



Tip sheet on integrating cash and markets in HNOs and HRPs

Why it is important to include cash and markets in HNOs and HRPs

The humanitarian programme cycle (HPC) aims to achieve stronger efficiency, improved targeting, increased funding and provide greater accountability to affected people. Market Based Programming (MBP), including Cash and Voucher Assistance (CVA) is now recognized as an effective tool to achieve the same impact as direct WASH programming, while minimising disruptions to markets and maximising programme efficiency. Grand Bargain signatories committed to increase the use and coordination of CVA, recognizing it as a more flexible and dignified modality of providing humanitarian assistance with increased effectiveness and efficiency. Finally, when scaled-up, MBP can also increase resilience of WASH markets.

Markets are part of sustainable development and WASH practitioners should recognize and seek to identify ways in which the local market can contribute to and be part of meeting the needs of the community during crisis and throughout the response as the market recovers.

WASH practitioners, under the principle of Do No Harm, should always be 'market aware' and consider both the negative and positive impacts a programme can have on local markets and the market environment.

Tips on integrating cash and markets in the WASH HPC

WASH cluster coordinators should encourage national platforms to evaluate the relevance and feasibility of implementing MBP where appropriate, in order to achieve WASH outcomes and promote market resilience and a multiplier effect in the intervention area.

In the HNOs process:

To inform CVA appropriateness and feasibility analyses and more generally MBP, WASH cluster coordinators should encourage national platforms:

- to implement market assessments as a complementary context analysis tool that will inform the HNOs in a more consistent way, additional to the tools traditionally used by the WASH sector.

Key terms

A **market** is a formal or informal structure for the exchange of goods (e.g. jerrycans), services (e.g. latrine desludging) or labour (e.g. excavating trenches for water supply pipelines).

A **market system** is a network of market actors supported by infrastructure and services, interacting within a context of institutions or rules that shape the actors' trading environment.

Market-based programming (MBP) are projects that work through or support local markets. The term covers all types of engagement with market systems, from actions that deliver immediate relief to those that proactively strengthen and activate local market systems or market hubs.

Cash and Voucher Assistance (CVA) is a type of MBP. CVA is all programmes where cash transfers or vouchers for goods or services are directly provided to recipients. In the context of humanitarian assistance, the term refers to the provision of cash transfers or vouchers given to individuals, households or community recipients – not to governments or other state actors.



- to investigate through need assessments whether cost is a barrier to access to essential WASH goods and services. Multi-sector needs assessments usually collect data on household income, expenditure, debts.

Ensure linkages between the WASH Cluster chapter of the HNO (analysis) and the HRP (response):

Thanks to a better understanding of the relevant WASH market systems in the HNO, it will now be possible to assess response options and select in the HRP the most suitable type of intervention, or a combination of them. Response analysis for MBP will include assessing programme options ranging from use of local markets, such as through CVA, to supporting markets and strengthening market systems, or a combination of these. If none of these market-based response options are suitable, the programme may proceed with other modalities, such as direct assistance.

HRPs:

Clarify whether the proposed response is based on the findings of a market assessment, and is planning in any way to use, support or strengthen the existing market systems.

Specific requirements for the inclusion of CVA in the sectoral chapters of HRPs:

- Clarify whether CVA will be used to deliver planned programmes
- Provide a clear and strong justification of using CVA, based on assessment data and grounded on sound analysis
- Make clear distinction between cash transfers and vouchers
- State the percentage of the response delivered by using CVA, and information on the number of people targeted with CVA
- Include outcome-based, non-CVA specific indicators for the monitoring of sector-level objectives.

Good practices

Joint market assessments (JRAMs) and joint market monitoring (JMMIs) can be used to inform analysis contained in HNOs and response analysis informing the HRPs:

[Yemen Joint Market Monitoring Initiative](#)

[Somalia Joint Market Monitoring Initiative](#)

[Iraq Joint Rapid Assessment of Markets](#)

Key resources

- Webinar: GWC/PRO-WASH/CaLP [Introduction to market-based programming in emergency WASH](#)
- GWC report: [Evidence-building for cash and markets for WASH in emergencies](#)
- GWC guidance: [CVA Monitoring and reporting for WASH Coordination Platform IMs](#)

Support Options:

Remember to use the GWC Helpdesk in case you have questions and need good examples from your colleagues in other countries.

For more customized support on cash and markets, you can contact Dana Cristescu (dtcristescu@unicef.org).