



A REVIEW OF INTER-AGENCY COLLABORATION FOR CTP DELIVERY



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Perceptions of efficiency and effectiveness

Kristin Smart and Robin Nataf

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EXECUTIVE SUMMARY

Recent global initiatives have reaffirmed the potential for Cash-Transfer Programmes (CTP)¹ to effectively and efficiently meet a wide range of disaster-affected populations' needs while preserving dignity and choice. Although much work has been done in advocating for the benefits of CTP and enhancing its use in humanitarian action, relatively less research has explored the means through which cash transfers can be delivered to maximise their potential. With the increasing funding gaps faced by humanitarian actors globally – compounded by increasingly protracted crises – demonstrating efficiency and effectiveness has become critical to ensuring the best possible allocation of limited resources to meet the needs of crisis-affected populations.

While there are different, strongly held views about how to organise stakeholders to maximise efficiency and effectiveness, evidence about how well different delivery models provide quality CTPs in different contexts – including governance and collaboration arrangements – is scarce. For example, which is more efficient and effective: diverse competitors responding to harmonised specifications or a single delivery mechanism able to access economies of scale? In which contexts, and under what enabling environments? What collaboration mechanisms maximise quality, coverage and consistency of delivery?

This study tests the commonly held assumption that greater collaboration results in greater efficiency or effectiveness. It establishes drivers and measures of efficiency and effectiveness in CTP delivery; characterises different models of collaboration for cash delivery; and assesses these different models against the measures of efficiency and effectiveness.

While a number of UN-led collaboration models are underway for CTP delivery, none were sufficiently mature at the time of research in late 2016 to allow for analysis of efficiency and effectiveness. Several studies of UN-led models, notably for UNHCR in Jordan and WFP in Turkey, are anticipated to be undertaken and published in 2017 with the support of CaLP and others. The scope of this study is limited to a review of cases of collaboration between NGOs in the delivery of medium- to large-volume transfers by dollar value. Additional work will be needed to inform evidence-based best practice in structuring collaboration among a wide range of other actors.

After a preliminary desk-based review of available research on the efficiency and effectiveness of cash transfers and of examples of inter-agency collaboration for the implementation of CTP, four case studies were selected and explored in detail: the INGO consortium in Ukraine, the Iraq Cash Consortium, the Emergency Response Mechanism (ERM) in Afghanistan and the Cash Working Group (CWG) in the Philippines. All operated at a sufficient scale to see the setup of collaboration structures, but presented varying degrees of formality in the collaboration and harmonisation of approaches for CTP delivery. This study faced two significant limitations. First, as mentioned above, a number of collaboration models, particularly those led by UN organisations, were not available for study, and so findings may not be illustrative of the full range of potential models of inter-agency collaboration for CTP delivery. Second, given the limited scope of this study and the limited available data on the impact and outcomes achieved by members of selected case studies, findings have focused on 'perceptions' around efficiency and effectiveness from a limited range of informants. As a result, researchers cannot ensure that they have reached data saturation, and findings are therefore to be considered as indicative and for further study and exploration rather than definitive.

¹ CTP, as defined in CaLP's Glossary, refers to cash and voucher transfers www.cashlearning.org/resources/glossary#CTP

SUMMARY OF KEY FINDINGS ACROSS CASE STUDIES

All cases studied were examples of inter-agency collaboration that had achieved a minimum level of consistency and harmonisation, and acknowledged critical risks associated with a complete absence of harmonisation in the design of CTPs. As such, findings presented here should be understood as comparing levels and degrees of collaboration assuming such minimum standards have been achieved. Key perceived linkages between efficiency and effectiveness of CTPs, and the level and form of inter-agency collaboration for their delivery, have been broadly grouped into four categories: the impact of collaboration on efficiency, the impact of collaboration on effectiveness, the impact of collaboration across various phases of the cash assistance project cycle, and finally the impact of external factors on the outcomes of collaboration structures.

1 COLLABORATION AND EFFICIENCY: START-UP COSTS, SHARED COSTS AND MANAGEMENT COSTS

- More formalised collaboration can allow for improved efficiency (sharing of functions and resources), but at a cost to operating agencies (coordination structures, contract management). **An efficiency analysis of a collaboration model should therefore consider the balance between gains through shared functions and the costs of collaboration** (including both donor and agency perspectives).
- **There was very limited evidence of gains in efficiency as a result of higher degrees of collaboration or formalisation** (beyond avoiding geographic overlap). Although the opportunity for gains in efficiency through shared costs was mentioned by respondents, individual agencies largely maintained their own internal cost structures (support, administration and indirect costs) regardless of the form of collaboration (with the exception of Monitoring & Evaluation (M&E) costs, which in some cases were shared between agencies with formal collaboration).
- The initial setup of collaboration structures and joint programme design takes time and resources across all collaboration models. **This suggests that initial investment in collaboration frameworks requires longer-term perspectives to fully pay off, and is more relevant for protracted or cyclical responses.**

2 COLLABORATION AND EFFECTIVENESS: COVERAGE, TECHNICAL SUPPORT AND FLEXIBILITY

- **More formal collaboration improves effectiveness by enhancing coverage.** Consortia (and, to a lesser degree, alliances) enable a broader geographic coverage, notably through effective geographic coordination, as well as wider beneficiary coverage simply in that they are more attractive to donors than individual agencies working separately, and so leverage more resources.
- **Improved collaboration and harmonisation enables better sharing of best practices and therefore contributes to more effective CTPs.** Yet, in some cases the need for consensus leads agencies to settle for the 'lowest common denominator' and to forego potential improvements due to the costs and time involved in building consensus.
- **More formal collaboration models, which allow for the shifting of resources between partners, can be effective in responding to external constraints,** including access or security issues, thereby enabling a stronger collective reach.

3 COLLABORATION AND EFFICIENCY AND EFFECTIVENESS ACROSS THE CTP PROJECT CYCLE

- Funding mechanisms, particularly **the ability to direct funds through multiple channels (with transparency between agencies on resources)** can improve the scale and timeliness of a response, thereby contributing to effectiveness and efficiency.
- Findings indicate **a trade-off between harmonising tools and standardising approaches and the timely delivery of cash assistance**, at least in the initial stages of a collaborative programme.
- The selection of a **common delivery mechanism is not necessarily required to achieve efficiency gains** when contracting an Financial Service Providers (FSPs), and information sharing can suffice for coordinated negotiations in cases where similar rates are charged regardless of the scale of the programme.
- While M&E frameworks and tools were generally harmonised, there was **little evidence available of joint analysis and use to improve programme quality, or for partners to keep each other accountable**. Consortia did provide some incentive to ensure collective performance through joint analysis, though this was rarely the case.
- Regardless of the form of collaboration, **high levels of collaboration between agencies provide opportunities for exploring linkages with social protection platforms, and therefore improving effectiveness**. Effective linkages to social protection occur as a result of multiple agencies working with a harmonised approach that can easily be handed over to, or coordinated with, government counterparts.

4 CONTEXTUAL FACTORS AND COLLABORATION STRUCTURES

- The degree of collaboration achieved appears to be primarily linked to the rationale and method under which collaboration structures were formed, as well as to the leadership and personalities of those involved. As such, **formalised collaboration (through consortia) does not necessarily ensure stronger levels of harmonisation** across implementing agencies, and high levels of harmonisation were noted in less formal models.
- More formal collaboration models with a limited number of partners (**consortia and alliances**) were **highly valuable in contexts where collaboration within wider Cash Working Groups (CWGs) has been hampered by 'political' struggles**, enabling improved decision-making in the CWG through joint advocacy. Through this, consortia and alliances can contribute significantly to more-effective cash responses, beyond the specific programmes of their members.
- An **analysis of contextual factors** within which a collaborative framework for CTP is critical to building an understanding of the **incentives that drive agency decisions about levels and forms of collaboration**. Key contextual factors affecting inter-agency decisions around collaboration appear to be those **linked to funding and cash coordination**.

CONCLUSION AND RECOMMENDATIONS

The study findings indicate that higher degrees of collaboration and levels of formalisation within collaboration structures do not necessarily correlate with improved efficiency and effectiveness. The study finds evidence of potential effectiveness gains from collaboration – in that collaboration can enhance CTPs' coverage, quality of design and resilience to access or security constraints. However, higher degrees of collaboration seemed to have negative or mixed results on the efficiency of CTPs due to costs associated with collaboration. Furthermore, despite the potential benefits of collaboration, more formal collaboration arrangements (such as consortia) did not necessarily result in higher levels of programmatic harmonisation, and less formal models (such as alliances or CWGs) could, in the right conditions, result in equally high levels of programmatic consistency. As such, where coordination structures and/or donors were able and willing to proactively promote consistency and collaboration among implementing agencies, less-formal structures could, in fact, be more likely to result in efficiency and effectiveness gains, given their lighter structure and wider membership. Finally, incentives linked to the operational environment and contextual factors within which collaboration structures are conceived were found to affect the degree to which efficiency and effectiveness gains from collaboration are achieved, highlighting the importance of country- or context-specific approaches to defining optimal collaboration frameworks.

On this basis, this study can formulate recommendations to help donors and operational agencies maximise the potential impact of collaborative frameworks on cost-effectiveness of CTPs within specific crisis contexts and operational environments. At the country level, where agencies are actively engaged in delivering cash transfers, these include: (i) maximising potential gains in efficiency by understanding areas of potential cost savings, such as shared costs and costs over time; (ii) enabling multiple funding channels and therefore a broader diversity of donors; (iii) developing mechanisms for systematic review of joint tools and approaches, as well as for a collective review of findings between agencies; and (iv) seeking synergies with social protection platforms.

Where discussions around CTPs are taken forward at a more strategic and policy level these include: (i) developing a standardised quantitative tool for assessing the costs and benefits of collaboration; (ii) allocating dedicated resources to collaboration; (iii) proactively engaging in discussions around cash coordination in order to reach potential gains in effectiveness; (iv) agreeing on a minimal set of standard outcome- and impact-level indicators to be consistently captured for CTPs; and (v) further analysis of the suitability of various forms of collaboration by context.

Finally, given the aforementioned limitations of this study, further research could be valuable in confronting these findings to provide evidence from analysis of quantitative data, as well as complementing selected case studies to ensure the applicability of findings to other types of collaboration model. This could include further study into the following:

- Extending the study to other operational models for cash-transfer programming (UN-led, or based on a technical division of responsibilities).
- Cost-benefit analysis further quantifying these initial findings and building an understanding of the evolution of collaboration costs over time and scale.
- Quantitative analysis (from outcome-level evaluation data) of the relationship between levels of harmonisation and quality of outcomes opening the door to further discussions on the drivers of efficiency and effectiveness in inter-agency collaboration.
- An analysis of the incentives and decision-making processes that drive collaboration and competition between operational agencies.

I INTRODUCTION: SCOPE AND OBJECTIVES OF THE STUDY

Recent global initiatives, such as the ODI-led High Level Panel Report and commitments at the World Humanitarian Summit (WHS), have reaffirmed the potential for Cash Transfer Programmes (CTPs) to effectively and efficiently meet a wide range of disaster-affected populations' needs while preserving their dignity and choice. Cash transfers provide timely and effective opportunities to cope with some of the challenges faced by humanitarian agencies in increasingly complex and under-funded responses, notably by linking to government social safety nets, leveraging private sector capacities and providing opportunities to 'bridge the current sector-based system of delivery', in line with WHS recommendations, which note that 'the greatest impact of cash transfer is realized when it is used as a single multi-sector transfer'.²

Although much work has been done on advocating for the benefits of cash programming and enhancing the use of cash in humanitarian action, relatively less research has explored the means through which cash transfers can be delivered to maximise their potential. With the increasing funding gaps faced by humanitarian actors globally, compounded by increasingly protracted crises, issues of efficiency and effectiveness have become critical to ensure the best possible allocation of limited resources to meet the needs of crisis-affected populations.

A recent evaluation of transfer modalities (cash, vouchers, in-kind and combined modalities) used in ECHO programming between 2011 and 2014 found that, in comparable contexts, cash is generally more efficient, and that the scale of programming is a key driver of efficiency.³ This aligned with earlier studies on Value For Money (VFM) of cash transfers in emergencies, which found that cash (vs. in-kind) could be more efficient, but that outcomes also depended on factors affecting the beneficiary, for example local market prices for set commodities.⁴ These studies, as well as a briefing note on *Humanitarian Cash Transfers: Cost, Value for Money and Economic Impact* prepared by ODI as a background note for the High Level Panel Report on Humanitarian Cash Transfers, note that although scale, the type of transfer and how a transfer was provided were key factors in achieving efficiency and effectiveness, many other factors also affected efficiency and effectiveness of cash transfers.

Building on this research into the value for money of CTPs,⁵ this study explores the relationship between various forms of inter-agency collaboration for the delivery of CTPs and the efficiency and effectiveness of such programmes. By focusing on the factors related to collaboration that can drive efficiency and effectiveness, this study sets out to begin 'unpacking' the commonly held assumption that greater collaboration results in greater efficiency and effectiveness.

In order to examine this relationship, this study focuses on a review of cases where different forms of inter-agency collaboration have resulted in the delivery of medium- to large scale cash-based programmes (as defined by the total cash dollar value of all transfers completed), with a view to drawing out elements that contribute to or inhibit potential gains in efficiency and effectiveness. The relationship between collaboration and efficiency and effectiveness is observed through the impact various forms and degrees of collaboration have had, in selected cases, on identified drivers of efficiency and effectiveness. Through this analysis, this study aims to identify elements linked to the form of collaboration that contribute to or inhibit potential gains in efficiency and effectiveness, while highlighting external contextual factors that influence both efficiency and effectiveness outcomes, and the form of collaboration adopted. This can be summarised through the following research question:

Based on a review of selected current experiences with collaboration across phases of the CTP project cycle, in what way can features related to the form and level of collaboration affect efficiency and effectiveness?

² The Grand Bargain: A Shared Commitment to Better Serve People in Need. May 2016. Istanbul, Turkey.

³ Analysis for Economic Decisions (AED). 2016. 'Evaluation of the Use of Different Transfer Modalities in ECHO Humanitarian Aid Action 2011–2014'. ECHO.

⁴ Venton, C., Bailey, S. Pongracz S. 2015. 'Value for Money of Cash Transfers in Emergencies.'

⁵ Including; Venton, C., Bailey, S. Pongracz S. 2015. 'Value for Money of Cash Transfers in Emergencies' and Bailey S., Pongracz, S. 2015 'Humanitarian CTs: Cost, Value for Money and Economic Impact.' Background note for the high level panel on cash transfers, ODI.

To this end, the following hypotheses were explored:

- Greater degrees of collaboration, particularly in implementation phases of CTP, contribute to improved efficiency and effectiveness;
- Contextual factors linked to the operational environment, inter-agency dynamics and internal incentive structures that drive the formation of collaborative models have an impact on the capacity of a given form of collaboration to enable gains in efficiency and effectiveness.
- Greater degrees of collaboration can be achieved in models with more formalised inter-agency collaboration structures (i.e. consortia are assumed to enable stronger collaboration than a Cash Working Group).

Study findings aspire to contribute to the use of cash transfers as an effective and efficient humanitarian response modality by informing both donors and operational agencies on the opportunities and risks associated with various forms of collaboration for CTP delivery. In this perspective, findings are to be analysed in complementarity with other relevant research, including the work of the Collaborative Cash Delivery platform on ‘business models’ for the operational delivery of cash assistance, the recent ECHO and DFID joint review of the Lebanon model and the most cost-effective means to provide cash transfers in a protracted crisis, the work of the Overseas Development Institute (ODI) on the evolution of CTP in humanitarian crises, and a broader study focused on models for the coordination of cash transfers led by the Global Public Policy Institute (GPPI). This research has been informed by, and aims to contribute to, these various pieces of work.

A brief summary of the subject, purpose and scope of this study is outlined in Figure 1.

SUBJECT 	<ul style="list-style-type: none"> • Efficiency and effectiveness of different collaboration models in different contexts • Operational models of collaboration, across the project cycle, in CTPs • Driving factors behind the formation of different collaboration models • Contextual elements (enablers/disablers) that influence efficiency and effectiveness
PURPOSE 	<ul style="list-style-type: none"> • Inform discussions on cost effectiveness by highlighting opportunities and/or risks associated with various collaboration models for CTPs • Outline factors that influence collaboration models and address issues of appropriateness of different models • Provide an evidence base for advocacy on various agencies’ roles in collaboration for CTPs
SCOPE 	<ul style="list-style-type: none"> • Existing cases of inter-agency collaboration for MPGs (and mixed MPG/sector-specific grants) across different contexts and ranging from harmonisation of programme design to integrated programme design and collaboration

Figure 1: Subject, purpose and scope of study

The specific case studies explored were: the INGO consortium in Ukraine, the Iraq Cash Consortium, the Emergency Response Mechanism in Afghanistan and the Cash Working Group in the Philippines. All operated at a sufficient scale to see the setup of collaboration structures, but presented diverse forms of collaboration and contexts. These cases were all considered to be highly collaborative, but with varying degrees of formality in the collaboration and harmonisation of approaches for CTP delivery. As such, they offer a valuable starting point from which to assess the role collaboration plays in achieving efficiency and effectiveness while highlighting the impact of contextual factors. Full accounts of each of these case studies are attached to this report.

The next five sections of this report cover the following: Section 2 outlines the methodology and approach adopted for the purposes of the study, including a brief definition of key terms used throughout, the selection of case studies and methodological limitations. Section 3 provides an overview of identified drivers of efficiency and effectiveness that were considered over the course of the study, as well as of contextual factors that were thought to have an impact on the formation and outcomes of collaboration structures. A brief overview of case

study findings is presented in Section 4. Key findings across case studies, primarily based on the perceptions of case study respondents, are summarised in Section 5, and include identified barriers and opportunities to achieving efficiency and effectiveness as well as the influence of collaboration across various phases of the CTP project cycle. Section 6 concludes by offering recommendations to donors and operational agencies, as well as by suggesting potential areas for further study and exploration.

2 METHODOLOGY AND APPROACH

The study was conducted through three distinct phases. The first was a desk-based review of available literature to identify potential drivers of efficiency and effectiveness. At the same time, an inter-agency steering committee was established and a review conducted of other relevant recent or ongoing studies with a view to ensuring complementarity. Examples of inter-agency collaboration initiatives for the implementation of CTP were also briefly reviewed in order to compile basic information and an overview of available literature, with a view to informing the selection of case studies. As a result of this preliminary phase, four cases were identified for study. All these cases operated at a sufficient scale to see the setup of collaboration structures, but presented diverse forms of collaboration and contexts. These cases included inter-agency models that were considered to be highly collaborative, and sufficient information about each was found to be available for the purposes of this study.

The second phase of research then involved a desk review of documentation specific to each case study context as well as interviews with a selection of key informants from each country. For each analysed case, as wide a range of secondary sources as possible was reviewed, and the interviews informed the analysis of these secondary sources and helped obtain information on the internal working of the collaboration models, which is often not published. In total 17 interviews were completed with implementing agencies, CWG and consortium leads, and donors to understand each case in detail, and draw out any perceived relationships between levels of collaboration and efficiency and effectiveness. Where possible and relevant, elements from on-going research on other relevant cases of inter-agency collaboration toward the delivery of cash-transfer programmes was reviewed and included in the findings for this study.

The final phase was a presentation of initial findings to participants in a workshop held in London in January 2017 to collect feedback on initial findings. This included feedback related to participants' experience of collaborative CTPs (including some of the case studies explored) and to their involvement in recent or ongoing research regarding the cost-effectiveness of CTPs. The workshop was attended by agencies involved in the ECHO-led Emergency Response Capacity (ERC) grant partnership, leads for other ongoing complementary research and donor representatives. A total of 20 individuals participated in the workshop and contributed to the revised findings presented in this report.

2.1 TERMINOLOGY

This study is framed by the DFID VFM approach to cost-effectiveness illustrated in Figure 2, including conceptual definitions of efficiency and effectiveness, whereby efficiency refers to how inputs (resources) are converted into outputs, and effectiveness refers to how well outputs work to achieve a desired outcome. In this framework, cost-effectiveness refers to the full process, meaning the degree to which the inputs invested achieved the desired impact, and incorporates notions of both effectiveness and efficiency.

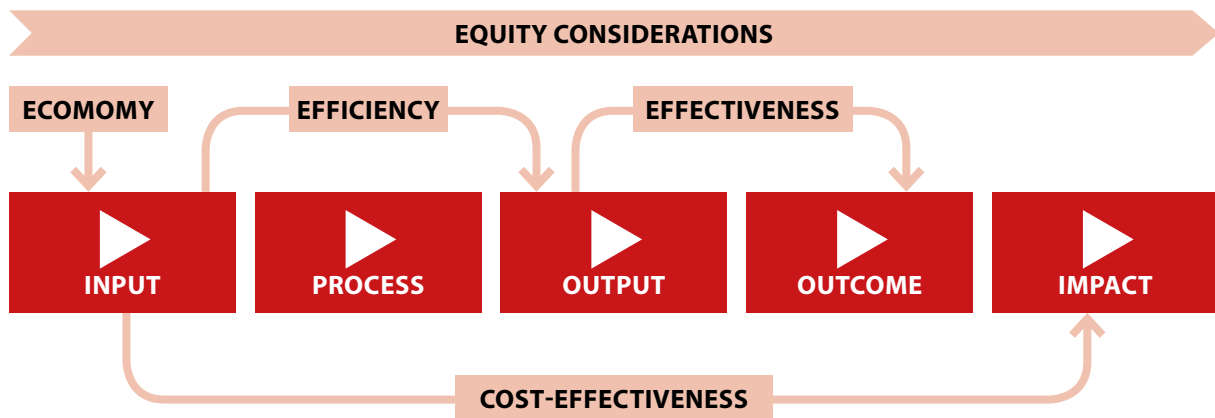


Figure 2: DFIDs VFM approach (3Es)

For the purposes of this study, a collaboration model for CTP has been defined as *a form of cooperative arrangement in which multiple agencies work jointly towards a common design and/or implementation goal of cash programming in emergency*. This definition draws a distinction with cases involving only inter-agency coordination, defined as *information sharing and planning in order enabling humanitarian actors to work together effectively in an emergency*.

This study focuses on the following levels of collaboration within the framework of the ERC Multi-Purpose Grant (MPG) Inter-agency Modelling Cash Responses:⁶

- Level IV: Integrated (highly collaborative and consolidated) programme design and implementation.
- Level III: Harmonisation of programme design, and non-collaborative implementation.

Finally, three main collaboration models were considered within this study:

- Consortium models, involving formal contractual and funding relationships between members.
- Alliance models, involving semi-formal relationships and separate funding flows between members.
- Less formal but highly collaborative Cash Working Group (CWG) models, which are embedded into humanitarian coordination architecture, and as such, share characteristics with clusters in terms of open membership and collegial decision-making.

UN-led delivery models were not considered for analysis because the collaborative models currently being implemented had not been operational for a sufficient time to be able to assess perceptions of efficiency and effectiveness and because studies of these models were contemplated through other means.

2.2 SELECTION OF CASES

In order to explore the relationship between collaboration models (the independent factor) and outcomes in terms of perceived efficiency and effectiveness (the dependent factor) this study centred on a review and comparison of specific cases that represent a variety of formal arrangements for collaboration. The selection of cases therefore aimed to identify four to six examples representing the greatest variance across possible setups and contexts, in order to capture a diverse range of possible collaboration arrangements.

⁶ ECHO Emergency Response Capacity (ERC) mapping of degrees of collaboration www.cashlearning.org/downloads/framework-for-models-of-ctp-collaboration-by-function---nov-16.pdf

For practical and comparison purposes, models were prioritised not only based on their variation, but also to ensure the availability of sufficient information, as well as similarities in the scale, defined by the total cash value of the transfers completed at which they operate. After a brief overview of 22 potential cases and analysis of key variables, 14 cases were identified as suitable for the study – the remainder not presenting sufficient information or not being relevant in terms of levels of collaboration or scale of response to date. These were further analysed and grouped according to region, type of crisis, form or model of collaboration, and objective of the CTP delivered. This grouping is summarised in Table 2 below.

Lebanon, Iraq, Ukraine	Consortia with strong CWG, MPG, middle-income countries (MENA/Europe)
Bangladesh, Nepal, Philippines	CWG-led, Asia, recovery context, mixed MPG/sector
Mozambique, Malawi	Chronic food insecurity, Africa, sector-focused, consortia
Pakistan, Niger	Alliance, chronic food insecurity, sector-focused
Afghanistan	Alliance, sector-focused, one-off rapid emergency response (different)
Ethiopia	Government-led, development/social-safety-net approach
Jordan	Alliance combined with strong CWG, sector-focused
Somalia	Chronic food insecurity, mixed MPG and sector-focused consortium

Table 1: Shortlist of cases considered for the review

Based on this grouping, six cases were selected in consultation with the steering committee established for the purposes of this study, to enable an analysis of research questions across a range of contexts and collaboration arrangements. These included Iraq, Ukraine, Philippines, Malawi or Mozambique, Pakistan or Niger, and Afghanistan. However, the unavailability of information and key informant respondents prevented the inclusion of Malawi, Mozambique, Pakistan and Niger in the analysis. Detailed analysis was conducted for the remaining four cases: the Iraq Cash Consortium, the INGO consortium in Ukraine, the Philippines CWG, and the Emergency Response Mechanism (ERM) in Afghanistan. These are illustrative of the three forms of collaboration model mentioned above, and include formal consortia (Iraq and Ukraine), an informal alliance (Afghanistan) and a less formal but highly collaborative CWG (Philippines).

2.3 LIMITATIONS

This study faced two significant limitations. First, with respect to available case studies, **some potential collaboration models were not available for study, and so findings may not be illustrative of the full range of potential models of inter-agency collaboration for CTP delivery.** Notably, it was **not possible to identify cases where the division between agencies in the delivery of assistance was a purely technical split or where one agency led the delivery of assistance and others supported only with separate technical functions.** Instead, formal collaboration models identified were based primarily on a geographic split of responsibilities,⁷ most likely as a result of intra-agency disincentives to focus only on a technical function with limited operational responsibilities, and of the reality of geographically-established agencies who seek to back cash programmes on to ongoing activities in pre-established offices and locations. Similarly, cases identified for potential review did not include UN-led delivery models. Of the UN-led cases that could be considered to be collaborative, such as the UNHCR-led cash assistance pilot in Jordan and WFP-led cash assistance program in Turkey signed in 2016, none had been operating for sufficient time to be able to assess perceptions of efficiency and effectiveness. It should also be noted that in the cases reviewed, representation of local NGOs was minimal with only the Philippines CWG including local NGOs as active members; no local NGOs were members of the other cases reviewed.

⁷ A hybrid between business models 1, 1b and 1c developed within the framework of the Collaborative Cash Delivery platform's in-country Business Models.

Second, given the limited scope of and resources available for this study, as well as the limited previous research into the impact of selected case studies, **findings have focused on 'perceptions' of efficiency and effectiveness from a limited range of informants** (who may have been affected by institutional or other bias), rather than on quantifiable data that measures these. Indeed, very few of the cases selected had conducted inter-agency evaluations or aggregated statistically representative findings on the impact of their programme across collaborating agencies, and so data on outcomes and overall impact of programmes, against which effectiveness could be further explored, was largely unavailable. As a result, researchers cannot ensure that they have reached data saturation, and **findings are therefore to be considered as indicative, and for further study and exploration, rather than definitive.**

3 IDENTIFIED FACTORS INFLUENCING EFFICIENCY AND EFFECTIVENESS

There is a clear potential for the use of cash transfers to enable more cost-effective humanitarian action, although various factors affect whether such potential gains are achieved. Those emerging out of programme design decisions can be broadly categorised as factors affecting cost per output (efficiency) and factors affecting outcomes in relation to outputs (effectiveness). In addition, contextual factors under which the humanitarian response occurs, including those driving the formation of a collaboration framework, can enable or inhibit these potential gains. This section explores the drivers of efficiency and effectiveness identified during the desk review for this study, as well as contextual factors that affect potential gains in cost-effectiveness.

3.1 DRIVERS OF EFFICIENCY AND EFFECTIVENESS LINKED TO THE OPERATIONAL DELIVERY OF CASH TRANSFERS

Although few studies have captured sufficient data to measure the impact of individual factors on the cost-effectiveness of CTPs across contexts, a number of recent efforts have allowed the drawing out of potential drivers of efficiency and effectiveness as they occur in specific contexts. These include aforementioned global studies as well as context-specific studies, such as recent reviews of cash collaboration in Lebanon and CaLP's review of cash coordination in the Philippines response.⁸ A basic mapping of the potential drivers of efficiency and effectiveness highlighted in these studies as well as through a discussion among the research team involved in this study is outlined in Table 3.

⁸ ECHO/DFID. 'If not now, when? Re-framing the response to Lebanon's protracted refugee crisis. Review of the Lebanon Cash Consortium partnership model, internal structure and relevance. A joint 2017 approach by DFID and ECHO.' Presentation to stakeholders, Lebanon, December 2016.

Table 2: Drivers of efficiency and effectiveness

Drivers of efficiency (output)		Drivers of effectiveness (outcome)	
Delivery mechanism – type	Operational structure (resources)	Prior humanitarian presence and capacity	Preparedness
Delivery mechanism – cost	M&E structure (resources)	Duration and level of response	Linkages/combined with other forms of assistance/ programs
Common delivery mechanisms	Scale – size of programme (\$ value of programming)	Capacity of markets to effectively absorb assistance/supply chain	Impact on early recovery and longer-term resilience to future shocks
Transfer value	Scale – number of beneficiaries (POCs coverage)	Adequacy of transfer value – meets objective of programme	Targeting (quality and timing)
Type of transfer (Modality)	Scale – areas covered (geographic coverage)	Speed of delivery – relation to responding to needs as quickly as possible	Meeting needs – geographic coverage
Frequency of transfers	Scale – number of transfers (total value of transfers)	Strength of inter-agency collaboration and coordination mechanisms	Engagement with private sector
Costs of goods, services, etc.	Speed of delivery – relation to costs and time/resources	Beneficiary financial and social inclusion	Empowerment, enabling beneficiaries to take control of their situation in times of crisis/ providing dignity
Direct and indirect costs (TCTR)	Duration of programme	Debt/credit relations and norms within community	Accountability (beneficiary preferences, communications, etc.)
Shared costs (e.g. support costs) and cost transparency	System for registration/ targeting	Beneficiary financial literacy	Assessments
Preparedness	Information/data management	Linkages to social safety nets	MPGs and use of multi-sector transfers

Some of the drivers affect both efficiency and effectiveness, for example speed of delivery, which is linked to both costs in terms of time and resources invested (efficiency) and the provision of a timely response to beneficiaries (effectiveness). As such, an analysis of the impact of these drivers suggests a potential trade-off between efficiency and effectiveness, as when efforts to respond to emergencies in a timely manner (and thus effectively) can result in high preparedness costs (low efficiency).

It should be noted that this list is not an exhaustive overview of possible drivers, but rather a mapping based on drivers identified to date and the research team's perspectives. This mapping and analysis (below) of perceptions of efficiency and effectiveness in the various cases reviewed does not enable measurement of the relative importance of each of these factors, which would fall outside the scope of this study. Rather, the aim has been to identify which of these drivers are more significantly affected by different forms and levels of inter-agency collaboration, and how. For instance, while other studies have shown the relative importance of scale in achieving efficiency of CTP, researchers have explored here whether (and how) collaboration can help achieve a wider scale of response.

It should also be noted that these drivers were not each reviewed extensively within the framework of every case study. Instead, drivers noted by respondents as significant or relevant were investigated, in line with the aforementioned perceptions-based approach to assessing the cost-effectiveness of selected collaboration frameworks.

3.2 CONTEXTUAL FACTORS LINKED TO THE OPERATIONAL ENVIRONMENT

The impact of drivers of efficiency and effectiveness can only be understood through consideration of the role contextual factors play in determining the degree to which potential cost-effectiveness gains from these drivers can be achieved. As such, these factors should be taken into account when analysing the successes or shortcomings of any particular model.

Some of the key contextual factors that can influence efficiency and effectiveness outcomes and examples of ways in which they have this influence are outlined in Table 5.

Table 3: Contextual factors that influence potential gains in efficiency and effectiveness

Contextual factors	Examples of ways in which they can influence efficiency and effectiveness
Funding streams	<ul style="list-style-type: none"> • Determining factor in the scale of response (funding available, multi-year/one-off, pooled or bi-lateral, geographic coverage), which calls for (or not) a collaborative response • Costs in terms of grants management at both the agency and donor level
Donor agendas	<ul style="list-style-type: none"> • In support of a cost effective approach? e.g. use of multi-purpose grants (MPGs) • Linkages to government systems/mechanisms • Grant administration preferences and capacities to oversee funding allocations • Desired outcomes and impacts
Prior humanitarian presence	<ul style="list-style-type: none"> • Timely response capacity (speed) of agencies and humanitarian operations • Understanding of needs and local contexts • Preparedness planning conducted and pre-crisis capacities in place • Acceptability at the beneficiary level of the response
Strength of coordination mechanisms/CWG	<ul style="list-style-type: none"> • Provision of common tools and platforms or technical guidance (e.g. MEB) • Reduce likelihood of beneficiary duplication and promote split areas of responsibilities • Potential for shared or negotiated costs (e.g. M&E, common delivery mechanisms, financial service providers) • Information sharing platforms for best practices (e.g. selection of transfer mechanisms or financial service providers)
Size of response	<ul style="list-style-type: none"> • Determining factor in scale, the number of individuals to be reached/in need • Geographic scope of need and coverage of response agencies • Capacity to effectively absorb and manage large programmes/funds
Government Policies	<ul style="list-style-type: none"> • Support for or against cash transfer modalities • Financial legislation, ex. government ownership or private ownership of banks • Government-led response mechanisms and complementarity with cash transfers
Government social-safety-net programmes	<ul style="list-style-type: none"> • Existing social-safety-net platforms to piggy-back assistance on (scale-up) • Familiarity of beneficiaries with social transfers • Platform to hand over to in scaling down a response • Natural link to development funding/programmes (on-budget support)

Contextual factors	Examples of ways in which they can influence efficiency and effectiveness
Market prices and integration	<ul style="list-style-type: none"> • Costs to the beneficiary, market fluctuations and potential for use of cash assistance received • Determines relative advantage of providing in-kind assistance (cost of in-kind versus cost of comparable goods in the market as determinant of the efficiency of a cash transfer response) • Availability and quality of necessary items (goods and services) in the market • Response capacity of market to adjust and provide supply to meet increased demand • Use of cash transfers and multiplier effect to support local economic recovery
Financial literacy of POC	<ul style="list-style-type: none"> • Familiarity with cash • Understanding and ease of use of various transfer mechanisms • Healthy debt/income ratios • Knowledge of household costs versus savings • Knowledge of financial institutions
Capacity and availability of FSPs	<ul style="list-style-type: none"> • Provision of accountable and cost-efficient transfer mechanisms • Availability of e-transfer systems • Competition between providers to offer competitive prices for FSP service • Geographic coverage • Financial liquidity • Timeliness of response/speed of delivery
Level of social integration within community	<ul style="list-style-type: none"> • Capacity of beneficiaries to effectively use cash assistance (safety, risks, incentives) • Use of cash transfers and multiplier effect to support local economic recovery • Debt/income relations
Access and security	<ul style="list-style-type: none"> • Ability of agencies, partners, government counterparts and FSPs to access target communities • Capacity of agencies to safely deliver assistance at a low risk and cost (security services) • Capacity of beneficiaries to safely receive and use assistance at a low risk and cost (security services)

These include notably the prior existence, expected duration and scale of the wider humanitarian response (i.e. how long response mechanisms and agencies have been established, how much funding is made available and how, etc.) as well as aspects of the national context affecting the feasibility or effectiveness of CTPs (i.e. availability of financial services providers, existing government social protection programmes, etc.). In summary, while a number of factors linked to programme design can be identified as drivers of efficiency and effectiveness, and therefore are strongly linked to cost-effectiveness gains of collaborative frameworks, it is clear that these factors cannot be analysed without considering also contextual factors.

In addition, inter-agency collaboration itself is highly influenced by the operational environment in which agencies design and deliver CTP. Contextual factors provide the environment within which decisions to form a collaborative structure are made and the form this structure will take is determined. As such an overview of these contextual elements helps draw out the incentives for collaboration, as outlined in section 5.4 below. Beyond dependence upon the leadership and personalities of those involved in establishing collaboration frameworks for CTP delivery, achieving potential efficiency and effectiveness gains from collaboration is also highly dependent on donors' agendas and appetite for a collaborative approach.

4 OVERVIEW OF KEY CASE STUDY FINDINGS

A brief overview of the key characteristics and findings from each case reviewed within the scope of the study is given in Table 5. This illustrates the diversity in the type of humanitarian response, geographic scope, type of CTP adopted and forms of collaboration between agencies (consortia, alliance, CWG) of the selected cases.

Table 4: Summary of cases

Key characteristics	Iraq Cash Consortium	Ukraine INGO Consortium	Afghanistan Emergency Response Mechanism (ERM)	Philippines Cash Working Group
Type of response	Protracted crisis	Protracted crisis	Emergency response (a one-month cash transfer)	Disaster recovery
Form of collaboration	Consortium	Consortium	Alliance	Cash Working Group
Number of agencies	4 (2015–16)/5 (2017)	4	7 (2016)	13 – steering committee 50+ – CWG
Formality of collaboration/ governance structure	Formalised with a ‘teaming agreement’ between agencies. Governance structure includes a steering committee advised by a technical working group, and a dedicated team within the lead agency.	Formalised with a Consortium Member Agreement. Governance structure includes a steering committee advised by a technical working group, and a dedicated team within the lead agency.	No formal agreement, but commitment to a ‘Common Rationale’. steering committee comprised of donor and country directors meet quarterly. Technical coordination monthly at project manager level.	No formal agreement among the CWG members, but steering committee ToR outlines the role and responsibilities of the SC and its membership.
Type of cash programmes and complementary activities	Multi-sector (MPGs) + referrals to LHs and Protection	Multi-sector and/or in-kind distributions + Protection	Sector-specific cash (or in some cases in-kind) inputs (shelter/ NFI, protection, food) + WASH	Sector-specific cash and voucher programmes
Funding	Funding through the lead agency and bi-laterally to members. Multiple donors.	Funding only received from one donor, through the lead agency.	Funding only received from one donor, contracted bi-laterally to 5 of the agencies with coordinated proposals.	Bi-lateral funding to member agencies.
Info available*	HIGH	MEDIUM	MEDIUM	HIGH

Key characteristics	Iraq Cash Consortium	Ukraine INGO Consortium	Afghanistan Emergency Response Mechanism (ERM)	Philippines Cash Working Group
<p>Summary findings for further exploration</p>	<p>Formation driven by its member agencies to address a gap in the humanitarian response. Although initial start-up costs were high, shared costs and a reduction of admin costs over time were reported to have positively impacted efficiency. Consortium has played a role in advocating for a multi-sector response contributing to the overall effectiveness of cash programmes. Standardised approaches, M&E tools and an inter-agency referral mechanism also cited as key to the overall effectiveness of the response.</p>	<p>Formation driven by a donor ('forced marriage') results in significant inconsistencies later (including in cash feasibility analysis) despite formality of consortium on paper. Consortium coordination costly, with main effectiveness benefits being linked to response to a challenging context (loss of access, politicised CWG). Common M&E tools and approaches cited as one of the strengths of the consortium, but never used to inform future planning as consortium only did one project collaboratively.</p>	<p>Initially a consortium, this alliance achieved remarkable consistency despite lack of formal agreements (but with donor engagement). 'Common Rationale' reviewed every year and is comprehensive, but not always flexible enough for adjustments. Context of consortium, in high risk areas with a preparedness objective (not cash at a large scale) significantly limits the efficiency of the model, although speed of response is key. Strong role in promoting more cash programmes at country level. No joint M&E finding review or compilation of achievements.</p>	<p>Formation as a result of the needs of the context, (i.e. requires a stable CWG to support the regularly occurring disaster) and the SC formed to ensure the stability of the group. Across the partners, tools and approaches are highly harmonised and information shared positively influencing the effectiveness of the programmes implemented individually by each agency. A wide membership (CWG) allows for strong linkages to the private sector and social protection programmes.</p>

**Assessed as of the beginning of the study based on literature available, i.e. not based on the availability of key informants for interview.*

Based on a degree-of-collaboration matrix developed by ERC grant partners,⁹ the degree of collaboration among members of each case across the cash transfer project cycle was scored using a scale ranging from ‘highly harmonised design and collaborative implementation’ to ‘harmonisation of design’ to ‘information sharing’ to ‘no collaboration’. Results are presented in Figure 3.

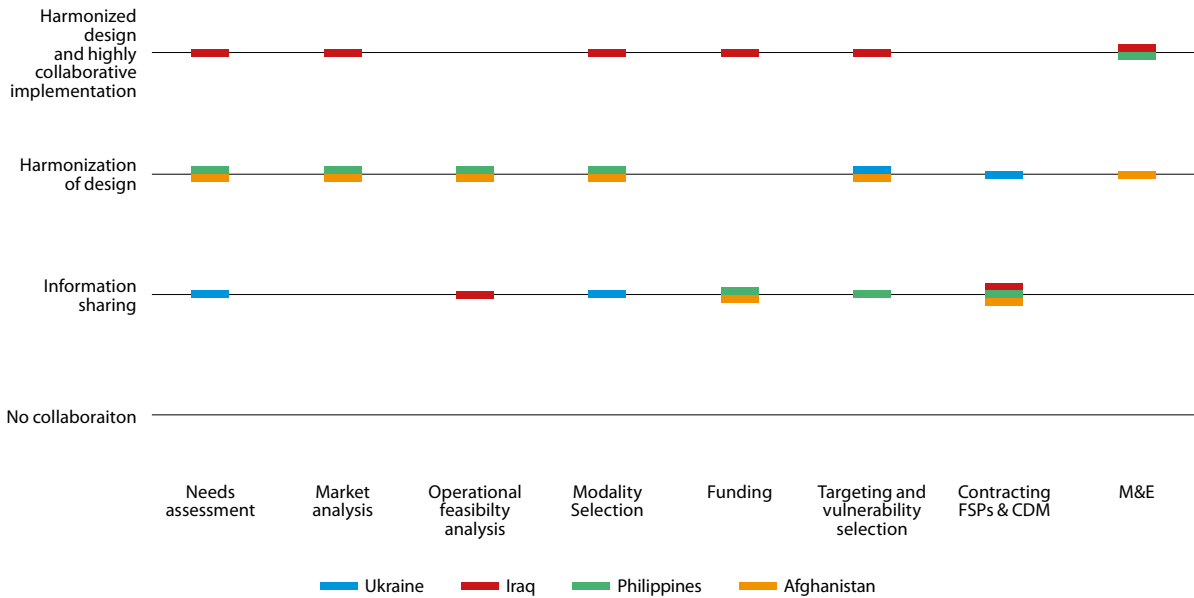


Figure 3: Interagency collaboration and the project cycle

Despite expectations that more formal collaboration frameworks would present comparatively higher levels of collaboration, and as discussed further in Section 5.4, this basic mapping does not show a clear correlation between the form and degree of collaboration across the project cycle in the cases reviewed. Furthermore, case studies showed that levels of collaboration can vary significantly within a single collaboration framework along different stages of the project cycle. In many instances, collaboration ranged from highly collaborative implementation to information sharing between key stages. A minimum level of information sharing was found across cases and stages of the project cycle, indicating that members consistently saw the value of at least minimal levels of collaboration. Across cases, collaboration seemed generally to be of a higher degree around market analysis and monitoring and evaluation functions, which appear to be stages at which members were most likely to seek joint implementation or harmonisation. Finally, this graph shows that, in general, cases with stronger collaboration at programme design stages were likely to also see higher levels of collaboration in subsequent implementation stages.

⁹ ECHO Emergency Response Capacity (ERC) mapping of degrees of collaboration – www.cashlearning.org/downloads/framework-for-models-of-ctp-collaboration-by-function---nov-16.pdf

5 SUMMARY OF KEY FINDINGS ACROSS CASE STUDIES

Recognising the role of the aforementioned drivers and contextual factors in the formation and outcomes of collaborative models for the delivery of CTPs, this section presents findings related to perceived linkages between efficiency and effectiveness of cash programmes, and the level and form of inter-agency collaboration for their delivery. Findings have been broadly grouped into four categories: the impact of collaboration on efficiency, the impact of collaboration on effectiveness, the impact of collaboration across various phases of the cash assistance project cycle, and finally the impact of external factors on the outcomes of collaboration structures.

Because of the way they were selected, all cases studied were examples of inter-agency collaboration that had achieved a minimum level of consistency and harmonisation. As such, although this was not investigated through this study (which focused on degrees and forms of collaboration), it is important to highlight here the critical need for a harmonised and aligned approach to CTP. The risks associated with multiple agencies providing cash transfers of different values, with different frequencies and with separate targeting criteria working in the same community were well noted by humanitarian actors involved in CTP. The absence of such basic levels of collaboration can clearly result in major gaps in effectiveness or efficiency, for instance with beneficiaries receiving multiple cash transfers from different agencies, or with significant conflict arising between beneficiaries due to a lack of clarity and consistency. Thus, for the remainder of this section, findings should be understood as comparing levels and degrees of collaboration assuming such minimum standards have been achieved.

5.1 COLLABORATION AND EFFICIENCY: START-UP COSTS, SHARED COSTS AND MANAGEMENT COSTS

1 Efficiency analysis of a collaboration model should consider the balance between gains through shared functions and contract management (both to agencies involved and to the donors) and the costs of collaboration

The case studies illustrate clearly that the costs associated with collaboration increase with higher degrees of formality. These include dedicated staff and resources, cost of grant management, and cost of time spent discussing and building agreement in decision-making structures, such as steering committees and technical working groups. Respondents in Ukraine noted specifically that 'it was more expensive doing it together than it would have been separately', and similar comments were made by respondents across various case studies.

Because of the additional **costs associated with grant management and administrative requirements, more formal collaboration structures were, from an operational agency perspective, less efficient** than less formal arrangements. As such, the Afghanistan ERM did not require human resources fully dedicated to collaboration. It should be noted, however, that these collaboration costs associated with consortia are only 'additional' from the perspective of implementing agencies. A highly formalised collaboration model, such as in Iraq or Ukraine, provides the opportunity for donors to transfer contract management costs to the lead agency. When this works well, it can result in significant savings to the donor agency – although the Afghanistan ERM, which was previously a consortium, illustrated to ECHO the potential costs involved with overseeing a consortium where member collaboration had somewhat broken down.

At the same time, **more formal collaboration arrangements also appeared to offer opportunities for improved efficiency through the sharing of resources and functions**. In the Iraq case, as in other consortia and the Afghanistan ERM, technical functions were split between agencies, with different agencies responsible for leading on specific pieces of work, such as monitoring and evaluation, or vulnerability assessments. This suggests that more formalised collaboration can allow for improved efficiency (sharing of functions and resources), but at a cost (coordination structures, contract management). Analysis of the efficiency of specific collaboration structures must therefore take into account both gains through shared functions (to the donor and to operational agencies) and costs linked to collaboration.

2 There was limited evidence of gains in efficiency as a result of more formal collaboration

Despite the potential for increased efficiency, even in formalised collaboration case studies, such as Iraq and Ukraine, few concrete efforts to achieve gains in efficiency were identified in comparison to cases with less formalised collaboration. Although **the opportunity for gains in efficiency through shared costs was mentioned by respondents, individual agencies largely maintained their own internal cost structures including support, administration and indirect costs** regardless of the form of collaboration.

One exception to this was related to monitoring and evaluation costs, which in some cases were shared between agencies with formal collaboration, although these were also shared in cases with less formal collaboration, such as the Philippines CWG. Another exception had to do with enhanced geographic coordination in more formalised structures, where geographic split of responsibilities pushed members to minimise geographic overlap, thereby ensuring that collaborative frameworks rationalised costs related to field presence and operation (area offices, field teams, gaining contextual knowledge at area-level) through backing cash programmes on other existing programmes.

3 Initial investment in collaboration frameworks seem to not result in optimal cost-effectiveness gains in short-term projects and are relevant more for responses anticipated to be long term

In addition to the structural costs of maintaining a formalised collaboration model, the initial setup of collaboration structures and joint programme design takes time and resources across collaboration models. This suggests that initial investment in collaboration frameworks does not result in optimal efficiency gains in short-term projects, and is relevant more for responses anticipated to be long term.

The clearest example here lies in a comparison of the Ukraine and Iraq cases. The Ukraine NGO Consortium required significant investments, but ran for only one project. As a result, initial investments and costs did not translate into greater efficiency over time, because the consortium was disbanded before reaching what respondents described as 'maturity', and so structures and tools established during the main part of the programme could not be utilised in future. In the case of the Iraq Cash Consortium, it was reported that initial costs during the setup phase of the consortium were also high, with support costs representing close to 50% of the total programme costs. Yet, following the first five to six months during which the joint programme design was agreed, and grant management and decision-making structures of the consortium were established, the ratio of support to programme costs was reported to have significantly reduced. It should be noted that this reduction in cost was also probably related to the consortium's ability to access multiple funding streams after the initial setup, as well as to the increase in operational volume to reach a more economies of scale. These findings suggest that formalised and highly structured collaboration models need to be operational for at least the completion of a few rounds of cash transfers to reach any potential gains in efficiency through shared costs or scale.

5.2 COLLABORATION AND EFFECTIVENESS: COVERAGE, TECHNICAL SUPPORT AND FLEXIBILITY

4 High levels of collaboration improve effectiveness by enabling broader coverage (both in terms of geography and beneficiary numbers)

High levels of collaboration influence effectiveness by **enabling broader geographic coverage because members collaborating in CTP delivery need to agree respective areas of implementation** as part of their division of roles and responsibilities. In Ukraine, for instance, members who were previously competing in specific parts of the country agreed to re-allocate areas of intervention collegially, which they reported would not have been possible through existing humanitarian coordination bodies given the absence of incentives for agencies to agree to drop out of an area. While this seemed to be a feature of more formal collaboration models where agreement on a division of responsibilities was required for members to move ahead with operational implementation, the Philippines case showed the potential that a CWG can have in achieving effectiveness gains through geographic coordination across a much wider range of agencies. However, in other cases reviewed, the CWGs were not able to achieve these potential gains through coordinated geographic coverage, most likely due to limited leverage on members.

Consortia models were **also found to enable wider beneficiary coverage simply in that they were more attractive to donors** than individual agencies working separately, and so leveraged more resources. As mentioned, this is partially as a result of the transfer of costs in terms of contracting and grant management from the donors to a lead agency within a consortia model. Respondents in Ukraine indicated clearly that individual members would not have been able to collectively leverage the same level of resources as they mobilised by establishing a consortium.

5 Improved collaboration enables sharing of best practices, and so contributes to more effective cash programmes, although risks associated with consensus-building must be considered

Improved **collaboration and harmonisation enables better sharing of best practices and therefore contributes to more effective cash programmes**. Tools and approaches developed through exchanges of best practices between a number of agencies were suggested to be of higher quality than any single agency's frameworks because they brought together the strengths of each agency. Across case studies, agencies with technical expertise in a specific field had conducted work to transfer some of this expertise to their partners, as illustrated by Save the Children and DRC's work to contribute their market analysis and cash feasibility assessment tools to the Ukraine INGO Consortium. In the case of the Iraq Cash Consortium, discussions held amongst the consortia partners led to agencies revising their strategy, for example with the inclusion of previously excluded target groups or through adjustments to the transfer value of their cash programmes against the findings of their monitoring activities.

Yet, in some cases the need for consensus led agencies to settle for the 'lowest common denominator' and to forego potential improvements due to the costs and time involved in building consensus. As such, a number of members of the ERM in Afghanistan cited the time and effort required to agree on a revision of programme tools to explain why some tools had not been improved or adjusted despite known limitations. In this way, highly collaborative frameworks can result in the easiest – but possibly not the best – option being adopted.

6 More-formal collaboration models, which allow for the shifting of resources between partners, can be effective in responding to external constraints, including access or security issues, thereby enabling a stronger collective reach

One way in which the form of collaboration clearly affected effectiveness in the cases reviewed was in the potential for shifting resources between partners. More formal collaboration models, which allow for the shifting of resources between partners, have been effective in responding to security and access constraints. In the Ukraine case, when four of the five member agencies lost access to non-government controlled areas, they were able to transfer resources (in-kind items) to the single remaining agency and ensure beneficiaries were reached. Even the Afghanistan ERM, which is an alliance but not a formal consortium, has contractual provisions in place for such a transfer to be possible should it be required.

Although in practice agencies seem to have been reluctant to transfer financial resources directly, **collaboration frameworks have enabled a rapid re-allocation of one member's resources to meet gaps left by another's** limited funds or capacity. In the Iraq Cash Consortium, an agreement between member agencies allowed for one agency to cover needs in a geographic area covered by another agency when the lead agency for that area did not have the capacity or resources to effectively do so. This was, for example, the case in 2015 when waves of displaced individuals arrived into Baghdad, agencies shifted geographic coverage among members in order to ensure resources could be effectively used to meet these new needs. While this could be possible through humanitarian coordination structures, the prior existence of a collaboration framework between agencies (and associated contractual arrangements and consistency of approach) make such shifts quicker and so more effective in more formalised collaboration structures.

5.3 COLLABORATION AND EFFICIENCY AND EFFECTIVENESS ACROSS THE CTP PROJECT CYCLE

7 Funding mechanisms, particularly the ability to channel funds through multiple channels (with transparency between agencies) can improve the scale and timeliness of a response

Inter-agency collaboration on funding mechanisms and the development of a funding framework based on transparency and the availability of multiple funding channels can contribute to efficiency and effectiveness by improving access to and use of funds. In the case of the Iraq Cash Consortium, members were able to agree on the availability of various funding streams into the consortium to leverage resources both through the lead agency and through each agency individually, with funding received through either channel used to implement the strategy and approach agreed at consortium level. In this way, **the consortium as a whole was able to leverage additional resources, including those of donors who might not be willing to fund a consortium or the lead agency directly.** Agencies can shift response responsibilities and caseloads between members depending on resource availability to ensure timely response. At the same time, the diversity of funding sources and streams allowed agencies to scale up a response quickly or pre-position funds in preparedness without relying on a single donor or heavy administrative frameworks. Among cases studied, only the Iraq case illustrated the potential for this variety of funding sources.

8 A trade-off seems to exist between harmonising tools and approaches and the timely delivery of cash assistance

As expected, respondents across all the cases reviewed highlighted a trade-off between harmonising tools and standardising approaches and the timely delivery of cash assistance, particularly in the initial stages of collaboration. Efforts to achieve consistency and reach consensus on programme design features of coordinated cash transfer responses were found to be time-consuming, as in the case of Ukraine where initial transfers were delayed by several months as a result of consensus-building (both within the consortium and in response to changes in the external environment). Agreeing common tools, standards and approaches can be a lengthy process, and one that agencies cannot by-pass once they have committed to harmonisation. Over time, however, such frameworks were found in some instances to contribute to increased speed of future responses, as once within a joint collaborative programme, agencies' speed of response is more likely to be monitored by other members, creating a 'peer pressure' incentive towards timely response. Effectiveness gains from time spent on harmonising approaches should therefore be weighed against potential losses in terms of the timely delivery of assistance, illustrating again the added value of harmonisation investments in cyclical or protracted crisis contexts.

9 The selection of a common delivery mechanism is not necessarily required to achieve efficiency gains

Another expectation in this study was that formal models of collaboration, such as consortia, would be more likely to use a common delivery mechanism. However, while many shared delivery mechanisms, none of the cases reviewed relied on a common agreement with a FSP. When consortium members were asked about this, it was reported that information sharing was sufficient to obtain the same service rates and fees for all members. For instance, in the cases of Afghanistan, Iraq and the Philippines fees provided by service providers did not vary significantly based on the planned number of transfers to be completed and therefore agencies had no reason to negotiate a joint contract with a financial service provider. Therefore, **the selection of a common delivery mechanism is not necessarily required to reach gains in efficiency when contracting an FSP** and information sharing can suffice for coordinated negotiations in cases where individual and collective scales achieved do not affect transfer rates. Interestingly, in the Philippines CWG, financial service providers are active and official members of the group, adding a private sector perspective to the discussions within the group.

10 High levels of collaboration provide opportunities for exploring linkages with social protection platforms, which can enhance sustainability and longer-term effectiveness.

The effectiveness of a CTP can be partially attributed to its ability to build on existing social-safety-net programmes and/or rely them as an exit strategy, where these social-safety-net programmes are functional. This study suggests that high levels of collaboration between agencies, regardless of the form of collaboration, provide opportunities for exploring linkages with social protection platforms, and therefore overall effectiveness. In the example of the Philippines Cash Working Group, including government partners as active members of the group allowed agencies to use the existing social protection programme (*Pantawid Pamilyang Philipino Programme, 4P*) as a starting point from which to quickly respond after Typhoon Haiyan.

These linkages to social protection require multiple agencies to work together with a harmonised approach that can be easily handed over to, or coordinated with, government counterparts. This was the case in Iraq, where members of the consortium worked to handover beneficiaries to government-led social transfer programmes through a jointly-established systematic, referral and follow-up system.

11 While M&E frameworks and tools were generally harmonised, there was little evidence available of joint analysis and use to improve programme quality, or for partners to keep each other accountable

As highlighted above, and in other studies of efficiency and effectiveness in cash transfer programmes, this study found a significant gap in the availability of inter-agency outcome or impact-level evaluations, regardless of the form or degree of collaboration between agencies. While M&E frameworks and tools were generally harmonised, there was little evidence available of joint analysis and use to improve programme quality, or for partners to keep each other accountable. While in the case of Ukraine, a post-distribution monitoring was conducted across consortia members, this was completed as part of the project closure, and was not used for future planning. Similarly, no available documents provided an overview of the ERM's outcomes across partners.

Consortia did seem to provide some incentives to ensure collective performance through joint analysis, due to the stakes partners had in each other's success. However, this was generally done solely at the level of outputs, and so was not used to monitor programme quality across partners.

5.4 CONTEXTUAL FACTORS AND COLLABORATION STRUCTURES

12 Formalised collaboration (through consortia) does not necessarily ensure higher levels of harmonisation across implementing agencies, and high levels of harmonisation were noted in less-formal models

The study has shown that more formal contractual frameworks did not necessarily lead to a more consistent and harmonised cash response. Consortia did not always result in programmatic consistency, and at times there were significant discrepancies between consortium members' interventions. In Ukraine, for instance, members' interventions differed in choice of modality, beneficiary selection and targeting and duration of assistance. In contrast, less-formal models studied achieved remarkable consistency and harmonisation of tools and frameworks, as in the case of the Afghanistan ERM, though this did arise over time and required significant donor input and support to ensure various partners adhered to the agreed framework. Similarly, the Cash Working Group in the Philippines managed to develop a highly collaborative approach across its membership despite the lack of formal relationships between members.

Across the board, evidence suggests that achieving harmonised approaches was linked more to leadership and personalities of those involved, or to the rationale under which the collaborative framework was established. The key difference between the working group model and more formal models is likely to stem from the ability of members to hold each other accountable, and to enforce the decisions made by the group. In the case of consortia, donors seem to delegate this responsibility to the membership, although this is not always a successful approach, as shown by the case of the ERM where ECHO and members opted to switch from a consortium to an alliance model, in part to address increasing programmatic inconsistencies.

13 More formal collaboration models with a limited number of partners were highly valuable in contexts where collaboration within wider CWGs has been hampered by 'political' struggles, enabling improved decision-making through joint advocacy

Across case studies, it was found that more formal collaboration models with a restricted membership (consortia and alliances) were highly valuable in contexts where collaboration within wider CWGs has been hampered by 'political' struggles, enabling improved decision-making in the CWG through joint advocacy. In both Iraq and Ukraine, the Cash Working Group was affected by wider political or mandate-related disagreements on the use of cash transfers, and whether these should be coordinated under a multi-sector approach, or within existing sector-based structures. Such political struggles limited the ability of the group to quickly provide effective technical guidance due to the time and resources spent on strategic-level discussions around coordination architecture. In both cases, consortia members worked within a smaller group to develop a coordinated strategy and approach, and fed these into the CWG for endorsement and uptake by other actors, thereby contributing to a more timely delivery of assistance. Similarly, consortium members in Ukraine and Iraq pushed strongly for the adoption of multi-purpose grant objectives and approaches, which as noted in the ECHO evaluation present 'greatest opportunities for cost effectiveness'. In Afghanistan also, members adopted coordinated advocacy strategies to promote the use of cash in emergency response.

These examples show how **consortia or alliances can influence or overcome political discussions preventing delivery at CWG-level through joint advocacy and by mobilising the strength of their aligned membership**. Through this, consortia and alliances can contribute significantly to more-effective cash responses, beyond the specific programmes of their members.

14 Contextual factors, particularly in relation to funding and cash coordination, provide the incentive framework on the basis of which agencies make decisions about the levels and forms of collaboration they aim to achieve

Contextual factors form the ecosystem within which agencies make decisions regarding the extent of collaboration to deliver CTPs, and regarding the form this collaboration will take. As such, an analysis of contextual factors is critical to building an understanding of the incentives that drive agency decisions about levels and forms of collaboration. Beyond enabling or disabling efficiency or effectiveness gains linked to identified drivers, these **contextual factors are critical in shaping the potential for collaborative frameworks to emerge**.

Key contextual factors affecting inter-agency decisions around collaboration appear to be strongly linked to funding and cash coordination. Indeed, of the three more formal cases reviewed through this study, two emerged as a direct result of significant donor pressure, and the availability of funding being conditional on collaboration (Ukraine and Afghanistan). In contrast, the Iraq Cash Consortium (and, to a lesser degree, the Afghanistan ERM) was conceived in response to perceived inadequacies or shortcomings of coordination structures for CTPs. Specifically, the inability of the CWG to provide technical guidance and obtain buy-in from its membership resulted in four of the main NGO cash actors coming together to promote the use of cash at scale. While no clear correlation can be made between the incentives that led to the formation of a model and the degrees of collaboration achieved, it is clear that **decisions to form a collaborative structure are framed in response to such external incentives**.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 COLLABORATION AND COST-EFFECTIVENESS OUTCOMES

This study set out to explore the relationship between inter-agency collaboration for the operational delivery of CTP and the efficiency and effectiveness of these programmes, with a view to testing the assumption that greater collaboration contributes to improved efficiency and effectiveness. Findings from case studies indicate that higher degrees of collaboration and levels of formalisation within collaboration structures do not necessarily correlate with improved efficiency and effectiveness, beyond minimal levels of harmonisation and consistency that were recognised by respondents throughout the study as critical to enabling the delivery of CTPs (agreeing a transfer amount, frequency and conditionality, coordinating geographically, etc.).

Findings do point to potential effectiveness gains from collaboration, in that higher degrees of collaboration appear to generally enhance CTP's coverage, quality of design and resilience to access or security constraints. Members of highly collaborative structures tend to be more likely to agree divisions of geographic areas of intervention, attract higher levels of funding, share best practices during the development of joint tools and approaches, and be able to re-allocate resources or caseloads in response to rapidly shifting contexts. In contrast, however, higher degrees of collaboration seemed to have negative or mixed results on the efficiency of CTPs, primarily because costs associated with the setup and management of collaboration structures did not appear to be offset by efficiency gains through sharing of resources or functions. Some findings suggest a potential trade-off between efficiency and effectiveness gains of collaboration, as illustrated by the negative impact of consensus-building (for improved tools and approaches) on timeliness of response.

Although potential benefits of greater collaboration (including efficiency through shared costs and effectiveness through speed of delivery and harmonised approaches) were clear, there was little indication that more formal forms of collaboration (such as consortia) ensured greater programmatic consistency in comparison to less formal models (such as alliances of CWGs). Case studies displaying significant discrepancies in CTP delivery illustrate the fact that consortia can result, despite their formality, in limited collaboration and consistency, and so more formality does not entail an increased likelihood that effectiveness gains of collaboration will be achieved. Where coordination structures and/or donors were able and willing to proactively promote consistency and collaboration among implementing agencies, less formal structures seemed, in fact, more likely to result in cost-effectiveness gains, as the collaboration then involved a larger number of potential actors, and did not require some of the costly and time-consuming structures associated with more formal collaboration models.

As illustrated by the above, findings show clearly how the incentives linked to the operational environment and contextual factors within which collaboration structures are conceived affect the degree to which efficiency and effectiveness gains from collaboration are achieved. Donor agendas and funding-related incentives play a key role in affecting implementing agencies' decisions regarding both the degree of collaboration to aim for and forms of collaboration to adopt, as do the usefulness, quality and openness of cash coordination structures. This suggests that by building a stronger evidence base around the forms of collaboration that have the potential to work best in different contexts, operational agencies can make informed decisions about collaboration best suited to their context, and not as a result of individual personalities and agency or donor incentives alone.

6.2 RECOMMENDATIONS FOR ENHANCING THE COST-EFFECTIVENESS OF COLLABORATION FRAMEWORKS

Based on the above and more specific study findings, while it is not feasible to provide a blueprint for ensuring effectiveness and efficiency gains from collaboration are achieved, researchers can attempt to formulate recommendations to help donors and operational agencies maximise the potential impact of collaborative frameworks on cost-effectiveness of CTPs within specific crisis contexts and operational environments. Recommendations outlined below are split between those applying to country-level decision-making on the delivery of cash transfers, and global-level recommendations on the future of CTP delivery.

Recommendations at country level, where agencies are actively engaged in delivering cash transfers:

- Maximising the potential impact of collaboration by **designing collaboration structures that make the most of shared resources or specific functions between members** and whereby costs related to collaboration can be best rationalised. One method through which this can be achieved that has yet to be fully explored by operational agencies is through a technical split between agencies within a collaboration structure – with the intent of avoiding any duplication in field-level resources.
- In order to ensure the flexibility and funding needed to deliver a large-scale response, **operational agencies should seek to develop collaborative frameworks that enable funding through a variety of channels** (both pooled funding mechanisms and bilateral funding agreements). Given donors' requirements and various funding priorities, access to multiple funding channels allows collaborative models to deliver regardless of one donor's agenda or constraints.
- To maximise potential effectiveness gains of collaboration by building an accountable, responsive and informed CTP, donors and implementing agencies should **ensure that mechanisms are in place to enable the periodic review of joint tools and approaches to ensure their continued relevance and appropriateness**.
- Agencies should work towards the development of **joint monitoring frameworks** to enable an assessment of collaborative CTPs' impact and outcomes across members. Such frameworks should include **mechanisms for collective review of findings by members to promote joint evidence-based decision-making as well as mutual accountability**.
- Agencies should aim to minimise the impact of harmonisation efforts on speed of delivery through agreeing initial minimum standards of harmonisation, and then committing to **regularly review harmonised tools and approaches**. This is particularly pertinent in sudden-onset contexts with minimal levels of CTP preparedness – where speed of delivery is critical.
- As highlighted in the findings above, one way in which collaboration can result in greater effectiveness is through the ability of a collaborative model to hand-over to a government-led social-safety-net programme. Therefore, where national social safety net mechanisms are in place and adequate, operational agencies should work with relevant government stakeholders to **promote alignment of CTP interventions with these social protection platforms, and develop synergies to enable beneficiary referrals as an exit strategy**.

Recommendations at global level, to inform strategic and policy discussions on the appropriateness of CTP delivery models by context:

- Developing a **standard quantitative tool for assessing the costs of collaboration versus the potential gains** achieved through the sharing of costs and functions, both from a donor and agency perspective. Ideally this would also include a method for tracking cost-benefits over time. This would enable a better assessment and comparison of the efficiency of various collaboration structures.
- Allocation of **adequate resources at both the field and global level for the development of joint tools, approaches and frameworks**, including during programme design and in preparedness planning (i.e. prior to the launch of implementation).
- As their policies and agendas, as well as the state of cash coordination structures (which they can influence), form incentives on the basis of which collaboration structures are designed and managed, **donors and agencies alike should proactively engage in discussions of cash coordination**, therefore contributing to potential cost effectiveness gains.
- In order to more accurately determine the relationship between inter-agency collaboration and efficiency and effectiveness, **outcome-level indicators should be agreed, systematically collected and analysed**. CaLP's monitoring guidelines for CTP will be a valuable resource to guide systematic monitoring.

- Finally, a further focus on what forms of collaboration have the potential to work best under which contextual scenarios would allow donors and operational agencies to make **informed decisions about a collaboration model's suitability for a specific context**. In addition to the contextual factors highlighted in Section 3, this could take the form of a checklist of key considerations that would need to include: start-up costs versus potential gains over time, for example if a given context is expected to be protracted or cyclical in nature and therefore a longer-term response; the forms and adaptability of the cash coordination structure in country; political or strategic constraints or enablers; and security or access limitations determining the levels of flexibility and adaptability required by a collaborative model.

6.3 RECOMMENDATIONS FOR FURTHER STUDY

Within the scope of this study it has been possible to identify potential linkages between forms and levels of inter-agency collaboration and the overall efficiency and effectiveness of cash transfer programmes. However, further study could help compare these preliminary findings with evidence from analysis of quantitative data, as well as complement selected case studies through similar study of other types and instances of collaborative frameworks.

Future potential research efforts could focus on the following:

- Extending this study to **other operational models for CTP** (i.e. single agency/UN-led, or consortia models with a split of technical functions) would help qualify findings and enable broader comparison between models.
- A **cost-benefit analysis for collaborative models quantifying the initial findings** of this study and identifying fluctuations in costs over time and areas of potential cost savings. This would require information sharing between agencies and the availability of data; however, it would provide a starting point for future cost analysis discussions in collaborative programmes. In so doing, a cost-benefit analysis could provide evidence regarding the scale at which efficiency of collaboration improves.
- Assuming the availability of outcome- or impact-level data that could not be found for this study, the **relationship between levels of harmonisation between agencies and the quality of outcomes** for beneficiaries should be further explored.
- An analysis of operational agencies' **decision-making processes and the governance of collaboration and competition could provide further insight into the incentives that drive such decisions**, and how such incentives can be leveraged to promote more cost-effective collaboration.

CASE STUDY FINDINGS – AFGHANISTAN EMERGENCY RESPONSE MECHANISM (ERM)



Photo: Renée Gourlet / IRC

This case study report forms part of the findings from a Cash Learning Partnership (CaLP) study on inter-agency collaboration for the delivery of cash-transfer programmes (CTPs). The relationship between various forms and levels of inter-agency collaboration for the delivery of CTP and the efficiency and effectiveness of these programmes was examined via four case studies. For further details on the study scope, methodology and findings across cases, please refer to the full study report.

The Afghanistan Emergency Response Mechanism (ERM) was selected as a case study to illustrate the ‘alliance’ form of inter-agency collaboration for sector-focused cash assistance, with semi-formal relationships and separate funding flows between members. It is distinctive from other cases in that cash assistance is, for the vast majority of beneficiaries, provided by members on a one-off basis in response to immediate shocks and displacement.

Key findings from this case study include the following:

- Significant levels of collaboration and consistency were achieved despite the lack of formal contractual relationships between members.
- A decision to shift from a consortium to an alliance model illustrates the challenges members (and their donor) faced in trying to manage the ERM under a single grant agreement.
- While collaboration does not seem to have led to increased costs, it seems it has not offered successful opportunities to work together on improving cost efficiency.
- The alliance model has made it easier to adjust the membership of the partnership, enabling adjustments in geographic and beneficiary outreach.
- Tools and approaches developed jointly by members have enabled effectiveness gains. However, respondents have also noted risks associated with this level of harmonisation.
- ERM tools and approaches appear to be disseminated widely among humanitarian coordination structures, and so are likely to contribute to the wider cash response.
- Efforts to enable a shift of resources between members illustrate the potential benefits of collaboration in coping with an uncertain context and rapidly changing needs, despite practical challenges faced in resorting to such mechanisms.
- The limited availability of (consolidated) information regarding the ERM’s outputs and outcomes prevents discussions on best practices, or members’ efforts to keep each other accountable.

I CRISIS AND CTP CONTEXT

The ERM was established as a rapid-response mechanism to meet the emergency food, shelter/NFIs, protection and WASH needs of internally displaced persons (IDPs) affected by conflict or natural disasters across Afghanistan. Following the withdrawal of the bulk of international armed forces from Afghanistan, an increasing number of provinces have been affected by **conflict between Afghanistan's National Security Forces (ANSF) and non-state armed groups (NSAG)**. This conflict has resulted in the internal displacement of 197,000 people between January and September 2015, with a further 250,000 new IDPs projected for 2016.¹⁰ In addition, Afghanistan is highly vulnerable to and regularly affected by **natural disasters, including floods, earthquakes, landslides and drought**, with an annual average of 235,000 people affected.¹¹ ECHO estimates that there were over 100,000 new IDPs in Afghanistan in 2015, bringing the total number to just under one million.¹² Furthermore, an additional 175,000 **Afghan refugees in Pakistan were expected to return** to Afghanistan in 2016.¹³ Often already highly vulnerable, **many of these displaced populations suffer from restricted access to basic services and humanitarian assistance**, particularly in remote or conflict-affected areas. Of particular concern to humanitarian actors is the inadequate access to food, housing, water and sanitation, as well as significant protection concerns associated with living conditions in displacement.¹⁴

The **emergence of cash assistance in Afghanistan has been slower than in other parts of the world**, notably as a result of challenging conditions, including poor financial literacy of vulnerable populations, limited financial and market infrastructure (particularly in remote and conflict-affected areas), high levels of corruption, and access constraints. However, in recent years, **cash assistance has increasingly emerged as a relevant and efficient response modality** given the level of needs and access constraints, which make the transportation, storage and distribution of large amounts of in-kind items highly challenging. While some clusters – including notably Food Security and Agriculture (FSAC) and Shelter/Non Food Items (NFI) – have integrated the potential use of cash and voucher modalities into their sector planning process for a number of years, the importance of cash has gradually increased in recent years with WFP's launch of cash programming at scale after 2012, and the establishment of a Cash and Voucher Working Group (CVWG) as a multi-sector group in 2014. 3W (Who, What, Where) maps indicate 80,000 households were reached through cash modalities in 2014 (including cash for work and vouchers), while the 2016 HRP includes a budget item for multi-sector cash transfers and notes that 'The use of cash transfer modalities [...] will become increasingly expedient as access for large scale direct aid distribution is constrained.'

2 ERM FORMATION AND EVOLUTION

The ERM is a long-standing 'ECHO flagship' programme that has evolved significantly in its structure, objectives and focus since its inception in 2011. **Initially a consortium** of five partner INGOs led by Solidarités International (SI), the ERM's first three rounds (2011 to 2013) were implemented under a single ECHO contract to SI, who in turn had sub-agreements with the other four partners. However, despite programmatic achievements, the consortium broke down in 2013 because of tensions between member agencies around administrative and financial management issues, as well as a failure to harmonise approaches and interventions resulting in the consortium presenting significant discrepancies in the field. With no agency willing to take the lead of the consortium any more, ECHO and partners decided to **shift models of collaboration towards a 'partnership' model** (generally referred to as an 'alliance' model in other contexts).

Under this new model of collaboration, which remains in place to date, **agencies submit separate but coordinated applications to ECHO**. While the initial round of coordinated applications included many discrepancies, significant efforts from ECHO and partners over the years have led to the creation of a **highly detailed Common Rationale document**. Launched in late 2014, and revised annually to include improved tools as well as new pilots (for instance the introduction of individual protection assistance in 2016), this quasi-contractual document

¹⁰ 2016 Humanitarian Response Plan for Afghanistan.

¹¹ 2016 Humanitarian Response Plan for Afghanistan.

¹² 2016 ECHO Humanitarian Implementation Plan (HIP) for Afghanistan and Pakistan.

¹³ 2016 Humanitarian Response Plan for Afghanistan.

¹⁴ OCHA 2016 Humanitarian Needs Overview for Afghanistan.

(extensively referred to in the eSingle Form) forms the backbone of the ERM programme, and **sets out common objectives, results, activities, indicators, standards, tools, approaches and coordination mechanisms** that partners commit to abiding by. While membership of the ERM has changed over time, with some agencies joining and others departing, the Common Rationale has provided admirable stability and consistency throughout these changes, despite the absence of formal contractual relationships between partners.

In its current iteration (ERM 6, which runs from May 2016 to April 2017), the **ERM includes seven partner INGOs receiving collectively 12 million euros from ECHO under five grant agreements**: Action Against Hunger (ACF), ACTED (as an implementing partner of PIN), the Danish Committee for Aid to Afghan Refugees (DACAAR), the Danish Refugee Council (DRC), the Norwegian Refugee Council (NRC), People in Need (PIN) and SI (as an implementing partner of ACF). Partners **generally implement the same activities in different geographic areas**, with the exception of DACAAR being responsible only for WASH implementation. In addition, **most agencies lead a specific technical function** for the group, working on the design of tools and approaches as well as providing capacity-building to other members. This includes mobile data collection for ACTED, WASH for DACAAR, coordination for DRC, communications for ACF, and protection for NRC. Partners specifically commit to the following collaboration in the Common Rationale: (i) coordinate geographical coverage and response; (ii) leverage technical capacity and organise specific capacity building; (iii) manage mutual support, including logistics, access and human resources; and (iv) ensure protection principles are mainstreamed.

3 ERM COLLABORATION STRUCTURES

Partners have **no formal contractual relationship** (except in the case of implementing partners of agencies directly funded by ECHO). However, their project proposals are quasi-identical, with most sections extracted directly from the Common Rationale (exceptions include sections related to specific geographic areas, beneficiary calculations, budgets, or additional technical functions). In addition, **each partner lists other ERM agencies as potential implementing partners** to allow, if necessary, for the signature of an MoU to transfer funds from one agency to another in case of levels of need in one member's target area that exceed that partner's resources (though such a direct transfer of funds has never happened in practice). Each partner's budget and scope of work is discussed directly with ECHO, and members do not (formally) coordinate proposal submissions or total budget requests except in terms of geographic target areas.

As a result, **coordination between members of the alliance is informal**, with an 'informal' (no specific Terms of Reference) consortium coordinator who is not fully dedicated, but also serves as programme manager of their agency. Programme managers meet monthly in a technical ERM meeting to discuss respective achievements, challenges, potential for operational collaboration at field level (sharing of resources) and joint advocacy messaging. A steering committee, composed of country directors and ECHO, meets on a quarterly basis to discuss more-strategic issues. **ECHO, as a donor, is significantly involved** in the coordination and management of the programme, attending steering committee meetings (systematically) as well as technical meetings (where relevant), contributing to annual Common Rationale review workshops and endorsing formally any change to standard tools and documents, compiling partner reports on a monthly basis, and formally approving any response targeting over 100 households, as well as a range of 'exceptional' cases such as the use of cash for work (see below) or the targeting of undocumented Afghan refugees.

4 PROGRAMME DESIGN FEATURES

The ERM programme design features are outlined in detail in the Common Rationale document. ERM is distinct from other case studies in that its primary aim is **to respond to the immediate needs of IDPs across Afghanistan through the very rapid, but one-off provision of assistance** (except in exceptional circumstances described below). It is in many ways a **preparedness framework**, where beneficiary targets per area or partner are not set in advance, but instead partners pre-position capacity (in the form of staff, tools, knowledge, processes and financial resources) to respond very rapidly to acute needs that arise at the onset of conflict or natural disaster-related population displacements. As noted in partners' shared eSingle Form: 'This action is predicated on the need to respond swiftly to localised shocks, both conflict and natural-disaster related. The proposed actions therefore focus on achieving high quality and timely response through, among other actions, common rapid assessments, prepositioning of emergency response supplies and maintenance of emergency response teams capable of travelling at short notice to shock-affected areas.'

The ERM is also distinctive in that it is **not an exclusively cash-based programme**. Its objective is multi-sectoral, and so the assistance provided can include (depending on need and assistance): (i) standard assistance (sufficient to meet food and NFI needs for one month, as well as emergency shelter where necessary); (ii) additional individual protection assistance (IPA) for most vulnerable households (additional cash or in-kind items, additional shelter assistance); and (iii) WASH assistance. While the WASH assistance is provided in-kind and focuses on service delivery (with the exception of hygiene kits that can be monetised), the standard assistance and IPA are generally monetised, except where markets are not adequate (lack of supplies or elasticity) or not accessible to beneficiaries (for security or access reasons). The **programme design strongly favours the use of cash**: '[Cash-based programming] has been chosen as the most appropriate response modality that allows the beneficiaries flexibility and dignity in resolving their most immediate needs.' Despite being 'earmarked' for certain sectors or items, all cash provided through ERM is unrestricted, and the vast majority is unconditional (except for the provision to implement Cash for Work in specific cases where access is severely affected by a disaster and light infrastructure repairs are essential for market recovery).

Levels of collaboration: The table below shows the degree of collaboration achieved by ERM partners across the various stages of the CTP project cycle.¹⁵

¹⁵ As defined by the CTP collaboration framework developed under the ERC project 'Increasing the Uptake of Multi-Purpose Cash Grants in Emergency Responses'.

CTP project cycle (ERC matrix)	Degree of collab. (ERC matrix)	Comments/Notes
Needs assessment	Harmonisation of design	Partners use the same tools and framework, but analyse and report separately for each geographic area.
Market analysis	Harmonisation of design	Partners use the same tools and framework, but analyse and report separately for each geographic area.
Operational feasibility analysis	Harmonisation of design	Based on market and needs assessment, conducted using shared analysis and decision-making tools, but by each agency separately for its geographic areas.
Modality selection	Harmonisation of design	Decisions based on a common framework (market assessment, prioritisation of UCT), but by each agency separately for its geographic areas.
Funding	Information sharing	Informal information sharing on funding and budgets can occur, but on a case-by-case basis. The exception is when a partner runs out of resources, but has needs in their area, in which case other members seek to re-allocate savings.
Targeting & vulnerability selection	Harmonisation of design	Partners share household assessment tools, selection criteria and data management tools (electronic data collection). However, results of the selection process are not shared or analysed jointly for learning, and each partner makes decisions for their area independently.
Contracting FSPs & CDM	Information sharing	All partners rely on a similar hawala mechanism, but based on individual agency decisions. Information is shared on available FSPs and their rates.
M&E	Harmonisation of design	PDM tools and logical frameworks are standardised, and partners collaborate concretely for data management (with electronic data collection). Analysis is conducted separately, and not shared formally, and there is no overview of the ERM's achievements as a whole. Attempts at peer monitoring have been discussed.
Protection	Harmonisation of design	Partners consistently mainstream protection using a shared framework and joint tools and approaches. Some partners provide capacity-building to other members, indicating minor degrees of collaborative implementation.
Exit strategy/Link to SP	No collaboration	This topic is not addressed by ERM partners in the Common Rationale or through other means.

Targeting and beneficiary selection: ERM partners have a clear process and straightforward framework for beneficiary selection and targeting, which is consistent and harmonised between members. Partners build relations with other humanitarian actors and local authorities in each of their target areas, and regularly monitor the situation in order to identify reports of disasters or displacements. Upon notification of an emergency, ERM partners have up to five days to trigger an emergency assessment (in coordination with OCHA and other actors if feasible, but not if it will delay response). This emergency assessment is based on standardised tools that include: (i) a rapid market assessment (see details below in modality selection); and (ii) a household-level assessment, assessing every single household reported to be affected (to avoid use of key informants and associated risks of politicisation of aid). An ERM Assessment Report (using an agreed template) should be prepared following all assessments, irrespective of whether a response is proposed or not. The assessment report should then be shared with ERM partners, ECHO and the Humanitarian Community within two days after the end of data collection.

This **household-level survey and the corresponding database forms the basis for beneficiary selection**. All households found to be directly affected by a conflict or natural disaster, and displaced for less than six months by the time of notification, are eligible for standard ERM assistance. In exceptional cases, with ECHO approval, undocumented Afghan refugee returnees (ineligible for UNHCR's cash assistance) can be targeted by ERM partners. Depending on the assistance received from other humanitarian actors, they can receive food and/or NFI assistance, as well as emergency shelter (usually in the form of tents) in case they are sleeping in the open. In addition, beneficiary households who meet at least two of nine vulnerability criteria are eligible for additional IPA assistance. These criteria are '**standard**' vulnerability criteria, which can, for the majority, be directly observed by field teams: unaccompanied minors, chronically ill members, women at risk or having suffered from GBV, high number of children under five, high debt, disability, absence of breadwinner. If a beneficiary is eligible for additional IPA assistance, a specific IPA assessment (using a standardised tool) is triggered, and a request for IPA approval is sent to the ERM Programme Manager. Beneficiary datasets are built using standardised tools, but maintained at agency level and not shared externally except in case referrals are required.

Modality and delivery mechanism selection: ERM partners **select the appropriate modality for assistance based on the aforementioned rapid market assessment**. This consists of focus group discussions to ensure the community is able to access markets, and a survey of vendors to ascertain market availability as well as determine local prices of the agreed assistance package. Again, **standard tools are used by all ERM partners** for this. In the aforementioned assessment report, each partner includes an analysis of this market assessment to determine whether a cash response is appropriate. The **default response modality is cash**, but in-kind NFI, emergency shelter or items to meet additional special needs (medical equipment, for instance) can be acceptable if necessary: 'when markets are not functioning adequately, i.e. when the necessary goods are not available or available only in limited quantities, or where beneficiaries cannot access markets.' A joint procurement, pre-positioning and stockpiling of NFI kits is part of the ERM project for such cases where in-kind assistance will be required.

At the time of the rapid market assessment, partners map the availability, cost and accessibility of cash-transfer mechanisms in the target area. In practice, **for cash transfers all partners rely on the use of the traditional *hawala* system** to bring cash into the affected area. Cash is then distributed in-hand to beneficiaries by the ERM partner. While this is recognised as a less-than-ideal transfer mechanism, it is, in the vast majority of cases, the only option given the state of financial infrastructure in target areas, and the timelines involved. Indeed, partners commit to providing assistance within five days of assessment completion. In general, partners are already familiar with available *hawala* and transfer mechanisms in their target areas, enabling them to move rapidly forward with the selection of a provider once a decision is made to respond to a shock. While partners intend to explore other potential options for cash transfer further, discussions around this to date have not produced many concrete results. It should be noted that research and documents available from other actors implementing cash responses note similar constraints, with the CVWG listing almost only *hawala* as a recommended transfer mechanism, and WFP and DFID having run small-scale pilots for mobile cash transfers – primarily in regional urban centres – with mixed results.

Transfer value and level of assistance: The ERM Common Rationale sets out a clear and consistent framework for setting levels of assistance and cash-transfer values for the different types of available assistance. The transfer amount is set for NFI assistance at 4,000 AFN (~60 US\$), with a top-up of 2,000 AFN (~30 US\$) for hygiene items if not provided by other actors and an additional 'winter top-up' of 2,000 AFN (~30 US\$) for fuel or blankets if the notification took place between 1 October and 31 March. For food, the amount set is based on the market assessment, based on local prices for an agreed standard and culturally-appropriate individual food basket (which has been endorsed by the FSAC, but is not the same one as WFP, who uses flour instead of rice), with 2,000 AFN (~30 US\$) per household added for transport and other costs; in practice, based on reviewed reports, this seems to amount on average to approximately 7,000 to 8,000 AFN (~105 to 120 US\$) per household.

Additional IPA amounts are set more flexibly, based on the individual situation of target beneficiaries as captured in the specific IPA assessment and 'case study' report, in line with the very household-specific approach of this cash-for-protection response. This can include a one-off unconditional cash transfer of up to 14,000 AFN (~210 US\$), as well as cash-for-shelter rehabilitation 'for displaced households demonstrating more than two core vulnerabilities, whose homes have been destroyed and have landownership enabling reconstruction of a new house', or cash-for-rent up to 4,000 AFN/month (~60 US\$) for up to three months for those that are highly vulnerable, but do not own land to re-build their shelter (accompanied by a trilateral agreement with the landlord and close monitoring).

Monitoring and evaluation (M&E): All ERM partners share a common logical framework (including indicators) and a common monitoring and evaluation framework, including the use of standard tools, datasets and monitoring requirements. This includes the aforementioned household and market assessment approaches, as well as a commitment to implement a standardised post-distribution monitoring within one month of the end of each response. The sampling framework for this PDM is set by the Common Rationale: all households if less than 10 targeted by a response, 10 households if less than 100 targeted, and 10% of the caseload if over 100 targeted (which does not appear to be linked to statistically representative sampling frameworks), with an equal representation of men and women respondents. PDM tools and report templates are standardised, and in line with contractual reporting requirements and the ERM objectives: they include questions regarding amounts received, food consumption, expenditure patterns, satisfaction with assistance, preference for cash and/or in-kind and duration of the assistance. They remain, however, relatively basic and from the few PDM reports reviewed for this study, do not seem to allow for in-depth analysis (in the absence, for instance, of comparison between pre- and post-intervention situations). Furthermore, in the case of additional IPA assistance, a specific IPA PDM must be administered to each target household, also within 30 days of assistance being provided.

There is less clarity, however, on the joint use of this M&E and PDM data, and it appears that there is **no formal mechanism or occasion to jointly review lessons learnt from these, nor any aggregation of different agencies' PDM data**. This could be feasible given the use of a common database structure and the recent coordinated shift to mobile data collection (which means one lead agency for mobile data receives data from all partners and then re-disseminates). Similarly, the shared logical framework and indicators are primarily output-based, with all specific objective indicators being related to timeliness (number of days between notification and assessment, assessment and assistance, and end of assistance and PDM). As a result, there is **little opportunity to measure the impact of the assistance on target beneficiaries' situations** beyond levels of satisfaction and food consumption scores (framed not in terms of improvement, but in terms of satisfactory level post-assistance), to understand how this one-month stop-gap assistance package affects the situation and living conditions of target IDP households.

Link between cash and other sectors (protection and WASH): The ERM's logical framework is built to include four results: (i) standard assistance (food/shelter/NFI); (ii) joint procurement; (iii) protection (IPA and mainstreaming) and (iv) WASH (implemented by a separate partner). The protection includes the aforementioned cash-based IPA as well as information sharing and referrals. **All partners implement these protection activities, so they are consistently integrated into the standard assistance framework**. A lead agency (NRC) develops information materials, drawing on its protection expertise to ensure adequacy of messaging and alignment with in-country standards, and trains partners on the delivery of these key messages. Furthermore, agencies are trained in the use of country-specific referral forms adopted by the Protection Cluster. While respondents to this study have raised concerns regarding the rather superficial nature of protection capacity building to non-specialised ERM agencies, **such relatively basic information-sharing and referral activities seem feasible and relevant** given the cash-based activities they complement, taking advantage of the information collected and level of access provided through comprehensive household surveys without causing significant risks to beneficiaries or responders.

In contrast, **WASH activities are implemented by a separate agency**, responsible in theory for covering disasters across the country, with the exception of hygiene kit distributions conducted together with NFI distributions by all agencies. Given the logistical and access challenges presented by the Afghan context, it **does not seem realistic** to expect one agency to ensure water access, water quality, access to sanitation facilities and waste removal across all ERM areas without very significant resources. The rationale for integrating this community-level WASH work with other ERM components, as well as the links between their implementation remain unclear, apart from the fact that disaster-affected communities need urgent WASH support. In practice, an analysis of consolidated ERM achievements between 1 May and 30 September 2016 show that while WASH activities have been implemented, they have never physically complemented other ERM responses, which suggests **little integration with other components**, and limited effectiveness gains likely from seeking such integration.

Exit strategy: Afghanistan does not have a social-safety-net mechanism, and previous attempts (notably by the World Bank) to establish these have not been successful, due particularly to the complex context in Afghanistan, high levels of corruption and the central government's limited capacities (including financial) or outreach into the provinces. As noted in the ERM common eSingle Form: 'these programmes [on-budget or quasi on-budget mechanisms (e.g. World Bank trust funds) for large, national level programmes] do not reach down to the most

vulnerable, in particular the Internally Displaced who are often systematically excluded.' Similarly, while efforts have been made to build disaster-response capacity among Afghan authorities at both central and local level, the international community's support is expected to continue to be required in the coming years. As an illustration, ECHO's HIP 2016 notes that '[...] the level of instability, the increasing number of conflict affected and displaced people, increased numbers of vulnerable returnees [...] mean that ECHO support continues to be needed in Afghanistan for the foreseeable future.' It is no surprise, then, that **little thought appears to have gone into the ERM's exit strategy, and that few efforts can be identified towards such an exit.** It should be noted that, unlike longer-term cash-transfer programmes in protracted crisis contexts, the ERM assistance only aims to help support shock-affected families to deal with the initial post-crisis period, for up to a month in the majority of cases. Nonetheless, as noted by some respondents, it seems that the continued presence of ERM partners at sub-national level, often without an ongoing crisis response, presents an opportunity to provide support and capacity building to local-level disaster response actors for a more sustainable impact.

5 PROGRAMME OUTPUTS, RESULTS AND OUTCOMES

The main challenge faced by this study in assessing the effectiveness of the ERM partnership is the **quasi-absence of consolidated information about ERM partners' achievements and results.** As such, it was **not possible to determine the extent to which ERM agencies, as a group, achieve most of the targets they set out in their shared logical framework and Common Rationale.** This appears to be one of the main drawbacks of the adopted collaboration model: with separate contracts and grants, partners have no reason or incentive to collate and compare the results of their work, and so no basis to present their collective achievements.

That said, it was possible to use an overview of outputs compiled by ECHO on the basis of each partner's standardised monthly reports to draw some tentative conclusions. The following points are based on combined ERM partner outputs under ERM 6 between 1 May and 31 October 2016. Over this six-month period, ERM responded to a total of 214 crises, the vast majority of which were conflicts (205), but also including six natural disasters and three Afghan refugee returnee influxes. Over 138,000 people were assisted through the ERM, which constitutes an average of 662 people per response. **In approximately half of these responses (108), ERM partners provided both food and NFI support,** indicating that they were the only/first available responders (given the ERM approach to meeting gaps in response). **Only 1.9% of beneficiaries assisted received in-kind support rather than cash,** indicating that the cash-based approach does indeed seem effective in the vast majority of cases. Furthermore, **only 37 households (0.2% of the caseload) received IPA,** indicating either that the strict targeting and exceptional nature of this assistance envisaged in the Common Rationale is indeed applied in the field, or, as suggested by a respondent, that non-protection partners are struggling to apply the IPA criteria in the absence of adequate capacity building. Finally, **while approximately 42,000 individuals benefited from water supply or sanitation assistance, none of these individuals benefited from standard or IPA ERM assistance,** suggesting a clear disconnect and lack of integration between the two components. As mentioned above, from this compilation of monthly reports, it was **not possible to determine to what degree ERM partners' timeliness commitment was met** for these responses.

6 WIDER CONTEXTUAL FACTORS AND CONSORTIUM ADAPTATION

Humanitarian coordination architecture: Overall, unlike other collaborations for CTP in rapid onset or larger-scale emergency contexts, **the ERM has operated in an environment with relatively few other cash-based initiatives at scale** – the exception being WFP programmes, although these were primarily voucher-based outside of major urban centres. For this reason, **advocacy for the use of cash has been at the core of the ERM vision and mandate** since its early days, and most respondents have noted the ERM’s ambition and willingness to influence humanitarian response and promote the use of cash in the Afghan context. This leadership is acknowledged by the 2016 Humanitarian Response Plan, which notes that ‘The NGO partners of the Emergency Response Mechanism (ERM), funded by the European Commission’s Humanitarian Aid Department (ECHO), have led the way in ensuring cash-based interventions are considered alongside other delivery modalities when responding to emergencies triggered by ongoing conflict or sudden-onset natural disasters.’ Given the transformative potential of the use of cash modalities at scale in a context of chronic emergencies like Afghanistan, **this alone constitutes a significant contribution to improved efficiency of the humanitarian response** as a whole.

In this context, it is no surprise that the **ERM is well-embedded in existing coordination structures, and contributes significantly to their work**. ERM partners **commit, through the Common Rationale, to aligning their advocacy in various clusters and WGs, and to ensuring coordinated representation** to speak with one voice. As noted in the introduction of its Terms of Reference, the Cash and Voucher WG ‘was and continues to be supported under an ECHO funded ERM project to establish a coordination platform and harmonise cash based interventions in Afghanistan’, and it is co-led by WFP and an ERM partner (NRC). However, as this CVWG is not a cluster, assistance delivered via cash modalities, such as ERM, is reported in the respective sectoral clusters (Food, NFI/Shelter, Protection). ERM tools – such as the framework for selecting appropriate modalities developed by NRC and Samuel Hall, the contents of the NFI package or members’ lists of financial service providers – feature among CVWG or NFI/Shelter Cluster guidance and technical documents. Furthermore, **ERM partners have successfully influenced response planning beyond their core sectors**, as is evident from the recent revision by the HCT of its inter-agency coordinated assessment framework for new emergencies drawing significantly from the ERM household-level assessment tool and approach. It will be interesting to see how this positioning and level of contribution will evolve with recent and ongoing efforts by other actors, including notably UNHCR, UNICEF, WFP and OCHA, to work jointly on developing the scope and scale of their cash-transfer programmes in Afghanistan. As the NRC has not had a CVWG lead in place for several months, and no other ERM partner has been willing to step in in the interim, **this positioning could potentially evolve in the future**.

Access and security: The sheer size of Afghanistan, and its **significant security and access constraints** (including poor transport infrastructure) constitute a significant challenge for all agencies operating in the country. In this context, the pooling of resources and capacities between seven partners with broad coverage provides a strong value-added in **ensuring capacity to respond in a wide geographic area**. Partners collectively achieve a scale and scope that would not be feasible for any single agency.

That said, the partnership remains vulnerable to some of these access constraints. In principle, contractual arrangements (inclusion by each partner of others as implementing partners in the eSingle Form) enable partners to transfer resources to one another in case of higher caseloads than anticipated in some areas to ensure that ‘in cases where one partner has access but another partner doesn’t, the ERM partners would be able to utilise each other as implementing partners for a specific caseload on an ad-hoc basis’. In practice, however, this has not materialised as **partners prefer instead to step in to other partners’ target areas to directly provide assistance where support is required**, according to some respondents to avoid shifting financial resources and risk losing associated support costs. **Divisions of areas of intervention agreed in theory at the start of each round do not prevent competition** between ERM members for coverage of populations displaced into more accessible areas of Afghanistan (as reported by a key informant in at least two instances). Attempts at operational collaboration through the sharing of staff, office space or transport capacity have reportedly rarely been successful. Finally, while the ERM should, in theory, allow for sharing of knowledge between field teams, coordination and capacity-building initiatives generally target staff at national level, while **staff at field level rarely have opportunities to collaborate or learn from one another** as a result of movement constraints.

7 PERCEPTIONS AROUND EFFECTIVENESS AND EFFICIENCY

This section aims to summarise the views shared by respondents regarding specifically the impact of collaboration on efficiency and effectiveness. Findings have been anonymised at their request.

One respondent has described the ERM Programme, by nature, as **'absolutely not cost-efficient'** due to its reliance on the 'pre-positioning' of teams, vehicles and other resources to enable a rapid response should a shock arise. However, the resources are not always used to respond to shocks impacting large numbers of beneficiaries, and so the pre-positioning cannot always benefit from the cost savings of a larger-scale response. Where shocks lead to large-scale responses, these are effective and more efficient thanks to this existing capacity, but where only few beneficiaries are targeted the costs per response are high.

Respondents indicate **limited efforts between partners to jointly improve cost efficiency**, and costs or budgets are rarely discussed. Recent efforts have taken place, with ideas to try to share facilities or staff to reduce costs, but these have not been possible due to security or logistical challenges. While there are **no costs to the collaboration (in the absence of dedicated coordination resources)**, it does not seem to enable cost-saving either, and in fact working together was believed to make little difference to agency budgets. Attempts at reducing costs by working together on a joint procurement have proved counter-productive, as the final cost of NFI kits procured through this mechanism has been higher than similar items purchased by individual members.

The ERM model results in **significant costs for ECHO**, who has a TA nearly dedicated to its oversight. This is due to ECHO's strong involvement, and also to the ERM design which relies quite heavily on donor input even for operational implementation. ECHO's close involvement into ERM has been described as an opportunity, not a cost, which has been **useful for advocacy purposes**. For instance, the use of a household survey tool has shown that IDP lists received from local stakeholders (previously the basis for UN inter-agency planning) included, on average, 30% of ineligible households.

While ECHO might have initially favoured a single consortium and contract, recent history has shown that this was **not necessarily more effective, and the current model is considered to be acceptable** – though consolidation from 5 to 2–3 contracts would be preferred for efficiency of contract management. The **current 'partnership' model was described as enabling more effective collaboration than the previous consortium model**. Previous challenges and constraints at the end of ERM 3 showed that while a consortium can reduce contract management costs and time when it works, it can also create significant challenges and costs. As a result, it was thought that **consortia should never be encouraged by a donor unless they arise organically** (and even then, it should be clear they are based on a shared programmatic vision rather than a fundraising opportunity).

Collaboration has, however, reportedly improved effectiveness in that it has led to **the adoption of shared tools and frameworks that draw on best practices of different members**. It has also **influenced the response of the wider humanitarian community**, beyond consortium members. However, because of the heavy institutional framework around these tools, it has **now become harder to adjust and improve them** (as in the case of the PDM), as this has significant consequences across a number of agencies. The Common Rationale's emphasis on speed and timeliness of response has also provided a **strong incentive for a more timely response by all members**. Mutual pressure has led to members integrating and abiding by this timeliness commitment.

The **Common Rationale was described as the 'guarantor' of ERM's stability and continued effectiveness** despite high staff turnover among NGOs in Afghanistan: the framework stays and people adapt to it. An associated risk, however, is that if the ERM process becomes too 'mechanical' and creativity elements are lost, **people may gradually lose interest and ownership**, which could lead to the ERM becoming irrelevant as the context evolves. To combat this, the introduction of annual pilots and improvements was found to be essential.

It was reported that the ability to pilot and fine-tune new elements during each **cycle** before integrating them into the Common Rationale at scale enabled the **testing and improvement of tools and approaches**, and is seen as a significant driver of the ERM's effectiveness.

One partner identified a **risk of ERM being the use of cash even when it is not appropriate** because it is easier for agencies and enables quicker results and improved cost efficiency. WASH was cited as one example where monetisation has its limits, but not the only one. It was felt that such concerns could not always be raised openly because they go against the assumptions at the core of the ERM's design.

Concerns were also raised regarding the **absence of an exit strategy** for the ERM, and the failure to effectively involve local authorities (despite their capacity gaps). The initial ERM objective was described as meeting gaps left by other responders' (UN, government) inability to respond in a timely manner, but was now reported to have replaced existing capacity, which is risky in the long term.

8 KEY FINDINGS AND CONCLUSIONS

The evolution in the form of the collaboration, and the shift after three years from a consortium to an alliance model, illustrates the **challenges members and donors faced in dealing with a single contract** without a strong willingness to collaborate. It also shows the potential for ensuring **collaboration and consistency through a less-formal alliance model and adjustments over time** – although it has required significant donor involvement and a willingness to manage multiple contracts. Through the use of a Common Rationale and associated set of tools, the ERM displays an **impressive degree of consistency and harmonisation** across the cash-transfer cycle, despite the absence of formal contractual relationships between members and a high staff turnover.

The model is noted by respondents as **inherently not cost-efficient** because of its specific design features, including preparedness elements and the need to pre-position capacities where disasters and displacement might not occur. While the **collaboration between partners had not led to increased costs** (given the lean coordination structure), it seems it has also **not offered successful opportunities to work together on improving cost efficiency**, notably as a result of logistical challenges inherent to the Afghan context (poor mobility between regions). This model, and specific programme design features of the ERM, however, have **required a high level of engagement (and investment) from ECHO as a donor**.

The **alliance model has also made it easier to adjust the membership** of the partnership, with members joining or leaving the ERM as required to enhance geographic and beneficiary outreach despite a changing access context. This has benefited effectiveness by enabling scale of response across the ERM, although **some competition remains** between members in geographic areas that are considered to be easier to access.

As it is based on extensive discussions between members, and efforts to adopt best practices from different agencies' field experiences, it seems that the **tools and approaches developed jointly are of better quality than individual agencies'**, which is likely to result in effectiveness gains. However, respondents have also noted **risks associated with this level of consistency**: efforts to review tools and change established approaches are time-consuming, and somewhat dis-incentivised. This implies that **partners might settle for the lowest common denominator** to reach approval, and also that **established frameworks might become less relevant or effective** in the long run if they fail to adapt to changing circumstances (including the rapidly-evolving cash-transfer ecosystem in-country). This latter risk is somewhat mitigated by efforts to revise the Common Rationale on an annual basis, by introducing improvements based on lessons learnt as well as piloting new approaches, which seems to be a good approach provided that these adjustments are not too superficial.

ERM partners' **tools and approaches appear to be shared and disseminated widely** among humanitarian coordination structures, which enables their use by cash actors outside of the core partnership. These efforts to promote the use of cash and share the result of initial investment in tool development have been recognised as valuable by inter-agency planning documents, and are likely to **contribute to the Afghan emergency response's overall cost-effectiveness**.

Efforts to enable a **shift of resources between members illustrate the potential benefits of collaboration** in coping with an uncertain context and rapidly-shifting needs. While these frameworks could enable improved effectiveness through flexibility, **agencies appear to be reluctant in practice to share resources between members**, given internal implications.

The **limited availability of (consolidated) information regarding the ERM's outputs and outcomes**, due to both a lack of consolidation and the limited scope of partners' M&E work (no comparison of pre/post assistance situations, for instance), does not offer strong evidence to enable discussions between members on maximising effectiveness. Consolidation of partners' achievements at the level of partners (as opposed to the donor) could provide an **opportunity for discussions between members on best practices, and help partners keep each other accountable**. This would likely help build confidence in the value of the programme and its design features, as well as between partners.

Sources:

- ERM common proposal template (eSingle Form) (last version as of December 2016)
- ERM Common Rationale and annexes (last version as of December 2016)
- Example of one partner's mid-term report (including PDM data analysis)
- Overview of ERM partner achievements on ERM VI up to 31 October 2016 (compiled and shared by ECHO)
- 2015 and 2016 ECHO Humanitarian Implementation Plans (HIP)
- 2015 and 2016 consolidated response plans for Afghanistan (Strategic Response Plan and Humanitarian Response Plan)
- Cash Working Group documents available online (3Ws, meeting minutes since September 2015, Terms of Reference, presentations and technical guidance documents)
- CaLP Cash Atlas
- NRC/Samuel Hall/UNHCR/ECHO, Cash and protection action research (December 2015)
- NRC/Samuel Hall, A practical guide for practitioners of cash-based interventions in Afghanistan (December 2015)
- WFP/Samuel Hall, WFP effectiveness study (March 2013)
- Samuel Hall, Humanitarian assistance through mobile cash transfer in Northern Afghanistan (May 2014)

Key Informant Interviews:

- Marco Menestrina (ECHO Technical Advisor overseeing ERM, previous ERM Coordinator for DRC, and ERM Programme Manager for PIN)
- Emanuela Mackova (PIN Head of Programmes, previous ERM Programme Manager for PIN)
- Luc Verna (previous ECHO Technical Advisor overseeing ERM)
- John Morse (DACAAR Country Director)
- Katherine Carey (OCHA) and Pia Jensen (UNHCR), both acting CVWG co-leads

CASE STUDY FINDINGS – CASH CONSORTIUM OF IRAQ (CCI)



This case study report forms part of the findings from a Cash Learning Partnership (CaLP) study on inter-agency collaboration for the delivery of Cash Transfer Programs (CTPs). The relationship between various forms and levels of inter-agency collaboration for the delivery of CTP and the efficiency and effectiveness of these programmes was examined via four case studies. For further details on the study scope, methodology and findings across cases, please refer to the full study report.

The Cash Consortium Iraq (CCI) was selected as a case study to illustrate a consortium model of inter-agency collaboration for multi-purpose cash assistance (MPCA), with a formal relationship between partners and a

shared funding stream, both bilaterally to member agencies and through the lead agency. It is distinctive from other cases in that the consortium is ongoing and funded by multiple donors as part of a response in a protracted crisis. A multi-sector approach to cash, core to the strategy of the consortium, is also recognised as central to the humanitarian response plan in Iraq.

Key findings from this case study include the following:

- Strong collaboration can play a role in advocating for cash assistance, particularly Multi-Purpose Grants (MPGs), and in the development of standardised tools and approaches, therefore contributing to a more effective cash response.
- The consortium in Iraq was formed as a joint initiative between member agencies to address the shortcomings of the Cash Working Group. This agency driven consortium formation is likely to have contributed to a strong incentive base for effective collaboration. Agencies reported being committed to working together, sharing information openly and delivering against the agreed consortium strategy.
- The multiple funding streams of the consortium, both bilaterally and through the consortium lead, has allowed for access to a range of funding opportunities and cost sharing, and added to the volume, and therefore scale, of programming implemented through the consortium.
- Initial resources required to establish the consortium were high. However, they laid the groundwork for potential savings over time as the consortium reached economies of scale and began to access multiple funding sources.
- Given a high level of formality within the consortium and accountability between member agencies, the consortium was able to deliver high levels of programme consistency, standards and harmonisation.
- Although the consortium partners did not work towards the selection of a shared financial services provider (FSP), or one contract for the delivery of cash transfers, this was reportedly not necessary in order to achieve gains in cost efficiency as these were reached through information sharing activities alone.
- The CCI example illustrates the significance of a harmonised approach to monitoring and evaluation (M&E) tools, particularly in post-distribution monitoring, allowing partners to collect comparable data and the potential to build on lessons learned.
- By providing a standardised, streamlined and harmonised approach to referrals, consortia offer opportunities to link into government-led social protection platforms and therefore potential gains in effectiveness.

I CRISIS AND CTP CONTEXT

The onset of the most recent conflict in 2014 with the uprising of the Islamic State in Iraq and the Levant (ISIL), and war in Syria, have resulted in **over 3.1 million internally displaced persons (IDPs) and nearly 230,000 Syrian refugees** in need of humanitarian assistance within Iraq.¹⁶ In addition to returnee households, numbering close to 1.2 million individuals, host communities and households in newly-accessible or conflict areas are all in need of critical humanitarian support.

The conflict is characterised by widespread violations of human rights and is widely recognised by the humanitarian community as a **protracted protection crisis**. The crisis in Iraq falls under the UN Office for the Coordination of Humanitarian Affairs (OCHA) classification system as an L3 emergency, representing only 'the most severe, large-scale humanitarian crises'. Nearly **half of the displaced persons in need reside in 'hard-to-reach areas'** of central and northern Iraq, creating concerns around access and accountability. An estimated 86% of internally displaced persons and 58% Syrian refugees are **living outside of camps**.¹⁷ The high proportion of displaced persons living amongst the hosting community puts a strain on local assets, social services and infrastructure, and has pushed

¹⁶ IOM Disaster Tracking Matrix (DTM) Iraq, DTM Round 58 November 2016 / UNHCR Syrian Refugee Response, Interagency Information Sharing Portal, November 2016: <http://data.unhcr.org/syrianrefugees/country.php?id=103>

¹⁷ UN OCHA, Humanitarian Needs Overview (HNO), November 2015.

hosting communities into a situation of economic decline.¹⁸ As a result, 3.2 million host community members have been included in the most recent Humanitarian Response Plan (2016).

Due to an abundance of oil, which provides 90% of government revenues, Iraq is classified as an upper middle-income country. However, the **current situation has stretched the capacity of the government to meet critical humanitarian needs**. The costs of financing the counter-insurgency against ISIL and the global decline in oil revenues have significantly impacted Iraq's economic standing. The World Bank has estimated a reduction in oil revenues in Iraq of US\$ 40 billion in 2015, leading to a budget deficit in 2016 of US\$ 30 billion and a 40% reduction in public spending.¹⁹ These factors, combined with the conflict, have led to **increased poverty, vulnerability and unemployment across the country with an estimated 23% of the population now living in poverty**.²⁰ Prior to the crisis, Iraq had established a stable social safety net through a public distribution system (PDS) supplying food rations to all Iraqis (not just the poor) and providing more than one-third of Iraqis' calorie consumption.²¹ Yet with the reduction of government incomes, issues of access to non-government controlled areas and the dynamics of populations on the move, the PDS system has been disrupted and cannot be relied upon by households to meet basic food needs.

Iraq's status as a **middle-income country with highly integrated market systems** suggests it might be a conducive context for cash programming. Cash programming by humanitarian actors in Iraq was initially introduced through the UNHCR-led response for Syrian refugees in northern Iraq in 2014. By late 2014, agencies had also started to use cash-based responses to the IDP crisis, which **led to the formation of the CWG in August 2014**. Headed by UNHCR and MC, the CWG membership **started at about 13 members (2014) and expanded to over 40 within two years (2016)**. Part of the uptake of cash assistance can be attributed to the **inclusion in the 2015 and 2016 Humanitarian Response Plans (HRPs) of a separate chapter for Multi-Purpose Cash Assistance (MPCA) and the placement of the Iraq Cash Working Group under the Inter-Cluster Coordination Group (ICCG)**. This move to accept multi-purpose cash, led by the Cash Working Group as a 'semi-cluster', provided a unique opportunity for the use of cash-based responses at scale in Iraq.²² According to data from the Financial Tracking System (2016) the IDP cash-based response comprises both Unconditional Cash Transfers (UCTs) designed under sector-specific objectives (mainly WFP and UNHCR) and UCTs designed under the multi-purpose objective (mainly the Cash Consortium of Iraq and other INGOs) and **represents an estimated US\$ 31.1 million (2.4%) of the total response**.

2 CASH CONSORTIUM OF IRAQ (CCI) FORMATION AND EVOLUTION

The consortium was formed in early 2015 by four partners: NRC, Mercy Corps, DRC and IRC. Discussion with the leads for each agency noted that **the consortium formed as a response to the slow progress within the CWG on developing harmonised tools and approaches and an agreed need among the CCI partners for a cohesive MPCA strategy**. The agencies also covered complementary geographic areas and saw an added value in working together to deliver a cash programme split geographically. The four partners were active members of the CWG and represented the largest NGO cash actors at the time.

At the time of the formation of the consortium, **donors were also insistent on a more aligned approach to cash programming**. This was strongly led by ECHO and harmonised cash programming (transfer value, number of transfers, targeting) was a requirement across ECHO's cash partners. At the time, the members of the CWG were not aligned in their approach to the delivery of cash assistance. For example, UNHCR was providing cash for protection and WFP vouchers for food assistance, and the broader INGO community was providing UCTs with varying objectives and approaches. The **steps towards harmonisation that the donor community was looking for could not be reached via the CWG**. In response ECHO formed an '**ECHO Cash Alliance**', which included the members of the consortium as well as IOM and required partners to submit nearly-identical cash projects under which each partner covered an agreed geographic area. ECHO Cash Alliance partners were required to meet regularly in the ECHO office and discuss the technical components of their respective programmes. Through

¹⁸ IOM Disaster Tracking Matrix (DTM) Iraq, DTM Round 48 June 2016 / UNHCR Syrian Refugee Response, Information Kit No.15, May 2016.

¹⁹ World Bank. Iraq's Economic Outlook – July 2016. www.worldbank.org/en/country/iraq/publication/economic-brief-july-2016

²⁰ World Bank, Iraq. Country Overview, April 2016: www.worldbank.org/en/country/iraq/overview

²¹ 2013. IRIN. Iraq 10 years on; Less dependent on food rations. Baghdad. www.irinnews.org/report/97991/iraq-10-years-less-dependent-food-rations

²² ODI, Evolution of Cash Transfers in Iraq, to be published 2017.

the ECHO Cash Alliance, partners received bilateral funding, and as a result there was some limited transparency between the agencies on budgets and costs, or agreement on shared costs.

From this ECHO-initiated starting point, the partners with the largest cash programmes within the ECHO Cash Alliance (IRC, DRC, NRC and MC) began discussions the **formation of a formal cash consortium with a harmonised approach, a cost sharing strategy and strong geographic coverage across Iraq**. Given other regional experiences with consortium models, ECHO was at first reluctant to recognise the consortium and maintained its terminology as the 'ECHO Cash Alliance'. The first direct funding to the consortium came from the Government of Canada (GAC) in mid-2015 and laid the foundation for the establishment of the Cash Consortium of Iraq.

Since the formation of the consortium in 2015 the membership has, with the addition of Oxfam in late 2016, grown to five partner agencies, and receives diverse funding sources bilaterally and multilaterally, funding through the lead.

3 CASH CONSORTIUM OF IRAQ (CCI) COLLABORATION STRUCTURES

Under the formalised consortium, Mercy Corps was selected as the lead agency and recruited **a dedicated team, including a cash consortium coordinator, grants manager and reporting officer, to support the consortium**. Agencies agreed on a **geographic split of coverage response and a technical division** with each agency leading a different technical function, including monitoring and evaluation (M&E), data and information management, and vulnerability and assessments. IRC was agreed as the M&E lead and received additional funding from the GAC for a consortium M&E manager and support. DRC and NRC did not have dedicated staff for the consortium, but led on specific tasks as agreed in the technical working group, such as the targeting tools and vulnerability analysis.

The decision-making process was originally outlined in the CCI Teaming Agreement. The CCI is structured around the two main bodies, the technical working group and the steering committee. **The steering committee is responsible for providing the overall strategy and direction, leading donor outreach and communication** and ensuring the CCI is represented with the Iraq Humanitarian Country Team (HCT). **The technical working group, on the other hand, is responsible for the technical design and support to implementation** of the cash programme. The technical working group is also responsible for advising the steering committee and represents the CCI in the CWG. The technical working group meet bi-weekly and the steering committee monthly. The CCI coordinator provides the bridge between both groups and chairs both bodies.

The strategy of the consortium is purely concerned with the delivery of multi-purpose cash to vulnerable, conflict-affected households, including displaced people, returnees, hosting communities and newly-accessible individuals. The partners in the CCI split activities geographically with each covering an agreed district or sub-district of Iraq.

4 PROGRAMME DESIGN FEATURES

The CCI's programme design is founded on the **MPCA strategy outlined in the 2015 and 2016 Iraq humanitarian response plans**. The primary objective of this strategy is to meet the multi-sector basic needs of conflict-affected populations across Iraq, with a particular focus on newly-displaced people and the use of cash assistance as a first-line emergency response tool. There are two lines of support within the strategy, **a one-off cash-transfer for newly-displaced or newly-identified vulnerable households and a multi-month transfer to the most extremely vulnerable** of these cases. As such, it is primarily focused on speed of delivery and providing a standardised approach across areas of implementation.

The CCI strategy also includes the provision of **complementary activities, including referral of protection cases** for further follow up, both between agencies and externally to government counterparts **and livelihoods programming** to support a 'graduation model' of multi-month cash-assistance programming.

Levels of collaboration: The table below shows the degree of collaboration achieved by CCI partners across the various stages of the CTP project cycle.²³

CTP project cycle (ERC matrix)	Degree of collab. (ERC matrix)	Comments/Notes
Needs assessment	Harmonised design and highly collaborative implementation	Joint market and needs assessments developed by agencies and used as an inter-agency tool to assess newly-accessible areas. At the time of this study, harmonisation of the needs assessment was in progress and market assessment completed.
Market analysis	Harmonised design and highly collaborative implementation	See above
Operational feasibility analysis	Information sharing	Although information needed for an operational feasibility assessment is included in the market assessment tool, each agency independently conducts their own operational analysis, for example in terms of access, risks, availability of FSPs, etc.
Modality selection	Harmonised design and highly collaborative implementation	Modality selected – multi-purpose cash grant – is agreed across members of the CCI and used consistently in cash programmes implemented by member agencies.
Funding	Harmonised design and highly collaborative implementation	CCI has a two-tier funding approach, both through a shared fund managed by the lead agency and bilaterally to member agencies. There is some degree of information sharing on budgets received and cost transparency between member agencies.
Targeting & vulnerability selection	Harmonised design and highly collaborative implementation	Developed jointly and a harmonised approach to the assessment and selection of beneficiaries completed by the member agencies.
Contracting FSPs & CDM	Information sharing	Agencies share information, including costs, services and challenges, on FSPs yet stop short of negotiating jointly and using a common delivery mechanism or FSP.
M&E	Harmonised design and highly collaborative implementation	Led by IRC with dedicated staffing, agencies use and jointly revise common tools, shared databases and information management systems. Agencies upload data into a shared database for inter-agency analysis.
Protection	Harmonisation of design	A referral system for protection cases is agreed between agencies and each agency maintains their internal protection mainstreaming practices.
Exit strategy/Link to SP	Harmonised design and highly collaborative implementation	A referral system is in place with highly vulnerable cases referred to IRC lead for the social protection component, and then transferred with IRC’s support into a government-led social protection programme (when funding is available).

²³ As defined by the CTP collaboration framework developed under the ERC project ‘Increasing the Uptake of Multi-Purpose Cash Grants in Emergency Responses’.

Situation response and analysis: CCI partners reported having a fairly **harmonised and standardised approach to market and needs assessments, but a less harmonised approach to the operational feasibility assessment**, which was reportedly done by each agency independently in order to assess their own internal capacity to effectively deliver within a specific geographic area and context. One example is the work done by the CCI partners in preparation for the Mosul response. In order to prepare for the large-scale displacement expected as part of a military operation to take back Iraq second largest city, Mosul, CCI partners **conducted an inter-agency market assessment to ensure the context was conducive to a cash programme. This was complemented by agency-led assessments of operational feasibility** confirming the capacity of each agency to deliver assistance in the agreed geographic areas of coverage between consortium members.

Intervention design: CCI partners are **strongly aligned in intervention design, including modality selection, funding strategies and targeting**. Where market and operational conditions are supportive, the CCI member agencies agree on the delivery of multi-purpose cash assistance as the primary modality required to meet the basic needs of vulnerable displaced, returning and hosting-community households.

Regarding funding, consortium members agree to implement all their multi-purpose cash programmes using the consortium strategy. **This means that bilateral funding, as well as funding via the lead (MC) with sub-contracts to the partner agencies, is considered to be consortium funding.** This funding approach allows multiple donors to cover operational costs and therefore implies a cost sharing between the donors. This also gives the consortium the flexibility to appeal for funding either as a group or bilaterally, depending on the most likely route to accessing funding, but with an 'integrated approach to communications with donors'.²⁴ In terms of cost efficiency, having two funding streams (bilateral and via the lead) may not be the most efficient due to the costs of grant management that agencies maintain individually to manage their bilateral funds. However, this may be offset by gains in the scale of response or cost sharing obtained through accessing multiple donor funding streams.

Targeting was reported as one of the greatest difficulties for the CCI partners. Although partners are harmonised in their targeting and methodology for defining vulnerability, which is based on socio-economic and demographic variables as well as context-specific coping strategies, the complex approach for determining a score and 'cut-off point' was referred to as 'arbitrary' and difficult to communicate both internally and externally. The CCI partners **have shared the targeting approach with the CWG members and offer the targeting tools as a 'public good' to be used by the CWG partners, but uptake has been limited outside the CCI partners.** The main reasons stated for this are first, that agencies have specific programmes and therefore different required targeting criteria (e.g. UNHCR and protection programmes) and second, the complexity of the CCI system proposed.

Operational delivery: The highly harmonised approach across the members of the consortium is evidenced by high degrees of collaboration and a standardised approach to the transfer value, distribution processes (SOPs shared), beneficiary feedback systems and data management. Interestingly, however, **agencies reported 'information sharing' only when it came to the selection of Financial Service Providers (FSPs) and a common delivery mechanism (CDM).** When this was discussed further, i.e. looking at the potential for cost savings and a lower negotiated rate if agencies signed with one FSP, agencies reported that there had been no need to consider a shared FSP contract since they were all receiving the same rates and service packages from the FSPs. In addition, it was reported that the rates received from FSPs did not vary depending on the number of transfers to be completed, therefore it was seen to be unlikely that an FSP would offer lower rates if agencies negotiated together. In the case of Iraq, the FSP of choice among both the CCI partners and wider membership of the CWG was the Money Transfer System (MTC) referred to as 'hawala' agents in country.

Monitoring and evaluation (M&E): In the CCI, **M&E is led by one agency, IRC, which hosts a dedicated M&E manager specifically as well as other supporting functions, such as maintaining a shared database.** The M&E team provides compiled reports to donors, the CWG and other agencies in order to inform the cash response as well as provide evidence for the outputs and impacts of the programme (Post-Distribution Monitoring Reports). It is not clear from the interviews completed how systematically inter-agency reports are compiled by the members, or the extent to which these are used to hold one another accountable. It was noted in discussion with the CCI partners that **a greater focus on outcomes and wider impact is needed.**

²⁴ Key Informant Interview, November 2016.

Exit Strategy and Linkages to Social Protection: Given the protracted nature of the crisis in Iraq against the back-drop of limited funding available globally, there has been a focus on the exit strategy for humanitarian programmes, particularly for cash assistance and MPCA. In line with these constraints, the CCI partners were required by one donor to establish a clear referral pathway to government-led social protection platforms. This strategy was developed by IRC, which leads the **referrals from all agencies through one streamlined and harmonised approach**. However, the results of this referral system were not clear without any data tracking done by the INGOs/CCI partners on what happened to the referrals and if they were finally accepted to functioning government-led programmes.

5 PROGRAMME OUTPUTS, RESULTS AND OUTCOMES

One limitation of this study has been the ability to accurately review and assess the overall outcomes and impact of the cash response delivered by the CCI over the past two years (2015–2016). With no inter-agency evaluation completed at the time of the study, findings here can only reference post-distribution monitoring (PDM) data independently collected and analysed by the member agencies of the consortium.

In terms of scale, the CCI **delivered assistance to 3,335 households in 2015 and 12,759 households in 2016 representing an almost 40% increase in the scale and funding of the CCI in the span of one year**. This implies that the CCI strategy, outcomes as evidenced by PDM data, and opportunities to reach cash at scale with a harmonised approach, have been well received by the donor community in Iraq and opened access to additional funding for the consortium. **PDM data collected by the member agencies show that households receiving the cash transfers had the highest expenditures on food, shelter/rent and healthcare, and highlight a reduction in negative coping strategies over the three-month cash-transfer programme.**²⁵

6 WIDER CONTEXTUAL FACTORS AND CONSORTIUM ADAPTATION

There were a number of factors that supported the formation of a strong cash consortium and an active CWG in Iraq. Critically, Iraq is context-conducive to cash programming. As a middle-income country, with pre-existing social transfer systems, integrated markets and a diverse financial services sector, Iraq is recognised by donors and agencies alike for its potential to provide a cost-effective cash-based response. The role of the government in providing social transfers to its citizens through blanket distribution programmes, referred to as the Iraqi Public Distribution System (PDS), also laid the groundwork for the use of cash assistance with a beneficiary population familiar with the concept of social transfers.

Within the humanitarian context, there was **great support among the donor community for the formation of a consortium that could provide a standardised approach to MPCA with wide geographic coverage**. Given the scale of the IDP response in Iraq, targeting over 7.1 million people with a funding appeal of US\$ 681 million, the opportunities to provide cash assistance at scale are clear (HRP 2016). The potential savings from delivery of cash versus in-kind in a response of this scale was one of the driving factors in the formation of the consortium, meaning the partner agencies had an agreed preference for a cash-based modality to address multi-sector needs. This strategy was strongly backed by donors and the UN resident humanitarian coordinator, both of which pushed for a space for multi-purpose cash assistance in the face of resistance from the clusters and other sector-led response agencies within the overall response.

However, the **context also presented significant challenges with regard to the acceptability of cash assistance as a heavily targeted social-transfer programme, security and access constraints, and the humanitarian architecture and system for coordinating cash assistance within the Cash Working Group**.

²⁵ CCI (2017). Update Cash Consortium of Iraq (CCI) – Update 31 January 2017. Prepared as a brief for ECHO.

Targeted social transfers: Although the concept of social transfers was familiar to the population of Iraq, the concept of targeted transfers was fairly unusual. The PDS programme in Iraq as a blanket distribution programme to all Iraqis created a **beneficiary community accustomed to the idea of social transfers to all, not just the economically or socially vulnerable**. Reportedly, as a result of the targeted approach to cash transfers, agencies faced significant blockages by government officials at local levels. For example, in Duhok, in northern Iraq, local government stakeholders sat as active members on the sub-national Duhok Cash Working Group and blocked CWG members from providing cash assistance to individuals not approved by the local government officials. There was also a push from the Duhok officials to provide blanket cash assistance only in camps, which was not part of the CCI strategy at the time. This left some of the CCI partners unable to deliver cash in line with the CCI strategy in Duhok and having to reallocate planned programming to other more accepting governorates.

Security and access: The ability of CCI partners to safely and repeatedly access areas of implementation is critical to the CCI strategy, which includes a multi-month transfer and therefore multiple visits by agency cash teams. Yet the **security and access constraints in some of the most 'in need' areas of Iraq were reported to have in some cases limited the capacity of the CCI to respond at scale in a timely manner**. In other instances the consortium was able to address these security and access constraints by transferring resources and the responsibility for the response to whichever agency was best able to overcome security and or access constraints, particularly in and around areas of Baghdad where strong community networks and relations were required to access beneficiary populations.

Cash coordination and the Cash Working Group: Iraq also provides a unique environment for the coordination of cash assistance, with a CWG that sits in the Inter-Cluster Coordination Group (ICCG) and with a separate line for MPCA within the HRPs. The Iraq Cash Working Group (CWG) formed in August 2014 was initially mandated to provide technical support to all cash-based response actors across both the refugee and the IDP responses in Iraq under the leadership of UNHCR and Mercy Corps. Yet, with the formation of the **CCI in early 2015 and donor push for a multi-purpose and harmonised approach to the delivery of cash assistance, the CWG became the centre of a highly political battle within the coordination and response structure** in Iraq. The CCI strongly advocated for MPCA within the CWG and managed to get MPCA into the HRP with the CWG as the lead with a seat on the ICCG, and responsibility for the implementation and coordination of the MPCA deliverables outlined in the 2015 and subsequent 2016 HRPs. However, the leadership of the CWG was divided and not in agreement on the MPCA strategy. Both lead agencies, UNHCR and MC, had an alternative agenda with regard to the cash strategy and were not aligned in their leadership of the group. As a result, the membership of the CWG felt 'detached' and on the sidelines of a political debate between the UN and INGOs on the placement of cash in the response. This reduced participation in the CWG. In this sense, **a divided CWG left an opening for the CCI to develop collaborative approaches, tools and standards for the delivery of MPCA that would, in other contexts have been developed directly by the CWG**. Regardless of this, all tools, strategies and findings of the CCI are systematically shared with the CWG partners with the aim of contributing to more effective collaboration.

7 PERCEPTIONS AROUND EFFECTIVENESS AND EFFICIENCY

This section aims to summarise the views shared by respondents specifically regarding the impact of collaboration on efficiency and effectiveness. Findings have been anonymised at their request.

In discussion with the consortium partners there was a clear agreement that working through a consortium model had provided the individual agencies with significant gains in terms of cost savings. Many tasks that would otherwise have been done bilaterally by each agency were streamlined through one lead, particularly with regard to **monitoring and evaluation tasks, 'resource savings in terms of shared tools, systems and data management'**.²⁶ The shared database platform and information-sharing systems were cited as clear cost savers across agencies, although getting the shared platforms up and running was reportedly resource heavy (direct costs and time). There was limited citing of other areas of shared costs or costs savings of the consortium, suggesting

²⁶ Key Informant Interview, November 2016.

that a greater use of shared resources could potentially contribute to further gains in cost efficiency. At the time of the desk review there was **discussion among the CCI partners to standardise and reduce overhead costs with the objective of providing a harmonised ratio of support to programme costs across the consortium members** and therefore higher levels of cost efficiency to donors.

It was also reported by donors and the lead agency that **the initial setup phase of the consortium during the first few months of operations was particularly costly**. In the first phase the donor agreed to significant support costs in order to get the consortium up and running for *'the greater good of beneficiaries and other donors'*.²⁷ Following this initial setup support, costs covered by the lead agency to cover shared consortium expenditure and charged to other donors, were reported to be significantly reduced. At the same time there was also some discussion on the efficiency of the overall structure of the consortium, which requires high maintenance costs with heavy reporting, technical and steering-committee requirements for all agencies. As such, it follows that **the cost efficiency of a consortium model needs to be considered in regard to start-up costs versus cost savings over time** as well as costs saved at different operational levels; namely the agency and donor.

The capacity of the consortium to access multiple funding streams, both bilaterally and via the lead agency, also offered agencies and donors potential savings by providing the opportunity for cost sharing across different donor grants and to access a larger pool of total funding, therefore achieving a greater scale of cash response as well as gaining benefits from economies of scale.

Perceptions around effectiveness were harder to address, with representatives of the CCI stating that was *'not clear'* whether or not the consortium approach has led to better outcomes as *'no large-scale evaluations have been done to assess the overall impact and outcomes'* (CCI partner). Although the **potential for a strong inter-agency evaluation within the CCI was strong, with a shared dataset and standard approach to collect data, it had not yet been reached** with limited inter-agency data analysis. What was clear was that the **CCI has pushed for a more harmonised cash response and therefore a more accountable response**. This occurred at two levels in Iraq, one through the consortium partners and one through the broader membership of the CWG. Within the formal membership of the consortium, partners delivered a highly harmonised and standardised cash programme. Across the operational delivery of cash assistance, partners consistently used the same tools and approaches including targeting, transfer values, and monitoring and evaluation. By coordinating geographically and sharing a beneficiary database, partners reduced the chances of beneficiary duplication and contributed to the more effective use of resources. The **CCI also influenced the broader cash response by providing tools and other supporting technical guidelines developed for the consortium with the CWG** and inviting other cash actors to use the same tools and approaches.

The CCI has also **played a very strong role in influencing the shape and direction of the overall cash-based response in Iraq by advocating for MPCA**. Through the multi-sector nature of the strategy they have spear-headed, the CCI partners have created a unique space for cash assistance within the humanitarian response in Iraq and paved the way for the greater use of a potentially more cost-efficient multi-sector transfer.

²⁷ Key Informant Interview.

8 KEY FINDINGS AND CONCLUSIONS

Unlike in some other contexts where a consortium is formed out of a donor-driven push for an alliance between its partners, the CCI was formed as **a joint initiative between member agencies to address the shortcomings of the Cash Working Group**. With the support of ECHO through the ECHO Cash Alliance and the Government of Canada (GAC) as the first donor to the CCI, **the agency-driven formation of the consortium is cited as being a contributing factor to its sustainability and to a strong incentive base for effective collaboration**. Agencies reported being committed to working together, sharing information openly and delivering against the agreed consortium strategy.

The strength of the consortium is also likely to have been strengthened by the flexible approach to funding adopted by its members, allowing the consortium to access a diverse range of funding streams. **The multiple funding streams of the consortium, both bilaterally and through the consortium lead, has allowed for access to a range of funding opportunities and cost-sharing, and added to the volume, and therefore scale, of programming implemented through the consortium.**

At the same time, the initial resources required to establish the consortium were reportedly high. However, **heavy start-up costs at the agency level laid the groundwork for potential savings over time as the consortium reached economies of scale** and began to access multiple funding sources. In this sense, donors share the costs of the consortium by agreeing to support substantial initial costs in order to reduce costs for all donors over the longer term.

The consortium is structured around a steering committee and technical working group and organised with dedicated staffing both for the leadership of the consortium and supporting services, including grants management and monitoring and evaluation. The terms of reference and ways of working together are clearly outlined in the teaming agreement between agencies against which members are held accountable. **Partially as a result of the high level of formality within it, the consortium was able to deliver high levels of programme consistency, standards and harmonisation.**

In terms of cost efficiency and the use of the selection of financial service providers (FSP), consortium partners stated that **cost benefits from joint negotiations with an FSP was not necessary in order to achieve gains in cost efficiency as these were reached through information-sharing activities alone**. FSPs in Iraq were cited as offering the same transfer rates and services regardless of the number of transfers to be completed, and therefore in negotiating jointly with a larger number of transfers the consortium was unlikely to have received reduced transfer rates by the FSPs. At the same time it appears that the capacity of one FSP to deliver across all the areas of operation for the CCI was questionable with the limited geographic coverage and access for FSPs.

Although not yet capitalised by the consortium, **the CCI example illustrates the significance of a harmonised approach to M&E tools, particularly in post-distribution monitoring, allowing partners to collect comparable data and the potential to build on lessons learned**. With a shared methodology, tool set, data, and information management platforms the potential for interagency analysis and evaluations is a clear benefit of the consortia approach and offers an opportunity to contribute to the overall effectiveness of the cash response in Iraq.

In addition, **consortia, by providing a standardised, streamlined and harmonised approach to referrals, offer opportunities to link into government-led social-protection platforms and therefore potential gains in effectiveness**. Within its core strategy, and with donor support, the consortium has focused strongly on a referral pathway for social safety nets. The consortium platform also offers a standardised beneficiary database and approach to vulnerability analysis that can be easily handed over to government counterparts, particularly in comparison to the handing over of piecemeal cash programmes all run independently by different agencies.

Respondents interviewed for this study both within the consortium and within the cash community of Iraq noted the role of the CWG in shaping the overall cash response – particularly the role that **strong collaboration can play in advocating for cash assistance, especially MPGs, and in the development of standardised tools and approaches, therefore contributing to a more effective cash response**. This might be explained by the relatively smaller membership of the consortium in comparison to the CWG, which enables agreement to be more easily reached; as well as the interests of the CCI members in making the CWG the central place for coordinating cash assistance in the response.

Sources:

Consortium project documents, including initial proposals, budgets, teaming agreements and ToRs

- Summary briefs on findings from Consortium Post-Distribution Monitoring (PDM) reports
- Consortium briefs and updates prepared for donors/humanitarian community
- Iraq Humanitarian Response Plan 2015 and 2016, specifically sections referencing multi-purpose cash assistance
- ODI Cash Study on the Evolution of Cash Transfer Programs in Iraq (December 2016 DRAFT of the study)
- Cash Consortium of Iraq Lessons Learned Paper, 'Operationalizing Emergency MPCA: Learning from the Ramadi Displacement, May to July 2015'
- IRC completed study for the CCI, 'Referral pathways to legal and economic assistance for cash consortium of Iraq's extremely vulnerable IDPs in South Central Iraq.' March 2016
- Humanitarian response data sources for Iraq including; UN-OHCA Humanitarian Needs Overview (2015), IOM Disaster Tracking Matrix (DTM) and UNHCR Syrian Refugee Response

Key Informant Interviews:

- Lotti Douglas (Chairperson for the Cash Consortium of Iraq, Mercy Corps)
- Wassana Puyasena (Interim Chair Iraq Cash Consortium, Mercy Corps)
- Gilbert Khoury (Co-lead Cash Working Group, Iraq)
- Representative Government of Canada (GAC – Cash Consortium of Iraq Donor)
- Technical Leads, Cash Consortium of Iraq member agencies (NRC, IRC, MC, DRC)
- Kaitlyn Scott (Cash Consortium of Iraq MEAL Manager, IRC)

CASE STUDY FINDINGS – PHILIPPINES CASH WORKING GROUP (CWG)



Photo: Jane Beesley / Oxfam

This case study report forms part of the findings from a Cash Learning Partnership (CaLP) study on inter-agency collaboration for the delivery of Cash Transfer Programs (CTPs). The relationship between various forms and levels of inter-agency collaboration for the delivery of CTP and the efficiency and effectiveness of these programmes was examined via four case studies. For further details on the study scope, methodology and findings across cases, please refer to the full study report.

The Philippines Cash Working Group (CWG) was selected as a case study to illustrate highly collaborative Cash Working Group forms of inter-agency collaboration for sector-focused cash assistance, with informal relationships and separate funding flows between members. It is distinctive from the other cases in that cash assistance is provided as part of a disaster response, including in preparedness, immediate and early-recovery response activities.

Key findings from this case study include the following:

- Given the lack of a formal arrangement between its members, the CWG collaboration model offers limited capacity to enforce decisions made and relies instead on maintaining a supportive membership willing to follow standards and guidelines developed.
- However, there is a potential for indirect gains in cost-effectiveness from facilitated negotiations with FSPs and resources and time saved from linkages to government social safety programmes and from using tools developed by the CWG (e.g.. monitoring and evaluation tools).
- CWG-led collaboration provides opportunities for gains in effectiveness given the wide membership, its role in information sharing and the potential coverage of its membership.
- Critical to the success of the CWG has been the division of responsibilities between a CWG steering committee and a wider CWG, as well as the OCHA resources to support the CWG. These factors have allowed the CWG to focus on both technical issues and strategic coordination.
- The CWG plays a role in advocacy and has built a space for cash transfers central to emergency response in the Philippines. However it has not yet played a strong role in the advocacy of multi-sector cash assistance and the multi-sector use of cash has not been promoted strongly through the CWG.
- A key strength of the OCHA-led CWG collaborative model is the role of the CWG in preparedness planning. The CWG is active outside of an emergency and works ensuring cash programmes can be implemented rapidly and effectively in the face of an emergency.
- With clear linkages to government response agencies, and between the various phases of the responses, the CWG and partners are well placed to link into wider scale social-safety-net programmes both in the rapid delivery of emergency assistance and as part of a longer-term exit strategy for agencies engaged in CTP.

I CRISIS AND CTP CONTEXT

The Philippines Cash Working Group was initially established in response to Typhoon Pablo in 2012, and has expanded since **as a technical group providing support in both emergency and non-emergency contexts**. With existing government social-transfer programmes, strong private sector experience in delivering remittances and a population familiar with receiving cash transfers, the Philippines presents a context in which the use of a cash modality in both humanitarian response and development programmes can be highly effective. **The Philippines is also recognised as a disaster-prone country, averaging 22 cyclones annually, of which six to seven cause severe damage.**²⁸ In addition to regularly occurring storms, some areas of the Philippines, particularly Mindanao, are home to recurring conflicts resulting in waves of forced displacement. As a result of these factors, OCHA established a permanent presence in 2007 with the objective of complementing the government's response to natural disasters and strengthening humanitarian coordination.

Most recently, the response capacity of humanitarian actors was tested with the arrival of **Typhoon Haiyan, which hit the Philippines on 8 November 2013** and was quickly classified by OCHA as an L3 emergency. Locally known as Typhoon Yolanda, the typhoon was reported by the Philippines National Disaster Risk Reduction and Management Council (NDRRMC) **as affecting 16 million people, resulting in 4.1 million displaced and 1.1 million homes severely damaged**. In the aftermath of Typhoon Haiyan 'when it was predicted that CTP would be highly considered as a modality of assistance, given the country's experience in CTP and the scale of the disaster, CaLP Asia came to the Philippines to revive the Cash Working Group with assistance from UN-OCHA'. The use of cash as a modality to meet critical WASH, food, NFI, shelter and livelihoods needs of the typhoon-affected population became central to the response.²⁹

²⁸ OCHA, Philippines, 2016. Accessed December 8 2016: www.unocha.org/philippines/about-ocha-philippines/about-ocha-philippines

²⁹ Philippines Cash Working Group Terms of Reference (ToR), March 2015.

By the time Typhoon Haiyan hit in 2013, cash transfers had become central to emergency response and the humanitarian community implemented one of the **largest scale cash-based interventions globally with 40% of the response (US\$485 million) being implemented via a cash-based modality**. In the response, 45 agencies provided cash assistance and the four largest (WFP, UNICEF, ICRC and Oxfam) alone implemented US\$36 million in cash programming to reach 1.4 million individuals.³⁰

The response to Typhoon Haiyan was managed under the OCHA-coordinated sector-based coordination structures, with the majority of the cash programming occurring under food security, shelter and early recovery/livelihoods. According to OCHA tracking of the cash response, **759,000 Filipinos received an UCT, close to 84,000 participated in a cash for work programme, and an estimated US\$6.95 million was injected into the local markets**. The response was mainly conditional cash-transfers, representing 77% of the cash programmes, which focused on livelihoods/early recovery (60%), food security (20%) and shelter (20%). The government also implemented a cash-transfer programme directly – the Department of Social Welfare and Development (DSWD) shelter cash assistance programme – targeting nearly 300,000 individuals.

By the time of the shift from emergency to early recovery three months after Typhoon Haiyan in January 2014, 413,000 people had received cash assistance. The **shift to early recovery was matched by a shift from UCTs to CCTs and CFW, targeting economic recovery, market systems, livelihoods and shelter programmes focused on 'building back better'**.

Across the emergency and early recovery phases of the response to Typhoon Haiyan, and in the responses since, **agencies used a range of private sector financial service providers** to deliver cash assistance, including money transfer/remittance companies, 'cash in hand', mobile money (UNDP), e-transfer via Visa and Mastercard (Oxfam and World Vision) and banking institutions.

The re-activation of the CWG proved useful to the humanitarian community in response not only to Typhoon Haiyan, but also to a series of additional storms and conflict-related displacement across 2014–16. Of particular interest to this study is the rapidly shifting context in the Philippines **between emergency response, early recovery and non-emergency** requiring agencies and the supporting humanitarian architecture to **have clear preparedness plans in place and be capable of scaling up** quickly as needed.

2 CWG FORMATION AND EVOLUTION

The formation of the current Cash Working Group in the Philippines was initially facilitated by the CaLP Asia Regional Office in 2012 as part of the response to Typhoon Pablo (Bopha). The WG aimed to provide technical support and coordination assistance to its members **but, without a dedicated leadership or clear governance structure, the group became dormant** in early 2013. In late 2013, when Typhoon Haiyan hit the Philippines, the **Cash Working Group was reactivated with an OCHA Cash Coordinator, funded by DFID, and the support of the CaLP Asia Regional Office**. This was the first time globally that OCHA had provided a 'Cash Coordinator' through their emergency surge capacity, indicating recognition within OCHA of both the importance and difficulty of coordinating a cash-transfer-based response. It was also the first time CaLP had provided a deployment, which was done rapidly, to support the establishment of a CWG in an emergency response. OCHA's logic behind creating the OCHA Cash Coordinator position was that by positioning OCHA as the lead of the CWG, the coordinator would be able to work in close partnership with the OCHA Inter-cluster Coordinator (based in Manila) and the cluster leads reporting to OCHA's head office.

Given the context of the response occurring in an archipelago with access constraints between the islands and areas hit by the typhoon, the Cash Coordinator **established sub-national regional CWGs** in Roxas City, Capiz (chaired by WFP and STC) and in Guiuan, Eastern Samar (chaired by members on a rotational basis). In early 2014 the response shifted from **emergency to early recovery, during which the bulk of the cash programming took place through conditional cash programmes, such as cash for work and livelihoods grants**. The achievements of the CWG in supporting the initial response, and the sheer number of agencies using CTPs (45+) prompted the humanitarian community to draw the following conclusion:

³⁰ OCHA, Global Humanitarian Assistance Report, 2014.

*'The post-Haiyan experience highlighted the relevance of the CWG and sustaining its work is critical. The OCHA Cash Coordinator, who is on temporary assignment, had laid down the groundwork for some preparedness and institutionalisation initiatives that would help cash transfer stakeholders in the Philippines, including the government, be more cash-ready in future responses. The CWG is the body that is expected to follow through on these initiatives. However, as seen in the past, Cash Working Group members were active only at the onset of the humanitarian response when coordination among CTP actors is critical. As the response progresses, each CTP actor gets pulled to focus on his/her individual agency's cash-based intervention; thus, active participation in CWG tends to dissipate.'*³¹

3 CWG COLLABORATION STRUCTURES

Given the limitations of an ad-hoc CWG to be able to respond effectively in an rapid onset emergency, **agencies agreed in January 2015 to a formalised structure for the CWG, and established a permanent CWG steering committee (SC)** with the mandate of providing direction to the CWG, agreeing on strategic actions and providing input to the HCT. The formalisation of this CWG SC was laid out in a detailed Terms of Reference and Action Procedures. At the time of this study, the CWG SC had been active for nearly two years and had a core membership of 13 members; two national government agencies (DSWD – Department of Social Welfare and Development and DTI – Department of Trade and Industry), ILO, WFP, UNICEF, WV, SCI, Oxfam, Plan International, ACF, CARE, UN-OCHA and the Philippines Red Cross. Meeting on a monthly basis, the CWG SC is the main coordination body for CTPs and, if needed, provides technical support to the various clusters in preparedness, response and post-disaster activities.

The CWG SC is made up of a core group of members from the wider CWG. The decision on who makes up the membership of the SC was the result of consultation among the members, and discussions and agreement across the current SC. As an example, ILO was brought to the SC in late 2016 in order to develop and support stronger links between CTs and Social Protection and now leads the task team on Social Protection. The CWG SC also has an MoU task team (led by Oxfam), Market Assessment task team (led by WFP) and a Beneficiary Targeting task team (led by SCI).

The activities of the CWG SC are informed by a **much broader CWG made up of nearly 50 members** as of December 2016, including the CWG SC agencies, local and international NGOs, donors (ECHO, AECID, USAID), UN agencies, **government line ministries and financial service providers.** Membership of the CWG requires interested parties to submit an Expression of Interest, and if validated by the CWG SC, a further letter of commitment to the CWG Secretariat. The CWG meets on a quarterly basis, or ad-hoc as needed in the case of an emergency, and is focused on providing a 'technical platform for collaboration and learning related to multi-sector, cross-sector, and sector-specific CTPs in emergency response, preparedness, and development activities in the country'.³² Chaired on a rotating basis by a member of the CWG SC and **supported by an OCHA secretariat** (for information management and administration), the CWG has specific structures (frequency of meeting and decision-making procedures, chair and secretariat roles) in both emergency and non-emergency contexts. Notably, **when the emergency structure is activated, OCHA automatically takes the chair and leadership of the CWG.**

Critically, the structure includes the support of OCHA, in terms of information management (IM), administrative follow-ups and clear pathways to raise issues with the ICC and the HCT. For example, the CWG maintains a useful and regularly updated interactive mapping platform for FSPs across the country, which includes locations, details on the types of service, contacts, and other relevant information maintained with **the technical support of OCHA's IM unit in-country.** The division between the CWG general membership and the core membership of the SC also allows the CWG the flexibility to focus on trainings and capacity-building initiatives of its general membership while the core group focuses on technical aspects and the strategic coordination of CTPs.

³¹ CWG Philippines: steering committee Terms of Reference and Action Procedures, February 2015.

³² Philippines Cash Working Group, Terms of Reference, March 2015.

4 PROGRAMME DESIGN FEATURES

Although the CWG provides technical guidance, it is not mandated to develop or enforce a standardised approach to cash transfers for use by its members. Instead, the CWG aims to 'develop, where possible, common approaches and standardised procedures as well as minimum requirements'.³³ This differs from more formal collaboration arrangements, which often agree to a harmonised approach for the operational delivery of cash assistance and under which members can hold each other accountable. The CWG in the Philippines has, however, taken significant steps towards harmonising approaches across various phases of the project cycle, mainly through a **systematic approach to information sharing and the use of findings, and adherence to information standards and norms adopted by the group**. This section highlights key features of the CWG model that have impacted various phases of the project cycle regardless of the limitations of the informality of the relationship between its members.

Levels of collaboration: The table below shows the degree of collaboration achieved by CWG partners across the various stages of the CTP project cycle.³⁴

CTP project cycle	Degree of collaboration
Needs assessment	Harmonisation of design
Market analysis	Harmonisation of design
Operational feasibility analysis	Harmonisation of design
Modality Selection	Harmonisation of design
Funding	Information sharing
Targeting & vulnerability selection	Information sharing
Contracting FSPs & CDM	Information sharing
M&E	Harmonised design & highly collaborative implementation
Protection	Information sharing
Exit strategy/Link to SP	Harmonised design & highly collaborative implementation

Situation response analysis – cash and preparedness: The CWG, particularly in non-emergency times, is focused strongly on preparedness activities with the aim of building links between the government-led social protection platforms and humanitarian agencies, as well as providing timely support in case of an emergency. There has been agreement across interviewees and within the literature review that the focus on preparedness and a timely contractor with FSPs as a result of strong FSP mapping activities done by the CWG, has had an impact on the speed and capacity of partners to deliver cash in a timely manner, thus reducing the reliance on NFIs and direct food assistance in the immediate response. The strong presence of WFP in the CWG, including as the lead for the Market Assessment task team, also suggests that agencies that historically have focused on in-kind assistance, are strongly considering cash-based modalities as an immediate emergency response tool. The CWG SC members have played an active role in the Early Response Preparedness Working Group (ERPW) and in support of developing cluster-led preparedness plans. Although there does not seem to be any evidence of FSP contracts being signed in advance (prepositioning of cash assistance) the regularly-updated mapping of FSPs across the country provides agencies with a quick reference point for identifying a delivery mechanism if needed. The reality of cash programming in a context such as the Philippines with a large mass of unconnected islands and the inability to predict where a natural disaster might occur, also suggests that preparedness planning needs to include the flexibility to choose FSPs and delivery mechanisms based on the localised context in which the

³³ Philippines CWG, Terms of Reference, March 2015.

³⁴ As defined by the CTP collaboration framework developed under the ERC project 'Increasing the Uptake of Multi-Purpose Cash Grants in Emergency Responses'.

crisis occurs. Therefore, information sharing and a regularly updated FSP mapping provide an effective starting point for contracting FSP quickly following a disaster.

Although an evaluation of the overall cash response was not available at the time of the study, the cash response to the most recent typhoon (Typhoon Haima), which hit the Philippines in late October 2016, might enable an assessment of how the timeliness of delivery of assistance may have been improved as a result of preparedness activities conducted by the CWG.

Response design and plan – Multi-Purpose Cash Grants (MPGs): As noted in the CaLP-led *'Cash Coordination in the Philippines: A review of lessons learned during the response to Super Typhoon Haiyan'*, **multi-sector cash assistance was not considered central to the response.** Currently in the Philippines Unconditional Cash Transfers (UCTs) fall under various sectors of response. CT interventions have been designed through the cluster system under which the response is organised, with transfer values calculated according to the needs of each particular sector. For example, the CWG provides technical support to CTs delivered to support food security, livelihoods and early recovery, and shelter/NFI objectives, although it does not provide guidance on the use of one transfer to reach these various needs across sectors. Agencies are then, in practice, conducting multiple needs assessments, targeting exercises and transfers in order to reach the multi-sector needs of one beneficiary, which is comparatively less cost-effective than the provision of one multi-sector transfer. In the example of a STC programme, PDM data from a shelter programme showed that most of the grant intended for shelter was used to cover food needs. Recognising this shortcoming of providing multiple UCTs for sector-specific objectives, the STC programme was able to adapt and combine the transfers through an integrated multi-sectoral package in the recovery phase of the programme, which might have responded more directly to the needs of households targeted and enabled cost savings to agencies.

Arguably it could be stated that the CWG, due to its wide membership, which includes strong UN and other sector-mandated agencies and OCHA leadership, has not been able to develop a multi-sector approach to the emergency response, and as such the cost savings available across the humanitarian community of providing a multi-sector transfer commonly referred to as a Multi-Purpose Grants (MPG), has been limited.

Tools and approaches – CTP guidance notes: Efforts have made by the CWG to produce an Operations Protocol for CTs in the Philippines inclusive of the following sections: **Conditions for CTPs, Protocol and Reporting, Delivery Mechanisms, Market Assessments, M&E, chapters with CTP Guidance for each cluster, FSPs and Costs and Targeting.** As of August 2016, it was agreed among the CWG SC members that different agencies would lead the drafting of each section. The finalised document provides clear guidance to partners in-country; however, as mentioned, it **does not aim to provide one harmonised approach or strategy for CTPs to be used by the CWG members.** It does offer opportunities for gains through inter-agency approaches, such as in market assessments, and towards achieving a better-informed response built on the best practices of its member agencies.

Contracting FSPs: Although the CWG has not gone so far as to lead negotiations with FSPs on behalf of its membership, it has taken three key steps, which are likely to have impacted the capacity of agencies to contract FSPs in an efficient manner. First, **the CWG includes FSPs among its membership.** The FSPs are actively engaged in the meetings, present to the group, and participate in capacity-building activities, and as such, the CWG provides an open space for discussion between members and FSPs. Second, the CWG, through the support of the OCHA information management unit, has created a **regularly updated mapping of FSPs across the country** and the availability of different providers and mechanisms in different locations. And finally, the CWG has served as a **platform for sharing information on FSP and services provided between members**, enabling partners to be aware of the successes or challenges of different delivery mechanisms and of the costs of different FSPs. Although agencies might reach greater benefits from negotiating as a group, and this has not yet been explored by the membership of the CWG, the information sharing between agencies ensures all agencies are offered the same rates for the same package of services.

Exit strategy and linkages to social protection – joint implementation with government counterparts: The Philippines CWG has prioritised cash assistance programming that is in support of government agency CTPs and links to wider social-safety programmes. This has been facilitated by the **active participation of key government agencies within the CWG SC** and the integration of the OCHA-led response mechanisms within the government disaster response architecture. In 2007 the government institutionalised the cluster coordination structure, and

as a result OCHA works closely in support of the Department of Social Welfare and Development and the Office of Civil Defence, with inter-cluster coordination and HCT members acting as co-lead agencies for respective government response clusters (OCHA Philippines, 2016).

Three examples illustrate the benefits the **close collaboration between the CWG and the government** has produced for the response: first, the standardised SOPs for cash for work programmes; second, the link to the social protection programme 'Pantawid Pamilyang Pilipino Program' (4Ps); and third, the ease of transitioning from early recovery to development and social protection programmes. In the early recovery phase of the Typhoon Haiyan response, when agencies shifted from the provision of UCTs to CCTs with a focus on CFW, the CWG along with government counterparts facilitated the drafting of SOPs specific to cash for work programmes delivered by humanitarian agencies and/or government agencies. This standardised approach to CFW and SOPs included an agreed daily wage rate and specifications on the numbers of hours worked, etc. and reduced the likelihood of discrepancies between cash for work programmes implemented by different agencies or in different locations, regardless of whether the aid was provided by humanitarian agencies or government counterparts.

Another example is the **use of the existing 4Ps social protection programme run by the government as an entry point for the rapid provision of food assistance (via an UCT)** following Haiyan. The 4Ps social safety net is targeted at 'extremely poor' households with children and provides a conditional cash-transfer – conditional on its use to support expenses for children, including health, education and nutritional needs. In the Haiyan response, WFP and the 4Ps programme identified 200,000 households registered to the programme residing within the communities most heavily impacted by the typhoon. WFP was then able to provide an additional 'emergency' top-up to these households in December 2013 and again in January 2014 using the 4Ps delivery mechanisms. Although this did not include the 'new poor' as a result of the disaster, it did provide a mechanism to reach vulnerable households rapidly, and at scale, as part of the overall response.

Finally, the links between the CWG and government counterparts have the potential to provide **opportunities for a smooth transition from emergency response, to early recovery, to development** programmes, including through a direct transfer of vulnerable households identified by humanitarian agencies to a government-led social-safety-net programme likely to be funded by development actors (on budget support). Although this has not yet fully been explored in the Philippines, the positioning of the CWG and role of government agencies on the CWG SC suggest that these pathways could be explored across the different phases of a response.

5 PROGRAMME OUTPUTS, RESULTS AND OUTCOMES

In response to Typhoon Haiyan, 45 agencies worked to deliver US\$34 million in cash assistance to 1.4 million Filipinos, mainly in the form of conditional cash transfers (77%). The cash assistance was delivered to address needs mainly in the food security, shelter and livelihoods/recovery sectors. This represented one of the largest cash-based humanitarian response efforts at the time.³⁵ This **scale of response can likely be in part attributed to the strength of the Cash Working Group** and the role of the OCHA-deployed dedicated cash coordinator and information management team.

However, given that agencies delivered programmes independently of each other, it would be outside of the scope of this study to draw any conclusions on the outcomes and impact of the cash assistance provided, and therefore the overall effectiveness of the cash-transfer programmes delivered in the Philippines. It would also be difficult to attribute any results in the independently run programmes directly to the work of the Cash Working Group and is therefore not useful for this analysis. This also highlights a gap in inter-agency frameworks, which theoretically would be within the scope and capacity of the CWG to develop and use to capture the collective impact of its members work.

³⁵ OCHA, Global Humanitarian Assistance Report, 2014.

6 WIDER CONTEXTUAL FACTORS AND CASH WORKING GROUP ADAPTATION

As mentioned above, the CWG in the Philippines was formed in a context prone to disasters and where **OCHA had an established presence providing a starting-point platform for the coordination and delivery of cash assistance** within a well-established response. In addition, as highlighted by numerous studies on the Philippines, **the context is conducive to cash programming, creating a supportive operational environment**. However, the opportunities created by these two factors were further advanced by the **dedicated resources provided to the CWG**, by cash coordination and by information management support, which enabled agencies to share information and effectively coordinate the cash response.

Humanitarian architecture and cash coordination: Given the Philippines' predisposition to disasters, OCHA established a permanent presence in 2007 institutionalised within the government crisis-response systems. This laid the foundations for a long-term and highly-structured Cash Working Group with strong government representation. In order to capitalise on the opportunities for cash transfers in the Philippines and respond to the requirements of a large-scale cash response, the CWG needed to be established with a strong coordination structure and avenues for technical support. OCHA and the CaLP were aware of this need and rapidly supported the CWG through their surge capacity in the aftermath of Typhoon Haiyan. With the **initial support of DFID, and surge capacity from both OCHA and CaLP, the CWG was provided with a starting point** from which it could grow and adapt to meet the needs of the CT community in the Philippines. The CWG leadership under OCHA during an emergency, including a **dedicated CWG coordinator and information management unit, gave the CWG the same access to resources as other sector-based clusters** in the response.

Conducive operating environment: As noted in the Global Humanitarian Assistance Report (2014), the Philippines presents a context highly conducive to CT programmes, which can be summarised as:

- History of use of cash transfers as a social safety net and disaster-response tool, beginning with the 4Ps programme in 2008 and the response to Typhoon Ketsana in 2009. Since 2009, 53 donors have contributed US\$693 million to cash responses in the Philippines.
- Status as middle income country with a financially literate population, financial infrastructure and integrated markets.
- Cultural of remittances.
- Well-established social protection programmes and familiarity with targeted social transfers.
- Strong private sector, including a range of financial service providers.

These **factors that facilitated cash-based responses also allowed agencies to address some of the contextual barriers** that in other cases would have created a challenge to the effective delivery of cash at scale, particularly the geographic areas of coverage-need across a wide archipelago not easily connected by roads or access networks. The use of cash in remittances by the government social protection programmes and as a disaster-response tool has led to the establishment of a large network of FSPs across the islands, which can be accessed by agencies as needed to scale up a response. In addition, political support for cash transfers and beneficiary familiarity with the concept of social transfers, can in turn reduce challenges faced in building the acceptance of cash programmes or local-level buy-in.

7 PERCEPTIONS AROUND EFFICIENCY AND EFFECTIVENESS

This section aims to summarise the views shared by respondents regarding specifically the impact of collaboration on efficiency and effectiveness. Findings have been anonymised at their request.

In terms of cost effectiveness, the CWG's role as a strong information-sharing and coordination platform with a wide membership of agencies, government counterparts and FSPs, was cited as **a facilitating factor in the formation of partnerships bilaterally between agencies** within the group. In addition, the link to the other sectors and clusters allowed members to develop inter-sectoral responses with complementary activities across sectors. For example, a partner with a livelihoods programme might provide the training or rebuilding activities while another partner will support with an unconditional cash-transfer. **Membership of the CWG has proved to be a strong entry point for a number of partnerships between the agencies**; some examples include an Oxfam and WFP programme currently working on the delivery of assistance in locations affected by the protracted crisis in Mindanao, or a WV and Oxfam joint programme that works through a shared FSP. WFP was also cited as using the CWG as a space to search for new partners.

Another opportunity provided by the wide membership of the group and the focus on information sharing is in cost savings at the agency level for contracting with FSPs. As **a platform for the collaboration of agencies, the CWG acts indirectly as a facilitator in the negotiation of services with FSPs**. Although the CWG does not negotiate directly, by sharing information on the FSPs, by including FSPs in its membership and creating a space for agencies to discuss contracts and services provided by FSPs, the CWG contributes to information sharing for more cost-efficient service provision by FSPs.

In terms of the potential of the CWG, the greatest potential gains may result from the strength of its membership and effectiveness. As an example, the **joint development of tools and approaches**, role in **partnership with local government structures** and mandated **representation on the Humanitarian Country Team (HCT)**, and in the Inter-cluster Coordination mechanism, **harmonisation of activities, and coordination** across different geographic areas **reducing the likelihood of beneficiary duplication**, were all cited across this study as leading to a **more accountable and effective cash response**. Agencies also share information on gaps identified through the CWG, allowing the space for another agency to respond if they have the capacity, ensuring the greatest use of resources between agencies to reach a range of needs.

However, this potential is constrained by the lack of any enforcing power between the members. The CWG relies on its membership's support in implementing cash programmes in line with the guidance and standards agreed by the CWG, yet **the CWG does not have the power or mandate to ensure agencies implement in an aligned manner** or to hold them accountable for any divergence from the agreed approach of the group. This factor has the potential to negatively impact effectiveness if agencies decide to go ahead with their own individual approaches and ignore the guidance provided by the CWG. A stronger monitoring role or inter-agency monitoring framework within the CWG might be able to address issues of enforceability by highlighting to the wider humanitarian community, including donors, which agencies had aligned with the CWG approaches, standards and guidelines.

Another key challenge faced by the informal Cash Working Group model of collaboration is the sustainability of the wider CWG membership. The membership was reported as wanting training and capacity-building activities, which, although likely to contribute to a more effective response, are difficult to organise and finance. So, although the wide membership offers opportunities for partnerships and complementary programming, it also **requires keeping the membership engaged and content with the CWG itself, which has proven costly and may not be sustainable over the longer term**. As such, it was stated by participants in this study that potential gains in effectiveness of a highly-collaborative approach with a large membership may be partially offset by the costs required to keep a membership engaged and supportive.

8 KEY FINDINGS AND CONCLUSIONS

The Philippines case study shows that a strong CWG with a formalised structure that is well integrated into the OCHA and government response systems can deliver gains in effectiveness across the response, and possibly also cost efficiency. The potential for gains in cost efficiency from facilitated negotiations with FSPs, resources and time saved from strong links to social-safety-net programmes were cited as a key strength of the CWG model. This is partially as a result of the dedicated resources available to the group, but also because of the wider membership of the CWG, including humanitarian agencies, government counterparts and members of the private sector, which provides a space for discussion between the various parties. The role of the CWG as a space for information sharing and discussion led to the formation of partnerships between members of the group and the design of complementary programmes between member agencies, potentially contributing to the overall cost-effectiveness of the response.

The potential gains in efficiency and effectiveness, however, are also likely driven by a highly-conducive operational environment support to cash programming across a challenging geographic context. This also highlights the difficulty in determining where coordination and the potential benefits of a highly-coordinated response end and collaboration begin. In this case, the Philippines coordination model more or less represents a lesser degree of collaboration between agencies.

These potential achievements in efficiency and effectiveness can in part be attributed to the structure of the group with a clear division of responsibilities between a CWG steering committee and a wider CWG, as well as dedicated OCHA human resources and information management to support the CWG. These factors have allowed the CWG to focus on technical issues and strategic coordination under the direction of the steering committee.

One strength of the OCHA-led CWG collaborative model has been the role of the CWG in providing the link between emergency response and early recovery activities, as well as ensuring cash preparedness activities are central to the group during non-emergency contexts. The CWG remains active outside of emergencies and works to ensure that cash programmes can be implemented rapidly in the face of an emergency. Again, this contributes to the speed of delivery in case of an emergency and the cost-effectiveness of a response, but needs to be taken in consideration with the costs of maintaining a strong Cash Working Group during non-emergency phases, including the costs of keeping an engaged and supportive membership.

However, the limitations of a CWG with a lack of a formal arrangement between member agencies are highlighted by its inability to enforce decisions made and reliance instead on maintaining a supportive membership willing to follow agreed standards and guidelines developed by the CWG. If agencies within the group decide to go their own way as a result of new leadership, disengagement with the group, or even just plain disagreement with the CWG, it is likely to have a negative impact and risks contributing to a less cost-effective response.

Given that the CWG is housed within the OCHA cluster-based response, the capacity of the group to advocate for cash assistance, particularly for a multi-sectoral approach to cash assistance, also appears to have been constrained. The mandate of the group states its role in the provision of technical support to the clusters, and as such the group has been slower to provide guidance on multi-sectoral approaches to cash assistance that offer wider gains in cost effectiveness than multiple single-sector transfers.

In conclusion, it is clear that a highly-collaborative Cash Working Group model has much to offer in terms of potential gains in efficiency and effectiveness; however, these potential gains must be weighed against the potential risks of working through a model with no formal agreement between partners or cost-sharing of the group's core resources (staffing and information management) and a limited capacity to enforce decisions across its member agencies.

Sources:

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Key Informant Interviews:

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CASE STUDY FINDINGS – UKRAINE DFID-FUNDED INGO CONSORTIUM



Photo: Tyler Jump / IRC

This case study report forms part of the findings from a Cash Learning Partnership (CaLP) study on inter-agency collaboration for the delivery of Cash Transfer Programmes (CTPs). The relationship between various forms and levels of inter-agency collaboration for the delivery of CTP and the efficiency and effectiveness of these programmes was examined via four case studies. For further details on the study scope, methodology and findings across cases, please refer to the full study report.

The Ukraine DFID INGO Consortium was selected as a case study to illustrate the consortium form of inter-agency collaboration for multi-purpose cash assistance, with formal relationships and a single funding flow across members. It is distinctive from other cases in that the consortium structure and CTP approach were developed for a single UK Department for International Development (DFID) grant, and the collaboration did not extend beyond this first project period (17 months).

Key findings from this case study include the following:

- Collaboration and coordination can result in significant costs to members, which are not necessarily offset by cost saving through sharing of functions or operational resources.
- The time and costs involved in establishing a consortium do not seem to allow for efficiency or effectiveness gains in the short term.
- Delays faced by consortium members illustrate the existence of a potential trade-off between consistency and timeliness of inter-agency CTPs.
- The consortium model seems to be effective by improving members' potential outreach, both in terms of beneficiary numbers and geographic scope.
- Collaboration within a consortium requires dedicated administrative and programmatic capacity (human resources), from as early on as possible in the programme design stages.
- The consortium model was effective in that it enabled improved resilience to external factors. This includes both flexibility to cope with access constraints and strength to advocate for an improved cash response in a CWG hindered by politically-motivated inter-agency struggles.
- Despite their formality, consortia do not necessarily promote higher levels of collaboration or consistency. Funding seems to be a critical incentive that donors can rely on to promote collaboration, although this needs to be sustained throughout implementation to be effective.

I CRISIS AND CTP CONTEXT

The Ukraine Cash Consortium was set up in response to the **tensions that started in November 2013 and led to a full outbreak of conflict and the annexation of Crimea in April 2015**. As of mid-2016, sporadic fighting was continuing in the area separating Ukrainian government forces and separatists, along the 'contact line'. Civilians have paid a high price. Over 8,500 people have been killed and at least 18,000 injured. OCHA estimated **3.1 million people remained in need of humanitarian assistance**.³⁶ International aid agencies were, for the vast majority, not previously present in Ukraine and had to set up capacity in a context where most local stakeholders were new to humanitarian aid, and to cash. Humanitarian assistance was concentrated in government-controlled areas (GCA) and near the 'contact line'. **Needs were considered greatest in non-government-controlled areas (NGCA)**, but only a small number of international organisations eventually obtained permission to work in those zones.

As a middle-income economy with strong (yet bureaucratic) financial infrastructure, functioning markets (except in NGCA) and a long-standing government-led, cash-based social safety net, **Ukraine presented many conditions for an effective cash-based response**. Cash assistance was rapidly rolled out by UNHCR (as early as June 2014), ICRC, WFP and IOM through sectoral (but often unconditional) cash-transfer programmes primarily linked to winterisation, shelter and FSL objectives, and through ECHO- and OFDA-funded NGO winterisation and cash-for-shelter/NFI programmes (late 2014). Apart from a small DRC pilot, however, **no multi-purpose cash-assistance programme had been implemented before the setup of the consortium**. In a span of 18 months, **cash assistance volume reached a significant scale** with aid agencies providing about US\$55 million in cash and US\$6.5 million via vouchers (out of a total funding of US\$285 million in 2015, including operational and coordination costs).³⁷

³⁶ 2016 Humanitarian Needs Overview (HNO).

³⁷ ODI research paper on cash in Ukraine.

2 CONSORTIUM FORMATION AND EVOLUTION

In early 2015, DFID approached DRC to request the creation of an NGO consortium for a cash and protection intervention. In a context of limited prior INGO presence or experience of operational inter-agency collaboration, DRC, NRC, Save the Children (SCI), People in Need (PIN) and HelpAge International (HAI), who had recently contributed significantly to establishing the NGO Forum in Ukraine, started working on a joint funding application. In what has been described by some respondents as **'a forced marriage' between agencies that had no history of operational collaboration, nor necessarily the intention to implement MPG programmes** (in this case NRC and HAI), DFID provided **GBP5 million for a joint MPG and protection programme implemented by these five partners**.

The consortium was clearly established with a view to accessing this DFID funding, and was not built on a broader intention to collaborate at field-level, or a longer-term vision for joint CTP – hence the **consortium becoming known simply as 'the DFID NGO Consortium', with an identity clearly linked to this DFID grant**. Actors eventually did consider leveraging their collaboration within a consortium for fundraising, but by that time a consortium approach no longer made much sense due to very significantly reduced funding availability, which did not call for, and could not continue supporting, operational capacity for five different agencies (following the migrant crisis in Europe, and a loss of access in NGCA). From an efficiency perspective, the value of such an investment of costs (and time) for developing and building consortium structures for a single, 11-month programme (which was eventually extended to 17 months) and six-month assistance period to beneficiaries, has been questioned by respondents. It should be noted that the proportion of funds allocated to programme activities for this project stands at 58% (£2,798,298) of the total budget (£5,000,000).³⁸

Among consortium members, SCI and DRC seem to be the only agencies who benefited in Ukraine from the in-country support of global cash experts and advisers, who were deployed multiple times between December 2014 and April 2015 to conduct rapid market assessments and cash feasibility studies. These aimed primarily at identifying relevant modalities for assistance in both GCA and NGCA, as well as to develop a first Survival Minimum Expenditure Basket (SMEB). These two assessments formed the basis of the DFID Consortium cash programme design.

3 ERM COLLABORATION STRUCTURES

The consortium collaboration structure is modelled on the Lebanon Cash Consortium (LCC) (**primarily a geographic split of responsibilities, with some 'technical leadership' responsibilities**), due largely to the prior experience of global cash advisers in the development of LCC structures that were felt to have largely proven their value. This includes a **steering committee** (at Head of Mission level), a **technical group** (separate for cash and protection) and **four dedicated staff members** (Head of Consortium, Deputy, Admin/Finance Officer and Cash Specialist), while the protection coordinator was also one of the members' project managers, and so not fully dedicated to consortium work. The consortium was led by DRC as DRC had been approached by DFID about this potential funding opportunity.

Efforts were made to introduce greater leadership and accountability for technical aspects, hence the introduction of a technical lead agency. The agencies (four only, as HAI did not initially intend to deliver on the cash component) were each responsible for the delivery of cash assistance in a separate geographic area (which, according to some respondents, 'took a long time to agree') on the basis of joint tools and standards developed at country level. Coordination, as well as representation vis-à-vis the Cash Working Group (CWG) and Ukrainian authorities was led by DRC as consortium lead. Tool and methodology development was centralised within the framework of technical groups, each led by a specific agency:

³⁸ Consortium feedback to DFID questions on proposal.

- **Targeting and verification** (design of household survey, vulnerability criteria, centralised database and beneficiary lists) involved all agencies (as linked to protection) and was led by DRC.
- **Market monitoring** (design of market monitoring tools, SMEB/transfer values, analysis of markets, modality recommendation per area) was led by SCI.
- Management of the **cash delivery process** (Operational SOPs, distribution SOPs and financial and admin documentation) was led by SCI in GCA and DRC in NGCA.
- **Monitoring and Evaluation (M&E)** was centralised in terms of methodology development, data management, analysis and reporting (to be led by NRC, but later taken over by the cash specialist), and decentralised in terms of data collection (by geographic area of intervention).

While this appears to be a **potentially cost-efficient setup, with shared functions, centralisation and split of technical work**, the actual distribution of work resulted in only two agencies carrying most of the technical work, which might in practice have limited these potential gains.

4 PROGRAMME DESIGN FEATURES

Due to limited available technical expertise in-country, proposal development (for the CTP component) was led largely by SCI and DRC, with field input from PIN (one of the very few agencies able at the time to operate in NGCA). As is evident from the technical group's work-plan and the proposal itself, **a number of issues had yet to be resolved and clarified at the time of proposal submission** (partly due to lack of alignment within CWG – see below). As such, **design features evolved significantly since the initial programme launch, and were not consistently applied by all consortium members.**

Levels of collaboration: The table below shows the degree of collaboration achieved by consortium partners across the various stages of the CTP project cycle.³⁹

³⁹ As defined by the CTP collaboration framework developed under the ERC project 'Increasing the Uptake of Multi-Purpose Cash Grants in Emergency Responses'.

CTP project cycle (ERC matrix)	Degree of collaboration (ERC matrix)	Comment/Notes
Needs assessment	Information sharing	Partners drew on needs assessments that had already been conducted by their agency in potential target areas, and no coordinated or joint needs assessments seem to have been conducted.
Market analysis	Harmonised design and highly collaborative implementation	Initial market assessments were conducted separately, but coordinated between DRC and SCI. Follow up market assessments conducted during the project relied on the use of a shared tool, with data collection by each agency in their area, and joint analysis.
Operational feasibility Analysis	Information sharing	Consortium was established after operational feasibility was assessed by the various members.
Modality selection	Information sharing	A joint framework was developed, but it appears to have been used with mixed results, as one agency opted for in-kind winterisation support instead of MPG, despite other agencies considering that the joint framework indicated the appropriateness of cash.
Funding	Harmonised design and highly collaborative implementation	One single funding stream managed through the lead agency was available for this programme. It should be noted, however, that some members successfully applied independently for CTP funding during the project period. This additional funding was not channelled through the consortium, or discussed formally between members.
Targeting & vulnerability selection	Harmonisation of design	An integrated targeting framework was developed to harmonise beneficiary selection. However, this was flexible enough to enable each agency to adjust selection based on their individual mandate, reportedly resulting in the possibility for different agencies to select different households based on the same targeting dataset.
Contracting FSPs & CDM	Harmonisation of design	Drawing on the same initial mapping of potential delivery mechanisms and associated costs (conducted prior to consortium setup), all partners but one relied on the use of remittances. Each negotiated separate agreements (with the same rates).
M&E	Harmonised design and highly collaborative implementation	Partners developed common tools, with each agency collecting data in their area, feeding a common database and joint analysis. Strong M&E reports were produced, although the need for compromise resulted in questions being removed from the PDM and an outcome indicator for the programme not being measured.
Protection	Not applicable	The programme included two separate cash and protection components, which were coordinated and managed independently. As a result, the degree of collaboration on the protection component was not reviewed within the framework of this case study.
Exit strategy/Link to SP	No collaboration	Given the highly bureaucratic nature of the Ukrainian government-run social safety net, and challenges faced by humanitarian CTP actors in linking their interventions with this initiative, it appears that consortium members opted not to work together on exploring potential links.

Modality and delivery mechanism selection: Based on initial market assessments, consortium members prioritised at proposal stage the use of unconditional cash transfers, reserving the ability to use vouchers or even in-kind assistance where markets or financial institutions might not be functional (primarily envisaged in NGCA). The proposal identified bank transfers as the optimal delivery mechanism, as these were ‘most likely to lead to a greater inter-agency debate on optimal methodology, efficiency, cost, ease for beneficiaries.’ The **selection of modalities and delivery mechanisms for different areas was envisaged as a dynamic process, to be informed by a structured framework including a variety of shared tools** (market analysis overview, delivery mechanism review, VfM template and risk register).⁴⁰ This was due to the fact that while financial infrastructure appeared to be strong in GCAs (despite some bureaucratic challenges), it was quasi-inexistent in NGCA, which presented a major operational challenge. This framework clearly **allowed for selecting the optimal modality and delivery mechanism based on considerations of efficiency and effectiveness.**

It appears, however, that **this process was not followed effectively, which resulted in significant inconsistencies in the selection of modalities for intervention.** Notably, potentially because of the absence of a dedicated cash-team, one consortium agency opted not to implement a cash-based response, and instead launched an in kind winterisation response. This seems to have been due to markets and financial infrastructure being considered by that agency as unsuitable in target areas, although a market assessment analysed with other partners was reported to indicate that cash was feasible. This decision was reportedly made despite objections from other members that a winterisation focus fell outside the scope of proposal objectives, and a decision by all other members to opt for a cash modality. In contrast, while another member did not initially intend to implement the MPG component, the limited access to target NGCA areas, delays due to bureaucracy, and a change in leadership led to a change of perspective and the implementation of an MPG component. This was, however, not aligned with other MPG actors (overlap in some geographic areas, three months of assistance instead of six, different targeting criteria prioritising the elderly).

All agencies were doing MPG, but one **followed the recommendations of the CWG and used the same delivery mechanism**, which involved a switch to remittances after it was found that banks would automatically withdraw funds from beneficiary accounts if these were in debt. The exception to this by one agency (HAI) is justified by the fact that they targeted primarily elderly beneficiaries who were less able to travel to banks to claim remittances, and so were targeted using post office cheques.

It should be noted, finally, that the consortium and the CWG each conducted a separate market assessment, which seems like a duplication and not necessarily efficient.

Transfer amount: The **development of a Survival Minimum Expenditure Basket (SMEB) and the setting of a transfer value seems to have been highly challenging** in the Ukraine context due to considerations of agency mandates and political considerations. An initial estimated SMEB was rapidly put together by a consortium member based on secondary data analysis, and the proposal noted clearly the need to review this in the coming months based on market analysis findings. The proposal also noted that ‘The current agreed transfer value at Kyiv level (40 USD per person for 3 months) will not meet multi-purpose outcomes at this point’. The consortium proposed a revised SMEB for CWG review early June, although endorsement was not possible until late summer (August/September) due to resistance from other agencies: initially other clusters (who were concerned that their ‘sectoral cash’ would be integrated into the SMEB) and later some donors who questioned the evidence base behind the recommended revised SMEB.

This increase of the SMEB (and so of the transfer value to US\$34/person per month) was clearly only possible due to strong collaboration within the consortium, and between the consortium and the CWG. **The consortium was instrumental in providing an evidence base for this increase** and for considering inflation. This in turn is expected to have **significantly improved the impact of MPGs for beneficiaries, and so the effectiveness of the programme.** However, long discussions around transfer values were a key factor in causing delays, as donors and consortium members were uncomfortable moving forward in the absence of an agreed CWG standard.

Targeting and vulnerability selection: **At the time of proposal writing, there was limited clarity on the targeting and vulnerability analysis framework to be used** by consortium members. The need to align with other cash actors was noted, as were perceived limitations of criteria currently in use in-country (which were

⁴⁰ The Market Analysis overview and Delivery Mechanism review pre-dated the consortium and had been endorsed at CWG level.

based on global assumptions, and not SMART).⁴¹ Two options were proposed with varying degrees of complexity, but both **allowed for an objective score to be assigned to beneficiary households across consortium members through the use of a shared registration tool and centralised database**. This type of mechanism is clearly the best way to ensure an efficient allocation of consortium resources across all target areas, based on need alone (as defined by members, with necessary caveats) and not geographic location or preferences of the agency providing assistance, which facilitates coordination (avoiding the need for agencies with complementary mandates to both operate in the same areas).

Unfortunately, however, such a centralised scoring and selection mechanism were never finalised, and **consortium members opted instead for a common framework that was flexible enough to enable each member to select beneficiaries based on their mandate** (for instance with HAI placing more emphasis on the elderly, SCI on families with children, or PIN on shelter conditions). It was reported by respondents that with the same beneficiary data, different agencies could have selected different beneficiaries as ‘most vulnerable’, which was not seen as a major issue by consortium members. This framework was based on existing practice of other cash actors, though the CWG did not propose a clear vulnerability analysis and beneficiary selection process. **Discussions later took place within the consortium to adjust inter-agency vulnerability criteria** following a protection WG presentation on vulnerable groups being overlooked (i.e. young unemployed people without access to state social welfare), but this was never completed given the low likelihood that the programme would extend.

Monitoring and Evaluation (M&E): The M&E framework and structure at design stage seems sound and effective, with a **centralised agency responsible for methodology development, data management and analysis, and each agency responsible for data collection within agreed parameters**. This allows for cost-saving of M&E staff in various agencies (though not data collection staff), as well as for a study of programme outcomes across agencies, in a more objective and effective way. M&E was seen by a number of respondents as one of the main success factors of the consortium, and of the collaboration, although it was largely driven by the cash specialist.

However, despite initial plans to this effect, **one of the two main outcome indicators outlined in the proposal for the MPG component** (‘Percentage reduction in income-expenditure gap for 7,455 extremely vulnerable households in target areas’) **was never measured**. This is reportedly due to the fact that, following delays in implementation, members no longer had sufficient time and resources to allocate to envisaged M&E data collection, and so a number of initially envisaged questions were removed from the Post-Distribution Monitoring (PDM) form. Furthermore, it was **not clear to what extent the PDM findings had been discussed and analysed between members**, given that these became available relatively late in the implementation.

Link between cash and protection: Although the programme design offered opportunities for synergies between cash and protection components of the grant, it appears that **both project components were essentially run separately, with little interaction between MPG and protection teams or efforts towards mutual reinforcement**. The cash specialist (dedicated to consortium coordination) had little to no idea regarding protection achievements, and vice-versa. Some respondents highlighted the fact that **activities implemented under the protection component were less harmonised between members than cash activities**. They noted that the value of having worked together as a consortium for the protection side was less clear than for the cash component, notably as a result of the absence of a dedicated protection coordinator.

Exit strategy: The programme was conceived in a context where Ukraine had a long-standing and well-established social safety net. Initially, then, **synergies were sought in terms of transfer amount alignments, as well as attempts to consider access to social welfare when selecting beneficiaries**. However, flaws in the national safety-net programme quickly became apparent (transfer amount not adjusted for inflation for decades, bureaucratic barriers to access for many IDPs, long delays), and so **attempts to align and link CTP with this mechanism were gradually dropped both within the consortium and the CWG**.

⁴¹ ‘In order for the data to be captured quantitatively and systematically (objectively) at household level, the MPG Technical Group must liaise with interagency coordination mechanisms to further define some of the criteria – for example, determining what constitutes a “job profile of low need,” “relatives on the verge of exhaustion,” “nothing left or accessible,” etc.’

5 PROGRAMME OUTPUTS, RESULTS AND OUTCOMES

Between December 2015 and March 2016, DFID consortium agencies provided **multi-purpose grants to 7,522 individuals** with the goal of 'reducing negative coping mechanisms' among vulnerable populations. While initially the programme targeted 25,000 beneficiaries for MPG, this was clearly tentative (as indicated in the proposal) and required adjustments as design features evolved (six months instead of one month of assistance initially planned, increased transfer amount, shift from NGCAs, etc.). Overall, **project outputs seem to have been satisfactorily achieved, as do the main objectives.**

PDM findings show that **the approach used for the distribution of MPGs was effective**, with beneficiaries largely satisfied with MPG as a modality, as well as with the delivery mechanism (remittances), which did not lead to any significant issues in withdrawing the cash (travel time was acceptable, as was waiting time at the bank and access to markets). With regard to the transfer amount, the majority of beneficiaries considered that 660 UAH per person per month was sufficient, and **the majority of funds was spent on covering a wide range of basic needs as per their priorities** (mostly on medicines, food, NFIs, heating, and rent). A small number of beneficiaries saved the grant for future use, including purchasing productive assets, building materials, clothing, food, heating fuel, or to pay for utilities and rent, showing MPGs also served as an instrument for households to cope with future shocks. **One of the two main outcome indicators (40% reduction in income-expenditure gap for 7,455 extremely vulnerable households in target areas) was not measured** due to delays in the evaluation, and limited available resources remaining to complete the exercise, indicating some challenges around M&E coordination.

In terms of coping mechanisms, when percentages for all negative coping mechanisms are aggregated, data show that on average there was **a reduction in reliance on negative coping mechanisms for 79.95% of households.** Shelter results show a major impact in the total number of households that resumed the use of heating, while other beneficiaries reported returning to their homes after finishing home repairs. There was a significant reduction in the number of households that stopped skipping meals; several others increased either the quantity, quality, or both of food, and the most dramatic gain was registered in the number of households that resumed care for chronic diseases. Similar trends were observed for economic related negative coping mechanisms as households stopped borrowing money for daily expenses, stopped using their savings, and stopped selling or pawning productive and non-productive assets. As for negative coping mechanisms related to children, families who reported sending their children to live with family member or a foster home stated that after receiving the grant their children returned home.

The timeliness aspect is perhaps where the consortium faced its most significant challenges. Despite a programme start date in May, and plans for the cash assistance to cover October to March, **first disbursements did not take place until December 2015, well into winter.** This resulted in the need for a non-cost extension. While these delays can partly be attributed to external factors (the transfer amount was only agreed at the CWG level in August, and the freeze on operations in NGCAs in August/September led to a need to review target areas and beneficiary selection), delays were also reported as being linked to slow decision-making within the consortium, as well as an inconsistent prioritisation among members and consortium leadership.

6 WIDER CONTEXTUAL FACTORS AND CONSORTIUM ADAPTATION

Beyond the context described in Section 1 above, **the humanitarian environment itself was generally conducive to MPG programming.** Donors were aligned in support of cash: ECHO, DFID, OFDA and SIDA policies all state clearly the relevance of cash, and donors coordinated closely (despite some constraints as in the case of the SMEB) to try to ensure consistency and coordination – although each had their partners of choice whom they continued to fund throughout the end of 2015. The HRP in 2015 included cash components under individual sectors, but **in 2016 a separate line and budget amount was added specifically for MPG, under the strong push**

of the HCT (and HC and OCHA). After the loss of access in NGCAs and the start of the migrant crisis in Europe, however, funding to the Ukraine response reduced significantly.

That said, there were significant challenges, and a **key strength of the consortium model was in its ability to concentrate resources and capacity into a single voice when coping with external challenges and coordination issues**. This strength and the effectiveness of the model can be illustrated in the face of a number of contextual constraints.

Cash coordination architecture: A major challenge for MPG promotion was the **'political' struggle regarding cash coordination, and the need for MPG vs. sectoral cash**. This is extensively documented in the study of CTP in Ukraine led by the Overseas Development Institute (ODI), so the focus here is on the impact on the consortium. While consortium members largely focused on technical cash coordination, this political dimension affected the effectiveness of their work in at least two ways. First, they felt **unable to engage fully in technical discussions with some UN agencies because of the political implications**. For instance, it was felt that being critical of the existing vulnerability criteria, which were felt to need revision, could create risks for some member agencies in their relationship with UNHCR beyond cash coordination. Second, their **efforts to improve the quality of the cash programme were hampered and delayed by political debates**, as illustrated above with the SMEB.

That said, as noted by DFID's Project Completion Review (PCR) and a number of respondents, **strong collaboration and engagement between the consortium and the CWG leadership** (also DFID-funded) **was instrumental in overcoming some of these political challenges, and so ultimately benefited the effectiveness of the cash response**. This was the case with the inclusion of the MPG line in the Humanitarian Response Plan (HRP), with the SMEB debate, and in other instances where the consortium reportedly led the technical work of the CWG, leaving the coordinator to focus on policy issues and plugging some significant technical capacity gaps in country. Resources were also shared between the CWG and consortium in that the CWG coordinator served as cash specialist for the consortium (with DFID and OCHA's approval) until a recruitment was completed. That being said, it remains unclear whether the value in this support lies with the consortium model itself, or whether strong individual members of the CWG might not have been able to provide the same result. **While the political weight of the consortium was of value, its technical strength did not necessarily lie in numbers**.

Bureaucracy and access challenges: These are the two main challenges to the cash response in Ukraine identified by the ODI study. **Bureaucracy (primarily linked to banking regulations and agreements with financial institutions) was a constraint for consortium members**, most significantly for HAI whose protection activities were significantly delayed due to registration issues. This resulted in a shift to cash assistance that was only marginally aligned with other consortium members.

In terms of access, the consortium model was invaluable as noted by DFID's PCR: 'The distribution of food and non-food items in NGCAs was severely compromised by the decision of de facto authorities to expel a number of DFID implementing partners. [...] DFID approved a request from the Consortium to reorient some distributions to vulnerable households inside government-controlled areas based on continuing humanitarian need in these areas. Consortium partners were also able to transfer some responsibility for distributions to one partner who retained access: reducing the risk that purchased items would be wasted. This approach has worked well and meant that distributions have "caught up" after initial delays caused by the barring of international agencies from non-government areas.' This clearly shows how **the consortium model (and a single grant across agencies) allowed for flexibility in responding to access challenges, where otherwise items pre-positioned might have been wasted, and outcomes for most affected populations in NGCA could still be achieved** (although respondents provided similar examples of caseload shifts for other programmes outside the scope of the consortium, so a contractual relationship is not necessarily a pre-condition for this).

Beyond this re-allocation of caseloads, **the re-distribution of target areas in light of this change of situation was done between consortium members to avoid any geographic overlap** (with the exception of HAI who switched to MPG later on) was another way in which consortium members ensured a more efficient response to the shifting context by coordinating closely (the CWG members never achieved such a division of target areas).

7 PERCEPTIONS AROUND EFFECTIVENESS AND EFFICIENCY

This section aims to summarise the views shared by respondents regarding specifically the impact of collaboration on efficiency and effectiveness. Findings have been anonymised at their request, except where publically available documents are directly quoted.

Respondents believed the consortium model to be **less cost-effective and slower than individual agencies being funded directly**, highlighting the cost of coordination (in terms of time and resources). One noted that 'doing it together was probably more expensive than doing it separately, as had to set up parallel systems/layers'. Another felt it was **'quite clear that the consortium did not allow for economies of scale, and could not grow to a point where it would'** due to significant changes in context that questioned its relevance (including notably the loss of access in NGCA altogether and significant reduction in donor funding).

In its PCR, DFID notes that 'Cash disbursements have proven to be a highly effective and efficient mechanism for providing flexible assistance to vulnerable households in Ukraine, where supporting markets exist. [...] The value of the NGO consortium model was mixed. Partners reported that **the initial stages of establishing and mobilising the consortium model added some complexity**. DFID assesses that while this model did have added-value, **it may not be the most effective approach in a short-term response** where the benefits of a consortium approach are not realised until after a lengthy mobilisation process is complete.'

The **inconsistent use of joint tools was noted by respondents, and is likely to have affected effectiveness**. More than a failure of the consortium to set coordinated standards, this was seen by one respondent to be a **failure in sharing of lessons learnt, as agencies with less cash expertise did not, eventually, adopt learning and best practices** from other agencies with stronger cash expertise. The drastically reduced funding to the Ukraine response in 2016, reportedly prevented any potential development of the consortium, and removed incentives to push for stronger programmatic consistency. The **absence of consortium coordination during proposal development** was also felt to be a factor in explaining the limited levels of harmonisation achieved.

The value of the consortium was also highlighted as **enabling better outreach, both in terms of scale (number of beneficiaries) and geographic scope**. It was felt that from a fundraising perspective, single agencies working individually would have been unlikely to mobilise sufficient resources to serve as many beneficiaries. Furthermore, working together in a consortium pushed members to agree a split of geographic areas, which would reportedly not have been possible through coordination in the CWG.

One respondent reported that the some of the most helpful outcomes of the consortium members' collaboration were on 'agreeing the SMEB' and 'holding workshops to determine who was working where, which delivery mechanisms to use.' Both functions seem more related to ensuring a technically-sound and coordinated cash response than to operational delivery. As such, they highlight the **value of a consortium in promoting a more effective response in a context where political blockages within the CWG prevented effective technical discussions**. This was confirmed by other respondents who consistently stressed the role of the consortium in advocating for an effectively coordinated MPG response.

8 KEY FINDINGS AND CONCLUSIONS

Coordination between members was highlighted by various respondents as a significant cost, due to the need for various layers of management, as well as the slow agreement around coordination processes and technical tools. No elements pointing towards cost saving through shared functions or operational resources were reported by respondents.

Given its short lifespan (a single project), the value of time and costs investments in the setup of the consortium can be questioned. It seems clear that the fact that the **consortium was disbanded before having reached 'maturity' did not allow for efficiency or effectiveness gains** that may have arisen over time.

Consortium members faced **significant delays in launching the delivery of cash grants**, due to both internal and external factors. Some of these factors are linked to the consortium setup, illustrating the **potential trade-off between consistency and timeliness** of inter-agency cash programmes.

It seems that the consortium model contributed to the programme's effectiveness by enabling a **level of outreach (beneficiary numbers and geographic scope) that could not have been achieved individually by member agencies**. This is due to the fact that the consortium was an effective resource-mobilisation tool, and that members achieved a geographic coordination through collaboration (agreeing areas of intervention per agency) that would not have been feasible within a broader CWG.

The **presence of a dedicated coordination unit seems to have been essential** in enabling these effectiveness gains, and achieving the potential value of a consortium. The improved collaboration on cash compared to protection illustrates this, and the role of the Cash Specialist in promoting consistency among members and with the CWG. It seems **preferable for these joint resources to be in place from as early on as possible in the programme design stages**, as many future discrepancies were attributed by respondents to lack of agreement and clarity during proposal development. Earlier alignment of programme tools and approaches may also have enabled a more timely delivery.

The consortium model also **contributed to effectiveness gains by enabling members' interventions to be more resilient to external factors**. It provided the **flexibility needed in terms of geographic coverage to respond to a dynamic and changing context**: one agency's loss of access could be addressed by another agency, ensuring maintained access in a challenging context. Consortium members, **by aligning advocacy messages and providing technical services to the CWG, also seems to have significantly and positively influenced the wider cash response** in Ukraine at a time when mandate considerations by sector-lead agencies were hindering the work of the CWG. The consortium may even have added speed to technical discussions – likely reducing the time negotiations would take in the CWG without an already agreed consortium approach. This was linked largely, it seems, to shared perspectives and interests with the OCHA CWG Coordinator.

The absence of a shared vision between members prior to and during programme design affected their ability to work together, and resulted in **limited levels of collaboration and consistency, despite the formality of the consortium model**. Members targeted based on their individual mandate, did not agree on the appropriateness of the cash modality, and did not provide the same length of assistance. Some agencies operating outside of the consortium in fact reportedly harmonised CTP approaches with some consortium members more than members of the consortium among themselves. While the **initial funding availability (on the condition that a consortium be established) pushed members to collaborate, the subsequent reduction in funding removed incentives to effectively harmonise approaches** and maintain collaboration throughout implementation.

Sources:

- Consortium project documents, including the DFID proposal and annexes (as of 30 April 2016)
- Consortium Post-Distribution Monitoring (PDM) report (final programme report not available)
- DFID programme documents related to the Ukraine response in 2016 (Business case, Project Completion Review)
- 2015 and 2016 consolidated needs overviews and response plans for Ukraine (Humanitarian Needs Overview, Humanitarian Response Plans) and OCHA Humanitarian Bulletins
- Donor policy documents (ECHO Humanitarian Implementation Plans 2015 and 2016, USAID factsheet on Ukraine assistance, SIDA strategy for 2016)
- ECHO, IOM and UNHCR press releases regarding their cash transfer programmes
- ODI, The politics of cash: a case study on humanitarian cash transfers in Ukraine, 2016
- CaLP Cash Atlas
- UNHCR Review of cash coordination in Ukraine (November 2015)

Key Informant Interviews:

- Louisa Seferis (DRC Global Cash Advisor, involved in consortium setup)
- Ruth Aggiss (Researcher for related ODI and Cash platform studies, previous Ukraine CWG Coordinator)
- Hector Vivero (previous consortium Cash Specialist)
- Pierre Vischioni (DRC Head of Programmes in Ukraine)



The Cash Learning Partnership

Recent global initiatives have reaffirmed the potential for Cash-Transfer Programmes (CTP) to effectively and efficiently meet a wide range of disaster-affected populations' needs while preserving dignity and choice. Although much work has been done in advocating for the benefits of CTP and enhancing its use in humanitarian action, relatively less research has explored the means through which cash transfers can be delivered to maximise their potential. With the increasing funding gaps faced by humanitarian actors globally – compounded by increasingly protracted crises – demonstrating efficiency and effectiveness has become critical to ensuring the best possible allocation of limited resources to meet the needs of crisis-affected populations.

While there are different, strongly held views about how to organise stakeholders to maximise efficiency and effectiveness, evidence about how well different delivery models provide quality CTPs in different contexts – including governance and collaboration arrangements – is scarce. For example, which is more efficient and effective: diverse competitors responding to harmonised specifications or a single delivery mechanism able to access economies of scale? In which contexts, and under what enabling environments? What collaboration mechanisms maximise quality, coverage and consistency of delivery?

This study tests the commonly held assumption that greater collaboration results in greater efficiency or effectiveness. It establishes drivers and measures of efficiency and effectiveness in CTP delivery, characterises different models of collaboration for cash delivery and assesses these different models against the measures of efficiency and effectiveness.

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