

DECEMBER 2022

WHERE NEXT?

THE EVOLVING
LANDSCAPE OF
CASH AND VOUCHER
POLICIES



USAID
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 **CALP
NETWORK**
CHOICE & DIGNITY FOR PEOPLE IN CRISIS

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COVER PHOTO:

SEVERE DROUGHT, DUE TO THE FAILURE OF FOUR CONSECUTIVE RAINY SEASONS, MEANS MILLIONS OF PEOPLE IN KENYA ARE FACING HUNGER AND THIRST. FARHIYA ABDI ALI, A SHOP OWNER FROM GARISSA IN NORTHERN KENYA, RECEIVED CASH ASSISTANCE FROM THE RED CROSS. SHE EXPLAINS 'I GOT A GRANT MYSELF AND USED SOME TO BUY THINGS FOR THE STORE AND TO PAY MY CHILDREN'S SCHOOL FEES.'

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CONTENTS

1	CVA POLICY COMMITMENTS: AN OVERVIEW OF WHAT'S CHANGING	04
2	HOW CVA-RELATED POLICY COMMITMENTS HAVE EVOLVED SINCE 2016	06
2.1	The evolution of CVA-related policy commitments since 2016	06
2.2	External vs internal commitments	07
2.3	Commitments vs environmental factors and external drivers	09
2.4	Quantitative targets	10
3	THE POLICY LANDSCAPE RELATED TO CVA	11
3.1	Policy areas with continued high relevance and where progress is reported	12
3.1.1	Monitoring/tracking CVA	12
3.1.2	Commitment to volume of CVA	13
3.1.3	Commitment to the routine consideration of CVA	15
3.1.4	CVA preparedness	16
3.1.5	Capacity development for CVA	17
3.1.6	Coordination	17
3.1.7	Innovation with regards to how CVA is transferred	18
3.1.8	Risk management	18
3.2	Policy areas where agencies see high relevance but report less progress	20
3.2.1	Putting crisis-affected people first	21
3.2.2	Using CVA for anticipatory action	21
3.2.4	Linkages with social protection and other forms of financial assistance	22
3.2.5	Responsible data management	23
3.2.6	Climate	24
3.3	Policy areas that are less prominent and where progress has been limited	26
3.3.1	Maximising value for money/efficiency	26
3.3.2	Ensuring work is based on learning and evidence	26
3.3.3	Improving sector-specific CVA	27
3.3.4	Gender and inclusion	27
3.3.5	Migration	28
3.4	Policy areas where limited progress is seen and which are linked to systemic barriers	29
3.4.1	Increasing locally-led CVA	29
3.4.2	Evolving operational models/interoperability of systems	29
3.4.3	Fostering the use of multi-purpose cash (MPC)	30
3.5	New areas for policy focused work in the future	30
4	ANNEXES	31
	Annex 1: Bibliography	31
	Annex 2: Research objective, analytical process, methodology and limitations	32
	Annex 3: Consulted policy and strategy documents	34



I CVA POLICY COMMITMENTS: AN OVERVIEW OF WHAT'S CHANGING

The growth of humanitarian cash and voucher assistance (CVA) is regarded as a key driver of change within the humanitarian system. CVA now accounts for approximately 19% of international humanitarian assistance, and a GPPI study found the potential to increase this to 37–42%, if CVA was used on all occasions where appropriate.¹

Humanitarian stakeholders committed to ensuring the routine use of cash under the 2016 Grand Bargain framework. Substantial work has been done over the last six years and this is considered one of the Grand Bargain's most successful achievements. In addition, many operational actors and donors have established their own commitments and targets. In 2017, CALP compiled the CVA-related policy commitments of the Grand Bargain and other relevant global policies into a Global Framework for Action.²

Much has changed since 2016. The use of CVA has expanded and there is now a much greater understanding of how it can be used effectively, including a heightened focus on linkages between humanitarian cash and social assistance. While many of the initial global policy commitments are coming to the end of their term, CVA-related policy has evolved in other areas (see section 2.1).

Against this backdrop, this report explores how early policy commitments impacted the evolution of CVA and distils what the CVA policy landscape looks like now. Interviews were undertaken with staff from twenty-eight organisations as part of the research and multiple policy documents reviewed. While every interviewee considered their agency to be committed to CVA, there were differing views of what constitutes a CVA-related policy commitment and how different types of commitments influenced agencies. Some agencies drew a distinction between external commitments (typically public facing statements and proclamations of intent) and internal commitments in the form of policy, corporate strategy, and guidance. Some agencies were strongly and directly influenced by Grand Bargain commitments, others by internal policies and yet others by evolving donor requirements. Together, these insights cast a light on the complex web of policies that influence, to varying extents, change at individual and system-wide level.

Larger agencies, with more complex and formal regulatory frameworks, were those most likely to perceive direct benefits from formal commitments. For this group, once made, commitments tended to be internalised systematically and iteratively, beginning with the inclusion of key commitments into corporate strategies and policies. External commitments were also useful in terms of creating leverage for internal advocacy, helping embed CVA into internal systems and structures.

At the other end of the spectrum were smaller agencies with no written commitments. These agencies were more likely to downplay or even dismiss the importance of the external commitments, focusing instead on the importance of 'environmental factors' as key to their increased use of CVA. Key 'environmental factors' included donor policies and pressures. The actions which became environmental issues for some were, for the donors themselves, driven by efforts to deliver on their formal commitments.

Combined, global CVA commitments and coordinated efforts seem to have played an important role in creating an enabling environment for CVA. Individual and collective actions have contributed to system-wide change with actions taken in one area or by one group having 'spill-over effects' for others – thus driving change elsewhere in the system.

In addition to policy efforts there were, of course, a wide range of other factors that helped drive change. While not the subject of this study, three groups of influences were regularly referenced; namely, a huge increase in financial service providers; acceptance of the evidence that CVA does not carry additional risk; and agencies own cumulative experiences of the successful use of CVA.

Some people felt that certain CVA-policy issues are now 'settled', with change embedded to an extent that a positive trajectory is likely to continue. With the basic battles won – driven both by evidence and the momentum of change – CVA commitments are being embedded into new iterations of internal strategies and policies. This was seen as being true for the commitment to increase the volume of CVA, the routine consideration of CVA and building internal capacity, as well as strengthening partner capacity to use CVA.

¹ GPPI (2016). *Drivers and Inhibitors of Change in the Humanitarian System*. Available at: <https://www.gppi.net/2016/05/12/drivers-and-inhibitors-of-change-in-the-humanitarian-system>
² <https://www.calpnetwork.org/publication/global-framework-for-action/>

FIGURE I SUMMARY: PROGRESS ON CVA

DRIVERS

- Policy commitments
- CVA embedded into internal strategies
- Coordinated efforts to grow CVA
- Agencies pleased with outcomes of CVA programmes
- Growth in number of financial service providers (FSPs)
- More acceptance of risk
- Donor pressure
- Robust evidence around the efficacy of CVA

STUMBLING BLOCKS

- End of the Grand Bargain
- Deeply entrenched systemic issues
- Data interoperability and management
- Localisation
- Loss of focus



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While early policy commitments were broad and often tentative – to deliver ‘a lot of CVA’ or ‘ensure routine consideration’ of cash – there is now a much more nuanced approach to the various quality aspects of ‘how’ more CVA is delivered. ‘Cash assistance is no longer questioned as a modality – it has become both a norm and a key operational standard in humanitarian practice.’³ Typically, these ‘settled’ policy areas sit within the current model of humanitarian operations.

‘Ten years ago, CVA was very programmatic (where do we use CVA?). Today, it is very sophisticated’ with exploration of national regulations, sanctions, high inflation contexts, data protection issues and more’. View of one key informant.

Even though strong progress has been made in some areas, overwhelmingly, key informants felt there was need to maintain the focus, effort, and attention on existing policy areas, pushing further and nuancing topics in the process. While no one topic stood out as being the obvious candidate for a new collective policy process, people recognised that ongoing attention to localisation was essential and that issues related to coordination, interoperability and data management were not necessarily ‘settled’. Indeed, each of these areas was seen as needing much larger change but, it was felt, progress was being hampered by deeply entrenched systemic issues. There was also broad agreement about the need for dialogue on ‘CVA and climate’ but the precise focus as well as the boundaries to this topic were still relatively unclear for most actors. Several other new policy areas were noted but some are only of concern to a small number of actors.

There was concern about how to maintain the policy momentum now that cash-focused discussions receive less attention under the Grand Bargain. The next phase of CALP’s policy work, exploring areas of collective action, could potentially help fill part of this void. Naturally, policy commitments cannot be seen in isolation from the framework they are made in (Grand Bargain, SDGs etc.) and the degree of accountability that exists within them to ensure that commitments are actioned. This needs to be considered as further commitments are made.

In conclusion, the CVA policy environment has evolved hugely since 2016 with enormous progress in many areas. Collective commitments have provided a foundation for progress, with external commitments, internal motivation and environmental factors all playing a part in accelerating change. Looking ahead, this web of policies would benefit from more discussion in order to capitalise on the momentum that exists and, if needed, to renew commitments to continued progress.

2 HOW CVA-RELATED POLICY COMMITMENTS HAVE EVOLVED SINCE 2016

The term ‘policy commitments’ is a broad one. In the key informant interviews, people frequently differentiated between ‘external commitments’ including public statements and signatures (Grand Bargain etc.) and the internalisation of these commitments in corporate strategies, policy documents, and guidance.

The Grand Bargain is the only official **collective** codification of CVA-related policy commitments that includes a formal signature process. Of the 38 actors consulted as part of this study, 25 were from organisations who were Grand Bargain signatories. While other global commitments exist, the rest are owned by a subset of actors (see section 2.1) or are agency-specific and they vary greatly in style, detail, ambition and lifespan (see section 2.2).

2.1 THE EVOLUTION OF CVA-RELATED POLICY COMMITMENTS SINCE 2016

The Grand Bargain, launched during the World Humanitarian Summit in May 2016, marked an agreement between some of the largest donors and humanitarian organisations who committed to improve the effectiveness and efficiency of humanitarian action. In total, 64 donors and aid organisations (UN agencies, national and international NGOs, and members of the RCRC Movement) have signed the 51 commitments which are grouped into 10 workstreams. Under workstream 3, ‘Increase the use and coordination of cash-based programming’, aid organisations and donors committed to:

- 01 Increase the routine use of cash alongside other tools, including in-kind assistance, service delivery (such as health and nutrition) and vouchers. Employ markers to measure increase and outcomes.
- 02 Invest in new delivery models which can be increased in scale while identifying best practice and mitigating risks in each context. Employ markers to track their evolution.
- 03 Build an evidence base to assess the costs, benefits, impacts, and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof.
- 04 Collaborate, share information and develop standards and guidelines for cash programming in order to better understand its risks and benefits.
- 05 Ensure that coordination, delivery, and monitoring and evaluation mechanisms are put in place for cash transfers.
- 06 Aim to increase use of cash programming beyond current low levels, where appropriate. Some organisations and donors may wish to set targets.

In addition to this global policy setting exercise, and processes that followed at agency level, the last six years have seen a number of other collective processes, conducted by CALP and by groups of Grand Bargain constituents.

In 2017, CALP compiled CVA-related commitments embedded in the Grand Bargain and other policies⁴ into a ‘Global Framework for Action’ (GFA). The aim was to give a clear and accessible overview of the policy direction with ‘a consolidated summary of the major commitments and recommendations made to improve cash transfer programming in humanitarian response during 2015 and 2016’⁵

In 2018 and 2020, the State of the World’s Cash reports used the GFA as the basis for reviewing progress against commitments. As an annex to the 2020 report, CALP published an update of the GFA⁶ adding two further objectives, one on integration with local systems and another on building appropriate and effective links between CVA and social protection.

⁴ The Grand Bargain, ECHO’s 10 Principles, a High Level Panel report on humanitarian cash, a Strategic Note on Cash Transfers produced by the World Bank, and the Agenda for Cash, a CALP initiative in May 2016 encompassing 40 contributing organisations.

⁵ CALP (2017), p. 1.

⁶ CALP (2020), p. 167.

Since the GFA was developed, five other collective policy commitments have been published:

- **Governmental donors published three key collective documents.** In 2019, 'The Common Donor Approach to Humanitarian Cash Programming' was signed by ten donor agencies and the Joint Donor Statement on Cash was signed by seven donors. The donor group also added a CVA-related principle to the existing Good Humanitarian Donorship principles.⁷ In September 2022, the Donor Cash Forum published a statement and guiding principles on interoperability of data systems in humanitarian cash programming.⁸
- **Four UN agencies joined forces and published the UN Common Cash Statement in December 2018,⁹ committing to jointly pursue three operational goals, including a common cash delivery system, interoperable data systems and other joint approaches in the cash delivery chain. The Statement also reaffirms the primary role of governments.**
- **In June 2019, fourteen international NGOs created the Common Cash Delivery Network¹⁰ that commits the participating agencies to collective action towards using CVA at scale, using shared systems and delivery capacity, and following a shared set of quality approaches.**

2.2 THE EVOLUTION OF CVA-RELATED POLICY COMMITMENTS SINCE 2016

The distinction between formal, public commitments to CVA ('external commitments') and those in the form of policy, guidance or instructions for an internal audience ('internal commitments') was important to a number of the people interviewed.

- **For a very clear majority, their internal, agency-specific commitments to CVA have been central to the progress they have made.**
- **Some draw a clear link between their external commitments to CVA, notably the Grand Bargain, and their internal strategies and policies.**
- **Others downplayed or even dismissed the importance of external commitments (whether or not they were Grand Bargain signatories).**
- **One interviewee stated very specifically that their agency had not made any commitments to CVA (referring to formal, public statements) and immediately afterwards described the same agency as fully committed to CVA, referring to the internal processes of embedding CVA in internal systems, structures and guidance.**

In interviews, the majority of agency representatives described somewhat similar processes of institutional capacity development for CVA (sections 3.1.3, 3.1.4 and 3.1.5) but there was no discernible pattern nor standard in the formulation or expression of these internal commitments to CVA.

Some agencies have CVA specific 'policy' or strategy documents, often time bound. Some of these documents are publicly available, others are internal (see Annex 3). The level of detail varies considerably and there is no clear pattern across agencies or by agency type. Some relate to the overall discussions at the World Humanitarian Summit and cover all of the topics there;¹¹ while some provide specific CVA-related commitments.¹² Examples range from two-page summary statements with the overall ambition to do more and better CVA, to comprehensive policy documents, clearly resulting from extensive processes of development, examples being DG ECHO's very comprehensive policy,¹³ UNHCR's recently renewed policy,¹⁴ and GOAL's forthcoming global CVA strategy. The IFRC also undertook a comprehensive process, culminating in a Strategic Framework orienting the CVA-related work of its members.¹⁵

Some agencies have no overarching policy document, but their internal CVA-related commitments are embedded in corporate strategy. For example, while UNICEF has no single 'policy' on CVA, expectations on the use of CVA were initially expressed in an internal guidance note and are now embedded in cornerstones of their regulatory framework: the newly revised Strategic Plan, the newly revised Core Commitments for Children in Emergencies ('CCCs') and country planning processes, all mandatory requirements.

⁷ The 24th principle reads: 'Systematically consider the use of cash transfers alongside other modalities according to context, in order to meet the humanitarian needs of people in the most effective and efficient manner.'

⁸ <https://www.calpnetwork.org/publication/donor-cash-forum-statement-and-guiding-principles-on-interoperability-of-data-systems-in-humanitarian-cash-programming/>

⁹ UN Common Cash Statement Questions and Answers.

¹⁰ Collaborative Cash Delivery Network, *Global Collaboration Agreement*.

¹¹ See for example *Save the Children's Commitments for the World Humanitarian Summit, May 2016*.

¹² See for example *IRC Commit to Cash*.

¹³ *DG ECHO Thematic Policy Document No 3 Cash Transfers*

¹⁴ See for example *UNHCR Policy on Cash-based interventions 2022–2026*.

¹⁵ *IFRC Cash Transfer Programming Strategic Framework 2020–2025*.

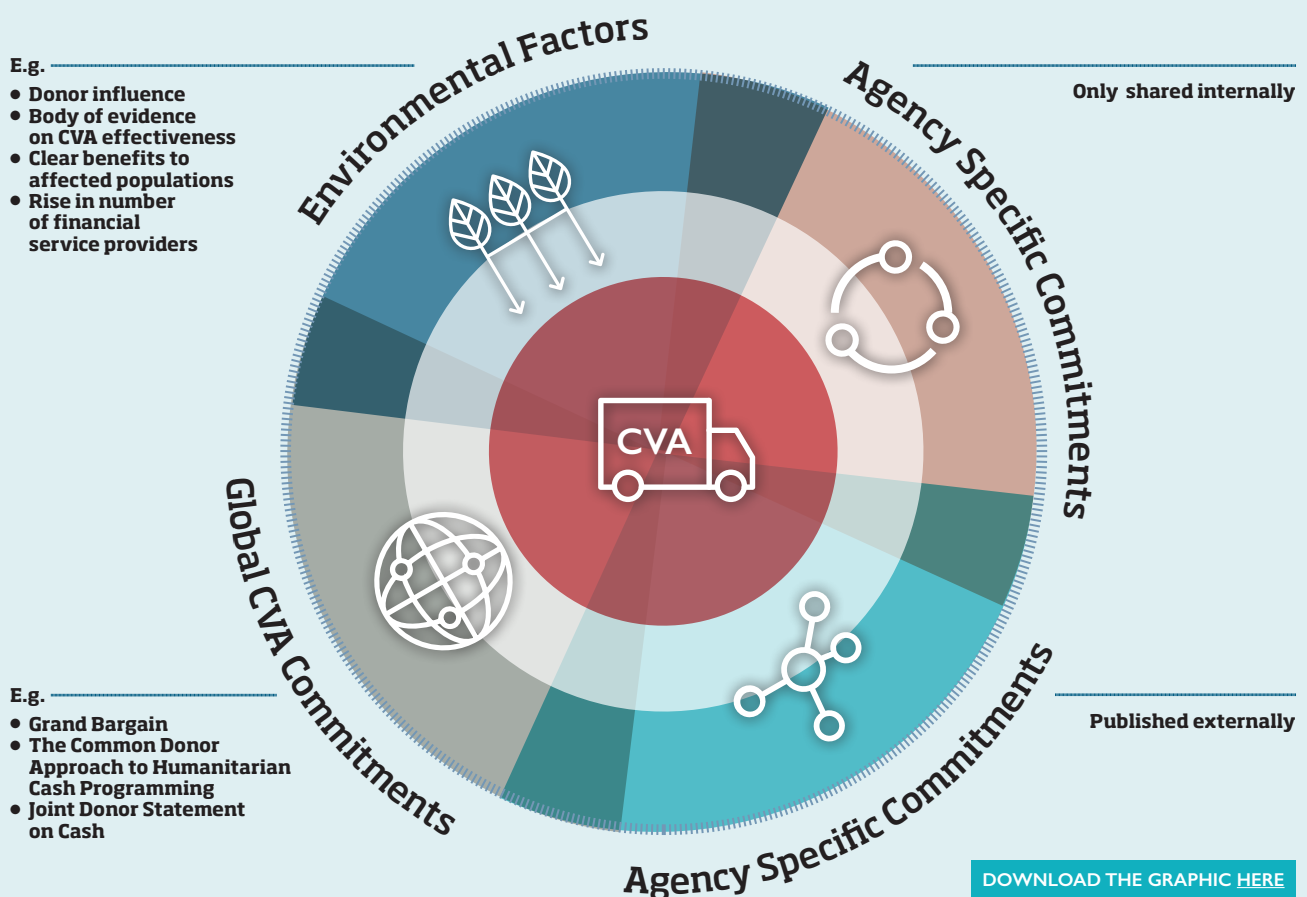
A number of agencies do not have policy statements or clear expressions of commitment in corporate strategies. For these agencies, 'internal' commitments to CVA are typically expressed across a variety of internal guidance documents, including those which are technical and sector-specific. In one form or another, all operational agencies have some such internal guidance. The level of authority assigned to all these documents varies, ranging from orientation to being mandatory.

Broadly speaking, larger agencies with more formal regulatory frameworks (including the UN bodies interviewed) stated that the formal commitments they had made were critical in providing a lever for change internally.

Commitments to the Grand Bargain, especially if recognised at the level of the Executive Board or equivalent, provided a continual basis for advocacy with senior management when required, as well as justification for the inclusion of CVA in new iterations of corporate strategies.

Some donor agencies¹⁶ also expressed their CVA commitments in an overarching strategy and some developed detailed operational guidance notes outlining their expectations towards the CVA-related operations they implement or fund.¹⁷

FIGURE 2 POTENTIAL INFLUENCE OVER AGENCIES DELIVERING CVA



¹⁶ See for example [Strategy of the Federal Foreign Office for Humanitarian Assistance Abroad](#) and Norway's Humanitarian Strategy.

¹⁷ See for example [DG ECHO Thematic Policy Document No 3 Cash Transfers](#), Switzerland's Operational concept note [Cash and Voucher Assistance](#), the UK's [Humanitarian Guidance Note: Cash Transfer Programming](#).

2.3 COMMITMENTS VS ENVIRONMENTAL FACTORS AND EXTERNAL DRIVERS

As well as having differing views of external and internal commitments, a number of interviewees highlighted what they considered to be environmental drivers for the use of CVA – things unrelated to their own policy commitments. Such comments were more likely to come from NGOs, including smaller INGOs, referencing the influence of donors and, to a lesser extent, coordination mechanisms and other global bodies; typically, those ‘higher’ up in the centrally organised and hierarchical humanitarian system.

As such, NGOs frequently stated that donor policies¹⁸ were equal to, or more important, than their own external commitments in terms of influencing their adoption of CVA. Two NGOs, with no external commitments to CVA, stated that donors’ insistence on the consideration of CVA provided a significant amount of impetus for change. One stated that donor influence was the specific, original trigger for internal action on CVA. From this perspective, ‘pressure from donors’ was seen as an environmental factor. But, of course, from the perspective of the donors and UN agencies and cluster leads, promoting the routine consideration of CVA is seen as an expression of their commitments.

Some interviewees listed additional environmental factors, including:

- **The acceptance of CVA in the very general sense, including the internalisation of evidence that CVA is effective and carries no additional risk.**
- **The clear benefits to affected populations and the evidence base which has shifted the proof of burden in favour of CVA.**
- **The significant rise in the availability of financial service providers.¹⁹**

These ‘environmental factors’ are important because they inform views on future commitments. In the eyes of some interviewees, these are ‘hills we are already over’ and less likely to feature in discussions of potential future commitments – they are seen as battles which are already won.

Interviewees were clear that these ‘settled’ areas were typically those which have not disrupted the normal functioning or power dynamics of the humanitarian system, i.e. areas where CVA is a relatively direct substitution for in-kind assistance and where the business models and revenue of operational actors remain unaffected.

In areas where the CVA policy commitments would disrupt systemic norms – requiring agencies to adjust their business models, relinquish power, or impact revenue – few felt that there has been much change.

As a result, people, especially those working with NGOs, were more circumspect about future commitments in this regard. Larger INGOs, in particular, described themselves as wary of models in which their added value was diminished.

¹⁸ Typically referred to as pressure with a largely positive connotation.

¹⁹ One NGO stated that their CVA programming in the Democratic Republic of the Congo originated from an approach by digital cash service providers who were working with other humanitarian actors.

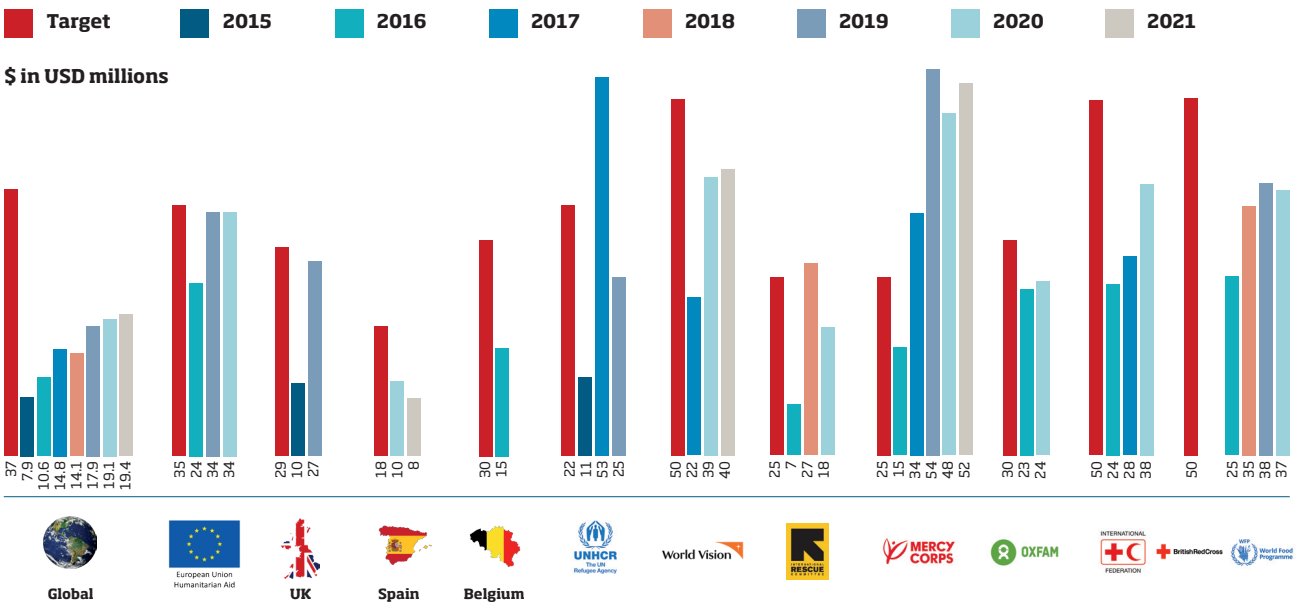
2.4 QUANTITATIVE TARGETS

The research found 22 actors who reported a quantitative target for CVA at some point over the last six years. This group includes four donors (the EU, the UK, Spain and Belgium), one UN agency (UNHCR), the IFRC, one national society (the British Red Cross), three local NGOs (Juba Foundation, Action pour le Développement du Sahel, Yemen Family Care Association) and 12 international NGOs.²⁰

Most of the quantitative targets are set as a percentage of overall humanitarian work (most common) or ODA (e.g. Spain). Among the donors, ECHO is the most ambitious (35%). GiveDirectly is the only operational organisation that aims to give all its assistance in the form of cash. IFRC/BRC and World Vision have the highest percentage target (50%), the targets set by other operational actors vary from below 5% to 50%. Only one actor reported adjusting its target downwards, as they decided their initial target had been set too high. Three actors set volume targets, one of which is UNHCR, which has both a volume and a percentage target, and is the only UN agency to have established a quantitative target. Several Country-Based Pooled Funds (CBPFs) also set quantitative targets.

The graph below summarises progress against targets where information is available (not all agencies publish progress reports or provide access to data that would allow tracking from the outside).

FIGURE 3 QUANTITATIVE TARGETS AND ACHIEVEMENTS TO DATE

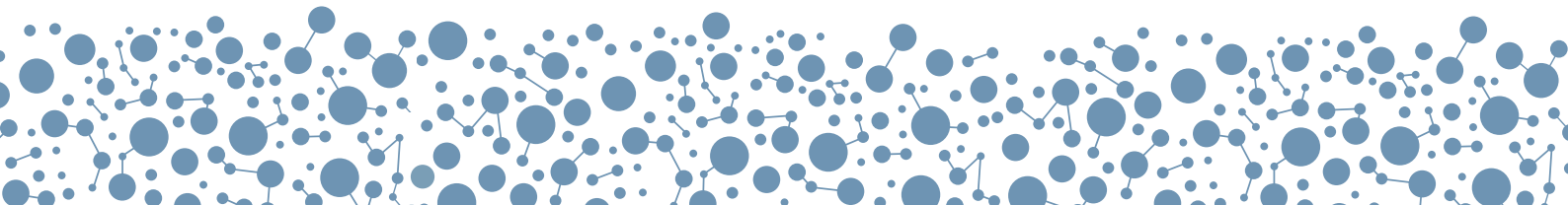


[DOWNLOAD THE GRAPHIC HERE](#)

Sources: Agencies' own public reporting on CVA and humanitarian operations, Grand Bargain Self-Reports or ODI/HPG Grand Bargain Annual Independent Reports.

*WFP does not have a quantitative target, but its reported progress is included in the graph as it transfers by far the largest volume of CVA.

²⁰ Action Aid, Catholic Relief Services, DanChurchAid, Food for the Hungry, GiveDirectly, International Rescue Committee, Islamic Relief, Medics Du Monde – Belgium, Mercy Corps, Oxfam, People in Need and World Vision.



3 THE POLICY LANDSCAPE RELATED TO CVA

The range of documents that encapsulate external and internal commitments on CVA is very broad, especially at the higher levels of internal commitments – policy and corporate strategy positions.

Overall, while acknowledging some contradictions and duplications, four groupings of policy commitments were identified, namely:

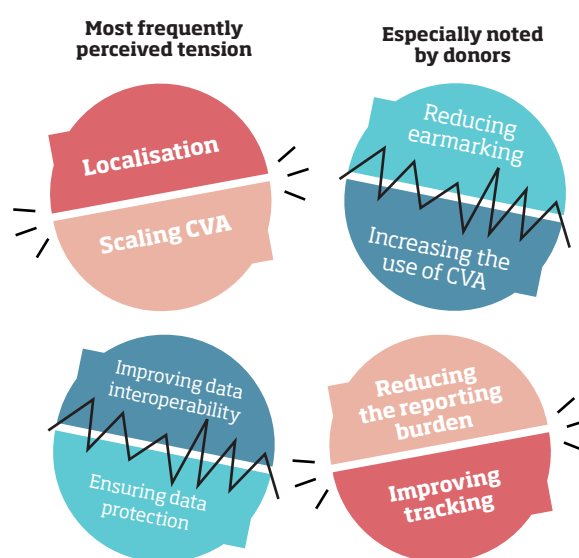
- 01 Topics showing the highest incidence of relevance and progress made to date (without implying a direct, causal relationship unless specifically stated by the interviewee), (see section 3.1).
- 02 Topics having high relevance but less progress to date, (see section 3.2).
- 03 Topics showing less incidence of relevance and progress to date, (see section 3.3).
- 04 Topics where limited progress against CVA commitments is perceived to be linked with systemic issues in the way that aid is delivered, i.e. those in which CVA commitments are perceived as having limited influence on systemic change or being hampered by the norms of the overall system, (see section 3.4).

A number of key informants underscored that policy commitments tend to be perceived as something that happens mainly at the global level, somewhere ‘between Geneva and Headquarters’. But given that agencies mainstream CVA-related policy across their operations through internal processes of institutionalisation, many interviewees felt that country offices and programme teams have a lot of de facto decision-making power over whether or not commitments are taken into consideration when making programme choices. This power relates to the choice of modality first and foremost, but also applies to key quality aspects such as putting people at the centre or being inclusive and gender-sensitive.

Key informants, especially from donors, frequently highlighted that there are perceived tensions between different commitments:

- The most frequently perceived tension was between localisation and scaling CVA, due to the perceived associated risks with funding local actors directly, as well as donor governments’ internal administrative constraints to do so.
- Another reported tension was between the commitment to reduce earmarking and to increase the use of CVA. This was especially noted by donors that provide a large percentage of their funding as unearmarked contributions.
- A third tension was perceived between the commitment to improve the tracking of CVA and the commitment to reduce the reporting burden.
- There are divided opinions whether there is a tension between improving interoperability and ensuring data protection. One key informant called it a false tension, as technical solutions can enable us to respect both commitments at the same time.

FIGURE 4
COMMON PERCEIVED TENSIONS BETWEEN
DIFFERENT POLICY COMMITMENTS



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It is noteworthy that all these tensions exist within the current ways of working of the humanitarian system and may/may not be tensions if/as the system evolves.

3.1 POLICY AREAS WITH CONTINUED HIGH RELEVANCE AND WHERE PROGRESS IS REPORTED

Many people spoke of policy issues that have been very relevant in their past and ongoing efforts to scale and improve their CVA operations. They highlighted that, despite strong progress made, these topics remain important and relevant to keep on the policy agenda.

3.1.1 MONITORING/TRACKING CVA

In 2019, just over half (50.9%) of operational actors provided detailed quantitative achievements as part of their Grand Bargain self-reports. In 2020 the reporting rate was 77%, most frequently in the form of volume figures. But despite the relatively high level of reporting, the 2022 Grand Bargain annual report states:

“First, tracking of the funding for cash and voucher assistance is still not optimal. Most aid organisations are still not reporting disaggregated data on cash and vouchers, which makes it difficult to discern trends. Most donors are unable to accurately report on how much of the funding they provide supports cash and voucher assistance.”

Some key informants confirmed that they had invested in a reform of their internal IT and tracking systems so they can now record and report on the use of CVA. But some described persistent difficulties with generating the data, as their IT and reporting systems are yet to be adjusted. A frequently cited barrier was the fact that even though project proposals often include the volume of CVA in a grant – due to requirements for disaggregation set by key donors such as ECHO or the German Federal Foreign Office (GFFO) – there is no function in their IT system that can aggregate those figures at the agency level. As such, data would have to be extracted manually and this is perceived as a disproportionate level of effort compared to the expected internal value of the information. Progress and the drivers of progress varied:

- One person noted that their agency had systematically started tracking three years ago, recognising that internal systems and poor reporting had been stumbling blocks. Learning and **reporting to donors were key drivers** in this regard, and **publishing figures in the agency’s annual report** was a tool used to incentivise internal change.
- Another person highlighted the usefulness of being able to report a global figure across its network, allowing the agency to have **greater influence in negotiations with the donors** because they could demonstrate that they were able to deliver at scale and generate economies of scale.
- In another instance, an agency was still in the process of developing an adequate tracking system, with change now driven by the need to **map the use of CVA for internal learning purposes and accountability** to a broad range of private as well as institutional donors.
- In a fourth example, an agency has improved its tracking of CVA volumes and **included the figures in annual reports** for the last two years. This was seen as a positive evolution in response to donor requirements as opposed to any commitments to other actors.

Several donor representatives informed the research team that, even though they ask for the volume of CVA in applications or are using markers for CVA within their application process, they do not have the capacity to track them, at least not on a regular basis. Donor representatives also questioned the usefulness of tracking by donors. Given that

tracking of CVA can only accurately happen at the point of delivery, this provides a challenge for donors on how to evidence their commitments to increase the use of CVA. They rely on their implementing partners to capture this data and report it back to them. This is further complicated for larger CVA projects with multiple donors, where the attribution of CVA transferred to recipients back to the donor can only be done as a proportionate estimate, or by limited reporting from implementers on the use of flexible funding. The latter presents a tension for donors that want to provide flexible funding but that are also committed to increasing CVA.

FIGURE 5 SUMMARY: CVA TRACKING

FREQUENTLY CITED MOTIVATORS

- Annual reporting requirements
- Donor reporting requirements
- Ability to demonstrate scale to donors
- Internal learning



FREQUENTLY CITED BARRIERS

- Poor IT reporting systems
- Aggregating CVA volume figures
- Donor reliance on implementing partners for tracking
- Use of estimates for larger multi-donor CVA programmes

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The interagency agreement on minimum CVA reporting requirements should make it easier to agree on a harmonised reporting process of CVA from implementers to donors. This standardised set of information relating to CVA has also been included in the 8+3 reporting templates, an attempt to harmonise overall reporting between donors and implementers. However, in practice, not all actors comply with that template and different donors receive different levels of detail on CVA transferred by recipients of their funding.²¹ As a result, several donors had to rely on ad-hoc tracking exercises to quantify the amount of CVA supported through their funding – relying on simplifying assumptions and potentially incomplete data collected from proposals, budget documents or directly from implementing partners. One donor interviewee reported that senior management’s interest in tracking has reduced in recent years, hence the considerable effort needed to continue tracking and publishing an annual figure is no longer seen as justified.

One interlocutor raised the question of how the tracking discussion links with the new cash coordination model and recommended that it needs to be taken up by the global Cash Advisory Group and within Humanitarian Response Plans (HRPs). Another key informant commented that it is important that CALP/Development Initiatives are still collecting the CVA data and they should continue to do so. However, this person had the impression that new categories of data are added every year and it is not clear to them what the rationale is to explain the change of requested information.

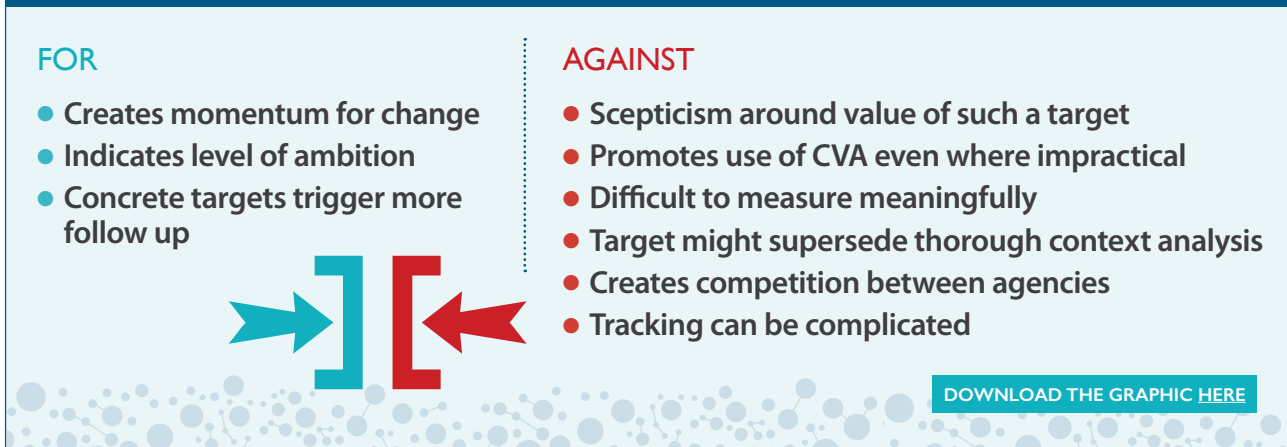
There may be need for a renewed discussion about which information the CVA community wants to collectively track in the future, and whether it is feasible – especially in light of competing demands within agencies for adjusting IT and reporting systems.

3.1.2 COMMITMENT TO VOLUME OF CVA

There were diverse opinions on the value, or otherwise, of quantitative targets. Key informants representing agencies without a quantitative target tended to be sceptical about their value. Some, however, highlighted pragmatic challenges. Each operational context influences the balance between CVA and in-kind assistance, and in some, CVA is impractical for external or legal reasons e.g., markets do not work or governments are restricting the use of CVA. Others emphasised the internal difficulties to track CVA as their IT systems are not, or were not, able to provide the data required to measure a target in a meaningful way.

²¹ Ibid., p. 78.

FIGURE 6 SUMMARY: SETTING QUANTITATIVE TARGETS ON CVA



Some were strongly opposed to quantitative targets on grounds of principle, concerned that the incentive to reach a target would supersede the important step of conducting a thorough context, market and response analysis. In an earlier publication, ICRC was a vocal critic of such an approach: ‘The new emphasis on targets in cash transfer volumes risks making agencies think that cash transfers are automatically a good thing in themselves – an end not a means – leading them to becoming determined to use them everywhere. But cash transfers are only a good thing if they deliver wider humanitarian objectives. Global targets for an input like cash or vouchers will always be uncertain when future needs and objectives are not yet known.’²² One interviewee who took this principled stance, however, conceded that their agency’s decision to set a target was ultimately a positive step, creating momentum for change internally.

This criticism of ‘the rush to cash’²³ represents a perception that quantitative targets are widespread and dominating the debate on the future use of CVA. This perception contrasts with the reality that out of 53 of the Grand Bargain signatories that are operational and therefore could theoretically set a quantitative target, only 24.5% (n = 13²⁴) have actually set one, based on the information the research team was able to collect.

One key informant highlighted that even though few agencies actually set quantitative targets, the expectation that the self-reports against the Grand Bargain would show an increase in volume created momentum within agencies. Another stated that their decision not to create a quantitative target at the time of the Grand Bargain was linked to the heavy reporting requirements, but that this did not in any way reduce their commitment to scaling CVA. In one interview, the agency cash focal point had assumed that their agency had a target in its Grand Bargain commitments, but the research team had to correct that assumption as in fact that agency had not set a target.

Apart from one key informant, respondents regularly confirmed that they are committed to further scaling the use of CVA and that this commitment continues to be valid. This is often mirrored in written policy documents but frequently this statement is not followed by a measurable indicator. Even where there is a related quantitative target, key informants indicated that the target plays a very different role in the different organisations. A number of people stated that the main function of the target is to create momentum and indicate a level of ambition. One interviewee noted that their agency’s decision to create a target was linked to the fact that it seemed ‘fashionable’ to do so following the Grand Bargain. Ultimately, they did not see the value of the public statement, which also had a downside in their opinion – with the publishing of targets resulting in comparisons between agencies and their respective targets. They went on to say, however, that internally, the commitment was crucial, and was used principally as an advocacy tool with senior management. The first independent report on the Grand Bargain confirmed this position:

Self-reports show that commitments with a concrete target have triggered more follow-up actions (by an average of 49 per cent of applicable signatories) compared to those without a concrete target (follow-up by 38 per cent of applicable signatories).²⁵

²² ICRC (2018), p. 13.

²³ Ibid.

²⁴ The remaining agencies that have been found to have set a quantitative target have not signed the Grand Bargain.

²⁵ GPPI (2017), p. 30.

The 2021 report recommended ‘more pragmatic and measurable targets and indicators should be developed against which signatories should report data to evidence their individual and/or collective progress.’²⁶ However, the same report in 2019 highlighted ‘the key challenge in assessing progress against this commitment is the lack of a global system for tracking cash programming.’²⁷

In several instances, the research revealed that a target that had been reported earlier has fallen out of use within the agency, partly due to fading interest from senior management, or because tracking it was found to be too complicated. One interviewed donor highlighted that the systematic consideration of CVA was more important than reaching a specific percentage goal. This corresponds with the practice of several interviewed agencies to count the number of country programmes that use CVA and tracking the evolution of that figure over time.

3.1.3 COMMITMENT TO THE ROUTINE CONSIDERATION OF CVA

Key informants consistently reported that the routine consideration of CVA was at the centre of their policy commitments and either continues to be strongly relevant or is even seen as fully achieved since internal processes have been changed, staff have been trained and **‘why not cash?’ has been fully embedded as a principle in programme design.**

Policy documents consistently and strongly refer to this principle, for example obliging partners to a ‘systematic response analysis’ (Norway), to use CVA ‘systematically and at scale’ (UK), and to always ask ‘why not cash?’ when choosing intervention modalities (Norwegian Refugee Council). One interviewee indicated the evolution of their internal guidance from an earlier version in 2018, committing to ‘considering and building capacity’ for the use of CVA, to a new iteration of the same document now stating the ‘consistent consideration and use’ of CVA.

Some agencies go one step further and take a clear ‘Cash First’ stance: their policies establish that CVA is to be the ‘primary distribution modality where possible’ (Welthungerhilfe), that operations must give CVA ‘priority consideration over in-kind’ (UNHCR), to deliver CVA ‘wherever markets are functional’ (Collaborative Cash Delivery [CCD]). UNICEF requires its country offices to ‘promote the use of unconditional and unrestricted humanitarian cash transfers whenever relevant and feasible’. The only donor that maintains an officially ‘modality neutral’ approach is the US, though the mandatory use of its ‘modality decision-making tool’ is a clear commitment to the systematic consideration of CVA. The reported significant increase of CVA in USAID-supported operations confirms its routine use and the new draft Humanitarian Policy that is currently circulating for external comments includes a positive statement on the advantages of cash-based programming.²⁸

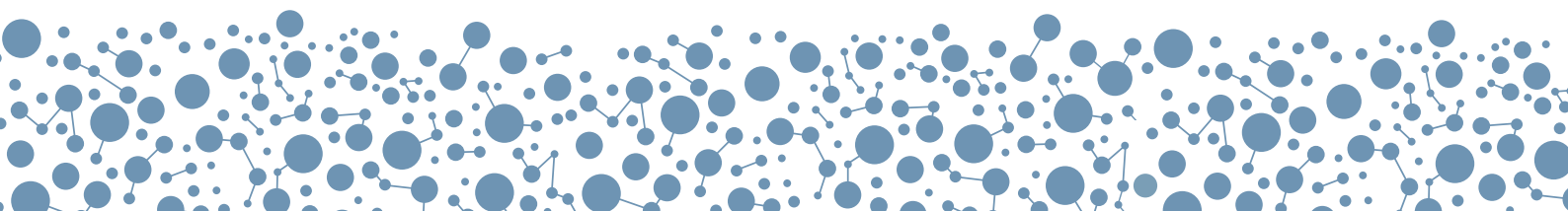
This ‘pro-CVA stance’ and the success of implementing it as a standard tool in the programming toolbox led to questions within operational agencies. Several interviewed staff members raised the issue of finding an ‘institutional home’ for CVA within the organisation or giving it ‘a status’ in the organisation. This issue is closely linked to the question of using CVA as multi-purpose cash versus its use within sector-specific programmes.

As discussed above, a number of people felt the ‘why not cash?’ position of an agency was not always derived from or linked to its external commitments. Rather, a number of interviewees cited donor policies as their starting point and others noted that their agency had a pro-CVA stance prior to the Grand Bargain or more recent formal commitments. Overall, there was a strong sense that CVA is now a ‘response norm’, irrespective of any individual agency’s external commitments.

²⁶ ODI/HPG (2021), P. 30.

²⁷ ODI/HPG (2019), P. 38.

²⁸ USAID, DRAFT USAID Humanitarian Action Policy, June 2022.





JOE BROWN SHOPS WITH HIS UNBLOCKED CASH CARD IN THE ISLAND OF VANUATO. TODAY JOE IS BUYING CLIPPERS, "A LOT OF US DON'T HAVE MONEY," SAYS JOE "THE CARD HAS GIVEN US A LOT OF THINGS AND A CHANCE TO GENERATE MORE INCOME. NOW I CAN BUY CLIPPERS, TO START DOING SOME HAIRDRESSING AGAIN."

© OXFAM/ ARLENE BAX, APRIL 2021.

3.1.4 CVA PREPAREDNESS

Capacity development to enable the effective use of CVA is highlighted consistently as a very high priority, both in the analysed policy documents as well as in the interviews with key informants. It is also an area where interlocutors reported significant, tangible progress and point at linkages with other policy areas such as capacity building, including of local actors, and anticipatory action.

A number of policy documents list capacity building or investment in cash readiness as a strategic priority, e.g. IFRC's Strategic Framework identifies it as the number one priority. UNHCR's first CVA policy set as an outcome to become 'CBI proficient' and the second iteration of the policy now highlights the continued need for 'investment in strong organisational CBI capacity'. Without having a formal CVA policy, UNICEF obliges country offices to include CVA as one component in annual preparedness planning (including capacity and legislative 'readiness'.) There are examples where agencies track the level of CVA preparedness of partner organisations as part of their monitoring of CVA,²⁹ and one agency developed a tool to measure improvements.

One interlocutor mentioned that investing in CVA preparedness was not to be misunderstood as a commitment to a 'cash first' policy but as an investment into programming quality, in order to be able to choose the most appropriate modality in any context. A host government representative highlighted the importance of pre-positioning 'cash capacity' alongside, for example, stocks of non-food items, since the timeliness of a response is as important as choosing the right modality.

Key informants stressed the clear progress their agencies have made in CVA preparedness. Two mentioned that the relative lack of preparedness for the use of cash in the Ukraine response was not an example to the contrary but a result of the fact that agencies had not anticipated a large-scale crisis in Europe. Relatively simple steps such as regional or global agreements with appropriate service providers had not been put in place. CVA preparedness is intrinsically linked to capacity development and was also frequently mentioned in the interviews as an important tool in anticipatory action (see section 3.2.1).

²⁹ The British Red Cross for example has an indicator in its strategy counting the 'number of targeted National Societies operationally ready to deliver quality, timely and scalable cash transfer programming through on-going cash preparedness.'

3.1.5 CAPACITY DEVELOPMENT FOR CVA

Almost every agency placed importance on the development of internal capacity and many also focused on building capacity of partner organisations. Capacity development was typically referenced and seen as especially important in internal documents and processes, be they policy documents, corporate strategies and/or internal guidance. For larger agencies especially (UN and INGOs), bringing senior management on board was seen as a key step, one agency reporting regret at not having advocated early enough with senior colleagues.

There was a fair degree of variation across the agencies regarding the amount of progress in delivering CVA, a minority seeing themselves as relative newcomers to CVA, still in the capacity development stage, others having had ongoing and extensive development over the course of the past five or six years. Differences notwithstanding, a number of elements were common:

- The use of extensive training across agency staff was mentioned frequently, including the use of CVA-related training material during the on-boarding of staff. Training materials developed by CALP were widely referenced in interviews.
- The ongoing building of capacity in non-programmatic functions was also regarded as key in numerous agencies: finance, supply chain/logistics, adjusting internal processes in such a way that they are supportive of the use of CVA by country-based colleagues.
- Two agencies identified the need to further strengthen support functions and the capacity to do market-based and market-support programmes. Another agency explained how the required skill set of staff working on CVA has diversified over time and that, besides CVA generalists, they are now also looking for other profiles such as CVA data analysts or specialists for using CVA in acute emergencies.
- Several NGO representatives voiced concerns over the continuous shortage of CVA-proficient staff.
- Operational actors recognised that capacity across their respective country offices was variable. One highlighted the importance of ‘winning field staff over’ by creating an understanding for the advantages of CVA.
- Representatives of some of the larger agencies spoke of the creation of a ‘network of cash advocates’ or similar across the organisation as key to embedding the use of CVA. Some referred to the diminishing importance of these networks once there was a higher level of CVA literacy amongst technical, sectoral staff, for example, if education team members became advocates over time and have the knowledge required to initiate and utilise CVA. Shifts in positioning of CVA teams over time were also seen as important.
- One agency moved its CVA team from the emergency section to programmes, i.e. into the regular set-up of the organisation. Another agency is looking at making this change very soon, with it being seen as a logical organisational development following the successful mainstreaming of CVA.
- A number of agencies noted that capacity development in technical sectors was uneven but progressing. One noted that staff in the education team had been convinced of the benefits of CVA but still needed ‘hand holding’ through the process of programme development.

A variety of agencies stress the importance of building local capacity for CVA. Catholic Relief Services (CRS), for example, states: ‘Partnership and capacity strengthening are at the heart of our approach.’ The CCD Global Agreement, and the British Red Cross and IFRC strategic documents all emphasise this point very prominently (see section 3.2.2 on linkages with locally-led responses).

Several donors mentioned their current – and intended future – funding to CALP and CashCap as an important part of their ongoing commitment to capacity building.

3.1.6 COORDINATION

Interviewees voiced a combination of satisfaction with recent progress on the model for CVA coordination, with scepticism, deep-seated in places, that agencies were really willing or able to follow through on their external commitments. In the words of one, “[in broad terms] we have solved the technical issues and none of the political issues.”

Norway made coordination a key feature of its strategic engagement in CVA, having established in its humanitarian strategy the ambition to ‘champion the improvement of coordination’. But some of the policy documents only stress a general willingness to invest in networking or partnerships and do not draw an explicit line to CVA. One key informant mentioned that they are committed to the coordination efforts even though they have not officially signed any of the commitments or the Grand Bargain.

While seeing the value of the ongoing exchange, several key informants also mentioned that it was not possible to force country-based staff to participate in country coordination fora and pointed to the independence of country teams. Key informants belonging to networks of agencies or NGO families also referred to the need to ensure internal coordination first, before engaging in ‘external’ coordination with other actors.

A number of interviewees, including a donor, UN and INGO representatives, voiced a concern that the issue of coordination is not settled and emphasised the importance of continuing to monitor the application of the new model and how it can be used as a lever for more cross-sectoral approaches (with clear linkages to multi-sectoral and joined needs assessments).

The Grand Bargain independent report 2022 also raises this issue: ‘There are also some concerns – or perhaps nervousness – about how the agreement will now be rolled out, including whether those signatories intimately involved have the appropriate resources and political will to implement the agreement reached in a consistent manner.’³⁰

Donors in particular called for continued efforts to link coordination of CVA with multi-sectoral needs assessments. Both ECHO and the Swiss Agency for Development and Cooperation (SDC), for example, reference this outstanding work in their policy documents. One key informant also made the linkages with tracking CVA in the future.

3.1.7 INNOVATION WITH REGARDS TO HOW CVA IS TRANSFERRED

Innovation and, in particular, digitalisation were very prominent topics in both the studied documents as well as in the key informant interviews. Most key informants were generally very positive about this commitment and how it has evolved over time, and they were of the opinion that it is still relevant. Most accentuated the advantages of advanced digital technology; some were also eager to highlight risks.

Many of the written documents refer to this topic. Mastering ‘digital technologies’ is mentioned as one of seven core competencies by CRS, IFRC mentions innovation as one of its strategic objectives and so does Switzerland. The UK aims to become the ‘champion of digital payment solutions’. The GFFO ‘supports the scaling-up of innovative approaches to cash assistance and the creation of more evidence regarding its effectiveness and efficiency’; Norway recognises the potential offered by digitalisation to put people at the centre. WFP will include digital financial inclusion, particularly of women, into its forthcoming CVA policy. The BRC explicitly extends its ambitions in this regard to the private sector.

Key informants mentioned the specific opportunities that digital solutions offer to remote programme design and management. Examples of recent innovations such as the online registration tool used in the Ukraine response were also mentioned.

3.1.8 RISK MANAGEMENT

Different aspects of risk management feature very prominently in many of the studied documents and in the key informant interviews. UNHCR’s policy, for example, mentions the word ‘risk’ 12 times in a 10-page document. But often, key informants understood the subject in different ways and refer to a variety of programming aspects. There were

³⁰ ODI/HPG (2022), p. 34.

generally three different sub-streams of discussion on this topic: 1) safe programming and protection of recipients; 2) debunking the myth that CVA is inherently riskier than in-kind assistance; and 3) ongoing operational risk management and delivery of CVA in particularly challenging contexts.

Safe programming is either specifically highlighted or at least mentioned in many of the studied documents. It is often stated as an integral part of all activities and identified as an important aspect of placing affected people at the centre of the response. Some agencies have specific safeguarding policies; one of the interviewed regional NGOs highlighted this as a top priority for their ongoing policy development work.

With regards to debunking the myth that CVA is inherently riskier than in-kind assistance, some key informants among donor staff were of the opinion that this battle has been won.

Others mentioned the continued need for them as CVA focal points to sensitise new or less experienced colleagues and that this was an ongoing task due to high staff turnover. This factor was also raised with regards to the ongoing need to convince reticent host governments. Being able to refer to solid evidence is often cited as very helpful in this regard.

One NGO key informant even saw in-kind assistance as riskier nowadays than CVA, due to the heavy logistical processes and opportunities for theft and fraud.

A significant amount of current focus is on operational risk management, good practice and future challenges, and interlocutors reported substantial progress on their commitment to systematically identify and appropriately handle risks. One NGO document puts it as a 'guiding principle' throughout its entire CVA policy. WFP has focused a lot of its capacity development around its 'Cash Assurance Framework' that guides operational teams through all steps of CVA delivery and related risk management practices. Operational Risk Registries have been introduced in several of the big operational agencies and one large-scale operator has even developed a treasury management policy which is an example of the continued sophistication of CVA delivery practice. One key informant highlighted the link with the discussion about delivery models, arguing in favour of reducing the number of actors in the delivery chain as an opportunity to reduce opportunity for fraud and diversion.

Donor policies indicate a mixed picture in terms of their approach to risk management. Norway's policy declares that 'risk management must be a key element of all cash transfer programmes' but implies that this is mainly the responsibility of the implementing agency. Denmark's international cooperation strategy goes further and states: 'We will provide considerable funding in places where the needs are greatest, including in places where it is hard to operate. We are ready to accept that there are financial, political and security risks, and that not everything will succeed.' Though this statement is not made with reference to CVA, it is a rare example of a donor committing publicly to risk-sharing with partners. Another donor key informant raised the same concern and called for the donor group to develop a clearer position in this regard. While another mentioned the continued need for internal evidence that their due diligence procedures are sufficiently robust to convince senior management to accept the residual risk. The need to keep an eye on residual reputational risk was flagged by another donor key informant.

Providing CVA in challenging environments and hard-to-reach areas is a future high priority for some actors, especially the main donor agencies. It has been identified as a priority for the work of the Donor Cash Forum. A key informant from an NGO mentioned the requirement of vetting CVA recipients as a topic for future collective advocacy.

3.2 POLICY AREAS WHERE AGENCIES SEE HIGH RELEVANCE BUT REPORT LESS PROGRESS

Key informants reported that, in some important areas, they have worked to put commitments into practice, but progress has been more limited. They felt continued efforts are needed and gave examples of how they are planning to address the persistent challenges.

3.2.1 PUTTING CRISIS-AFFECTED PEOPLE FIRST

Some commitments are particularly evident and universally accepted, especially the commitment to putting affected people at the centre of all assistance operations. WFP lists it as standard 1 in its Cash Assurance Framework, ECHO dedicates a chapter to it, GFFO calls for it, and so does Norway. Switzerland makes it one of its three strategic objectives for all its CVA operations. Both the IFRC and Welthungerhilfe state that they are following a people-centred approach. NRC says it always aims ‘for greater accountability to the affected populations we serve’. One interviewed donor saw its modality-neutral position as a prerequisite to giving operational partners the flexibility to choose the modality that corresponds to people’s preferences.

But regardless of the strength of the expressed commitment, key informants agreed that this principle has not yet been fully put into practice. A donor representative was of the opinion that despite the numerous commitments to putting people first, ‘we are still not good at it.’ This is echoed by the Grand Bargain annual report 2022: ‘Overall, progress in relation to the participation revolution remained very limited in 2021.’³¹ However, this is certainly not due to a shortfall of documented external and internal commitments and many of the key informants emphasised that this is not specific to CVA.

One key informant presented the view that, for this policy area, it is the individual staff members of an organisation who have to be committed. Such an intrinsic commitment at the level of individuals cannot be replaced by an agency’s commitment, and if absent it can rarely be enforced by whatever policy guidance the agency publishes. Instead of being satisfied with a people-centred approach, this key informant called for evidence of people-centred practice and suggested that agencies could measure progress using established KAP (Knowledge, Attitude and Practice) surveys.

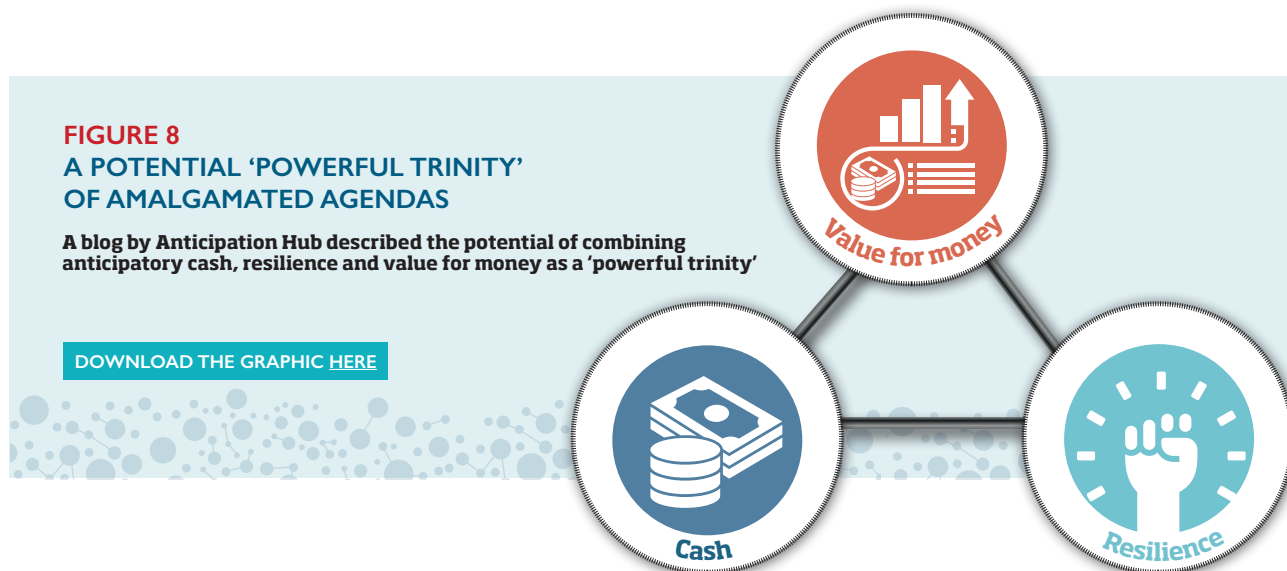
Building programme design based on people’s preference, for example, is identified as a minimum standard and as such included in the Global Framework for Action. It is operationalised in the multitude of grievance and feedback mechanisms that operational agencies set up for their CVA programmes and reported in the interviews. Oxfam, for example, has initiated community perception trackers that they also use for their CVA programmes. The next higher standard is active participation by affected people in the design of a programme. One key informant argued that it is important to ask affected people how they want to participate. The UK policy emphasises that even this is not yet sufficient, that affected populations need to be able to contribute to decision-making and ultimately be ‘empowered to make choices for themselves’. That would be the ‘step change’ the UK government is asking for in its humanitarian reform policy, and is one of the reasons why the Foreign, Commonwealth and Development Office (FCDO) clearly favours cash over vouchers (as does, for example, ECHO). Spain expressed a desire to improve quality and accountability in the overall objective of its humanitarian strategy, and even includes as a ‘strategic line’ a self-commitment ‘to improve Spanish humanitarian action’s quality and accountability’.

FIGURE 7 ARE WE PUTTING PEOPLE FIRST?

A snapshot of opinions from key informant interviews



When asked for examples of good practice, several key informants referred to the work done by Ground Truth Solutions, mapping user journeys to show how affected people experience their participation in a CVA programme. One key informant was aware that these exercises are rather costly and suggested developing a methodology for ‘user journeys light’.



3.2.2 USING CVA FOR ANTICIPATORY ACTION

Anticipatory action was identified as a high priority by a large number of actors, the ECHO CVA policy, for example, describes it as a ‘new global priority’. The UK sees it as an effective way to reduce need, the German humanitarian strategy calls it a ‘paradigm shift’ and is joined in this view by German NGOs such as Welthungerhilfe. ‘Anticipatory cash’ will be a topic in WFP’s forthcoming CVA policy and several key informants highlighted the linkages. One practical expression of the linkages that was provided in two interviews is the role that CVA plays in early action protocols. Another key informant mentioned interconnections that exist with work on early warning systems and the work done in the context of the ARC Replica initiative. A well-documented example of this approach, including the use of CVA as anticipatory action, exists in Senegal.³²

Although anticipatory action is currently not listed as a priority of the Donor Cash Forum, some of the interviewed donor representatives confirmed that it is a priority for them, though not necessarily or specifically linked to their policy discourse on CVA. One donor representative stated that big policy gains could be made in this area but also felt it is a very different debate from, e.g. ‘what cash model do we want to see’. The policy dialogue around anticipatory action is seen as influenced by ‘bigger picture’ questions such as disaster risk reduction (in the Swiss policy), disaster risk financing (in the UK policy) and linkages with shock-responsive social protection (ECHO’s policy).

Several key informants saw strong potential in ‘amalgamating the agendas of CVA and anticipatory action’, an earlier blog post on the Anticipation Hub called it ‘a powerful trinity’.³³ The emphasis on this topic in the interviews was on the potential for increased policy action and the importance of pursuing this agenda.

3.2.3 PROMOTING LOCALLY-LED CVA

The 2022 Grand Bargain independent annual report concludes on the key priority of localisation of humanitarian assistance: ‘But overall, progress against localisation objectives at the institutional and system levels remains slow.’³⁴ The same conclusion applies to locally-led CVA. An overall commitment to localisation of humanitarian assistance is unequivocally supported and referenced in the interviews and was – quite naturally – strongly emphasised by the host government representative. However, interviewees were clear that progress to date has been slow and patchy.

Localisation features is particularly high in the CVA-related policies of, for example, the IFRC, CRS, BRC and Oxfam. They all want to see local partners driving CVA responses, including developing local operational capability. While not always

³² START Network, ARC Replica Payout, Senegal 2020 – Internal Evaluation.

³³ Cash, Forecast-based Financing and early action – a powerful trinity.

³⁴ ODI/HPG (2022), p. 14.

stated explicitly, these policies imply that local partners are non-governmental partners. In contrast, Switzerland and ECHO refer specifically to shock-responsive social protection and thus to a linkage with national systems run by governments.

UNHCR states the commitment that ‘collaboration with local partners will be at the core of implementation’ but falls short of subscribing to a leadership role for local actors. Also, UNICEF includes it as one of its core commitments to children but without any reference to CVA.

Some interviewees reported that they have a separate policy on localisation, hence few references can be found in their CVA policy documents. Donor policies refer, in a rather generalised way, to localisation but do not outline the direct link with CVA – with the exception of Switzerland, which formulates a crucial role for local actors in CVA in its policy. ECHO lists it as a cross-cutting issue.

In the interviews, donors voiced open questions regarding the role of local NGOs in CVA, especially whether or not they should be supported to be able to transfer money at scale. One representative emphasised that the general policy debate since 2016 followed the idea of *reducing* the number of delivery actors and avoiding parallel delivery structures. As a consequence, they saw a need to focus more strongly on *other* roles that local actors can play in CVA programming. Another donor colleague noted that ‘you can localise different parts of the delivery chain’, not only the actual transfer for money.

Though donors reiterated their support for localisation in the interviews, some also highlighted challenges in the way their grant administration is set up. The easiest conduit for funding to local actors are Country Based Pooled Funds (CBPF). Two donor key informants welcomed the fact that some CBPF have set targets for CVA.

To what extent localisation also includes local government actors is not always clear in all policies. GFFO, for example, affirms the primary responsibility and thus leading role of the government of the affected country. The UK leaves the question relatively open by only referring to the need for developing ‘national and local capacities to manage disasters’. The most prominent policy area where studied documents stress the important role of national governments is social protection.

3.2.4 LINKAGES WITH SOCIAL PROTECTION AND OTHER FORMS OF FINANCIAL ASSISTANCE

Several key informants mentioned that this topic has recently gained a lot of prominence, but the policy documentation shows that even before the Grand Bargain, certain donor policies, e.g. the early guidance issued by the UK Department for International Development back in 2013, already focused on the potential: ‘Cash transfers, delivered within social protection programmes can help mitigate the need for recurring emergency relief interventions in certain contexts.’

The link between CVA and social protection is now strongly highlighted, for example, in ECHO’s policy; and the Joint Donor Statement promises to ensure the link ‘where possible’. Switzerland goes a step further in its bilateral policy and wants to see it happening ‘whenever possible’. UNICEF has the strongest commitment by stating a policy based on ‘considering using national social protection systems first’. UNHCR, on the other hand, is more cautious and only commits to linking ‘when appropriate’. WFP’s recent new Social Protection Strategy directs country programmes to first ask whether responding through government systems would be possible, and proclaims that ‘we will ensure that assistance delivered under our own programmes – whether as an emergency or longer-term response – is made with a clear intent to contribute to improved national social protection where possible.’³⁵ CCD members combine the two and state that they are committed to ‘work with and within social protection systems wherever possible and appropriate’.

Several key informants mentioned the linkages with the localisation agenda and name this policy topic as a practical example of nexus programming. Norway’s policy, for example, mentions CVA ‘as a basis for building social security systems in the future’. Two interviewees highlighted the lack of specific technical capacity preventing them from engaging more strongly in the debate, though they subscribe to the general importance of it. Two other interviewees voiced the opinion that there is far more information exchange on this topic, including through work done by CALP, than actual practice, and the BRC strategy highlights this area as a particular focus for future learning. BRC also very openly states in its policy that the full potential that the Red Cross Red Crescent Movement can contribute in this regard is not yet fulfilled.

This topic was very frequently raised in conjunction with the ongoing response in Ukraine and its neighbouring countries. A few specific challenges were mentioned in the interviews: one NGO representative mentioned ‘coming late to the party’

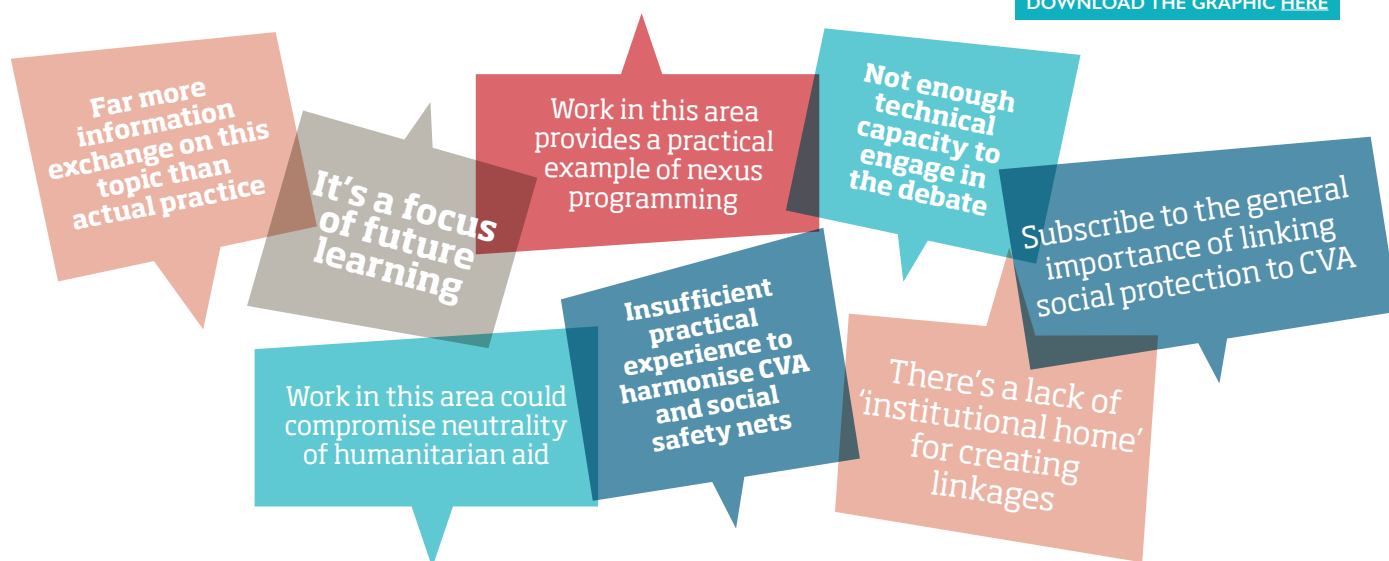
³⁵ World Food Programme Strategy for Support to Social Protection – 2021

and not yet having sufficient practical experience. Another NGO staff member reported the lack of an institutional home for this linkage within the organisation, given that NGOs rarely invest systematically and across a number of country operations in this topic. One donor representative voiced the concern of possible compromise with the commitment to principled humanitarian aid, especially the principle of neutrality, when delivering through government systems. Another donor key informant revealed that not all their country-based colleagues have sufficient knowledge and technical insights into the practicalities of the linkages and thus do not yet fully leverage their power to incentivise operational partners to reinforce the harmonisation of humanitarian CVA with government-led social safety nets.

FIGURE 9 ARE WE LINKING SOCIAL PROTECTION AND CVA PROGRAMMING EFFECTIVELY?

A snapshot of opinions from key informant interviews

[DOWNLOAD THE GRAPHIC HERE](#)



3.2.5. RESPONSIBLE DATA MANAGEMENT

Responsible data management has gathered a lot of attention recently, according to key informants. While some of the earlier documents such as the CCD Global Agreement from 2019 focus only on aspects of data sharing, more recent documents separate the different legal aspects from data management questions and data privacy/accountability issues.

One key informant summarised a general trend in the interviews when stating that their agency has seen 'immensely improved awareness' for the topic. Accountability to affected people regarding the ways that their data is collected, stored and shared as well as safe digital transfer mechanisms are regularly referenced in the interviews and documentation.

Examples are shared of operations where responsible data management is perceived to be working well (e.g. in Colombia) as well as where there are still outstanding challenges (Ukraine).



THE UNBLOCKED CASH TRANSFER PROGRAM IN TANNA VANUATU IS A WORLD FIRST USING THE ETHEREUM BLOCK CHAIN TO EMPOWER THE VULNERABLE THROUGH FAST CASH TRANSFERS AS PART OF DISASTER RESPONSE. NAWIWA MERI IS ONE OF MANY E-CARD RECIPIENTS.

© OXFAM/ ARLENE BAX, DECEMBER 2020.

One representative of a regional NGO commented that, while existing data solutions would offer an advantage to incoming actors, the high costs that even other NGOs charge them for utilising their system are seen as prohibitive for smaller organisations. This respondent related the efforts of their agency to commission a technology company in a Southern country to develop a digital voucher app for them for free as part of their corporate social responsibility during the Covid-19 pandemic. This app was not meant to rival WFP's SCOPE, for example, but simply serve as a practical solution in a country where this organisation is not a WFP partner.

Interoperability of data management systems is discussed in section 3.4.2

3.2.6. CLIMATE

The policy positions, let alone commitments, are very unclear on this topic. All key informants stressed the importance of it, not a single one questioned the relevance of it for future humanitarian aid. Key informants called it variably 'a big thing', being of 'utmost importance', or an 'overarching umbrella' of all work. However, key informants talked about a wide variety of aspects relating to this broad topic, mentioning sub-topics such as: a) greening aid; b) CVA for mitigating the impact of climate change (often linked with anticipatory action); and c) climate financing and disaster risk financing.

The view that CVA was 'greener' than in-kind assistance was generally accepted by the key informants, however, two respondents argued that it should not be a reason to select the modality if not appropriate to the context.

ECHO announces in its CVA policy that it will develop further guidance on 'greening humanitarian aid', and several other interlocutors also mentioned this aspect as a relatively low-hanging fruit. However, two respondents expressed scepticism over agreeing on a joint methodology to assess the carbon footprint of a CVA programme, given that it is very hard to draw the line on what emissions to include and where to stop.

CVA is rarely mentioned directly in the guidance documents as a tool to mitigate the impact of climate change. However, several documents and many key informants highlighted the obvious connections between livelihoods being threatened by the impact of climate change, stresses on natural resources, extreme weather events happening more frequently and climate-induced migration. Some reference is made to climate action in some of the written policies, such as that of Germany, which refers to the Paris Climate Agreement and the humanitarian dimension of climate change. The UK points to the link with climate financing. In Denmark's international strategy, the topic features very prominently and the country aims to be a 'green frontrunner', but there are no specific linkages to humanitarian assistance, let alone CVA. CRS establishes a general priority for climate adaptation support and Welthungerhilfe commits to the 'systematic integration of climate change adaptation and resilience building into all humanitarian programming'.

When asked whether interviewees see this as a topic for future commitments and potentially collective action, opinions were relatively consistently expressed to the effect that they are all in the early stages of configuring the linkage between CVA and climate.

A number of responses were clustered around the sense that 'we have policies on climate and policies on cash. It is hard to see the intersection.' More than one agency also stated that it could not immediately conceive of a meaningful commitment or measurable target for CVA as a modality in the area of climate; interestingly, shock-responsive social protection, for example, was rarely brought up as an option. One school of thought saw the usefulness of collectively thinking through the topic, discussing the exact configuration of the problem and trying to find the angle for CVA in it. Another group emphasised the fact that it is yet so unclear what exactly agencies want to achieve in this area that it is not suitable to embark on a collective process yet. They first preferred to think it through within their own agency before starting to consult with other actors and see where there is common ground and where it can best be translated into collective action.

One donor representative voiced the concern that addressing root causes represents a 'mission creep' for humanitarian actors. This person was of the opinion that too many linkages with long-term development objectives such as climate resilience would be to the detriment of the core humanitarian mandate and that the agency this person works for would not be well placed within their government's assistance architecture to pursue the related policy agenda. They called for a good balance to be struck between recognising the general importance of the topic whilst respecting the specific mandate and potential added value that the humanitarian community, particularly the partners engaged in the CVA policy dialogue, can bring to the table.

3.3 POLICY AREAS THAT ARE LESS PROMINENT AND WHERE PROGRESS HAS BEEN LIMITED

Some policy areas were not very prominent in the analysed policies and did not come up frequently as particularly relevant in the interviews, at least not across all groups of constituents.

3.3.1. MAXIMISING VALUE FOR MONEY/EFFICIENCY

There is considerable awareness of this topic by donor agencies and most donor strategies mention, in some way, the need to ensure that scarce resources are used in the most efficient way. The ECHO policy dedicates a whole chapter to this topic while GFFO mentions it only briefly. CCD highlights the importance of efficient delivery in order to free operational resources ‘that can save lives’. Two other NGO policies state a general commitment to timeliness, efficiency and effectiveness, as does the UNHCR policy and UNICEF’s core commitments. CRS, for example, includes this aspect into its goal for ‘operational excellence’. Two key informants working for operational agencies mentioned examples of how they are improving their accounting systems to allow them to better track and compare costs of alternative approaches to CVA.

One donor representative said this was not a huge priority for them but they were happy to see the work that USAID and IRC did on the topic.³⁶ However, none of the other NGO interlocutors referred to the tool and it was not referenced in any of the policy documentation reviewed. One reason could be that several of the analysed documents pre-date this work but it could also be that many agencies still struggle to track very basic CVA-related financial indicators such as volume and have not yet reached the advanced stage of analysing value for money or efficiency.

Some donor policies (e.g. ECHO) and donor key informants highlight the strong potential of interoperability and collective delivery approaches for increasing efficiency. Improved coordination is also mentioned, as well as stronger involvement of private sector actors. Several policies also stress the contribution that digitalisation and innovative technology can make to improving efficiency. Economies of scale are mentioned in the GFFO policy, and one interviewee used the example of the Emergency Social Safety Net (ESSN) in Turkey to illustrate the linkages between delivering at scale, reducing costs and challenging established partnerships and delivery models.

One donor policy mentions that some actors perceive a risk that the efficiency considerations – weighing in favour of CVA – could overrule beneficiary preferences. The ICRC also raised this concern in its 2018 report and called for adding ‘value to people’ to a consideration of ‘value for money’: ‘This means that value for money (VFM) should not just take account of costs and efficiency but also value to people (VTP) as the outcome of any investment.’³⁷

3.3.2. ENSURING WORK IS BASED ON LEARNING AND EVIDENCE

Evidence-based programming is highlighted in numerous policy documents. UNICEF regards it as a standard element of programme quality, and in the CVA-specific policies of other organisations, it is a clearly stated objective (e.g. IOM) or part of stated objectives (e.g. IFRC) or highlighted as essential good practice (e.g. NRC, IRC, World Vision). CRS, for example, lists ‘Monitoring, Evaluation, Accountability and Learning’ (MEAL) as one of seven ‘core competencies’. Some donor strategies refer in a general way to learning, also jointly with partners (e.g. Germany, Norway), others highlight it as a particularly important topic (e.g. ECHO, the Joint Donor Statement, Switzerland).

³⁶ Cost-Efficiency Analysis of Basic Needs Programs: Best Practice Guidance for Humanitarian Agencies.

³⁷ ICRC (2018), p. 51.

The clear ask from donors to base programme design and proposal development on good practice and to contribute to generating and sharing evidence is mentioned by key informants working for NGOs as a driver within the organisation. One interviewee admitted that the organisation was not yet very good at documenting what they are doing and that this is a focus of improvement efforts, though this was not limited to CVA. The BRC runs an online learning and exchange platform as a flagship programme³⁸ that is predominantly offered to Movement members but publicly accessible by others as well. CALP's very important role in this area was mentioned in several interviews, both by operational agencies and donor representatives. Some also referred to the role of CWGs as knowledge managers in-country.

The specific role that NGOs could play in monitoring and evaluating large-scale CVA programmes was very prominent when ECHO issued its guidance note for large-scale cash at the end of 2017. However, the Lebanon example of CAMEALEON is still the only example that donor key informants often mentioned of NGOs acting as third-party monitors. It was cited by one key informant as a strong example of reinforcing accountability and its absence in the ESSN was noted in the same interview. The same respondent also saw a need 'for more stocktaking of how third-party monitoring has worked and where, and where we still need to invest.' Another key informant felt that the strong emphasis placed on evidence reduced the incentive to try new ways of putting people at the centre of CVA operations as, according to them, there is 'too little room for failure' and this was identified as being to the detriment of accountability.

With regards to future work, several interlocutors identified that there are still gaps in evidence, though many did not go into any details about the exact nature of the gaps. One donor key informant gave the specific example of outcome measurement, which still needs greater attention and further efforts. Another key informant mentioned the ongoing challenge to translate global evidence and learning into country-level programmes and practice.

3.3.3 IMPROVING SECTOR-SPECIFIC CVA

Across the board, key informants saw CVA as best established in the food security and livelihood sector. However, since the World Humanitarian Summit, policy commitments, with associated guidance, have also been established in many other sectors. For example:



The Global Shelter Cluster produced a position paper on cash and markets in the shelter sector in 2016;³⁹ a WASH Shelter Cash Advocacy paper⁴⁰ in 2017; and included the use of cash in its 2018 'The State of Humanitarian Shelter and Settlements' report.⁴¹ The cluster and its partners have developed – and are continuing to develop – multiple tools and guidance.



The WASH cluster also developed a position paper in 2016⁴² and a number of key resources on cash and markets since then, including in 2021, Market Based Programming guidance for WASH.⁴³



The Global Protection Cluster established a Task Team on Cash for Protection in 2017. In 2020 it produced a stock taking paper on how CVA can help achieve protection outcomes.⁴⁴ It has also produced multiple tools and guidance.

3.3.4 GENDER AND INCLUSION

The importance of making CVA programmes gender-sensitive is regularly picked up in the documentation and was also recurrently – though not consistently – mentioned in key informant interviews.

A number of the overarching humanitarian strategies have a strong gender focus, notably the ones issued by Norway and Denmark but also by Spain. The GFFO strategy only mentions it on the side-lines but the new leadership of the

³⁸ www.cash-hub.org

³⁹ https://sheltercluster.s3.eu-central-1.amazonaws.com/public/docs/gsc_position_paper_cash_and_markets_in_the_shelter_sector.pdf

⁴⁰ <https://sheltercluster.org/shelter-and-cash-working-group/documents/wash-shelter-cash-advocacy-paper-final-version>

⁴¹ <https://sheltercluster.s3.eu-central-1.amazonaws.com/public/The%20State%20of%20Humanitarian%20Shelter%20and%20Settlements%202018.pdf>

⁴² <https://www.alnap.org/help-library/cash-and-markets-in-the-wash-sector-a-global-wash-cluster-position-paper>

⁴³ <https://www.washcluster.net/node/30391>

⁴⁴ <https://www.globalprotectioncluster.org/old/cash-and-voucher-assistance-and-protection/#:~:text=The%20Global%20Protection%20Cluster%20promotes,practitioners%20during%20the%20program%20cycle>

Ministry publicly aims for a feminist foreign policy, so a stronger stance on this policy area can be expected in the future. A number of agencies highlight CVA's potential to be gender transformative and make explicit linkages in their policy work with wider aims such as women's empowerment (Oxfam) or women's financial inclusion (forthcoming WFP policy).

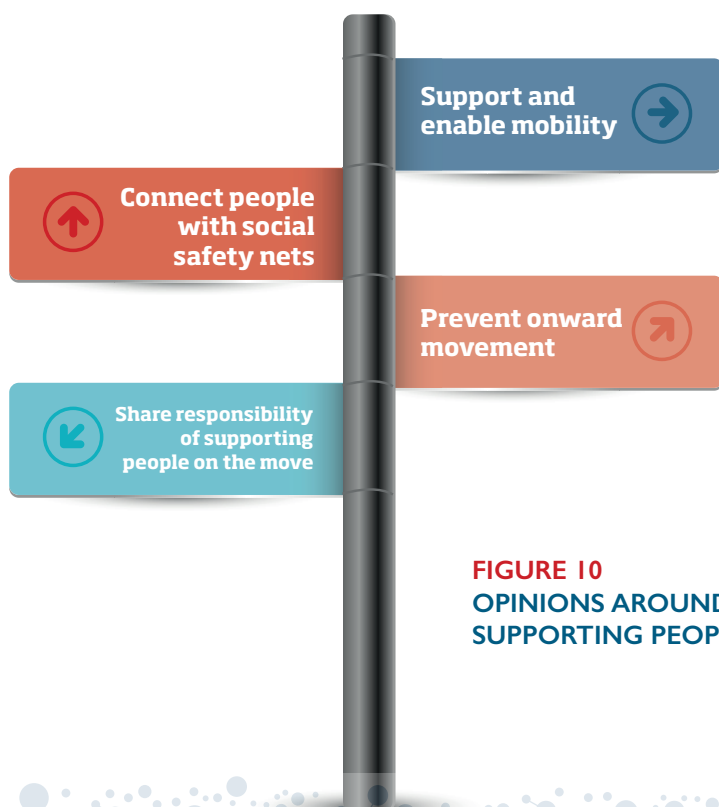
Some key informants gave examples of specific initiatives they are funding or pursuing in this area, such as the use of CVA in sexual and gender-based violence (SGBV) programmes or the use of CVA for prevention of sexual exploitation and abuse. One donor is funding two staff secondments into UNFPA to develop guidance in this regard. A key informant from an operational agency indicated that they are working to expand the use of 'CVA for protection'.

Inclusion is less frequently mentioned in policy documents. There are a few examples where accessibility and inclusivity of CVA programming is mentioned, often under sections of the policy that relate to focusing on most vulnerable groups and how to best select CVA programme participants. One donor representative mentioned that they had put a lot of emphasis on this topic and saw progress but still not enough and hence identified the need for further efforts.

3.3.5. MIGRATION

Agencies that have a mandate that is related to migration or displacement see CVA as a key tool to support and enable mobility. They are committed to ensuring that vulnerable people receive assistance throughout their journey. Ukraine was mentioned in some interviews as the latest example of challenges posed when the affected population is highly mobile, also Colombia was referenced as an example of a large-scale operation supporting migrants. CVA was also highlighted as a tool to contribute to sustainable solutions, notably through facilitating access of forcibly displaced people to national social safety nets, including in foreign countries. UNHCR, for example, writes in its policy that it wants to use it to 'advance the inclusion of persons of concern in national development systems'. IOM sees CVA as a way to effectively address the mobility dimensions of a crisis, which is one of the objectives of its 'Migration Governance Framework'.

Some donors refer to CVA as a tool to ensure that people on the move can stay in the host regions closest to their home areas. The Danish International Cooperation Strategy states the prevention of onward migration as one of two strategic objectives (alongside climate). Both the UK and Germany highlight the importance of sharing the responsibility for, and burden of, hosting refugees.



The BRC CVA strategy identifies CVA for people on the move as a focus area for future learning. One donor representative saw a specific need to work on providing CVA to non-documented people, as they are often the most vulnerable in a migration crisis.

With regards to a future-looking collective commitment, several key informants voiced scepticism regarding the likelihood of agreeing on such a commitment, giving the highly politicised discussion around migration and very opposed agendas, especially between NGOs and some donor governments.

FIGURE 10
OPINIONS AROUND THE ULTIMATE OBJECTIVE OF SUPPORTING PEOPLE ON THE MOVE WITH CVA WERE DIVIDED

[DOWNLOAD THE GRAPHIC HERE](#)

3.4 POLICY AREAS WHERE LIMITED PROGRESS IS SEEN AND WHICH ARE LINKED TO SYSTEMIC BARRIERS

In some policy areas, interviewees had seen limited progress and felt challenges were related to the need for humanitarian system level changes.

3.4.1 INCREASING LOCALLY-LED CVA

Locally-led CVA belongs in section 3.3 above in the sense that it was very prominent in commitments and in the minds of interviewees, who recognised nonetheless that success was limited. When discussing the possibility of an ongoing commitment and/or a collective commitment, a number stated that the value of such a commitment linked to CVA might be limited. Rather, they saw the need to focus on the commitment to localisation overall, which itself is recognised as requiring challenging shifts in power dynamics in aid delivery. While CVA can certainly play a part in localisation, the overarching sense is that once a truly localised response is genuinely enabled, CVA will naturally follow.

3.4.2 EVOLVING OPERATIONAL MODELS/INTEROPERABILITY OF SYSTEMS

There is a significant variation in the extent to which CVA policy documents refer to different operational models. Specific thematic CVA-focused documents are more likely to focus on this issue compared to a general humanitarian strategy. ECHO's detailed policy dedicates several pages to harmonised CVA operations and operational models. The Joint Donor Statement voices a clear preference for single payments; the UK calls for shortening delivery chains and consolidating common services. However, neither GFFO, Norway, nor Spain raise this question in their general humanitarian policy statements.

Collaborative CVA approaches are the key focus of several of the different statements expressing joint commitments. Developing joint capacity to deliver is the very purpose of the Collaborative Cash Delivery Network and is also the overarching principle of the UN Common Cash Statement. Members of these networks confirmed this purpose in key informant interviews.

One NGO representative reported that their agency feels it is important to be part of the CCD to be stronger in numbers when confronted with what is identified as a clear donor priority. Some non-member key informants, on the other hand, made it explicitly clear that even though they are happy to coordinate with other actors, they are not ready to become part of joint operational platforms, even though they are aware that this is a priority for donors.

The policy stance on this topic seems to be highly influenced by the time at which a policy document was published as well as by the perceived gains – or concerns regarding losses – that an agency sees in the implementation of the suggested models. Policy documents that were issued in 2018 were highly influenced by the Guidance Note on Large-Scale Cash that ECHO published at the end of 2017. The idea of a 'segregation of functions' within a CVA programme presented in this document caused reactions, for example from CCD, who issued a detailed position paper voicing strong concerns. A similar reaction followed the issuing of the UN's Common Cash Statement.

The tensions seem to have eased down recently when it became clear that the model was not widely implemented in practice. One key informant thought that the focus on scaling CVA has been detrimental to efforts to scrutinise by whom and how money is transferred. This person reiterated the need to reduce duplication.

Most prominent in the interviews was the question of interoperability of recipient registration and recipient data management systems. This is currently a high priority of the Donor Cash Forum and several donor interviewees referred to ongoing work on this topic.

One called it a challenge but one ‘deserving the attention it now gets’, another one listed it as the current first priority for ongoing policy debates. Another donor key informant drew the caveat that, though there is a clear need to reduce duplication, the ‘UN cannot and should not do it alone.’ In September 2022, the Donor Cash Forum launched a Joint Donor Statement on Guiding Principles on Interoperability of Data in Humanitarian Cash Programming.⁴⁵

Smaller agencies, including multilateral bodies but especially INGOs, voiced concerns that the drive towards interoperability will enable the largest operators to dominate and to receive the largest grants or ‘exclusive licences’ to deliver CVA in certain contexts. Some key informants referred in the interview to practical examples from Ukraine where different opinions exist on the usefulness, practicality and data protection compatibility of different registration methodologies.

One donor representative felt that the role of private sector actors is not receiving the attention it deserves, given the competitive advantage and specialised knowledge that they can add to a response.

3.4.3 FOSTERING THE USE OF MULTI-PURPOSE CASH (MPC)

Many key informants referred to the fact that unconditional cash is inherently multi-purpose.

Several of the studied policy documents state either a very clear preference (e.g. ECHO, UK, Joint Donor Statement) or signal a general preference (GFFO, Norway, IFRC) for the use of unconditional cash. Policy documents refer variably to unconditional cash being the best way to address ‘basic needs’ or ‘essential needs’. One NGO policy document describes a hierarchy of modality choices, with multi-purpose cash identified as the best option. UNHCR sees conditions or restrictions only as a ‘last resort’ to achieve specific predefined outcomes. The 2022 Grand Bargain independent annual report found that a shift towards this practice is ongoing: ‘Many United Nations (UN) agencies and NGOs continued to expand their use of cash and voucher assistance, with a clear shift to more systematic use across multiple programming objectives.’⁴⁶ However, this change has not been in sync with the parallel push – mostly from the donors’ side – to design MPC programmes based on multi-sectoral needs assessments. The expectation formulated in the Joint Donor Approach ‘to see cash programmes planned on the basis of joint and impartial needs assessments and robust response analysis’ has only partially been fulfilled, according to a number of key informants. While robust response analysis has largely become the norm; the joint and impartial needs assessment would require a more systemic change in the way the humanitarian system operates.

One donor key informant highlighted the fact that the concept of multi-purpose cash is also challenged by the discussion over adequacy of transfer values, as well as technical ways to calculate Minimum Expenditure Baskets. One representative of a regional NGO criticised the fact that ‘food basket calculations miss a lot of local social dynamics.’ The interviewee placed specific emphasis on the need to contextualise the calculations of transfer values and to better understand local terms of trade. Including expenses for funerals or weddings – important ways to build social capital – was mentioned as an example of community priorities that should be more strongly recognised as important expenditures. The person recommended this aspect as an area where local and regional NGOs could bring added value to technical discussions.

3.5 NEW AREAS FOR POLICY FOCUSED WORK IN THE FUTURE

Most interlocutors emphasised the need to continue working on ongoing policy priorities. Some mentioned the need to encourage non-CVA specialists and support staff to commit to CVA.

Some highlighted ‘special interest’ areas that they feel should also be the focus of future work. These areas were diverse and often related to individual agency portfolios or niches in the humanitarian system. Very broadly, issues linked to delivering CVA in particular contexts; delivering to particular population groups; or specific features of CVA programmes. There may be points of alignment and potential for collective action on some issues, though further work would be needed to establish priorities.

⁴⁵ <https://www.calpnetwork.org/publication/donor-cash-forum-statement-and-guiding-principles-on-interoperability-of-data-systems-in-humanitarian-cash-programming/>

⁴⁶ ODI/HPG (2022), p. 16.

ANNEXES

01 BIBLIOGRAPHY	31
02 RESEARCH OBJECTIVE, ANALYTICAL PROCESS, METHODOLOGY AND LIMITATIONS	32
03 CONSULTED POLICY AND STRATEGY DOCUMENTS	34

ANNEX 01 BIBLIOGRAPHY

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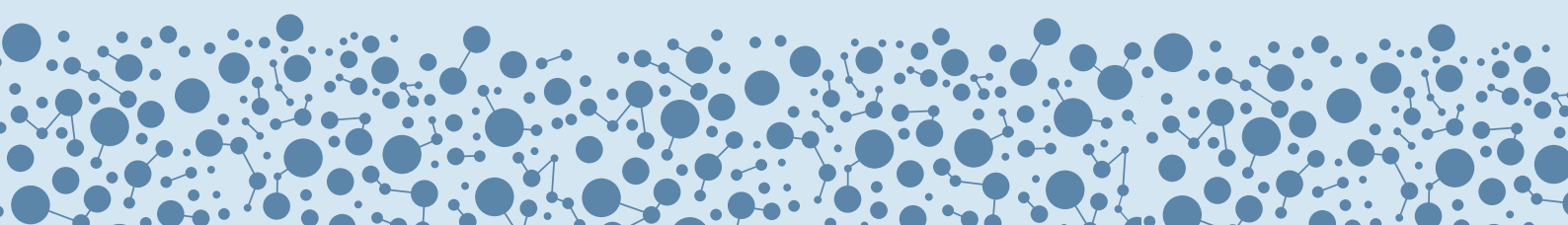
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ANNEX 02

RESEARCH OBJECTIVE, ANALYTICAL PROCESS, METHODOLOGY AND LIMITATIONS

RESEARCH OBJECTIVE

This research focused on the CVA-related commitments, global and organisational, of approximately 30 operational actors and donors. It assessed the perceived relevance of existing commitments and establishes which ones are seen as most important going forward and whether there are additional new topics where commitments are seen as useful and whether these would lend themselves to collective action.

It is important to note that pledges on CVA need to be viewed alongside multiple other commitments aimed at improving system-wide quality and accountability, under the broad umbrellas of the humanitarian-development-peace nexus and the refugee compact. Initiatives aimed at strengthening accountability to affected populations, strengthening locally-led delivery, maximising efficiency and effectiveness through the adaptation of delivery approaches to the protracted nature of many current high-level crises, all have implications for CVA policy. Many of those have seen less progress than those for cash. Development commitments (such as the SDGs and those relating to social protection) are also relevant at the international level and have implications for the social protection and disaster management policies of crisis-affected governments.

ANALYTICAL PROCESS

The research team first established an overview of existing CVA-related policy commitments, as no such repository currently existed (see section 2). It then applied an analytical approach with three components:

01 The current state of affairs regarding previous CVA-related commitments ('light touch' analysis of progress against previous commitments).

As a first step, the research team assembled information on CVA-related policy commitments that are either publicly available or that agencies were ready to share with the team. The research focused on the most significant document that reflects the CVA-related course of action of the respective agency. These documents were analysed using a mapping matrix.

Key informant interviews complemented the analysis of the documentation by investigating the current state of affairs with regards to existing commitments, either as laid down in a cash policy or in other key policy documents/internal processes. Key informants were asked how these commitments relate to global objectives, as laid down in the Grand Bargain 2016 and/or the Global Framework for Action (GFA) 2017. Where agencies have set quantitative targets, the interviews asked what progress has been achieved against them and what relevance the target still holds.

02 Establish the relevance of previous commitments for the future.

Operational actors and donors were asked to what extent their earlier commitments helped them achieve the progress realised so far, and whether the existing commitments are still perceived as relevant for the future.

03 Explore and prioritise additional or new themes for potential future action

To explore and prioritise themes for potential future collective action, the interview partners were asked to identify areas where agencies see the biggest gaps in the current policy landscape, the greatest need for a collective push, and/or the greatest potential for the success of future collective action.

METHODOLOGY AND LIMITATIONS

The policy documents were reviewed and 19 different policy topics were mapped. Key informants were asked to name the most and least relevant topics without necessarily being prompted topic by topic. Hence, some policy areas were not covered by all interviewees. The agency documents were not intended for the same purpose, some were detailed policy documents, other summaries. As such, the degree of detail also varied: the shortest was only two pages, whereas the longest comprised 68 pages. As a consequence, the level of granularity of the documents differed enormously, which made comparability difficult and created limitations for analysis.

Overall, the research team drew on the following sources of information:

- **Secondary literature review, in particular the annual independent reports on the Grand Bargain;**
- **Key informant interviews with cash focal points from 26 agencies (UN agencies, RCRC Movement, donor agencies, national, regional and international NGOs) and two selected key individuals;**
- **Review of 37 written policy documents published/provided by 28 agencies;**
- **One key informant interview with a host government representative.**

The full list of analysed documents is included in Annex 3.

The agencies whose written policies were analysed and the key informants were selected using the following criteria:

- **Representation of different groups of operational humanitarian actors (UN, RCRCM, national and international NGOs, donors);**
- **Coordination and policy-setting bodies (including networks of operational actors);**
- **Size of CVA operations (mostly 'big players' but also some smaller niche actors);**
- **Percentage of CVA in ongoing operations (mostly bigger percentages or agencies that record a significant increase in the proportion of CVA);**
- **Members of CVA-related networks and non-members;**
- **Agencies having written policies;**
- **Agencies who do not have written CVA policies but are significant players;**
- **Geographical balance of presence.**

Only a very small number of requests for interviews and information remained unanswered, two agencies wished not to participate in the research.

ANNEX 03

CONSULTED POLICY AND STRATEGY DOCUMENTS

DONORS	YEAR OF PUBLICATION	DURATION TIME FRAME	DOCUMENT TITLE/URL
Australia	2022	n.a.	DFAT Humanitarian Strategy Guidance Note Cash Transfers
Common Donor Approach for humanitarian cash programming	2019 (signed) 2018 (developed)	n.a.	Common Donor Approach for humanitarian cash programming
Denmark	2021	n.a.	The World We Share. Denmark's Strategy for Development Cooperation
ECHO	2022	n.a.	DG ECHO Thematic Policy Document No 3 Cash Transfers
FCDO	2017	n.a.	UK government's Humanitarian Reform Policy https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/659965/UK-Humanitarian-Reform-Policy1.pdf
	2022	n.a.	UK government's Strategy for International Development
	2013	n.a.	Humanitarian Guidance Note: Cash Transfer Programming
German Federal Foreign Office	2019	2019–2023	Strategy of the Federal Foreign Office for Humanitarian Assistance Abroad
Joint Donor Statement on Humanitarian Cash Transfers	2019	n.a.	Joint Donor Statement on Humanitarian Cash Transfers
Norwegian Ministry of Foreign Affairs	2018	2019–2023	Norway's Humanitarian Strategy
Spain	2019	2019–2026	Spanish Cooperation's Humanitarian Action Strategy 2019–2026
Switzerland		2021–2024	Operational Concept Note: Cash and Voucher Assistance 2021–2024
USAID	2022	n.a.	DRAFT USAID Humanitarian Action Policy, June 2022. External Comment Period

UN AGENCIES	YEAR OF PUBLICATION	DURATION TIME FRAME	DOCUMENT TITLE/URL
IOM	n.a.	2019–2021	Strategy for Humanitarian Cash-Based Interventions
IOM	2022		Strategy for Humanitarian Cash-Based Interventions. Global Report on Achievements 2019–2021
UN Common Cash Statement	2018	n.a.	UN Common Cash Statement Questions and Answers
UNHCR	2022	2022–2026	Policy on Cash-based interventions 2022–2026
UNHCR	2016	2016–2020	Policy on Cash-based interventions
UNHCR	2020	2016–2019	Implementation of the Policy on Cash-Based Interventions
UNICEF	2020	n.a.	Core Commitments for Children in Humanitarian Action https://www.unicef.org/emergencies/core-commitments-children
WFP	2022	n.a. (2017?)	The future of cash in WFP Cash Assurance Framework (internal document)

NGOS	YEAR OF PUBLICATION	DURATION TIME FRAME	DOCUMENT TITLE/URL
Catholic Relief Services	n.a. (2019?)	2020–2030	CRS Strategy 2030
Collaborative Cash Delivery (CCD) Network	2019	n.a.	Global Collaboration Agreement
GOAL	forthcoming	2022–2025	Choice. Impact. Dignity. GOAL's Strategic Ambitions in Cash and Vouchers Assistance
IRC	2016	n.a.	Commit to Cash
Islamic Relief	2021 (created) 2022 (approved)	n.a.	Cash and Vouchers Assistance (CVA) Policy (internal document)
NRC	2017		Cash alone is not enough: a smarter use of cash. NRC cash position paper
NRC	2017	n.a.	NRC Programme Policy
Oxfam	n.a.	2021–2023	Food and Economic Security (FES) Team – Vision and Strategic Focus 2021–23
Oxfam	2021	n.a.	Oxfam's Humanitarian Brochure
Save the Children	2016 n.a.	n.a. n.a.	Save the Children's Commitments for the World Humanitarian Summit, May 2016 Charter of Cash & Voucher Assistance Principles
Welthungerhilfe	n.a. (2020?)	2021–2024	Welthungerhilfe Humanitarian Strategy 2021–2024
World Vision	n.a. (2019)	n.a.	The empowerment currency

RED CROSS RED CRESCENT MOVEMENT	YEAR OF PUBLICATION	DURATION TIME FRAME	DOCUMENT TITLE/URL
British Red Cross	n.a. (2018?)	2019–2024	International Strategy 2019–2024
International Red Cross and Red Crescent Movement	2018	2020–2025	Cash Transfer Programming Strategic Framework 2020–2025
ICRC	2018	n.a.	Cash transfer programming in armed conflict: The ICRC's experience
IFRC	2020	2021–2025	Plan and Budget 2021–2025

