

TRACKING CASH & VOUCHER ASSISTANCE WORKSHOP - PART 2: REPORT

17 October 2018 - London



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BACKGROUND

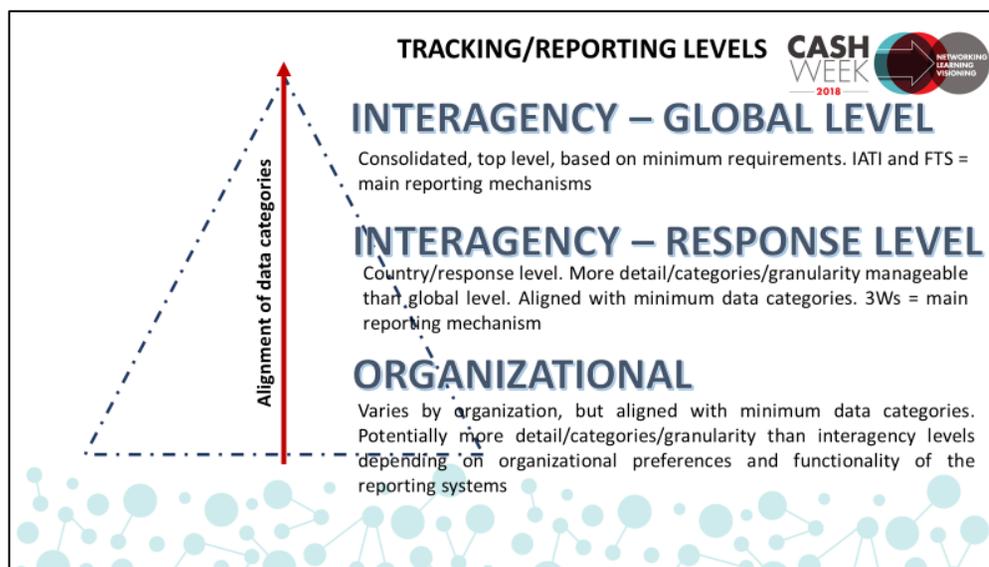
The Tracking Cash & Vouchers sub-workstream of the Grand Bargain Cash Workstream is co-led by the Cash Learning Partnership (CaLP) and the European Commission Civil Protection and Humanitarian Aid Operations (DG ECHO), with a Working Group first established in 2017 to provide a platform for discussion, action and coordination. On 17 October 2018, over 40 specialists (see ANNEX 3 for the participant list) in humanitarian cash and voucher assistance and humanitarian data systems met in London for a one-day workshop on Tracking Cash & Vouchers. The workshop, kindly hosted by Save the Children UK at their offices, followed on from an earlier workshop on the same topic held in Rome in June 2018. A summary of the discussions and initial agreements from the Rome workshop can be found in the [report of those proceedings](#).

The key agreements from the Rome workshop were shared with a wider group of stakeholders to gather further feedback and identify areas of consensus and disagreement. The results of these consultations were then brought to the audience of workshop participants in London in order to make decisive progress in firming up agreements on tracking cash and vouchers in humanitarian reporting systems.

WORKSHOP OBJECTIVES

The primary aims of the workshop were as follows:

1. Provide a productive forum to identify best practices and understand mutual objectives regarding tracking Cash and Voucher Assistance (CVA)¹.
2. Build on, further explore and solidify the areas of consensus and mutual commitment identified during the previous workshop in Rome.
3. Agree on minimum requirements for reporting at the global interagency level, to support more systematic and consistent tracking of the volume of CVA.
4. Use the outputs from the workshop as a basis to develop guidance to organizations and practitioners on the essentials of how to track and report on CVA.



¹ Note that during the Workshop we referred to ‘Cash and Voucher Programming’. Since then the CaLP Glossary has been updated to recommend ‘Cash and Voucher Assistance (CVA)’ as a key term – hence the narrative of this report has been amended to be consistent with this revised recommended terminology

As noted in the third objective, the workshop was primarily focused on reporting requirements to apply at the global interagency level. The diagram above illustrates the different reporting levels, which need to be aligned in terms of minimum data categories. However, the response and organizational levels allow for relatively more detail and data granularity based on interests and requirements.

PARTICIPANTS' OBJECTIVES AND EXPECTATIONS FOR THE WORKSHOP

The participants shared similar objectives and expectations for the workshop. Points at the top of the list reflect those which were expressed most often:

- To make concrete decisions on the minimum requirements for tracking cash and vouchers at the global level. These should be clear and mutually understood agreements, which can realistically be implemented by organizations.
- To understand the way forward, using the decisions made to define action points, including uptake of the agreed minimum requirements.
- To obtain clarity on key terminology and definitions.
- To have buy-in from sectors and commitment to take decisions forward.
- To obtain more clarity and articulation of purpose for the data that will be collected.
- To ensure we are considering outcomes and not just volume and cost measurements.
- To understand how to transition from tracking 'targets' (proposals) to 'implemented' (actuals).
- To understand what the key reporting mechanisms (IATI and FTS) are and how to feed into them.
- To identify and strengthen linkages between tracking cash and other relevant CE2 (cost efficiency and cost effectiveness) priorities.

SUMMARY OF KEY AGREEMENTS AND NEXT STEPS

- **Cash and vouchers should be separated in tracking humanitarian aid at the global interagency level as a minimum requirement.** This categorization will be reflected in changes to OCHA's Financial Tracking Service (FTS) and the International Aid Transparency Initiative (IATI) Data Standard.
- **The group recommends that reporting on all humanitarian assistance should include the modality – in-kind, cash, vouchers, service delivery – and the objective (e.g. shelter, food security).** The aim would be to establish these as minimum tracking requirements at the global interagency level. The Working Group will explore options for working with key information management portals and clusters/ sectors to take this forward.
- **A separate reporting category, which transcends sectors and can include different modalities, is needed.** How this should be termed and defined will require further discussion, to be led by the Tracking Cash & Vouchers Working Group.
- **It is agreed that all cash transfers are unrestricted, and all vouchers are restricted.** On this basis, there is no need to track restriction as a separate category at the global interagency level. 'Cash' and 'vouchers' should be the preferred terminology on the grounds of clarity and widespread usage. This understanding of restriction was reflected in the revised CaLP Glossary, published in December 2018.
- **Conditionality should not be tracked at the global interagency level.** Tracking conditionality at this level is of limited value as meaningful analysis would require further programming detail on the type of conditionality. This does not preclude the inclusion of conditionality as a data category at other levels of reporting, but it is not a minimum requirement.
- **The value of transfers made to recipients should be used as the primary basis for tracking cash and vouchers. It was also widely agreed that in the medium term both transfer values and associated programme costs should be tracked.** However, the challenges to doing this consistently were recognized e.g. cash and voucher interventions are sometimes funded through grants containing other modalities. Disaggregating the costs of cash from other modalities and support and delivery costs is not possible systematically within current data systems, but this challenge is being taken up by the CE2 (cost-efficiency and cost-effectiveness) workstream. The Tracking CVA Working Group will liaise with the CE2 workstream in order to explore feasible options and timeframe for how to track programme costs.

MINIMUM REQUIREMENTS FOR TRACKING CASH & VOUCHERS – AGREEMENTS & DISCUSSION

The workshop began with a recap of the agreements and recommendations from the Rome Workshop, along with a summary of feedback from the wider stakeholder consultations, highlighting where areas of consensus, or otherwise, had emerged (see ANNEX 1). This was followed by a session on terminology relating to key reporting categories, which was critical in enabling shared understanding and agreements on appropriate ways to track cash and vouchers.

The workshop also benefitted from presentations on UNOCHA's Financial Tracking Service (FTS) and Online Project System (OPS) and the International Aid Transparency Initiative (IATI) Data Standard, which helped to clarify what these mechanisms are capable of tracking. Presentations from Development Initiatives and the International Rescue Committee outlined potential methodologies and existing limitations in tracking different types of costs in humanitarian assistance.

All of this provided the basis for productive discussions and decision-making to facilitate the main objective of the workshop – identifying minimum requirements for tracking cash and vouchers at the global interagency level. The following sections summarize the agreements and discussion points.

DISAGGREGATING CASH AND VOUCHERS

An initial agreement was reached in Rome at the Grand Bargain Cash Workstream meeting and first Tracking Cash & Vouchers Workshop to separate cash and vouchers in reporting, which was further endorsed through the stakeholder consultations (see ANNEX 1). However, a pending question here had been whether cash/vouchers or unrestricted/restricted should be used as the preferred categorization. The presentations and discussions concluded that cash/vouchers would be a preferred designation on the grounds of clarity and widespread usage. This also allows for comparative tracking of other modalities e.g. in-kind, service delivery (both of which are restricted forms of assistance). Workshop participants agreed the following:

- ✓ **Cash and vouchers should be separated in tracking humanitarian aid at the global interagency level as a minimum requirement*.**
 - This categorization (cash/vouchers) will be reflected in changes to UNOCHA's Financial Tracking Service (FTS) and the International Aid Transparency Initiative (IATI) Data Standard, which had been identified as the primary mechanisms for global interagency tracking and reporting.
 - In 2019 OCHA's reporting systems (OPS and FTS) will include a 'yes/no' box to categorize a project as involving CVA, or not. If the project involves CVA, then the next level of categorization allows the disaggregation of cash and vouchers.
 - A CVA 'code-list' for the IATI standard will be developed to reflect the agreed minimum requirements for tracking cash and vouchers. This will include relevant data categories such as the disaggregation of cash and vouchers.
 - All organizations should plan to disaggregate cash and vouchers in their own reporting systems, to align with and facilitate this minimum requirement at the global interagency level. Development Initiatives noted that 82% of the organizations that directly contributed data to them for the calculation of CVA for 2015 were able to disaggregate between cash and vouchers, indicating this should be immediately feasible for many organizations.

** Note that the disaggregated tracking of all modalities (cash, voucher, in-kind, service delivery) was also recommended, summarized in the ‘Tracking Modalities & Objectives’ section below. The disaggregation of cash and vouchers is recorded here separately though as this has been a specific decision point for the sub-workstream.*

- ✓ **It is agreed that all cash transfers are unrestricted, and all vouchers are restricted.**
 - On this basis **there is no need to track restriction as a separate category at the global interagency level.** The distinction between unrestricted and restricted is effectively captured in the cash/voucher categorization.
 - This understanding of restriction will be reflected in the revised CaLP Glossary, to be published in December 2018. It will important that the revised Glossary is disseminated widely and properly communicated to ensure broad understanding and uptake of the revised definitions.

CONDITIONALITY

Another initial agreement from the Rome Workshop was that conditionality should not be included in the tracking of cash and vouchers at the global interagency level. This recommendation was largely endorsed in stakeholder consultations, and was not contested by the workshop participants in London, with the following agreed:

- ✓ **Conditionality should not be tracked at the global interagency level.**
 - Tracking conditionality at this level is of limited value as meaningful analysis would require further programming detail on the type of conditionality.
 - This does not preclude the inclusion of conditionality as a data category at other levels of reporting, but it is not a minimum requirement.
 - The use of tranche-based cash transfers requiring the recipient to demonstrate specified types of expenditure or output before subsequent payments are made is classified as a type of condition.

TRACKING MODALITIES & OBJECTIVES

Discussions around tracking cash and vouchers have been informed by whether to adopt a “programme design” perspective, or rather a “use of assistance” lens. Group work exercises during the workshop revealed some differing perspectives, but overall the value in both aspects (use and design) being tracked was acknowledged.

From a user’s perspective, the equivalence of cash = unrestricted and vouchers = restricted was recognized. From a design perspective, the objectives (i.e. the needs the programme aims to address) tend to be the critical factor. Typically, programme objectives in the planning and reporting of humanitarian assistance are categorized on a sectoral basis (e.g. nutrition, health, education). This approach is more complicated in programming where objectives are formulated on a multisectoral or cross-sectoral basis. However, it was also highlighted that there is a need to pursue data minimization (i.e. only collect

data that is necessary and will be used), particularly when considering minimum requirements at a global reporting level. Drawing on these discussions, workshop participants agreed the following:

- ✓ **The group recommends that reporting on all humanitarian assistance should include the modality – in-kind, cash, vouchers, service delivery – and the objective (e.g. shelter, food security). The aim would be to establish these as minimum tracking requirements at the global interagency level.**
 - The Rome Workshop recommended that tracking of humanitarian assistance be expanded to other modalities beyond cash and vouchers. This was validated in the wider consultation process, and further agreed in this workshop. While the tracking of other modalities might strictly fall outside of the direct remit of this sub-workstream, it is coherent with the push to disaggregate cash and vouchers. Tracking all modalities would ensure that there aren't greater reporting requirements for cash and vouchers as compared to other modalities, and ultimately supports better and more transparent reporting and analysis across humanitarian assistance.
 - The Working Group will explore options for working with key information management portals and clusters/ sectors to advocate for this and take it forward.

- ✓ **A separate reporting category which transcends sectors and can include different modalities is needed**
 - Three options for the category were debated during the workshop – multipurpose, basic needs, multisector. None of these options was supported by a majority of participants; in fact, a small majority opted for 'undecided' or 'none of the above':
 - Some argued that 'multipurpose' is appropriate as it encompasses both a multisectoral approach, and basic needs. However where 'multipurpose' is used primarily to describe a design approach to achieve certain objectives, rather than being an objective in itself, it could be problematic if it was listed under 'objectives' in reporting.
 - Some others maintained that 'basic needs' would be a suitable category as it represents beneficiary choice without being rooted in sector-specific objectives and can feasibly be achieved through different modalities. It is also a familiar term in social protection circles, offering opportunities to bridge towards more widely accepted terminology.
 - Those who were undecided noted that the three terms proposed are not comparable and we need to be clear on what we want to use it for. For example, 'multipurpose' and 'multisector' approaches can be used to address basic needs.
 - How this reporting category should be termed and defined will require further discussion, to be led by the Tracking Cash & Vouchers Working Group.

TRANSFER VALUES, SUPPORT & PROGRAMMING COSTS: WHAT DO WE WANT TO TRACK AND WHAT CAN WE TRACK?

A critical question that wasn't addressed during the Rome Workshop is which costs should be tracked in relation to cash and voucher assistance. Should we track overall programme costs, or the value of the transfers to recipients? If we're tracking programme costs, what should be included? Should direct transaction costs associated with transfers be tracked? What kind of disaggregation is feasible, particularly in mixed-modality programmes? What is the rationale for tracking different types of costs? Following presentations from Development Initiatives and International Rescue Committee and group work, the main agreement emerging was as follows:

- **The value of transfers made to recipients should be used as the primary basis for tracking cash and vouchers.**
- **It was also widely agreed that in the medium term both transfer values and associated programme costs should be tracked.** The Working Group will explore the feasibility and options for this, considering the following opportunities and challenges:
 - Based on Development Initiative's analysis, 86% of the 22 organizations that reported on the 2015 figures were able to provide the value of transfers to recipients (for cash and vouchers). Transfer values are relatively easy to calculate for cash, voucher and in-kind, but it is less clear how this would be defined for service delivery.
 - Tracking overall programme costs is in accordance with Development Initiative's established methodology. It might be considered how overhead costs (indirect support) are separated out from other overall programme costs. However, because CVA is sometimes funded through grants that ALSO include other things, like service-delivery, we can't in these cases actually identify the full cost of "CVA Programmes." The best we can do is identify the full cost of "Programmes containing CVA".
 - Disaggregating support, delivery and programming costs cannot currently be done on a systematic basis. It isn't possible to simply "capture" these costs from existing systems (organizational or interagency).
 - The CE2HA (Cost Efficiency and Cost Effectiveness in Humanitarian Assistance) sub-workstream will focus on consistent methods and secondary tools, chiefly [SCAN](#), to determine how to most effectively draw data from finance systems to enable the analysis of disaggregated costs. This is a key intermediate step before we can explore how to register such costs in IATI and FTS.

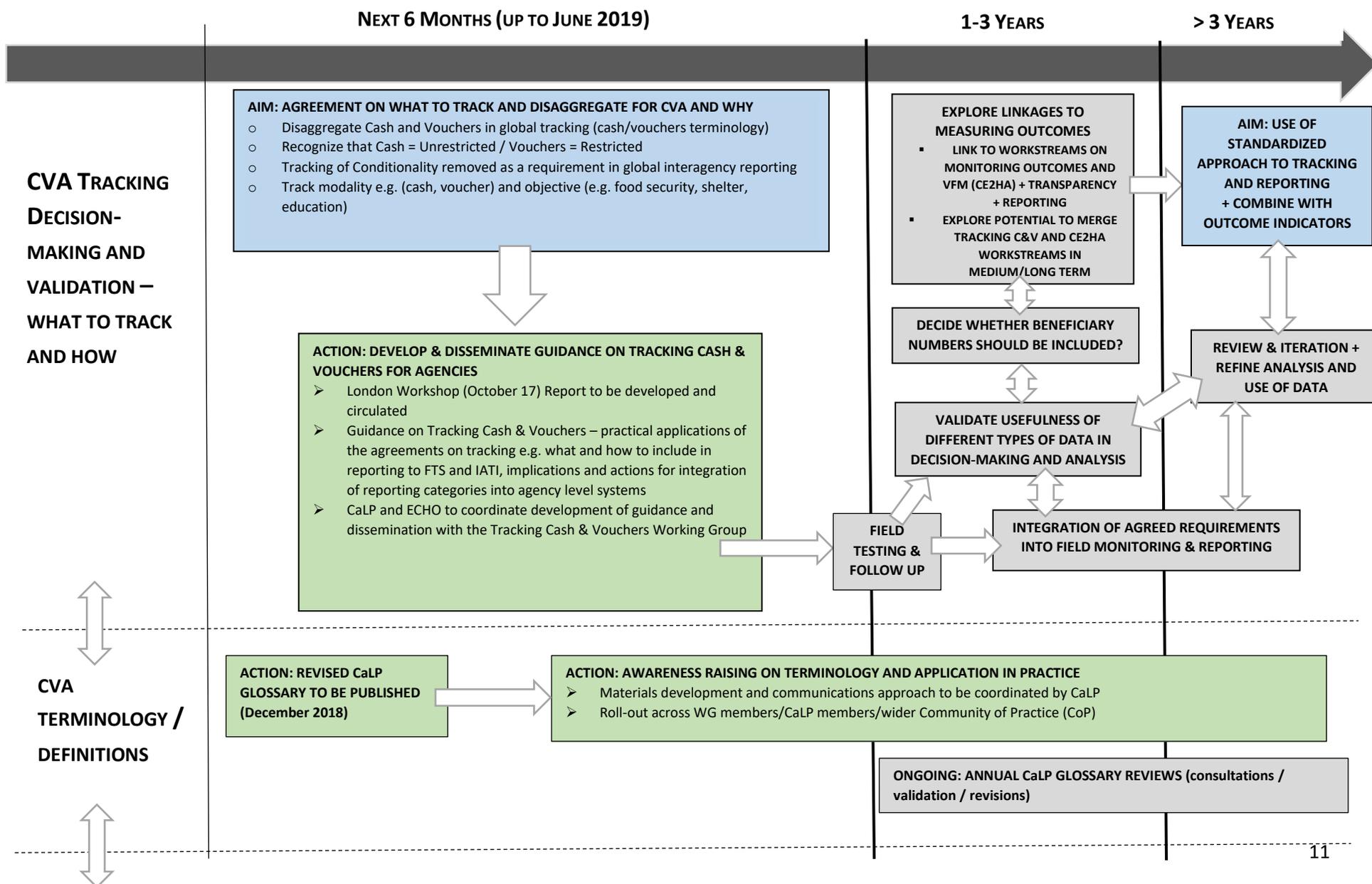
NEXT STEPS

The updated Roadmap for Action (ANNEX 2) provides a more detailed overview of intended activities in the short to medium term (up to three years). The immediate priority actions following up the workshop are:

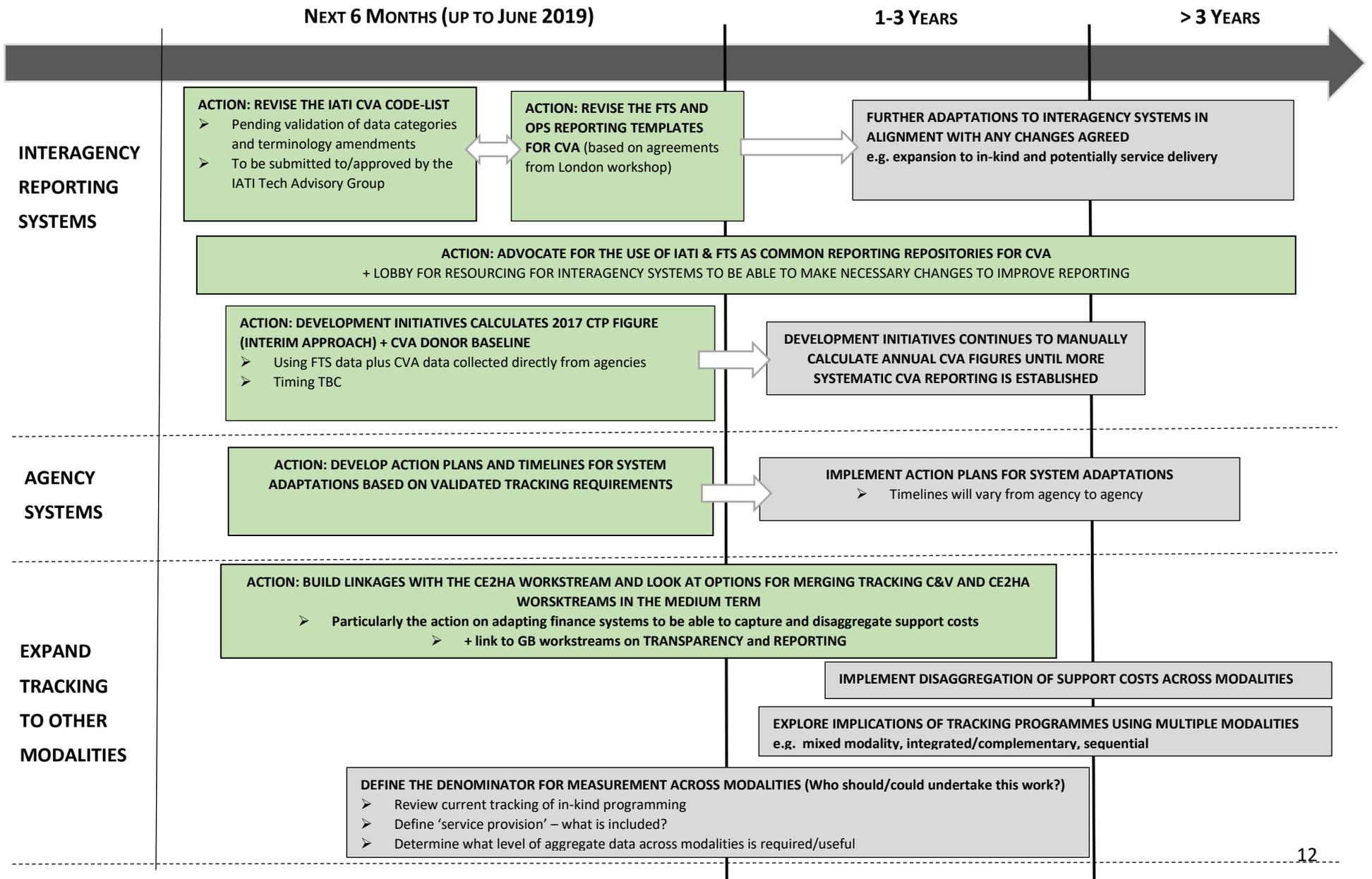
- Publication and dissemination of a revised CaLP Glossary in December 2018. The Glossary should be promoted as the standard reference for terminology across the Grand Bargain Cash Workstream and the wider community of practice.

- Development of guidance, in the first half of 2019, for organizations and practitioners on the essentials of how to track cash and voucher assistance and promote improved reporting. This will be a practical set of guidelines to advise on how to apply the minimum requirements at the organizational level, including reporting to FTS and IATI. It can also explore where and how more granular data on cash and vouchers can be captured at the response and organizational levels to facilitate better harmonization in the types of data collected. For example, this might include factors such as delivery mechanism, and types of conditional programming. The guidelines will be developed through the Tracking Cash & Vouchers Working Group, with CaLP and ECHO leading and coordinating.
- Organizations to provide data to Development Initiatives to facilitate their calculation of the volume of humanitarian assistance provided as cash and vouchers in 2017.

ANNEX I: ROAD MAP FOR ACTION ON CVA TRACKING



ROAD MAP FOR ACTION ON CVA TRACKING (Continued – Part 2)



ANNEX 2: LIST OF WORKSHOP ATTENDEES

CaLP & ECHO (Facilitators)	
Ruth McCormack	CaLP
Sophie Tholstrup	CaLP
Simone Cappati	ECHO
Isabelle Pelly	CaLP
Stefan Bumbacher	CaLP
Lynn Yoshikawa	CaLP
Anna Foxley	CaLP
Karen Peachey	CaLP
Participants	
Natacha Pugin	SDC, Swiss Agency for Development and Cooperation
Eva Vognild	UN OCHA
Helen Campbell	British Red Cross
Joanna Burton	ICRC
Niklas Rieger	Development Initiatives
Petya Kangalova	IATI Secretariat
Bilal Khanzada	Save the Children International
Ingrid Betzler	IRC
Elizabeth Tromans	IRC
Caitlin Tulloch	IRC
Alexa Swift	Mercy Corps
Christer Lænkholm	Danish Church Aid
Louisa Seferis	Danish Refugee Council
Janette Macleod	GOAL
Edward Fraser	People in Need
Holly Radice	Care International
Belete Temesgen	World Vision International
Camille Chemin	Acted
Annika Sjöberg	UNHCR

Steph Roberson	Oxfam
Nick Imboden	FTS/OCHA
Juliet Lang	OCHA
Tahir Nour	WFP
Barbara Pfister	British Red Cross
Victoria James	UK Dfid
Rosie Jackson	UK Dfid
Ruco van der Merwe	USAID
Jake Zarins	Habitat/Shelter Cluster
Agnes Korus	Protection Cluster/UNHCR
Davide Nicolini	WASH Cluster
Angela Schwarz	GFFO
Svenja Jandrasits	GFFO
Kathryn Taetzsch	World Vision International
Chris Degnan	Development Initiatives
Maria Thorin	SIDA
Francesca Battistin	Save the Children UK
Elena Bertola	Independent Consultant
Gabriele Erba	Unicef