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Emergency Shelter and Cash-based Programming Advocacy Module

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# Overview of the Advocacy Emergency Shelter and Cash-based Module

This module is intended to last for approximately two hours, depending on the level of discussion and questions. The module was commissioned by the IFRC, ECHO, CaLP, Oxfam GB, and the UK shelter Forum. The intention is to provide a framework of the key topics that support the case for keeping cash transfer as a potential tool for a response intervention in emergency shelter. The module may need to be adapted depending on the audience.

The module limits its focus in two areas:

1. the timeframe for the emergency response will be limited to the immediate response and early recovery emergency shelter activities;
2. and the use of cash-based interventions will cover only those that have no expectation of repayment, such as cash transfers, vouchers and Cash for Work (CFW).

## Aim

To present the case for considering using cash transfer as a modality in emergency response

## Objectives

At the end of the module participants will be able to:

* Distinguish between different types of cash transfer as a tool for emergency shelter responses;
* Describe opportunities and risks in relation to implementing cash transfers at all stages of the project management cycle;
* Outline key considerations for the assessment and analysis of cash as a possible tool in a response intervention;
* List the key stakeholders of a cash transfer component in an emergency shelter response;
* Describe key considerations when designing a cash transfer programme;
* Apply good practice in the implementation of a cash transfer component of an emergency shelter response.

## Key Messages

* Cash is not an end in itself. The decision to use cash or vouchers should be based on the context and the objectives of the emergency shelter intervention.
* Cash should be routinely considered as part of an emergency shelter response, however this should not imply that cash is appropriate at all times. A response identification process should precede decisions on which tool, or combination of tools, to use in an emergency shelter intervention.
* Whilst cash transfer can be an important component of a transitional shelter or core housing project, by supplementing or replacing in-kind assistance, such as shelter materials, tools or skilled labour; this will generally have to be supported by a broader package of in-kind and/or technical support and training.
* Using cash transfer as an effective rapid response tool implies good preparedness and robust internal procedures for an organisation.
* Where multiple agencies are using cash transfer as a tool in emergency response it is essential that there is coordination around the various modalities, such as setting the value of grants or labour rates.
* A rigorous monitoring and evaluation system is essential to ensure that people not only received the cash but also to what extent the use of cash enabled the project to reach its objectives. Monitoring and evaluation should also consider the wider intended and unintended impacts of cash transfers, such as those on market systems or social dynamics.

## Topic Areas

The session is divided into the following areas:

1. **Introductions.** Quick exchange of introductions and issues attendees would like to clarify.
2. **What is cash transfer?** Brief explanation of different modalities of cash transfer, making a division between cash and vouchers.
3. **Perceptions.** A discussion around some of the commonly held assumptions about using cash transfer with the aim of dispelling those not based in evidence.
4. **Why use cash transfer?** A description of the benefits cash transfer can bring to beneficiaries, agencies and markets and an examination of the prerequisites for a consideration of using cash transfer as a potential response option.
5. **Specifics of cash and shelter** A discussion about the specific considerations of using cash as a tool for a shelter response.
6. **Case studies.** A series of case studies from agency experiences that underline different aspects of cash transfer usage.
7. **Challenges.** An exploration of some of the issues facing humanitarian agencies in the implementation of shelter responses using cash as the transfer modality.
8. **Lessons learned.** A look at some of the lessons that are emerging out of the cash transfer experience.
9. **What needs to be done?** A discussion around some of the steps that need to be taken by agencies to consolidate experience.
10. **Current research.** A list of references of publications, guidelines and current research.

# Session Plan

The following pages outline the sequence of the presentation and the key discussion points.

## Section 1: Introductions (10’)

Welcome people to the venue

Introduce yourself, including your experience with the topic

Introduce the training by showing **slides 1** (the aim of the module)

Ask participants to introduce themselves giving:

* Their name, role and organisation
* Their experience with cash-based programming in the shelter sector
* One key issue they would like to resolve by the end of the session

The key issues should be returned to at the end of the session. If issues have not been answered indicate where participants may be able to get further information from during the references slide.

## Section 2: What is cash transfer? (15’)

Ask participants what they understand by cash transfer. Collect a few responses

## Show the slide with the ODI definition, which can also be found in the ODI Good Practice Review.

Emphasise the fact that cash is a *tool* for emergency response and not a sector, project or programme in its own right. It is still necessary to consider the needs in the context and formulate objectives *before* considering cash as a possible response intervention.

Explain that there is a growing interest and much experience with cash mainly in two directions – the use of cash as a tool in emergency relief by humanitarian agencies and growing interest in the use of cash in social protection programmes. Be clear that in this session we will only be talking about the use of cash in the immediate aftermath of the emergency – i.e. the first 3 months.

However it is worth noting that there is a certain amount of ‘cash evangelism’ and CTP is clearly not a panacea – humanitarian agencies need to carefully consider when and where it is and isn’t possible and what else needs to be done. CTP is part of the toolbox rather than a definitive answer.

There is some anecdotal evidence that donors are requesting a defined percentages of response programmes to include cash as a tool. However cash should never be chosen as a response option without a thorough analysis of the situation and the relevance of different response options.

Ask participants: What type of cash transfer modalities are there?

Elicit all the answers and explain that in this session we will just be looking at cash grants and vouchers, although there are a much wider variety of options such as micro credit, social protection nets etc. used mainly in recovery and development.

## Show slide: Cash and shelter: modalities

Explain there are essentially two types of cash transfer – direct cash or vouchers.

Direct cash can be distributed through accounts that beneficiaries have opened in a selected bank, money transfer, or other financial institution. There can be as many accounts as the number of beneficiaries or in other circumstances one account can be used by a group of beneficiaries. In both cases, individuals will have several alternatives to access cash e.g. at the bank counter, with ATM cards, cell phone, etc.

Direct cash can also be made immediately available to beneficiaries via direct delivery (e.g. on working site) or via collection from an agent or bank counter. In both cases beneficiaries are not required to open an account.

There are also two types of vouchers, a cash voucher or a commodity voucher. In the first the voucher can be exchanged for a range of goods with specified traders/service providers or at specifically organised fairs.

A commodity voucher means the beneficiary will be ale to exchange the voucher for a specific commodity/ies .

Vouchers can be either paper or electronic.

Although vouchers can be a more time intensive modality to set up and implement they are chosen in situations there is:

* A risk of inflation by injecting cash into a market system, or a clear need for an intervention in the shelter sector that would be best met through increasing needs of certain goods.
* Where there is a reason to fear robbery when transporting and distributing cash, either for agencies or beneficiaries.
* Where host authorities are more amenable to vouchers interventions than cash.
* When the agency mandate and/or donor restriction compels agencies to set the programme in a particular way.
* Beneficiaries prefer to receive vouchers, often in potentially volatile situations such as the example of beneficiaries preferring vouchers in Zimbabwe during periods of significant inflation.

## Show slide: Conditionality and frequency of payments

Explain that cash transfers can be given in one payment or in installments. The choice should be based on the project objectives, security (for recipients and for those delivering the transfers) and cost efficiency. Gender issues should also be taken into account, as women may benefit from smaller, regular transfers.

Explain that conditions can be attached to cash transfer grants, such as staging cash tranches at different stages of building once work has been completed as agreed or attaching payments to work days (cash for work), or attaching cash to purchase of specific items.

Whichever modality is used the unique point about using cash transfer is that there is no expectation of repayment by beneficiaries (unlike micro credit loans etc.)

## Show slide: Delivery mechanisms

Explain that there are a variety of ways to disburse money using a combination of the options shown on the slide. Following are some explanations of a few of the terms:

A magnetic stripe card is a type of card capable of storing data by on a band of magnetic material on the card. The magnetic stripe, sometimes called swipe card or magstripe, is read by physical contact and swiping past a magnetic reading head.

A smart card, chip card, or integrated circuit card (ICC), is any pocket-sized card with embedded integrated circuits. A smart card or microprocessor cards contain volatile memory and microprocessor components. The card is made of plastic. Smart cards can also provide strong security authentication.

A mobile phone (also known as a cellular phone, cell phone and a hand phone) is a device that can make and receive telephone calls over a radio link whilst moving around a wide geographic area. It does so by connecting to a cellular network provided by a mobile phone operator, allowing access to the public telephone network.

Mobile phones can be used to complete basic banking transactions without the need to visit a bank branch. Users can deposit and withdraw money from a network of agents that includes airtime resellers and retail outlets acting as banking agents. Such services are not normally regulated by financial controls and therefore may not be advertised as a banking service.

The decision of which mechanism is to be used should be based on:

* Objectives: If the main objective is to provide immediate life-saving relief, then speed and reliability may be the key factors
* Preferences: beneficiaries and traders need to accept the mechanism proposed
* Delivery options and existing infrastructure: If only one feasible delivery channel exists, the assessment process will be more limited and should largely focus on identifying and choosing the most appropriate delivery agents
* Cost: The cost of different options to both the agency and the recipient
* Security: Level of physical safety for staff and recipients
* Controls/risks: Systems that are needed to manage risks such as fraud and error. Consider the level of automation, security in the system and at the point of disbursement, ability to monitor and rapidly correct, and security in the reporting and reconciliation process
* Time frame: How rapidly the mechanism can be set up and users sensitised
* Scale: Is the mechanism a convenient way to take a project to scale

## Show slide: Cash transfers: key messages

Explain that Cash is not an end in itself. The decision to use cash or vouchers should be based on the context and the objectives of the emergency shelter intervention.

Although cash should be routinely considered as part of an emergency shelter response, this should not imply that cash is appropriate at all times. A response identification process should precede decisions on which tool, or combination of tools, to use in an emergency shelter intervention.

## Section 3: Perceptions (20’)

Show the title slide: Perceptions

Explain that the pictures were taken in the wake of Hurricane Katrina and depict similar scenes, although very different perceptions of what the people are doing. The first picture of the white couple appeared in Agence France Press with the caption: “Two residents wade through chest-deep water after ***finding*** bread and water from a local grocery store after Hurricane Katrina came through the area in New Orleans, Louisiana”

Whilst the second picture appeared in Associated Press with the caption: “A young man walks through chest deep flood water after ***looting*** a grocery store in New Orleans on Tuesday, August 30, 2005.”

Explain there are very different perceptions about the use of cash in emergency shelter responses and the following activity is designed to consider some of those perceptions.

## Show the slide 1

*“Cash transfer is being considered because it is new and fashionable however it is not suitable for the shelter sector because of the high technical component needed.”*

Ask the attendees how they react to the statement. Let the discussion go for a while and then recap with the following points:

There is a growing body of evidence that using cash in shelter responses can have a postive impact in a variety of ways; ensuring people maintain their dignity through choosing appropriate materials and design, and having multiplier effects on markets and livelihoods (as we have examoined)

However it is worth noting that there is a certain amount of ‘cash evangelism’ and CTP is clearly not a panacea – humanitarian agencies need to carefully consider when and where it is and isn’t possible and what else needs to be done. Donors need top be considerate about how they fund CTP and what constrictions they put on agencies. CTP is part of the toolbox rather than a definitive answer.

## Show the slide 2

*“It is not possible to implement cash transfer, as part of an emergency intervention, in contexts of conflict.”*

Ask the attendees how they react to the statement. Let the discussion go for a while and then recap with the following points:

It is possible to use cash in conflict situations, although of course security will be a greater consideration. However the more innovative means of transferring money electronically mean that beneficiaries could be potentially less at risk than through direct distributions of in-kind assistance as in some conflicts, cash can be delivered more discreetly.

The Swiss Agency for Development and Co-operation (SDC) have developed a concept using cash to assist host families (HF), as during conflict situations a large number of refugees and IDPs are taken in by private households. The expenditures incurred for accommodation, board, electricity, heating and water put the usually modest household budgets under great strain and quickly exceed the limits of traditionally generous hospitality.

## Show the slide 3

*“It is more cost effective to meet shelter needs through cash than in-kind assistance.”*

Ask the attendees how they react to the statement. Let the discussion go for a while and then recap with the following points:

Often the use of cash has been seen as more cost effective, allowing people greater choice and dignity, creating greater multiplier effects in local economies however more rigorous evaluations are need specifically in relation to cost benefit comparisons with in-kind assistance.

Cash can be expensive, both in terms of setting up disbursement mechanisms and in terms of monitoring (see Haiti case later in session). Plus there are financial implications for institutionalsing the use of cash.

## Show the slide 4

*“Cash is more likely to lead to anti-social use than in-kind assistance.”*

Ask the attendees how they react to the statement. Let the discussion go for a while and then recap with the following points:

One of the more commonly held assumptions, or arguments against using cash however evaluations are finding that people tend to use cash for the purpose assigned. Two sources for this are shown below:

“However the experience has shown that poor people and people under severe economic stress are very well capable to handle cash responsibly.” ([“Joint SDC-IFRC External Review,” SDC-IFRC, 2005](http://www.sdc-cashprojects.ch/en/Home/document.php?itemID=866&langID=1))

“The existing documentation of cash- and voucher-based responses shows that they are overwhelmingly successful in terms of their impact. People spend the money they are given sensibly, cash projects have not generally resulted in sustained price rises and women have been able to participate, and have a say in how cash is spent. Cash responses have usually been found to be more cost-effective than commodity-based alternatives.” ([“Cash and vouchers in emergencies”, ODI, 2005](http://www.sdc-cashprojects.ch/en/Home/document.php?itemID=583&langID=1))

The other perception that many donors have is that of diversion of cash – it is worth emphasising that with the advent of new technologies (such as e-money, using unique identifiers and more stringent identification methods) that this risk is less likely to occur.

## Section 4: Why use cash transfer? (30’)

Ask participants to list some of the benefits of using cash.

Chart answers on the flip chart.

## Show slide: Using cash transfer can provide…

Go through the benefits making the case for beneficiary choice and dignity. Use the image in the slide to draw attention to how undignified in-kind distributions can be.

Dignity: In allowing beneficiaries to control what goods and services their households need, cash transfers are considered by many as more dignified than receiving goods in kind, and recognise beneficiaries as active participants in providing for the welfare of their families after a disaster.

Flexibility and choice: One size does not fit all! Using cash or vouchers recognises that beneficiaries are best placed to decide what their households need, and gives them the flexibility to choose according to their own diverse needs and priorities.

Cost efficient for agencies and participants: When goods are available and accessible locally, cash or voucher-based interventions have the potential to be more rapid than bringing supply from out of country. When beneficiaries use local markets, agencies also eliminate logistical and import costs. However the additional staff, security and logistical resources sometimes required to distribute cash or manage a voucher programme must also be factored in. With large items for shelter (such as timber) agencies must remember also to factor in beneficiaries’ potential transport costs.

Cost efficiency is not a given, sometimes it can be more expensive to initiate and implement a cash transfer.

Multiplier effects: By stimulating local markets, cash- based interventions may benefit more than the direct recipients of cash. Local traders and service providers, transport workers and suppliers and transporters of goods may all benefit from households having money to spend.

Explain that whilst there are examples from the food security sector (e.g. Pakistan earthquake 2008) on kick starting local markets, measuring these mulitplier effects is still not perfected by agencies.

Supports or revitalises local trade and economic recovery: Injections of cash or the use of commodity vouchers with local traders benefits the recovery of trade and the local economy. Cash-based support for livelihood rehabilitation can potentially also provide a link between relief and longer- term economic recovery and may offer the opportunity for beneficiaries to increase income and create savings.

Reduces negative coping strategies: In the modern world, most households depend on cash to some extent. When aid is given in kind, households are often forced to seek cash in ways that may be detrimental to longer- term livelihoods, for example selling productive assets, or giving children to the care of relatives. Evidence shows that cash transfers reduce the negative coping strategies used by beneficiaries.

## Show slide: Other benefits of using cash transfer

Note that whilst there has been concern raised in the past that cash to host families undermines the traditional community obligation to help extended family and neighbours in times of crisis – it is also possible that the reverse is true, that by supporting hosting arrangements community solidarity will continue.

In the Haiti example of providing one year rental grants it was observed that this encouraged people out of camps, providing them with greater safety.

Obviously if the market is able to provide shelter items then it can give people much greater choice in building materials – this comes with caveat that technical support and training are also needed as a complement to cash based shelter responses. Construction remains in the hands of the communities rather than feeding private contractors.

Finally one observed unintended benefit has been the increase of levels of financial literacy seen as a result of opening bank accounts for the purpose of delivering cash – many beneficiaries also keep their bank accounts after the project ends.

Emphasise that whilst there are advantages, as outlined, to using cash – it should not be seen as a panacea and that due consideration must be given to whether or not it is appropriate in different circumstances.

## Show slides x 2: Prerequisites for using cash

Explain that while cash can bring a lot of benefits it is not appropriate to use it always. These two slides show the pre-requisites for considering cash in the response options.

* Analysis of markets – markets should be functioning (competitive and integrated) to consider cash as an option. Availability of products on a local, regional and/or national level and within a reasonable distance – linked to the functioning market are the specific commodities needed for the shelter programme available and environmentally sourced?
* Traders who are willing and able to participate – do traders understand the scheme, have they been sensitised to new technology, do they have a point of sale (PoS) device if electronic transfers are being used.
* Geographical accessibility of shops/markets to recipients – can intended beneficiaries physically reach the shops/markets.
* Available delivery mechanisms – key questions - how robust are the financial institutions? What systems do they use? Is it possible to integrate systems? What is their geographical spread? How cost effective or cost efficient will the delivery mode be? Is the situation secure, and if insecure, how can this be mitigated (for e.g. through the use of e-money? What do beneficiaries prefer? (Remember beneficiaries may well indicate they prefer a traditional route such as in-kind distribution if they fear they will receive nothing.
* Good coordination is essential to ensure information on best practices, to harmonise approaches (including grant value calculations and labour rates), to establish common negotiations with private financial or other providers and to centralise technical support.
* Political acceptance – when governments do not approve cash transfer will not be appropriate. There may be many reasons for lack of acceptance, (e.g. vested interest in more traditional mechanisms or it may clash with current safety net programmes that govts. Are running. Try and find out the reason and advocate where possible to change the views of govt.
* Community awareness and agreement – there is a need to sensitise communities about the cash transfer and ensure that the model and value are acceptable to beneficiaries.
* Capacity of the institutions to respond – experience in cash or vouchers, internal systems and SOPs, knowledge of the country, trained staff etc.
* A functioning and reliable system through which payments can be made to traders (voucher programmes) and/or recipients – this is one of the areas where additional work needs to be done with ICT to ensure a functioning system that contains accurate data.
* A reliable recipient identification system – a fundamental requirement when working with banks, agents or traders to reduce the risk of leakage and ensure the disbursement mechanism works.

## Section 5: Specifics of cash and shelter (10’)

Ensure that the following three points are emphasised in the discussion

**Scale:** depending on the type of disaster, there may be huge numbers of people with shelter implying numerous transfers. Cash grants are probably going to be larger than other interventions using cash (i.e. for basic food consumption needs). Some grants related to basic needs can be as low as $ 2.00.. Whilst helter grants can be as small as $ 30 if paying for labour as soon as you get into cash for materials costs can escalate to a minimum of hundreds of dollars, and for housing, thousands of dollars.

There are also likely to be fewer but larger tranches of money, for more people, which will impact on which disbursement mechanism is used. This is also linked to the need for response preparedness (setting up bank accounts or changing internal systems for a different kind of programme) can all take a lot of time.

**Quality Assurance:** the need for greater conditionality linked to QA costs, such as monitoring costs and technical support can greatly add to the project budget. Greater risk in terms of quality - in relation to conditionality, monitoring, choice or impact on lives where wrong materials are used etc.

**Risk:** there is potential for loss of life where shelter is not sufficient for environmental hazards linked with risk aversion (is it better to do nothing at all, than provide cash (or in-kind) that in the short term might save lives but in the long term may risk lives). Earthquakes do not kill people but poor buildings do - the point is if you build badly (especially in seismic zones) or in bad locations - you can inadvertently make people more vulnerable to being killed by falling buildings.

## Section 6: Case studies (10’)

## Show slide: Cash grants for hosting families (Aceh – SDC)

A good example of giving cash grants to host families to support the displaced population. This intervention has also been used by SDC in contexts of conflict such as Ingushetia where a one-off cash grant, roughly equivalent in value to one month’s income, was given with no restrictions to host families. The Ingush branch of the Russian postal service made the cash payments – one way to reduce the risk for agencies, rather than distributing the cash directly.

## Show slide: Cash grants (CARE)

Cash (Sumatra 2010)

This case is interesting as it provided only a partial amount of the whole cost required to rebuild houses as the objective was to kick-start construction. Technical training and support was high and superficial technical support was provided by 50 student engineers and 50 community volunteers, although the diversity of building modifications made technical control difficult.

## Show slide: Complementary programming (IFRC)

Cash grants (Bangladesh 2007, Cyclone Sidr)

This cash grant is a good example of an unconditional grant complemented by in-kind assistance. The evaluation suggests that it promoted ownership and helped stimulated the local economy, although there were drawbacks: the length of banking procedures, could have been simplified by opening individual bank accounts linked to the programme making the cash element complex to administer.

## Show slide: Complementary monitoring (Haiti)

This is another example of complementary programming demonstrating the flexibility of using cash transfers as a modality in programming.

One of the interesting points to come out of the Haiti example is the exceedingly high number of staff needed to monitor the programme implementation – each transaction between beneficiary and landlord was monitored and the project estimated that 50% of their costs went on monitoring.

Another interesting aspect was the standards set for rental accommodation – the houses had to be ‘green’ (or safe to live in), and there had to be access to sanitation facilities.

## Show slide: Vouchers (Philippines Red Cross)

Vouchers (Philippines, 2009 and 2010)

The objective of the project was to provide shelter repair materials. The materials were provided through a commodity voucher system, with each household allocated the equivalent of USD $ 190.00 worth of materials. The materials included corrugated galvanized iron sheets, coco lumber, plywood, nails, sealant, electrical wires and sockets, and tools such as claw hammers, handsaws, chisels, and drop forges.

Vouchers can be quite intensive to set up and in this case project staff and volunteers briefed shops and suppliers about the importance of adhering to basic Red Cross distribution protocols and continuously monitored the overall market prices to ensure that shops applied fixed pricing for basic shelter items as agreed prior to distribution.

## Show slide: Pre-paid debit cards (Chilean Red Cross)

This was a good example of using ‘new technologies to deliver the cash to beneficiaries. The 2010 programme was designed to assist 8,400 families rebuild or repair their homes or improve the liveability of their transitional shelters by allowing them to purchase needed construction materials and tools. The debit cards had a value of $180,000 CLP ($376 USD), a limited validity period, and purchases could be only be made at a network of 40 pre-designated hardware stores located in the affected regions and throughout the country.

This grant also demonstrates another type of conditionality, being spent in a pre-determined length of time and only at allocated stores.

## Show slide: Cash for work (Pakistan)

There are only e few examples of using cash for work as a component of cash based shelter responses. A project to build transitional shelters according to one basic design. The shelters used reclaimed materials as well as distributed materials and toolkits. Cash for work, carpenters, and technical support were also provided. The project was a combination of direct implementation by a lead organisation with its partner organisations.

Other examples of CFW have been rubble clearance on house sites and clearance of rubble to enable the setting up of camps.

## Section 7: Challenges (15’)

Ask the attendees what they see as the key challenges to using cash as a tool. Elicit some of the perceived obstacles and chart them. Allow discussion for a few minutes before recapping with the next slide.

## Show slide: Challenges

New technologies: Many organisations are still not harnessing the application of new technologies which would facilitate large scale unconditional CTPs immediately after a shock, there is a tendency to rely on traditional delivery mechanisms, such as in-kind distribution and old style hardware (such as pen and paper) when currently more and more software and hardware is available to support more innovative programming.

Staff capacity to implement: There is in many organizations still a limited capacity to implement CTP, both in terms of knowledge and skills. So far training has often been addressed to programme staff with the exclusion of support staff, who when using CTP become much more integral to the programme implementation.

Insitutionalisation: There is still a need for individual agencies to institutionalise CTP by developing Standard Operating Procedures (SOPs), building the capacity of all staff (programme and support) to support CTP and introducing systems that enable much more accurate registration of beneficiaries, amongst other things. There also needs to be greater support from senior levels to instigate, where appropriate, CTP – currently many staff still find they have to spend too long convincing HQ of the validity of the approach.

Measuring cost and impact: The trade-off between quality and speed, and between scale and confidence/security during first-phase responses should be carefully considered. Emergency interventions should strike a balance between maintaining rigor while allowing for flexible and timely response.

The challenge of measuring the impact of CTPs, in particular in relation to multiplier effects (cash fungibility makes CTPs more likely to have a wider multi-sectoral impact) means that it has not been universally accepted as an appropriate tool yet.

Coordination: There is a need to ensure collaboration from donors, in terms of supportive policies and funding, in order to overcome regulatory and administrative barriers, as well as psychological barriers. At the field level the role of cash within cluster coordination mechanisms needs to be further addressed, as coordination on the value of grants or rates for CFW projects needs to be harmonized across the sectors.

Stand by agreements with private sector: Such agreements would enable agencies to be able to set up cash based responses rapidly, such as with banks or network providers. A traditional mistrust of these institutions has led the sector to be slow in looking at ways to collaborate to ensure a rapid and effective response using cash.

## Section 8: Lessons learned (5’)

## Show slide 1: Lessons learned

Shelter experience has shown that it in the majority of cases cash (or vouchers) alone will not be enough to implement shelter projects ensuring quality and reducing risk. Generally a technical component to the programme will be required. The sensitisation of communities on the using cash and voucher disbursement mechanisms will always also be required.

Perhaps one of the most important points about CTP is the changing role of support services (such as finance, logistics and ICT). Very often on projects using cash as the modality for transfer finance will be challenged by massive increases in financial transaction whereas ICT will be instrumental in setting up electronic systems that enable the CTP to work effectively.

Preparedness is essential. Capacity building of all the roles involved in implementing a CTP is needed, stand by contractual arrangements with private partners need to be set up in advance plus sensitisation of those partners to the humanitarian context, institutionalisation in the form of SOPs and need to be implemented before an emergency.

Establishing systems for price monitoring is also an issue that is still in its infancy – the need to obtain accurate information (rather than what is fed to NGOs by market traders, anxious not to increase profits in the face of additional taxes, is critical to the success of CTPs.

## Show slide 2: Lessons learned

The accuracy of beneficiary data has been found to be one of the key issues that needs to be addressed. Using financial systems means that often registration is tied to identity cards or bio-metric data that then need to correlate with unique PIN numbers attached to electronic cards. Experiences show that many in-kind distributions have been using less than accurate data.

Senistisation to ensure sustainability of the programme is essential. Beneficiaries, traders and government partners all need to be sensitised in the use of new technologies and the use of cash as a programme modality.

## Section 9: What needs to be done? (5’)

Before going through the points on the next few slides ask attendees what they see as the priorities for action to ensure CTP remains a viable response option.

## Show slide 1: What needs to be done?

Awareness raising, particularly at the field level. There is a continued need for awareness, even though there have been a lot of global advancements made in the area (not least in the past 18 months) however there needs to be a continuing push to ensure this awareness reaches governments, humanitarian agency staff etc. at the national level, especially in disaster prone contexts.

Buy in from senior management, govt, private sector partners, donors. There needs to be a continual push to ensure that all these stakeholders are convinced on how CTP can be used in emergency response, lacking even one of the stakeholders can negatively impact on efforts to use CTP.

Investment into preparedness. Investment needs to be made into preparedness in a number of ways, specifically in relation developing agency specific training materials for staff, setting up stand by agreements or pre-contracting with network providers and financial service providers, to capacity building for staff (programme and support) and in trialling institutional systems to support CTP.

More stringent response analysis. Agencies need to be able to demonstrate more clearly how they have reached their decision on programme modality, through a thorough response analysis, in relation to contextual issues and cost effectiveness and cost efficiency

Adopting more complementary approach of cash and in-kind/technical assistance. Agencies need to be able to use more complementary programming. In the shelter sector the need to combine technical support and training with CTP is essential to reduce risk and ensure greater quality in outputs.

## Show slide 2: What needs to be done?

More research on mulitplier effects (impacts and measurements). More research needs to be done on how to measure (which indicators) the mulitlpier effects on local economies. Currently the data that is being obtained is not accurate or systematic.

More research on mulitplier effects (impacts and measurements). More research needs to be done on how to measure (which indicators) the mulitlpier effects on local economies. Currently the data that is being obtained is not accurate or systematic .

Institutional SOPs. This is an essential step to ensure that CTP is not blocked, or run badly, because of internal lack of procedures. There needs to be an investment into developing SOPs and training staff in their use.

Recognition and capacity building for support staff. This has been mentioned before but to date the emphasis for training has been on programme staff and advocacy to senior managers. Support staff need to be far more involved in programmes with a CTP element and their capcity built to understand better programme requirements and what they can contribute.

Formalised coordination mechanisms. Currently CTP has no ‘home’ in the cluster system, but it should start to be seen as a cross cutting programme issue and mechanisms for coordinating grant values etc. found. One way would be to increase information sharing and increase speed of response and pre-existing plans with the CTP options imbedded.

Donor support and positioning. Explain that donors play a crucial role in pushing CTP forward. Donors should make sure the same standards are applied for cash-based as well as in-kind interventions in terms of risk (financial, reputational and accountability) acceptance and risk control mechanism and advocate for the use of cash where relevant.

## Section 10: Current research (5’)

## Show slides x 2: Publications

## Show slide: Current research

Run through the publications and research and finish by asking if there any questions

Close by thanking attendees for their participation and attendance