

IS CASH TRANSFER PROGRAMMING 'FIT FOR THE FUTURE'?

EXECUTIVE SUMMARY OF THE FINAL REPORT



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Alexandre Castellano	ECHO
Annalisa Conte	World Food Programme
John Lamm	USAID
Kirsten Gelsdorf	UNOCHA
Kyla Reid	GSM Association
Heather Kindness	DFID
Heidi Gilert	DFID
Helen Gichohi	Equity Bank Foundation
Pete Garratt	British Red Cross/Cash Learning Partnership Steering Committee
Richard Cook	Nielson
Simon Levine	Overseas Development Institute

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Front cover photo: Fatoumata Diabate

ACRONYMS

BRICS	Brazil, Russia, India, China and South Africa
CaLP	Cash Learning Partnership
CTP	Cash Transfer Programme/Programming
DAC	Development Assistance Committee
DEC	Disasters and Emergency Committee
DRR	Disaster Risk Reduction
DFID	UK Department for International Development
ECHO	Humanitarian Aid and Civil Protection department of the European Commission
ECOSOC	Economic and Social Council
HFA	Hyogo Framework for Action
HCT	Humanitarian Country Team
HFP	Humanitarian Futures Programme
HIC	Higher-income Country
HSNP	Hunger Safety Net Programme
IASC	Inter-agency Standing Committee
ICT	Information and Communications Technology
IFI	International Finance Institution
IHA	International Humanitarian Actors
INGO	International Non-governmental Organisation
LIC	Lower-income Country
MDGs	Millennium Development Goals
MIC	Middle-income Country
TAG	Technical Advisory Group
PS	Private Sector
PSNP	Productive Safety Net Programme
NGO	Non-governmental Organisation
UN	United Nations
UNDOCO	United Nations Development Operations Coordination Office
UNISDR	United Nations International Strategy for Disaster Reduction
UNOCHA	United Nations Office for Coordination of Humanitarian Assistance
UNHCR	United Nations High Commissioner for Refugees
USAID	United States Agency for International Development
WEF	World Economic Forum
WFP	World Food Programme

INTRODUCTION

This summary presents the results of a 2013 research study entitled, *Is Emergency Cash Transfer Programming 'Fit for the Future'?* The research was commissioned by the Cash Learning Partnership (CaLP), and undertaken by the Humanitarian Futures Programme (HFP), King's College London. The project intends to understand how changes in the broader global and humanitarian landscape may evolve in the future (up to 2025), and how these changes might shape cash transfer programming (CTP). The analysis examines these issues in the context of ongoing global dialogue on the future of humanitarianism, including the post-2015 Millennium Development Goals (MDGs) processes, the deliberations for the next iteration of the Hyogo Framework for Action (HFA 2), and the World Humanitarian Summit 2016.

The research affirms a growing conceptual acceptance of the use of cash, both on the part of international humanitarian actors (IHAs) and crisis-affected governments. Even so, the research also finds that cash has rarely been considered a major tool in and of itself, and more often than not has been regarded as an adjunct mechanism that has 'piggy-backed' on more standard, in-kind mechanisms such as 'food-for-cash' programmes. Viewing cash merely as a supplementary 'tool' for in-kind assistance and other financing modalities in times of emergencies is, however, to overlook the potentially transformative value that cash represents in a futures context.

If CTP is to fulfil its potential, it will require a new business model. Not only will that model have to meet the changing nature of humanitarian threats and needs, but it will also have to take into account the interrelated and evolving technological, socio-economic, demographic and governance realities in which cash will be deployed in future. This report presents a set of recommendations, both to the sector in general and to specific stakeholder groups that, if pursued, might reasonably serve as the basis for the creation of that new business model.

It is hoped that this report and the other project products will be widely disseminated and their conclusions and recommendations debated at all levels within the sector. This process should result in a set of priorities that can serve as the basis for a forward-looking action agenda. Ideally, this agenda should be conceived by the full network of actors identified in this analysis who have an interest and role in the evolution of CTP.

This summary has been developed as a stand-alone document. It is complemented by a Final Report and an Annex Package that contains the full set of products developed in the course of this research project.¹

RATIONALE, SCOPE AND METHODOLOGY OF THE RESEARCH

Seven overarching research questions

In its Terms of Reference, CaLP posed seven broad overarching questions to frame the research:

- What will the humanitarian world look like by 2020-25? Who will be the main actors and what will be the main influences?
- What are the trends in current and future projected funding of CTP?
- Which strategies are donors, governments, the private sector and international humanitarian coordination bodies considering towards ensuring that they are 'fit for the future'?
- How will emerging donors play a role in the changing humanitarian landscape and the rise of new modalities such as CTP?

¹Trend Analysis Meeting Report, Findings Meeting Notes, Four Thematic Study reports, Discussion Paper on CTP in a Futures Context.

- Is the humanitarian sector ready for more interaction with private sector actors in the implementation of CTP and other innovative approaches? What will this look like and how will this work?
- What strategies and institutional plans should be developed (by donors and various policy-makers) to ensure future capacity and readiness?
- What are the potential obstacles to supporting the projected growth of CTP?

Research approach and methodology

The research was undertaken in two inter-linked phases from March through December 2013. Part 1 focused on the first two of the seven research questions. It included a desk-based analysis of a range of transformative factors in the broader external environment that are likely to affect humanitarian action, as well as a review of the priority trends in CTP and how they may influence how the modality evolves. Other activities included the formation of a Technical Advisory Group (TAG) to guide project outputs, and a one-day Trend Analysis Meeting, including a report from that meeting.

Part 2 consisted of an analysis of the five other research questions. It examined in more detail the implications of the drivers of change identified in Part 1 on the future of CTP, focusing on four themes deemed to be highly relevant in this respect. This part of the research took the form of four themed studies:² [1] the potential to use social protection systems in emergency CTP, [2] the uptake of emergency CTP by governments in the future, [3] coordination and CTP and [4] financing of CTP. Study 1 took the form of a case study analysis of two country contexts with social protection programmes: Ethiopia's Productive Safety Net Programme (PSNP) and Kenya's Hunger Safety Net Programme (HSNP). Study 2 took the form of a speculative analysis on the use of cash in emergency response with governments leading those processes. Studies 3 and 4 examined opportunities and challenges with respect to current financing and coordination approaches and mechanisms, and how these may evolve in future.

In order to synthesise the analysis from the two parts of the project, bring together all the elements discussed thematically, and ensure that a forward-looking perspective was adequately incorporated into the research, a fifth analysis was undertaken by HFP in the form of a Discussion Paper: Cash Transfers in a Futures Context: Dimensions of Diverse Disrupters. This fifth paper offers a scenario of what CTP might look like in 2020-2025 and addresses the transformative role of information, communications and technology (ICT) and how it will profoundly change the concept of cash and how it is delivered in humanitarian response.

INTENDED AUDIENCE FOR THE RESEARCH FINDINGS AND RECOMMENDATIONS

The research's primary audience is donor governments and international humanitarian policy-makers and practitioners who currently have a role in emergency cash programming and a stake in how it evolves over time. This includes, for example, International Finance Institutes (IFIs), UN agencies, International NGOs, the International Red Cross and Red Crescent Movement, humanitarian consortia, think tanks and research organisations.

The secondary audience includes those actors and organisations that are likely to have an increasingly influential role in the future evolution of cash as a humanitarian response modality. Such actors include, for

²The studies can be found within the Annex package of the report, located on the CaLP website www.cashlearning.org/2012-2014/-fit-for-the-future and the HFP website www.humanitarianfutures.org/projects/cash-transfer-programming. They can also be downloaded individually and include: *Scaling up Existing Social Safety Nets to Provide Humanitarian Response: A Case Study of Ethiopia's Productive Safety Net Programme and Kenya's Hunger Safety Net Programme*; *Government Uptake of CTP-Trends, Characteristics and Potential Implications for Humanitarian Actors in Emergency Response*; *Coordination and CTP*; *Financing of CTP*; *Draft Discussion Paper: Cash Transfers in a Futures Context*

example, regional organisations, national governments and local civil society groups. It also includes those deemed to be 'non-traditional' humanitarian actors, for example, emerging donor governments, the Diaspora, the ICT sector and the private sector.

KEY TERMS

Business model refers to the basic template for a company or organisation to compete in the marketplace. It describes the method of how it intends to convert inputs to outputs and how it will work with internal and external players in order to create value. Any resilient business model must be able to create and sustain value over time, otherwise it is likely to go out of business or fashion.

Cash transfers are either unconditional or conditional transfers of a specified amount of money to a target group, enabling beneficiaries to purchase the items necessary for their basic needs including, but not limited to, food.

Conditional cash transfer refers to a cash transfer conditional upon the beneficiary (a) providing a service of some kind (e.g. work); or (b) using a service, e.g. attending a school or health clinic; or (c) spending the transfer on an agreed commodity or type of commodity. Conditions that may be attached to cash transfers can be categorised as (a) qualifying conditions and (b) use conditions.³

Disrupter relates to both innovation and disruption which are similar in that they are both makers and builders. A disruptive innovation takes a left turn by literally uprooting and changing how we think, behave, do business, learn and go about our day-to-day activities. Another concept for the term says that a disruptive innovation displaces an existing market, industry, or technology and produces something new and more accessible to an underserved group of customers. 'Catalytic innovation', a subset of disruptive innovation, is concerned with providing 'good enough' solutions to inadequately addressed social problems, often on a national scale.⁴

Driver of change refers to factors outside an organisation that will shape future dynamics in predictable and unpredictable ways.

Humanitarian action in this research refers not only to relief operations but also to a wide spectrum of activities, from prevention and disaster risk reduction (DRR) through to preparedness, response and recovery.

Information, Communications and Technology (ICT) refers not only generally to the technologies that enable users to access, store, create, transmit and manipulate information, but also to the technologies surrounding cash and its delivery. In this context, advances in ICT encompass but are not limited to elements such as ubiquitous computing, social media and mobile communications, e-financing, paperless cash, products for delivery mechanisms, and data processing software.

Mental map refers to a set of assumptions that in aggregate become a framework for how a person or a group understands and interacts with the world.

Non-traditional humanitarian actors refers to the private sector, the military, the Diaspora, non-state actors, state-owned enterprises and non-western donors.

Private sector refers to that part of the economy that is owned and controlled by individuals and organisations through private ownership. Herein we also use private sector to refer to state-owned enterprises under state capitalism, which are created by the government to undertake commercial activities and commercial activity within the informal sector.

³ This definition has been taken from CaLP's Glossary of CTP-related terms.

Available at <http://www.cashlearning.org/resources/library/35-glossary-of-cash-transfer-programming-terms>.

⁴ Christen, C., Baumann H., Ruggles, R. and Sadtler, T. (2006) *Disruptive Innovation for Social Change*, Harvard Business Review, December.

Resilience is the ability of a system and its component parts to anticipate, absorb, accommodate, or recover from the effects of a shock or stress in a timely and efficient manner.

Scaling up refers to efforts to increase the impacts of innovative and successfully tested concepts or initiatives that have first been undertaken in the form of pilots or experimental projects. Scaling up is designed to benefit more people and to foster policy and programme development on a lasting basis.⁵

Social protection is defined in different ways by different stakeholders. In general, it comprises a range of responses from poverty-targeted transfers to age-cohort based programmes such as social pension and other forms of social insurance. Social protection can provide support through cash or in-kind transfers but is distinguishable from emergency response by its longevity.

Social Safety Nets (SSNs) sit somewhere between emergency responses and longer-term social protection and are more commonly found in the poorest countries where long-term social protection is limited by financing constraints. In practice, social protection and safety nets often refer to the same thing, but different organisations choose different terminology.⁶

Traditional humanitarian actors include UN agencies, the Red Cross and Red Crescent Movement, donor governments and INGOs.

Transformation relates to efforts aimed at altering the fundamental attributes of a system.

Unconditional cash transfer applies to a direct cash grant with no conditions and without conditions on actions that have to be performed to 'earn' the cash (e.g. no work or behavioural requirements). There is no requirement to repay any money, and people are entitled to use the money however they wish.⁷

Vision is a statement about the future that an organisation is striving to achieve – which may focus on the internal transformation of an organisation per se or a systems change in a sector or the world.

⁵ See *Scaling up health service delivery from pilot innovations to policies and programmes*, 2007, Edited by Simmons, R. Fajans, P. and Ghiron, L., World Health Organisation & ExpandNet.

⁶ See further discussion in the thematic report developed under this project - *Scaling up Existing Social Safety Nets to Provide Humanitarian Response: A Case Study of Ethiopia's Productive Safety Net Programme and Kenya's Hunger Safety Net Programme*.

⁷ This definition has been taken from CaLP's *Glossary of CTP-related Terms*.

Available at http://www.cashlearning.org/resources/library/35-glossary-of-cash-transfer-programming-terms?keywords=glossary&country=all§or=all&modality=all&language=all&payment_method=all&document_type=all&searched=1&x=0&y=0

SUMMARY OF KEY ISSUES AND OPPORTUNITIES FROM THE TREND ANALYSIS

Part 1 of this research finds that, both in terms of its current configuration and current capacity, the implications of a more turbulent and complex crisis landscape and increasing politicisation of humanitarian action will challenge the traditional humanitarian sector. It also finds that there is growing conceptual acceptance of cash as a modality for humanitarian aid, though this perception may not necessarily be matched by present practice or financing.

At the same time, discussions on the gaining perception of the acceptance of cash and the role that it should play in disasters, including response, will increasingly need to link to discussions about the future of humanitarian aid effectiveness overall. Prevailing issues at the global level, such as better linking resilience, vulnerability reduction and sustainability, and putting greater emphasis on demonstrating improvements in the humanitarian system at large will have a bearing on how cash evolves. Therefore, it is important for cash to be included in global-level humanitarian reform dialogue fora and for CTP to be able to demonstrate its added value to these agendas.

The role of technology and innovation is noted in the analysis at all three levels: global, humanitarian and that of CTP itself. This suggests that technology will be a substantive driver of change in the future. This may very well challenge current thinking with respect to the notion of technology and, for that matter, cash as a 'tool'. Furthermore, the rapid pace of change of technology will challenge the humanitarian sector's capability to keep up with the speed at which technological change is occurring and information is proliferating.

Discussion on CTP's potential use as a cross-sector tool offers the opportunity to move away from current, compartmentalised cluster-based response approaches. CTP's use as a cross-sector intervention could also help bridge the increasingly artificial divide within the disaster-management spectrum and between humanitarian and development agendas.⁸ Coordination could potentially become easier and more cooperative if it were to become less sector-driven and more cross-sector orientated. Yet, for this to occur, issues within the sector and amongst humanitarian actors will need to be reconciled. These include, for example, low levels of CTP financing, the competition between cash actors for roles in CTP and the lack of incentives to fund appropriate programming.

Analysis in this part of the project also demonstrates that the expanding range of humanitarian actors will change the coordination structures of existing international aid architecture and will increasingly need to be taken into account. New humanitarian actors (such as the Diaspora, non-western NGOs, non-state actors, the military and the private sector) have their own motives, values, principles and timeframes for engagement. Often, these are decidedly different from those of their international humanitarian counterparts. Less clear, however, is how to resolve these differences. These issues may be further compounded in light of increasing national sovereignty, where governments may prefer to first look to local and national actors for support in times of response, rather than the international humanitarian system. In addition, the lack of incentives to shift institutional mind-sets or known challenges will also need to be addressed if CTP and its actors are to be 'fit for the future'.

For a full list of the trends, see the Trend Analysis Meeting report, located on the HFP website www.humanitarianfutures.org and the CaLP website www.cashlearning.org

⁸ See Trend Analysis Meeting Report, 3 June 2013.

SUMMARY OF KEY ISSUES AND OPPORTUNITIES FROM THE FOUR RESEARCH STUDIES AND THE DISCUSSION PAPER

The four thematic studies: [1] case study on the potential to use social protection systems in emergency CTP, [2] a speculative analysis of the uptake of emergency CTP by governments in the future, [3] coordination and CTP and [4] financing of CTP, depict a complex interface between a changing humanitarian landscape and CTP. They also identify the broad range of challenges that affect cash, both in terms of those that CTP poses and those that it exposes. Each of the thematic reports reflects unique issues, specific findings, conclusions and recommendations. Collectively they put forward a wide set of issues surrounding how the international system can effectively meet humanitarian needs in times of crises in light of a rapidly changing and increasingly complex humanitarian landscape. This has implications for the very nature of cash when it comes to the full spectrum of humanitarian action, from prevention and preparedness to response and post-conflict recovery.

The four reports affirm a consistent theme and overarching tension in the research. On the one hand, there is a growing conceptual acceptance of cash. On the other hand, however, the implications of this acceptance from a futures perspective have yet to be fully realised. Will today's current concept of 'cash as a tool' restrict or enable the humanitarian sector to effectively deal with an increasingly complex and rapidly changing crisis landscape? How can the sector reconfigure its thinking and approach to cash to capitalise on its transformative potential and position its use as a strategic tool? What does that look like in practice? In considering how CTP can be 'fit for the future', the thematic reports highlight the challenges and limitations that undermine making this shift. These include issues that are unique to cash, as well as those within the broader humanitarian system, suggesting that these need to be far better understood, including how the two interact. Thus, while cash may be gaining acceptance as a humanitarian aid modality, at issue is how to best configure and achieve a collective shift in thinking about cash and its use in a humanitarian context.

The fact that the dimensions of cash have yet to be fully recognised or implemented no doubt underscore the complexities, contending interests and the lack of incentives for doing so. Linking social safety net programmes into the realm of humanitarian response, as the project's first thematic study notes, introduces complex issues of relatively rigid institutional processes and procedures when attempting to interact with and deal with governments' fluctuating priorities. Similarly, the increasingly recognised benefits of cash on the part of donor governments must contend with the tensions and concerns related to risks, as well as the implications for accountability and value-for-money. More and better evidence is needed on all the modalities and their impact, both direct and indirect.

The overarching conclusion to emerge from the Trend Analysis and the four thematic research studies is that cash is both a product of profound change and a driver of change within the humanitarian sector.

SUMMARY OF THE RESEARCH FINDINGS AND CONCLUSIONS

OVERALL CONCLUSION: CTP NEEDS A NEW BUSINESS MODEL

With respect to the seven questions framing this project, the research affirms growing conceptual acceptance of the use of cash in its expanding forms and delivery methods, both on the part of IHAs and crisis-affected governments. Viewing cash as merely a supplementary 'tool' for in-kind assistance and other financing modalities in times of emergencies is, however, to overlook the potentially transformative value that cash represents in a futures context. This view also limits having a full understanding of the challenges and gaps that cash both exposes and poses.

In its broadest sense, cash for humanitarian action opens up a gateway for a more substantive humanitarian response paradigm; one that seeks to link prevention and preparedness with response and post-crisis reconstruction. Cash in that context not only has flexibility, but can also potentially serve as a means to reduce vulnerability. It can enable the vulnerable and those assisting the vulnerable to, for example, move rapidly from preventative action to response. For this reason, the concept of cash is very consistent with the growing calls for a new approach to humanitarianism itself, one that is far more deeply embedded in an integrated approach to resilience-building.

The overarching conclusion of the research is therefore that for CTP to achieve its potential, it will require a new business model. That model will have to meet not only the changing nature of humanitarian threats and needs, but also take into account the interrelated and evolving technological, socio-economic, demographic and governance contexts in which cash will have to operate. However, a business model of the kind envisioned will need to factor in the current challenges and institutional constraints in the broader humanitarian sector that affect cash, along with the risks and issues inherent in cash itself. The fact that all too often cash for social protection is not adequately linked to cash for emergency response is symptomatic of a more abiding concern, namely, that like many other aspects of humanitarian action, perspectives and prescriptions of need and utilisation of expertise are often narrowly defined and overly compartmentalised. To that extent, the present use of cash is symptomatic of an overall major challenge of the humanitarian sector at large and is indicative of the need for a new paradigm.

A new business model would seek to take into account and not overlook these challenges. It would also seek to ensure that resilience objectives and anticipatory planning are strongly linked to prevention, preparedness and response and, in that context, that cash would be an effective vehicle to meet diverse operational priorities flexibly and relatively quickly. While cash may be the catalyst for a new approach for humanitarian response, a new business model should include other forms of assistance, i.e. in-kind aid, as the new paradigm should not put cash forward as the panacea.

With that overarching conclusion, the study arrived at four key findings that support the overall conclusion presented above.

CASH IS HERE TO STAY

There is no doubt that cash is an increasingly accepted norm for providing assistance in humanitarian crises. Yet the extent to which it will be seen as a possible pathway for a new paradigm remains to be seen. Those who want to scale up the use of cash for humanitarian purposes will have to take into account a wide range of transformative factors noted by this project. These include rapid technological innovations, socio-economic

developments, demographic changes, the emergence of non-Western centres of power and alternative forms of governance. Such factors will influence the nature of humanitarian crises and humanitarian response as well as the use of cash.

THE DEFINITION OF CASH IN AN ICT CONTEXT

While cash is indeed here to stay as a humanitarian tool, it is difficult to define as an entity. Not only are there multiple sources of financing but there are also multiple types of financing, from mobile phone credits to cyber cash, as well as multiple channels for cash delivery. Nowhere is this more evident than in the context of the transformative world of ICT. Greater emphasis on the use of cash will most likely bring in a wider spectrum of private sector actors, particularly those working in the banking and financial sectors, and in ICT development and service provision. For humanitarian actors interested in the use of cash, cyber cash questions not only the very nature of cash, but also issues concerned with ways to account for its use, users and providers. In other words, when it comes to the use of cash, it is more and more evident that it will increasingly be a tool of humanitarian response, though the composition of that tool may be increasingly uncertain.

CASH, COORDINATION AND ACCOUNTABILITY

As this study suggests, cash, as a cross-cutting theme, can enhance strategic coordination for humanitarian action. At the same time, the emerging spectrum of different types of cash might well compound the already difficult challenge of operational coordination. Coordination needs to include ways to ensure coherence between in-kind and cash support to those in need, between those and different sources of conventional cash, including the Diaspora, and increasingly between such relatively conventional sources of assistance and those stemming from ICT. Further, when it comes to measuring the impact of international responses to humanitarian crises, the range of available sources of cash will further test the capacity of humanitarian actors. Clearly, this concern feeds directly into the issue of accountability, an issue that has consequences for those concerned with security and government control. It also has consequences for those humanitarian actors concerned with justifying the appeals themselves, and the appropriate use of resources.

CASH AND THE INTERNATIONAL HUMANITARIAN ARCHITECTURE

Governments of states are finding that cash offers both considerable opportunities and potential hazards. For both a growing number of donor governments and governments of recipient states, cash offers the flexibility essential to adjust to changing humanitarian circumstances. These advantages will inevitably feed into the machinery of international and non-governmental agencies. The consequences may ultimately be a radically rebalanced apportioning of cash and in-kind assistance, where the latter is significantly reduced in terms of international assistance, and where such rebalancing will be reflected in the strategies, functions and machinery of 'outside agencies.'

When it comes to those institutional structures such as the Inter-Agency Standing Committee and the Cluster System, cash can have both positive and negative implications. In principle, these sorts of coordinating bodies offer the means for having a more common approach to cash, and for moving across sectors to make up for shortfalls in one category by reducing surpluses from another. Alternatively, the different sources of cash that will be entering across a variety of channels and systems – officially and unofficially – will mean the international community will have to configure relevant institutions to spend far greater energy on monitoring cash flow. This will require new types of expertise, approaches to collaboration and revised priorities.

RECOMMENDATIONS: TOWARDS A NEW BUSINESS MODEL FOR CTP

The proposition emerging from the research calls for a different business model for humanitarian assistance, including CTP. It calls for those who have a stake in CTP to think big, strategically and differently about the concept and delivery of cash.

Six broad recommendations are put forward which, if pursued, could serve as the building blocks for such a model. The broad recommendations are followed by actions that are targeted to specific stakeholder groups and, where feasible and relevant, to individual agencies. The combined recommendations seek to send a strong message that no single action by one actor, acting independently, is likely to lead to a compelling imperative for change or to bring about the strategic, cultural and operational change that the research finds necessary.

Of immediate priority will be to develop a multi-level dissemination strategy for the research and the report. The conclusion and all research recommendations should be taken into account when developing the dissemination strategy. The dissemination strategy should seek to stimulate debate on the conclusion and recommendations. It should call for engaging with a wide set of actors, including those at the global level, but equally on the part of those at the regional and national levels who are likely to have a different perspective from their global-level counterparts. Other recommendations that can be considered immediate priorities are those that focus on coordination and the financing of cash; the creation of the ICT panel; embedding CTP in global development and humanitarian agendas, and those that focus on the private sector.



PHOTO: JANE BEESLEY/OXFAM

SIX BROAD RECOMMENDATIONS

Need for a far deeper understanding of the ICT dimensions of cash



The type of changes that the ICT sector will generate will have transformative effects on the very meaning of 'cash', the ways that it is used and who ultimately controls it. This demands a far better understanding of ICT; one that goes well beyond the concept of technology as a 'tool' and takes into account the far-reaching impact of ICT on emergency CTP that may well be outside the obvious.

Need for greater interaction with and understanding of national emergency cash schemes, perceived risks and the role of government



The lack of accessible information on what governments (developed, middle-income countries and lower-income countries) are doing in relation to using cash transfers in emergencies, both in conflict and disaster contexts, points to the need to have a better evidence base on national-level emergency schemes, as well as more regular opportunities for governments to share their experiences and knowledge towards helping to improve the impact of their cash transfer initiatives.

Need for a far deeper appreciation and understanding of the role of other actors in cash in the future



The research affirms that both the private sector and local civil society actors, in particular, have critical roles to play in helping to take cash to scale, and consistent and systematic engagement with these actors by more 'traditional' CTP practitioners will increasingly be required. At the same time, well-documented engagement challenges between, for example, humanitarian and private sector actors will need to be addressed. This includes the variations in timelines, principles and motives. Not only is it essential to have a more in-depth understanding of the perceived and potential role of different actors in CTP, but also to begin to define and differentiate comparative advantage and added value, based on having a clear objective and approach to CTP.

Need for new approaches to collaboration



Collaboration is deemed to be an integral element of effective CTP and its future. Yet it will be difficult to achieve unless the challenges that cooperation poses are addressed head-on, in ways that go far beyond the current language of and approaches to 'coordination'. A starting point is to develop a greater understanding of the types of networks and mechanisms that specifically seek to foster and support collaboration for diverse actors for humanitarian action. These include, for example, platforms, partnership-brokering entities, networks, consortia and strategic alliances. Further, it will require greater use of models, methods and processes that are specifically designed for building collaboration, and developing common futures for systems or transformative change.

Financing of cash



In light of the emergence of alternative forms and flows of cash and their impact on CTP, the humanitarian sector at large will need to have a more in-depth understanding of the factors and dimensions that will directly affect cash in the future. This calls for a greater emphasis on the monitoring of these trends on the part of humanitarian agencies, affected governments and donor governments, towards having a better understanding of the totality of flows of cash coming into the countries for humanitarian response, including alternative forms of cash.

Inclusion of CTP in the World Humanitarian Summit 2016



The issues discussed in this report call for more thinking about approaches to resilience in relation to CTP and the need for a new business model for humanitarianism, which the World Humanitarian Summit also seeks to generate. CTP should be incorporated into the consultations for the Summit, on the basis that any new vision for humanitarianism should include CTP.

RECOMMENDATIONS FOR STAKEHOLDER GROUPS

NINE ACTIONS FOR CASH-ORIENTED DONOR GOVERNMENTS

- Provide leadership to develop a harmonised donor approach to CTP as a strategic intervention for effective humanitarian response.
- Make better use of existing donor and humanitarian fora to bring in new actors to engage in cash discussions and for governments using cash to share their experiences and learn from one another.
- Engage with new and emerging donors and governments that are currently less familiar with or receptive to using cash, towards promoting a more common approach for financing humanitarian aid.
- Promote discussion on cash within donor organisations, including on the perceived risks and current approaches to financing cash. Ensure that there is adequate capability within donor agencies to effectively programme cash.
- Launch an initiative, in collaboration with governments, to understand the potential to use social protection schemes for emergency cash and the implications for taking cash to scale.
- Develop implementation guidance for CTP towards promoting better decision-making processes and ability to determine the pros and cons of different aid modalities, cash and in-kind, in different crises contexts and the costs associated with both.
- Promote the use of tools for measuring the results of cash-based programmes (beneficiary satisfaction surveys, impact assessments).
- Individual donors should consider establishing a roster of external, senior experts who can provide independent advice and support for response analysis, programming and evaluation of CTP.
- Research the role and use of the Hawala system in delivering humanitarian aid and CTP in fragile contexts such as Syria and Somalia.

SIX ACTIONS FOR CALP AND ITS MEMBERS

- Develop a dissemination strategy for the *'Fit for the Future'* project which should include outreach at the global, regional and national levels. The process should result in a set of priorities that can serve as the basis for a forward-looking action agenda.
- Reconfigure CaLP to become an international 'platform for platforms', with a focus on fostering CTP collaboration, including developing innovative models and approaches for cooperation and engagement.
- With its NGO members, undertake a joint exercise to define the comparative advantage of NGOs in cash, in light of the findings, issues and recommendations of this project. This should result in a better definition of their added value and the articulation of a set of core NGO competencies for CTP.
- Use the core competency framework to develop 'futures-oriented' training curricula. This should seek to reconcile existing learning models and approaches for CTP at different levels.
- CaLP and its members working on advocacy to influence national governments in Central and West Africa should document their experience and develop guidance that can support NGOs to collaborate with governments to include safety nets as a core element of their national poverty-reduction strategies and to adapt social protection programmes to emergency CTP.
- CaLP should put out a call for proposals to test out futures-oriented CTP measures in selected risk-oriented micro contexts. The focus should be on CTP preparedness, with an emphasis on understanding the impact of ICT on emergency CTP at a local level, in urban and rural contexts.

FOUR ACTIONS FOR THE UN SYSTEM

- Donors should support UN agencies to test how to approach social protection as a cross-cutting theme for in-country Inter-agency Standing Committee (IASC) teams. This would involve key UN agencies (UNDP and UNDOCO and cash-oriented agencies, e.g. WFP, UNHCR, OCHA, UNICEF etc.) working with social protection issues. The initiative would test out how to meet humanitarian needs spanning different sectors, and test cross-collaboration models to use social protection programmes for emergency response in different crisis contexts. It would involve country, regional and headquarters levels.
- OCHA's Partnership Unit, in the context of its ongoing work on the role of the private sector in humanitarian action, should launch an exercise to map the role of the private sector in CTP and to understand its added value. This would ideally first be trialled in one country where there has been government uptake of emergency cash in collaboration with the private sector.
- One component of the private sector mapping initiative could be for OCHA and the World Economic Forum (WEF) to launch a review of the *Guiding Principles for Public-Private Sector Collaboration for Humanitarian Action*, with a specific focus on the application of the principles in CTP contexts.
- Work undertaken by OCHA (see the Coordination and CTP study report) should continue, including its efforts to test out some of its tools and service to determine how they can be adjusted to support/accommodate CTP at scale. Furthermore, OCHA and the IASC should determine their roles in helping to address the need for a coordination focal point for CTP within the international architecture.

THREE ACTIONS FOR THE WORLD BANK

- Establish a panel to provide information on the impact of ICT on emergency cash. The panel should draw on the expertise of senior experts from the ICT sector who can speak knowledgeably about the role of ICT and its impact on cash. It should meet regularly and its membership should evolve in sync with innovation in the field. The panel could logically be housed in a neutral think tank or research organisation. In the first instance it should include representatives from the Bitcoin Foundation, IMF, Mobile Money and representatives from key Diaspora communities.
- In collaboration with regional mechanisms and non-western technological partners, e.g. India, China and South Korea, the World Bank should provide support to governments to develop and use more sophisticated needs-based maps. These would be designed to enhance opportunities for governments with social protection programmes to consider more successfully the needs of a wider set of beneficiaries in times of emergencies. In addition, lessons from experiences in developed nations with well-established social protection and emergency response schemes could be documented.
- Greater effort needs to be dedicated to understanding the interface between CTP and markets. More research would support building a better understanding of this dynamic, now and in the future. Research on national cash schemes would also help build a better evidence base of how such systems work in different national and crisis contexts, including the system and capacity requirements to maintain them and the types of challenges and tensions that can emerge in their implementation.

TWO ACTIONS FOR GOVERNMENT

- As noted, cash-oriented donors and the UN should endeavour to address the gap related to the lack of accessible information about what governments are doing in CTP in national contexts. In addition to improved dialogue at the global level, consistent exchange is also needed at regional and national levels in ways that bring together middle-income countries (MICs) and lower-income countries (LICs) to exchange and share experiences in different crisis contexts, and to make this more accessible to a wider audience. This should include a focus on issues related to accountability and government, and the types of challenges and opportunities between governments and IHAs working together.
- Humanitarian agencies and governments should seek to develop joint pilot activities to engage with established Diaspora communities, to better understand the ways in which the mobilisation of their financial assistance can be enhanced in disaster response and to understand the impact of remittances on government-led CTP in emergency response.

THREE ACTIONS FOR THE PRIVATE SECTOR

- The recommendation for OCHA's Partnership Unit to launch a mapping exercise on the role of the private sector and its added value in CTP should be undertaken in close collaboration with the private sector as an active partner in all stages of the exercise. The mapping should seek to understand the motives and context in which the private sector engages in CTP, with a specific aim of understanding the links between the private sector and its overall role in humanitarian action and CTP in the context of its core business.
- CaLP, the UN's Partnership Unit and TAG members may consider convening a small working group to explore what greater interaction with the private sector in CTP means and what it requires. This could be undertaken at either the global or the regional level. It should tap into the expertise of ongoing initiatives and mechanisms that have private sector engagement in humanitarian action as a core element of its work (Deloitte Touche Tohmatsu's Innovation Program, CSR Asia, etc.).
- IHA actors and governments should engage the private sector to provide advisory services related to looking for alternative ways of monitoring the multiple flow and types of 'cash' and in particular, the virtualisation of 'cash'.

THREE ACTIONS FOR THINK TANKS/RESEARCH ORGANISATIONS

- Donors should tap into the resources of think tanks or research organisations to support the recommendations in this report to build a stronger evidence base and foster more dialogue between governments on CTP in emergency response.
- Recommendations to map the private sector's role and added value in cash could be a joint UN, private sector and think tank initiative, with the latter providing support in framing the mapping, results analysis and supporting the development of a follow-on strategy.
- Linked to the recommendation to create an ICT panel, a neutral think tank or research organisation could house the panel and coordinate its work on ICT issues.

BEYOND THE SCOPE OF THE RESEARCH

As noted above, calls for a new business model might ideally be supported by a dissemination strategy that ensures widespread reach of this research, its conclusions and recommendations. The dissemination strategy should be conceived to result in a set of priorities that might then serve as the basis for the development of a forward-looking agenda that can be pursued by multiple actors at different levels. HFP welcomes comments on this report and looks forward to a broader debate on its findings and recommendations.



The Cash Learning Partnership

This summary presents the results of a 2013 research study entitled, *Is Cash Transfer Programming 'Fit for the Future'?* The research was commissioned by the Cash Learning Partnership (CaLP) and undertaken by the Humanitarian Futures Programme (HFP), King's College London. The project intends to understand how changes in the broader global and humanitarian landscape may evolve in the future (up to 2025), and how these changes might shape cash transfer programming (CTP). The analysis examines these issues in the context of ongoing global dialogue on the future of humanitarianism, including the post-2015 Millennium Development Goals processes, the deliberations for the next iteration of the Hyogo Framework for Action, and the World Humanitarian Summit 2016.

It is hoped that this report and the other project products will be widely disseminated, and their conclusions and recommendations debated at all levels within the sector. This process should result in a set of priorities that can serve as the basis for a forward-looking action agenda. Ideally, this agenda should be conceived by the full network of actors identified in this analysis who have an interest and role in the evolution of CTP.

This Executive Summary has been developed as a stand-alone document. It is complemented by the full-length Final Report and an Annex Package that contains the full set of products developed in the course of this research project.

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