improve your agency’s capacity to programme at scale and make it easier?</td>
</tr>
<tr>
<td>Are there any specific elements of the project cycle (assessment, design, implementation, monitoring) that require specific focus in order to assist in scaling up CTPs?</td>
</tr>
</tbody>
</table>
### Contingency planning

Does your organisation have country level or organisation-wide contingency plans which include CTPs or allow for the inclusion of CTPs?

Are CTPs expressly spelled out within organisational preparedness plans?

What would make contingency planning related preparedness activities easier?

### Coordination and relationships

What existing relationships does your organisation have, including with the private sector which assists in setting up and implementing cash programmes?

Which are the most successful partnerships with regard to CTPs for your organisation?

What would make coordination linked to large scale cash transfer programming easier?

### Gaps and blockages – round up

In addition to what we’ve already identified are there any other key gaps and blockages that require attention to enhance the capacity and ability to design and implement cash and voucher programmes at scale?

How could these gaps and blockages be addressed?

Are there any potential opportunities for implementation at scale that are currently not being optimised?

Any other general comments or questions
ANNEX 3  KEY DOCUMENTS REVIEWED

1 Ali D, Toure, F, Kiewied T (HPN) – Cash relief in a contested area – Lessons from Somalia (March 2005)
2 Brady, C – PEJSA Lessons Learned – May 2011
3 CAFOD Submission to the International Development Committee's Inquiry: The Humanitarian Response to the Pakistan Floods
5 Comparison of Domestic Disaster Services Emergency Assistance Program and International Services Cash Transfer Programming – American Red Cross International Services (July 2011)
6 Contingency Planning and humanitarian action – A review of practice – Richard Choularton (March 2007)
7 DFID – Cash Transfers – Evidence Paper Policy Division (2011)
8 DGECHO – The Use of Cash and Vouchers in Humanitarian Crises – Funding Guidelines (2009)
9 DiPretoro, S. Cash for Shelter Program HURRICANE RICHARD 2010Beneficiary Satisfaction & Impact Evaluation, American Red Cross, February 2011
10 DiPretoro, S. RED Card Program (Repair and Development)CHILE EARTHQUAKE / 27F 2010 Beneficiary Satisfaction & Program Evaluation, American Red Cross, February 2011
13 FEX.ennonline.net – Critical gaps in drought response in Greater Horn of Africa (2006)
15 Gentilini, U., Ansar S., Herbinger, W (WFP) – Planning and Implementing cash transfers in emergencies – Practical insights from Pakistan
16 GSM Association – The Role of Mobiles in Disasters and Emergencies (December 2005)
17 Harvey, P., Bailey, S. (HPN Good Practice Review) – Cash transfer programming in emergencies (June 2011)
20 ICRC – Assistance Policy – Doctrine 49 (April 2004)
21 IFRC – Draft Concept Paper: Delivering cash transfer based programming at scale in relief operations (2011)


23 OFDA Niger – Food Insecurity and Malnutrition Fact Sheet #4, Fiscal Year (FY) 2010 September 29, 2010

24 OFDA Pakistan – Complex Emergency and Floods Fact Sheet #2, Fiscal Year (FY) 2011 July 8, 2011

25 Pakistan ICT Policy Group – Watan at the crossroads! Report on Watan Cards Programme in Pakistan (November 2010)

26 Reporting Note: Roundtable on Responding to Emergency Food Insecurity through Cash Transfer and Food Voucher Interventions. Convened by USAID Bureau of Democracy, Conflict, and Humanitarian Assistance (March 2011)

27 Responding to Drought and Famine in the Horn of Africa. Statement of Wouter Schaap Assistant Country Director – Programs, CARE International Somalia before the US Senate Committee on Foreign Relations Subcommittee on African Affairs (August 3, 2011)


29 Scanteam We Accept Cash: Mapping Study on the Use of Cash Transfers in Humanitarian, Recovery and Transitional Response. NORAD (May 2011)

30 The Humanitarian Centre – M-PESA: Making money mobile – 2010 Report: Innovation Case Study

31 Tuan Doan Cash Based Interventions Review in Vietnam, Save the Children (September 2010)

32 Umlas. E (UNHCR) – Cash in hand – Urban refugees, the right to work and UNHCR’s advocacy activities (May 2011)

33 UNHCR – Banking on solutions. A real time evaluation of UNHCR’s shelter grant programme for returning displaced place in northern Sri Lanka (March 2010)

34 UNHCR – Money matters. An evaluation of the use of cash grants in UNHCR’s voluntary repatriation and reintegration programme in Burundi. (July 2009)

35 UNHCR – Surviving in the city – A review of UNHCR’s operation for Iraqi refugees in urban areas of Jordan, Lebanon and Syria – PDES/2009/03 (July 2009)


38 USAID Field Operations Guide For Disaster Assessment and Response Bureau for Democracy, Conflict, and Humanitarian Assistance Office of U.S. Foreign Disaster Assistance In cooperation with and produced by The USDA Forest Service International Programs Disaster Assistance Support Program Version 4.0 September 2005

39 USAID Global Food Insecurity and Price Increase Situation Report #1, Fiscal Year (FY) 2009 (May 22, 2009)

40 USAID/DCHA/FFP Annual Program Statement (APS) No. FFP- 11-000001 for International Emergency Food Assistance

41 WBG Response to the Haiti Earthquake: Evaluative Lessons (2010)

42 WFP – Cash and Vouchers Manual (December 2009)

43 WFP Update on implementation of WFP’s policy on vouchers and cash transfers Informal consultation (15 March 2011)

## ANNEX 4 GAPS AND BLOCKAGES TO PROGRAMMING CTPS AT SCALE

### Overarching issues

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1</td>
<td>Negative institutional mind-set towards CTP, particularly in emergencies.</td>
</tr>
<tr>
<td>2</td>
<td>Fear of inflation – the effects of a cash injection in disaster affected markets have not been sufficiently analysed and documented.</td>
</tr>
<tr>
<td>3</td>
<td>Risk aversion in many forms.</td>
</tr>
<tr>
<td>4</td>
<td>There is a lack of evidence base as to what works, outcomes and impact of large scale CTP in emergencies.</td>
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### Procedures, systems development and guidelines – Gaps and blockages

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<tr>
<td>5</td>
<td>Lack of documented policies which include or allow for the distribution of cash.</td>
</tr>
<tr>
<td>6</td>
<td>Systems are geared up for in-kind but not for accountable programming cash at scale.</td>
</tr>
<tr>
<td>7</td>
<td>CTPs are “added on” to traditional ways of working meaning that they are bound by existing systems and structures.</td>
</tr>
<tr>
<td>8</td>
<td>Organisational set up means that no one unit captures cash transfers, leading to different approaches to it.</td>
</tr>
<tr>
<td>9</td>
<td>Slow disbursement of donor funds.</td>
</tr>
<tr>
<td>10</td>
<td>Lack of senior management level support for CTPs.</td>
</tr>
</tbody>
</table>
## Technical capacity

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<tbody>
<tr>
<td>11</td>
<td>Lack of needs assessment methodology which identifies overall needs and specifies which could best be addressed through CTP.</td>
</tr>
<tr>
<td>12</td>
<td>Lack of evidence base on the outcomes and impact of implementing CTPs at scale is standing in the way of implementing at scale – it is almost a vicious circle.</td>
</tr>
<tr>
<td>13</td>
<td>Skills gaps within donors and implementing organisations.</td>
</tr>
<tr>
<td>14</td>
<td>No sufficiently rapid market assessment tool for decision makers.</td>
</tr>
<tr>
<td>15</td>
<td>Limited baseline data on markets from large scale pre-disaster market studies.</td>
</tr>
<tr>
<td>16</td>
<td>New technology does not always allow for sufficient coverage of affected populations when disaster strikes in locations where infrastructure or communications networks are not in place or not functioning.</td>
</tr>
<tr>
<td>17</td>
<td>There are few examples of emergency CTPs which have been designed and implemented in response to an emergency which have built upon existing large scale CTPs such as government social safety net schemes.</td>
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## Contingency planning

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<tr>
<td>18</td>
<td>Absence of contingency plans which mention specific modalities such as CTP. The lack of detail in contingency plans means that they are not often referred to and sometimes not adhered to.</td>
</tr>
<tr>
<td>19</td>
<td>Insufficient coordination of contingency plans with government actors, so all those potentially involved in a disaster response are not necessarily on board beforehand, affecting speed of response.</td>
</tr>
<tr>
<td>20</td>
<td>Lack of planning and longer term thinking in advance meaning that financial inclusion is not possible for those involved in emergency-related CTPs.</td>
</tr>
<tr>
<td>21</td>
<td>Need to invest in contingency plans that allow agencies to shift from CTP to in-kind and vice versa as necessary.</td>
</tr>
<tr>
<td>22</td>
<td>Raising funds for contingency planning measures is difficult.</td>
</tr>
<tr>
<td>23</td>
<td>Difficulty in planning for all possible CT options (conditional, unconditional) at once.</td>
</tr>
</tbody>
</table>

## Coordination

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>24</td>
<td>There is a distinct lack of overall coordination to provide an overview of CTP contributions in a given emergency.</td>
</tr>
<tr>
<td>25</td>
<td>There is no obvious place yet for CTP in the UN OCHA cluster system.</td>
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<tr>
<td>26</td>
<td>CaLP has supported coordination in some large scale emergencies but has a limited role for taking on the larger inter-sector coordination that CTP needs.</td>
</tr>
<tr>
<td>27</td>
<td>Donors do not appear to coordinate their approaches to supporting CTP in emergencies and what aspects of scale up they may be most willing to fund.</td>
</tr>
<tr>
<td>28</td>
<td>Engagement between implementing agencies and the private sector is challenging. Traders are the partners that seem to have been left out of the equation so far, with little formal engagement with them.</td>
</tr>
</tbody>
</table>
ANNEX 5  KEY FINDINGS

PROCEDURES, SYSTEMS
DEVELOPMENT AND GUIDELINES

1 Organisations have taken many years to set up reliable, accountable, functioning logistics, administration and finance systems for the delivery of in-kind assistance. The current systems for programming cash at scale have not been tried and tested to the extent that in-kind ones have. The time required to set up equivalent systems for the delivery of cash (particularly at scale) which are currently generally not in existence, should not be underestimated.

2 Risk averse systems and procedures govern most programme design and stand in the way of scale up. In a time when accountability is increasingly high on the agenda, equally efficient tried and tested support systems with practical sign-off levels are required, so that cash is as easily programmable as in-kind.

3 External acceptance is key to scaling up CTP – but internal organisational acceptance needs to happen first.

4 The development and use of CTP guidelines forms a key component of organisations’ preparedness.

5 Whilst there are a number of different technical and donor guidelines available to humanitarian organisations wishing to implement CTPs guidelines, what appears to be lacking are written institutional policies or strategic documents which spell out organisational approaches to when, rather than how, CTPs can or should be implemented. For some this is a hindrance to scaling up CTPs in emergency.

6 Global approaches to CTPs are hampered by lack of HQ involvement in SOP development.

TECHNICAL CAPACITY

7 Capacity is not necessarily about staff numbers but more about a lack within humanitarian agencies and stakeholders of sufficiently trained staff to implement scaled up CTPs. Staff need to be sufficiently skilled and thought needs to be given to provide appropriate training on technologies, approaches, administration, assessment and analysis tools.

8 There are general and specialist skills gaps within both donor organisations and implementing agencies (and possibly governments too) which do not allow for rapid replication from one context to another.

9 Donors have not utilised the potential for cash transfer programming to link discussions on humanitarian and development responses.

10 There is a trade-off between scale and speed. Implementing targeted CTP at scale takes too long for a rapid emergency response.

11 Beneficiary identification and registration in emergency contexts slows down implementation of CTP and limits its scale. Links with social safety nets programmes would help
in more speedily assisting people post-disaster. Alternatives include community selection processes or universal targeting.

12 There is a cost attached to maintaining systems (and people) that allow for a readiness to go to scale rapidly. Resources are required in order to maintain this readiness.

13 Programme design of CTP often includes heavy monitoring systems that monitor the use of cash rather than monitoring outcomes and impact, meaning that little is contributing to the actual evidence base on the success of CTPs.

14 Providing CT at scale involves a new relation with market actors, where they need to be informed of agency intended responses and quality control for goods need to be monitored more closely to ensure beneficiaries get value for money.

15 Programme design is limited by the focus on market analysis. The methods available are not fast enough to programme CT immediately, and market data is soon out of date in rapid onset emergencies that are evolving. Therefore, the balance between understanding how markets are responding to the emergency and the potential they have for absorbing CT needs to be struck. Agencies involved in food related responses do not sufficiently factor in traders' responses, do not inform them of their intended response and therefore influence how markets react. This is especially true of food markets.

16 At the beginning of an emergency there is often little time to undertake an EMMA or MIFIRA meaning there is a need to rely on existing data if a rapid response is to be implemented. There is, however, a frequent absence of existing data in terms of pre-disaster large scale market studies.

17 The use of technology for delivering cash transfers in an emergency is dependent upon relevant infrastructure and technical systems being in place, functioning and familiar to recipients. In many countries and remote locations this is not the case. This technology can take time to set up and time is sometimes required to ensure that participants in the programme are familiar with how to use the technology. Whilst the use of technology can therefore improve coverage it does not necessarily improve the speed of programme implementation.

CONTINGENCY PLANNING AND PREPAREDNESS

18 The reliance on contingency planning as a tool for scaling up CTP was seen to be minimal, with very few contingency plans making specific reference to CTP.

19 Those organisations that do have contingency plans include delivery mechanisms, security and resource pre-positioning in the plans but generally make no (or limited) analysis of social relations.

20 Pre-positioning of CT cards and other contingency stocks is costly and not easily financed as a preparedness activity.

21 A pre-disaster country presence is more likely to enable agencies to be part of government-led disaster planning processes.

22 Most contingency planning activities appear to be linked to emergency preparedness activities to be able to speed up and scale up, and focus on building operational capacity rather than CTP strategies for specific emergency scenarios.

COORDINATION

23 There is a distinct lack of overall coordination to provide an overview of CTP contributions in a given emergency.

24 There is no clear UN lead on CTP. Dialogue and agreement on this needs to take place pre-disaster.

25 Implementing agencies feel the need to better coordinate e.g. setting up joint disbursement mechanisms or collaborating on the technological aspects of using banks and technology.
26 Better linkage between long term safety nets programmes and government involvement in disaster response is likely to require a strong lead from donors. The competencies and skills for the different types of programme are different. A cross-ministerial working group would support this process.

27 Government support (or at least acceptance) of CTPs is critical to their success, particularly when talking of scaled up programmes.

28 Donors spoken to have different approaches, agendas and requirements of their implementing partners. However, one issue in common is, in general, their willingness to increasingly accept cash transfer programming as a means of delivering assistance to affected populations in emergencies. The lack of compatibility in donor approach puts additional pressure on humanitarian agencies that may have multiple donors funding their programmes.

29 There is insufficient documented practice to help with advocacy and with increasing confidence around what works.

30 Coordination with traders is key to preparation for large scale CTPs in order to assist in devising strategies for market reactions.
The following tensions and dilemmas were identified during the research and have been left for stakeholders to consider further.

<table>
<thead>
<tr>
<th>Tension</th>
<th>Vs.</th>
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</thead>
<tbody>
<tr>
<td>Investing funds in preparedness for scaled up programming e.g. management information systems</td>
<td>Spending funds during implementation to try and efficiently manage data</td>
</tr>
<tr>
<td>CTP compared with in-kind delivery systems</td>
<td>CTP as a way of putting responsibility of choice onto beneficiaries</td>
</tr>
<tr>
<td>Internal organisational acceptance of CTPs</td>
<td>Internal aversion to CTPs</td>
</tr>
<tr>
<td>Speed of operational thinking</td>
<td>Speed of organisational internal systems to support that thinking</td>
</tr>
<tr>
<td>Speed</td>
<td>Accuracy of targeting methods (blanket versus targeted)</td>
</tr>
<tr>
<td>Responding to assessed need</td>
<td>Implementing CTP simply because existing technology allows for larger scale implementation of this form of programming</td>
</tr>
<tr>
<td>Ability of social safety net programmes to scale up</td>
<td>Current rigidity in terms of budgets, numbers of people to deliver to and staff</td>
</tr>
<tr>
<td>Pre-registration of vulnerable populations</td>
<td>Vs.</td>
</tr>
<tr>
<td>One-off CTP for any immediate need</td>
<td>Vs.</td>
</tr>
<tr>
<td>Increased number of total beneficiaries included in scaled up CTP</td>
<td>Vs.</td>
</tr>
<tr>
<td>Fear of creating inflation</td>
<td>Vs.</td>
</tr>
<tr>
<td>Monitoring activities and use of CT</td>
<td>Vs.</td>
</tr>
<tr>
<td>Electronic delivery of cash through mobile phones and the risks of humanitarian agencies not having control</td>
<td>Vs.</td>
</tr>
<tr>
<td>Many large scale and global private sector businesses are working towards a cashless society</td>
<td>Vs.</td>
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</tbody>
</table>
ANNEX 7 TERMS OF REFERENCE

Study to assess preparedness of humanitarian actors to design and implement large scale emergency cash and voucher programmes

Background: There has been an exponential increase in the use of cash and vouchers by agencies and governments to respond to humanitarian crises. Cash transfer programmes are anticipated to reach up to US$ 300 million according to the approved management plan for 2010–2011 of the UN World Food Programme. This trend is likely to continue in the coming 2–3 years with greater investments being made by the agency to build systems and capacity to implement cash and voucher transfer programmes. Obviously there is a growing interest among donors to support appropriate cash and voucher based interventions. Between 2007 and 2010, DG ECHO has seen an increase of 20% of number projects including a cash component from the NGOs. DFID’s Humanitarian Emergency Response Review (HERR) in 2011 strongly advocates for the use of cash transfers in responding to humanitarian crisis and recommends investing in better preparedness in countries to cope with and respond to crisis. With the launch of the new Sphere guidelines that includes a section on cash transfer programming (CTP) under the Food Security Chapter, it is expected that these numbers will also grow in the next few years.

Increased interest in cash and voucher transfer programming among donors and governments provides an opportunity to implement cash transfer programming at much larger scales than is currently being implemented by humanitarian actors. Indeed, there is a growing confidence among agencies to move from piloting small projects to implement large scale cash based programmes. Different models of achieving scale have emerged in the past 2 years ranging from a single agency model to a multi agency model. Working in consortiums is fast emerging as a workable model among NGOs, to reach a larger number of affected people, cover larger geographies, coordinate the response plans to minimise discrepancies and to utilise each others’ comparative advantage.

While these developments are appreciable, they have mostly been taken up in response to a shock. It is a well known fact that adequate preparedness and coordination can play a significant part in efficient delivery of aid to those affected by the crisis. Yet, there is significant lack of clarity on the extent of efforts being made to enhance preparedness among humanitarian agencies for implementing large scale cash and voucher transfer responses. In the past year, some agencies have initiated processes to develop standard operating procedures and other tools to enhance preparedness, but these are rather limited.

In the past few years, private sector has played an important role in supporting cash and voucher transfer programmes. A research conducted by the Cash Learning Partnership (CaLP) in 2010 highlighted the range of delivery mechanisms currently being used to efficiently and safely deliver cash in different contexts. Innovations in technology have played a

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14 For the purpose of this research, scaling up refers to reaching a large proportion of the disaster affected population


16 “Delivering Money: Cash Transfer Mechanisms in Emergencies”
critical role in achieving scale in some cases\(^{17}\), yet the engagement of humanitarian actors with the private sector appears to be less than adequate.

The CaLP is of the opinion that better preparedness in terms of developing systems/procedures/guidelines, enhancing technical capacity, innovations in technology, ensuring coordination/linkages etc. is important for humanitarian agencies to embark on large scale responses. This preparation is also an indicator of the importance accorded to cash and voucher programmes within agencies. As mentioned earlier, the level of preparedness among humanitarian actors to implement large scale cash and voucher programmes is not very clear. This raises concerns about the ability of key humanitarian stakeholders to take advantage of increasing donor and private sector interest and embark on programmes at scale.

CaLP would like to embark on a research to explore answers to the following questions:

What are the key gaps and blockages that need attention of humanitarian actors to enhance sector-wide capacity to design and implement cash and voucher programmes at scale? How can these gaps and blockages be addressed?

Suggestions for the research design:

- The research will involve a thorough review and analysis of policies and strategy plans of key humanitarian actors.
- Detailed interviews and discussions with a range of stakeholders.
- May involve some travel to document case studies.

Expected Outputs: The following outputs are expected from the consultant/s at the end of the research project:

1. A research report (not exceeding 20 pages excluding annexes) that provides:
   - Clear analysis of progress by humanitarian actors to operate cash and voucher programmes at scale;
   - Discussion on gaps and blockages; and
   - A set of clear recommendations for donors, International organisations, NGOs and governments.

2. A powerpoint presentation of the findings of the research and recommendations with facilitators notes.

Management of the research: This research is being commissioned by Oxfam GB on behalf of the Cash Learning Partnership. Therefore, Oxfam GB will manage the consultant/s for this assignment. An interagency reference group will be set up by Oxfam GB to provide technical oversight to the research.

Time frame: It is envisioned that this consultancy would last between 30 to 45 days. The final outputs are expected by September 2011.

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\(^{17}\) The ongoing hunger safety net programme in Northern Kenya plans to reach 60,000 beneficiaries in Phase I through the use of POS (point of sale) payment system.

\(^{18}\) Refers to number of trained staff, their level of experience/knowledge and location.
READY OR NOT?

EMERGENCY CASH TRANSFERS
AT SCALE

Whilst there is significant experience of implementing cash transfer programmes (CTP) in emergencies this has seldom been at a scale comparable to in-kind responses. A number of critical gaps and blockages standing in the way of scaled up programming in the wake of a disaster have been identified through this study, with recommendations made as to how these might be addressed.

The study research is based on key lines of enquiry assessing the extent of preparedness of humanitarian actors in the following four fundamental areas:

- Appropriate procedures, systems and guidelines to facilitate speedy and large scale cash and voucher transfer programming.
- Technical capacity to assess needs, design appropriate programmes, implement and monitor them.
- Contingency planning including relevant analysis and prepositioning activities.
- Coordination with other actors, particularly the private sector.

This research was commissioned by the Cash Learning Partnership (CaLP), in partnership with the International Federation of Red Cross and Red Crescent Societies (IFRC). CaLP is supported with funds from the European Commission’s Directorate General for Humanitarian Aid and Civil Protection (ECHO) and Visa Inc.

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