



## **Sida Helpdesk on Human Security and Humanitarian Assistance**

# **Overview of cash transfers and vouchers in 2018 Humanitarian Response Plans**

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## Summary

Cash transfers have moved from the fringe of humanitarian response to the mainstream. This is reflected in the Grand Bargain commitment made by donors and international organisations in 2016 to ‘increase the use and coordination of cash-based programming’ in humanitarian responses. As a result donors, humanitarian agencies and governments have to varying degrees examined and shifted how they plan, fund and coordinate humanitarian responses to help ensure that cash transfers are used when they are the best tool. This paper examines how cash transfers, as well as vouchers, are incorporated in Humanitarian Response Plans (HRPs) in 2018, as these are key planning documents for international humanitarian assistance. The objective of the paper is to inform thinking on how cash transfers could optimally be presented in HRPs. This analysis is part of broader efforts to ensure that donors and aid agencies live up to commitments made on cash transfers and that people affected by conflict and disaster receive the most appropriate assistance.

## Findings and analysis

Table 1: Task questions and findings

To what extent is cash systematically included in HRPs?	Nearly every 2018 HRP notes that cash transfers are an element of the response. The vast majority (15 of 18) plans have dedicated discussion of cash transfers within the first section of the HRPs, which focus on the overall strategy. This signals that cash transfers have become a more important part of responses and humanitarian planning.
How is cash presented in HRPs? For example, within a sector or as a stand-alone category, or in other ways?	The HRP template used since 2016 doesn’t include an operational plan for multipurpose cash or multi-sector assistance. Despite this absence, four HRPs have separate plans on multipurpose cash transfers in addition to cash transfers in sector operational plans. Sector operational plans (e.g. food security, nutrition) usually indicate if cash will be used, but with varying degrees of detail, specificity and analysis.
How is information on cash feasibility presented and are there good practice for this available in specific HRPs?	Varying detail is provided on feasibility and analysis behind cash transfers, and many highlight previous experience in the response with cash. Justification for the use of vouchers or in-kind assistance is often lacking. It would be helpful for plans to systemically discuss the modalities used in each sector operational plan (and as part of multi-sector responses) and the analysis underpinning them.

<p>How is information on cash coordination presented and are there good practice for this available in specific HRPs?</p>	<p>Most (15 of 17) plans provide some information on the coordination of responses using cash transfers, with the level of detail varying. A good practice is to include basic information on coordination of cash transfers and the role and plans of Cash Working Groups (CWGs), as is currently done in many of the 2018 plans.</p>
<p>How is information on vouchers presented – to what extent do HRPs provide information on why this modality is chosen?</p>	<p>Plans seldom provide justifications on decisions to use vouchers, which restrict beneficiaries' choices compared to cash. A good practice is for the sector operational response plans to indicate the circumstances under which vouchers will be used rather than cash and the analysis that will underpin those decisions. This should be part of a broader discussion on implementation modalities.</p>
<p>How is information on multipurpose cash transfers presented and are there good practice for this available in specific HRPs?</p>	<p>Multipurpose cash transfers are mentioned in 12 of the 18 HRPs, as tools that will be used in the response or that analysis will be done on their potential use. HRPs appear relatively consistent in using the term 'multipurpose' cash transfers to refer to grants meant to cover a range of household needs. Only four have dedicated operational plans; those four plus one additional plan have budget lines for multipurpose cash transfers. For responses using multipurpose cash transfers, a logical good practice would be for the HRP to have an operational plan and budget for them – either in a section titled 'multipurpose cash transfers' or one on 'multi-sector assistance'. However, this is currently not in the HRP template.</p>
<p>What are the implications of current formats for presenting cash in HRPs for inter-sectoral analysis and joint programming, with focus on basic needs programming?</p>	<p>The division of operational response plans into sectors provides necessary information on the sector needs and responses. There is a need for the systematic inclusion of an operational response plan on multi-sector assistance and/or multipurpose cash, to provide space for assistance that crosses sectors. Some sector operational plans have sub-sections on 'implementation modalities' or 'cash transfers'; this is useful for conveying information on the modalities used and roles clusters/sectors may play related to multipurpose cash transfers. An overview of the use of cash transfers in the response should also be included in the first part of the HRP. This was done by several of the 2018 HRPs and provides space to convey the big picture of cash transfers in the response (within sectors, multi-purpose and any joint efforts) and their coordination.</p>

<p>What would be an optimal way of consistently presenting cash in HRPs, in order to align with and promote key cash commitments?</p>	<p>An optimal presentation would be for HRPs to communicate the extent to which cash transfers are planned to be used within sectors and across sectors (i.e. multipurpose cash transfers), identify the planned budget and number of households/people for cash transfers (within sectors and through multipurpose cash transfers) and discuss the analysis underpinning the choice of implementation modalities. This would enable Humanitarian Country Teams to track and monitor their use of cash transfers in the response and for donors to have a clear picture of cash transfers in the response strategy.</p>
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**Conclusion and recommendations**

The inclusion of cash transfers in nearly every HRP speaks to their increasing importance in humanitarian response. Four basic steps would promote more systematic inclusion of cash transfers in HRPs so that their place in the response strategy is appropriately and adequately captured. These are all practices taken from some of the 2018 HRPs that could be adopted by others:

1. **Modify the HRP template to include the option for an operational plan on multipurpose cash transfers.** If multipurpose cash transfers are used in a response, then this should be reflected in plans. Including this option in the template would provide Humanitarian Country Teams, CWGs and other stakeholders space to communicate the strategy for multipurpose cash transfers in HRPs, and would reflect that some HRPs are already including these operational plans. As with other operational plans, it should include target figures and a budget.
2. **Include an overview of how cash transfers are used within and across sectors.** This overview should include, to the extent data is available, the percentage of sector budgets that are planned to take the form of cash transfers, as well as information on the coordination of cash transfers within the response.
3. **Include a sub-section on response modalities in sector operational response plans.** This sub-section should include a brief justification as to when and why certain modalities will be used. All response choices should be grounded in sound analysis.
4. **Encourage specific language on cash transfers and vouchers.** General language on ‘cash-based responses’, especially in operational response plans, makes it difficult to know whether cash transfers, vouchers or both are being discussed. To ensure consistency with efforts to improve tracking of cash and vouchers, the language should be in line with the recommendations of the Grand Bargain measuring cash workstream.
5. **Do not wait for HRP template modifications to take forward the above recommendations.** Template changes require global-level inter-agency processes,

which can be lengthy. Humanitarian Coordinators and Humanitarian Country Teams already have the power to make changes at country level, as evidenced by the inclusion of operational plans and sections on multipurpose cash transfers, cholera and multi-sector responses. Country teams should adopt these changes even before templates are altered.

Such changes may encourage greater and necessary discussion on multi-sectoral interventions during the HRP process, including the role of multipurpose cash transfers in the response. However, changes to templates do not equate to changes in planning processes. It is critical for OCHA, clusters, Humanitarian Country Teams (HCTs) and donors to work together to ensure that cash transfers are planned and strategised in ways that are appropriate and put the needs of aid recipients at the centre of responses.

## Detailed submission

In the past 15 years, cash transfers in humanitarian assistance have moved from pilots to the mainstream. Donors and aid agencies have made commitments on cash transfers through the Grand Bargain and World Humanitarian Summit. Cash transfers are a tool that can be used for a variety of humanitarian objectives. They can be provided for programmes within a specific humanitarian sector such as food security, shelter or nutrition. Cash can also be provided to enable households to meet their priority needs that may cut across humanitarian sectors (often referred to as ‘multipurpose’ cash transfers). Increases in cash transfers and the fact cash can be programmed within and across humanitarian sectors both have implications for the planning of international humanitarian assistance through Humanitarian Response Plans (HRPs).

Because HRPs are key strategy documents, it is important that their format and the planning processes underpinning them enable appropriate consideration of cash transfers within sectors and for basic needs (often referred to as ‘multipurpose’ cash transfers). In 2016, the High Level Panel on Humanitarian Cash Transfers expressed concern about the lack of dedicated space for cash transfers in HRPs and recommended that (where appropriate) large-scale cash transfers to meet basic needs should be a central component of humanitarian assistance and the response plans underpinning it – including a specific budget line.

This paper provides Sida’s Unit for Humanitarian Assistance (Sida/HUM) with an overview of how cash transfers, as well as vouchers, are presented in 2018 HRPs. It raises key issues and potential recommendations for how cash transfers could optimally be presented in HRPs, in line with commitments on cash transfers. Sida commissioned this work as part of its efforts to understand how humanitarian processes and systems could be adjusted to ensure equitable representation and consideration of cash transfers.

The paper is based on a review of the 18 HRPs from 2018 available from the website [humanitarian.info](http://humanitarian.info). It does not include multi-year humanitarian strategies or Flash Appeals. For each HRP a word search was done for ‘cash’, ‘transfer’, ‘voucher’, ‘multipurpose’/‘multi-purpose’ (for documents in French, the terms *cash*, *monétaire*, *transfert*, *bons*, *coupon* and *usages multiples* were used). A limitation of this review is that it provides an incomplete, albeit important, window into how cash transfers are part of humanitarian planning, as cash transfers may be supported in ways that are different to how they are portrayed in the strategy document. Also, HRPs are the output of processes involving actors such as clusters, aid agencies, HCTs and governments. The review considers only the documents resulting from these efforts and not the processes themselves, which are a critical part of the discussion on how cash transfers can be optimally included in strategy-making.

The terms ‘cash’ and ‘cash transfers’ in this paper refer only to distributing money to people and not to vouchers (when vouchers are discussed that term is used). The term ‘cash-based response’ is only used to reflect when that specific term is used in HRPs.

For the purpose of clarity, this paper largely avoids the using the terms ‘restricted’ and ‘unrestricted’, which in the humanitarian sector are sometimes used to refer to vouchers and cash transfers respectively. In reality all cash transfers are ‘unrestricted’ since, while aid agencies may design cash transfers in a specific way with an intended purpose and use, they cannot control how people spend their money. Similarly, all vouchers are ‘restricted’ since they ‘restrict’ the purchases a person can make to certain goods/shops and services/providers. This is consistent with the proceedings of the 2018 Workshop of the Measuring Cash Working Group under the Grand Bargain Cash Workstream, which noted that ‘cash = unrestricted’ and ‘voucher = restricted’.

## Background

HRPs are strategy documents that outline the objectives of a humanitarian response, based on analysis of needs provided in Humanitarian Needs Overviews (HNOs). OCHA describes HRP as primarily being ‘management tools for the Humanitarian Coordinator and HCT’, which can serve a secondary purpose of mobilising funding by ‘communicating the scope of the response to an emergency to donors and the public’.<sup>1</sup>

The same HRP template has been used since 2016. HRP have two main components. The first is the ‘country strategy’ consisting of background information, strategic objectives, an overview of the strategy/key issues and a summary or needs; the second are the ‘operational response plans’, which are cluster plans that include objectives, activities and in some cases accompanying projects.<sup>2</sup> Some HRP have minor divergences from the template, such as health and nutrition being combined into a single operational response plan, or the inclusion of an operational response plan that isn’t in the template (e.g. for multipurpose cash transfers, community rehabilitation). HRP include a figure summarising needs, the number of people to be targeted and financial requirements by cluster, all of which are described in individual operational response plans (see Figure 1).

The operational response plan categories correspond to clusters. The exceptions are ‘coordination’ and budget lines for assistance to refugees that falls outside of the sector operational response plans, as both of these are not specific to sectors/clusters. The HRP template does not include an operational response plan category on multipurpose cash transfers, and linked to this, multipurpose cash transfers are not listed as one of the possible budget lines in Figure 1. HRP guidance does note the option of including multi-sector assistance. Specifically, HRP guidance from 2016 states that ‘coordination, Refugee Response Plan and *any additional multi-sector areas/working groups* should be listed after the traditional clusters/sectors’ (emphasis added). As discussed below, some 2018 HRP did include a budget line and operational plan for multipurpose cash transfers.

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<sup>1</sup> [www.humanitarianresponse.info/en/programme-cycle/space/page/strategic-response-planning](http://www.humanitarianresponse.info/en/programme-cycle/space/page/strategic-response-planning)

<sup>2</sup> Ibid

Figure 1: Template for summary of needs, targets and requirements

	TOTAL		BY STATUS		BREAKDOWN OF PEOPLE TARGETED				BY SEX & AGE		REQUIREMENTS	
	People in need	People targeted	Refugees	Migrants	IDPs	Returnees	Host communities	Lorem ipsum	%female	%children, adult, elderly*	Refugees	Total
1. Value, Stratification & H Regions 2. Camp Coordination & Camp Mgmt												
Food Security	14.0M	11.0M	4.5M	0.5M	5.0M	-	1.0M	-	50%	40   53   7%	5.0M	135.0M
Health	12.7M	4.7M	0.6M	0.05M	3.0M	-	1.0M	-	50%	40   53   7%	2.0M	82.0M
Shelter	5.4M	3.4M	0.4M	-	3.0M	-	-	-	50%	40   53   7%	2.0M	71.0M
Education	8.5M	4.5M	0.4M	0.1M	3.0M	-	1.0M	-	50%	40   53   7%	0.5M	40.5M
Protection	9.7M	7.7M	3.0M	0.5M	3.0M	0.2M	1.0M	-	50%	40   53   7%	2.0M	37.0M
Logistics	-	-	-	-	-	-	-	-	-	-	-	35.0M
Nutrition	5.2M	1.7M	0.2M	0.1M	1.5M	-	0.0M	-	50%	40   53   7%	3.0M	28.0M
WASH <sup>1</sup>	5.1M	3.1M	0.5M	0.1M	2.0M	-	0.5M	-	50%	40   53   7%	1.5M	26.5M
CCMP	6.8M	5.1M	0.4M	0.1M	2.6M	-	2.0M	-	50%	40   53   7%	1.5M	13.5M
Emergency Telecom.	-	-	-	-	-	-	-	-	-	-	-	12.0M
Coordination	-	-	-	-	-	-	-	-	-	-	-	12.0M
Early Recovery	3.1M	1.6M	0.1M	0.0M	1.5M	-	-	-	50%	40   53   7%	0.5M	10.5M
Refugee Non-H Sectoral Response	0.5M	0.5M	0.5M	-	-	-	-	-	50%	40   53   7%	3.0M	3.0M
<b>TOTAL</b>	<b>25.0M**</b>	<b>18.4M**</b>	<b>4.5M**</b>	<b>0.5M**</b>	<b>11.2M**</b>	<b>0.2M</b>	<b>2.0M**</b>	<b>-</b>	<b>50%</b>	<b>40   53   7%</b>	<b>\$21M</b>	<b>\$506M</b>

\*Children (<18 years old) adult (18-59 years) elderly (>59 years) \*\*Total figure is not the total of the column, as the same people may appear several times

## Findings and analysis

### General

Nearly every 2018 HRP notes that cash transfers are an element of the response. All of the HRPs examined mention cash transfers as a tool used for the response, with the exception of the Colombia plan, which did not provide much detail on modalities. The same is true for vouchers. Multipurpose cash transfers are mentioned in 12 of the 18 HRPs, as tools that will be used in the response or that analysis will be done on their potential use. HRPs appear consistent in using the term ‘multipurpose’ cash transfers implicitly or explicitly to refer to cash grants meant to cover a range of household basic needs.

The vast majority (15 of 18) plans have dedicated discussion of cash transfers and/or cash-based responses within the first section of the HRPs, which focus on the overall strategy. These take the form of a box on cash transfers or cash-based responses (e.g. Nigeria, Iraq, Mali), a sub-section or paragraph on the use cash transfers or cash-based responses in the overall response (e.g. Afghanistan, Burundi, Libya, Cameroon, Democratic Republic of Congo, Central African Republic, Niger, Yemen) and a strategic objective on ‘cash-based programming’ (South Sudan).

*How are cash transfers presented in HRPs?*



Of the 17 plans with cash transfers, four include operational response plans specifically on cash transfers in the second section of the HRP. Afghanistan and Iraq have operational response plans on multipurpose cash transfers; Somalia and DRC discuss cash transfers within 'multi-sector' plans that include more than cash. Five of the plans (Afghanistan, DRC, Iraq, Libya, Ukraine) have a budget line for multipurpose cash transfers (in the case of Libya it is labelled 'multi-sector assistance').

Among the 2018 HRPs there are other examples of operational response plans on multi-sector assistance and/or categories that do not correspond precisely with global clusters: 'Border Response Plan' (Colombia), 'Emergency Livelihoods' (Iraq), 'Rapid Response Mechanism' (Iraq), 'Emergency Employment and Community Rehabilitation (Yemen)'. The Somalia plan includes an operational response plan on 'Multi-Sectorial Assistance', which includes 'Integrated Emergency Response Teams', 'Drought Operations Coordination Centres', 'Integrated approach on nutrition-sensitive Programming' and 'Multipurpose Cash'.

Multipurpose cash transfers are being increasingly used in humanitarian responses. Why don't more plans have dedicated operational plans on cash? The reasons are related to (1) humanitarian coordination and sector-based planning processes and (2) differing views on the extent to which cash transfers should be planned within sectors as opposed to across them through multipurpose cash transfers. Firstly, there is a clear and direct line between sector-based clusters and sector operational response plans in HRPs – a line that does not consistently exist for cash transfers. Cash transfers often have been brought into or represented in strategic planning processes by Cash Working Groups, which have lacked a dedicated and predictable place in international humanitarian coordination. In some cases the roles and responsibilities of CWGs in strategic planning have been unclear or contested. Efforts are afoot to improve the predictability of cash coordination, and in December 2017 the standard terms of reference for Inter-Cluster Coordination Groups were modified to include responsibility for cash transfers. Time will tell if these will bear fruit and whether they will influence the consideration of cash in HRPs. Secondly, the HRP process is carried out by organisations and individuals that may have different views on how cash transfers fit into agencies' mandates / sector objectives and on the appropriateness of separately planning for multipurpose cash transfers. The balance between 'sector-specific' and 'multipurpose' cash transfers in a humanitarian response has implications for agencies' programming, including their budgets and resources. As a result of these factors, discussions on where cash transfers 'fit' into HRPs often have been sensitive. An example is the preparation of the 2016 Ukraine HRP, where proposals to include an operational response plan on multipurpose cash transfers in the HRP met with resistance from several operational UN agencies.<sup>3</sup>

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<sup>3</sup> Bailey, S. and R. Aggiss (2016) [\*The Politics of Cash: A case study on Humanitarian Cash Transfers in Ukraine\*](#), Overseas Development Institute. See also Smart, K. (2017) Smart, K. (2017) [\*Challenging the System: Humanitarian cash transfers in Iraq\*](#), Working Paper 508, Overseas Development Institute

Box 1: Multipurpose cash transfers for registered and undocumented returnees in Afghanistan

In the case of the Afghanistan plan, the presentation of multipurpose cash transfers changed from 2017 to 2018. The 2017 HRP included cash grants to registered refugees in the multipurpose cash chapter as well as reflecting it separately in the refugee plan. For 2018, the protection cluster requested that the cash grant for registered refugee returnees be moved into the protection cluster (cash assistance to *undocumented* returnees remained in the multipurpose cash chapter). The shuffling means that protection requirements increased and the multipurpose cash ones decreased for 2018 (by 60% from 2017 to 2018). This presentational change highlights the difficulties in inferring trends presented across HRPs for the same country in different years and comparisons across multiple countries' HRPs. Furthermore, the protection chapter does not provide details on the potential number of people reached with cash assistance, the value of grants or how this cash assistance will be coordinated with other activities providing cash assistance; whereas the multipurpose cash chapter describes the cash grant values for undocumented returnees and the logframe estimates numbers of recipients – giving stakeholders a more complete overview of one group of cash recipients over the other.

Sector operational response plans (e.g. food security, nutrition) usually indicate if cash will be used, but with varying degrees of detail, specificity and analysis. The extent to which cash transfers and vouchers are included in the cluster/sector operational response plans differs considerably by sector, which is logical since cash transfers and vouchers are commonly used in some sectors (i.e. food, shelter/NFI) and much less so in others (i.e. health, nutrition, education) (see Table 2).

Most sector operational response plans did not include specific sub-sections on the response modalities used. The exceptions are Cameroon, Somalia and Yemen. Cameroon operational response plans have sub-sections on cash transfers (*assistance monétaire*) that describe whether and how cash transfers will be used and/or analysed for future use. The Somalia and Yemen operational plans have 'response modality' sub-sections discussing the types of modalities included in planned activities. These HRPs contain more systematic information on the use of cash transfers within sector plans. Consistent inclusion of a sub-section in operational response plans related to implementation modalities would be helpful to communicate more systematically the types of assistance to be provided and the logic underpinning them; it could also more systemically capture any links clusters are making with cash transfers used in other sectors, Cash Working Groups (CWGs) and multipurpose cash transfers.

Table 2: Cash transfers and vouchers in sector/cluster operational response plans

	Yes	No	Total	% Yes	% No
<b>Cash in sector operational plans</b>					
Food security	16	2	18	89%	11%
Shelter and non-food items (NFI)	14	3	17	82%	18%
Protection	9	8	17	53%	47%
Nutrition	5	9	14	36%	64%
Education	6	10	16	38%	63%
WASH	5	12	17	29%	71%
Health	4	13	17	24%	76%
Early recovery (or livelihoods and rehabilitation)	4	2	6	67%	33%
Camp coordination and camp management	3	1	4	75%	25%
Refugee response	6	2	8	75%	25%
<b>Vouchers in sector operational plans</b>					
Food security	16	2	18	89%	11%
Shelter-NFI	9	8	17	53%	47%
Protection	4	13	17	24%	76%
Nutrition	2	12	14	14%	86%
Education	4	11	15	27%	73%
WASH	7	10	17	41%	59%
Health	2	14	16	13%	88%
Early recovery (or livelihoods and rehabilitation)	1	5	6	17%	83%
Camp coordination and camp management	0	4	4	0%	100%
Refugee response	3	2	5	60%	40%

Little information is provided on the extent to which aid agencies plan for any joint implementation of programmes using cash transfers, so it is not possible to glean much insight on this issue. A few operational plans do describe links that sectors will make with multipurpose cash responses or CWGs, for example inputting into the calculation of a minimum expenditure basket (MEB), referral mechanisms and monitoring of multipurpose cash transfers. The Protection plan in the South Sudan HRP, for example, states that ‘the cluster will advise the Cash Working Group in the development of a protection-conscious cash assistance strategy to target the most vulnerable and at-risk individuals’.

Some sector operational plans contain vague language on cash transfers and vouchers, such as grouping them under the heading ‘cash-based responses’. For example, the Non-Food Items (NFI)/Shelter operational plan in the South Sudan HRP states that ‘while assistance to newly displaced households will be largely in-kind, people living in protracted displacement will be increasingly supported with cash-based assistance’. This makes it difficult to know if cash transfers, vouchers or both will be used.

On the whole, HRP with dedicated space on cash transfers – in the main narrative on the strategy in Part I of the HRP, as a more detailed operational plan in Part II and/or through sub-sections in sector plans – unsurprisingly provide more detailed information on the numbers of people to be reached with cash transfers, coordination and analysis.

#### *Coordination and tracking*

Fifteen of the 18 HRPs mention the coordination of cash transfers, which usually takes the form of a CWG. The level of detail ranges from passing mentions to a couple of paragraphs on the working group's previous and planned activities (e.g. feasibility analysis, calculation of minimum expenditure baskets, mapping of cash transfer activities). Of the eight HRPs that have operational response plans on coordination, three (Libya, Niger, Nigeria) mention cash transfers as part of the broader discussion on coordination. The Cameroon, Chad, Libya, Mali, Niger and Yemen plans also refer to minimum expenditure basket calculations.

#### Box 2: Examples of descriptions on the coordination of cash transfers from 2018 HRPs

*Chad: The working group on cash transfers put in place in 2013, reporting to the Inter-Cluster, is working on the definition of a minimum basket of expenditure in Chad in order to promote the use of cash transfer multipurpose cash at the national level.*

*Somalia: The CWG was revitalized in February 2017 to spearhead cash-based programming. The group also coordinates cash programming across clusters, ensures uniformity of standards and provides technical and strategic guidance, while working closely with the Inter-Cluster Coordination Group (ICCG) for coherence. The CWG and ICCG support cash partners by undertaking effective mapping, analysis and coordination to ensure multipurpose cash assistance reaches those in greatest need, is flexible in responding to evolving need, and complementary to in-kind and sectoral cash assistance. The group works with the Food Security and Nutrition Analysis Unit (FSNAU) to monitor market functioning and price levels across the country, and guide the use of market-based responses.*

*South Sudan: During 2017 the HCT established a technical CWG under the auspices of the Inter-Cluster Working Group (ICWG). The CWG aims to ensure quality, effective and harmonized use of cash transfers, both within individual sectors and through multipurpose cash assistance to address, fully or partially, a set of humanitarian needs. Initial efforts included mapping of on-going cash based activities and market monitoring, and the drafting of guidance for establishing cash transfer values. In 2018, the CWG will continue to support the humanitarian community through cash coordination, advocacy, information management, evidence creation, policy guidance and the promotion of best practices. Guided by the principle of 'do no harm', the CWG will monitor and assess the feasibility of expanding the use of cash transfers in the context of rampant inflation, weak markets and growing insecurity.*

The review of HRPs suggests that the tracking of cash transfer responses is improving at a country-level. In Afghanistan in 2017, a reporting mechanism for multipurpose grants

was introduced. The Nigeria HRP includes data from the CWG on numbers of people assisted through cash assistance in 2017, including data by region. The South Sudan HRP states that more than 45 partners reached over 1.3 million people in 2017 using cash transfers. For each of the five clusters that will be using cash transfers, the South Sudan HRP also provides information on the number/percentage of cluster partners planning to use cash transfers and the percentage of sector requirements implemented through cash transfers. The Yemen HRP notes the percentage of targeted beneficiaries to be reached with in-kind assistance, cash and vouchers. The Niger HRP states that 11% of projects for 2018 include cash transfers.

#### *Feasibility and response analysis*

The Nigeria, Burundi, Ukraine and Yemen plan reference feasibility studies that have been undertaken and that will inform cash responses. In some cases, such as the Cameroon NFI/shelter operational response plan, basic prerequisites are provided on when cash transfers will be used (market functioning and access, availability of suppliers, etc.). It is perhaps logical that more feasibility studies are not described, as in most humanitarian contexts the circumstances when market-based interventions can be used have been established through previous experience, though the appropriateness of such interventions may vary depending on the specific area, season or shock, and analysis may be particularly needed for sectors where cash has been used less (the operational plans for Protection, Nutrition, Health and Education in Cameroon, Food Security in Libya, and Nutrition and WASH in Somalia indicate that the feasibility of cash transfers will be indeed analysed in 2018). CWGs appear to be increasingly moving towards more joint feasibility and other analysis to help inform inter-agency planning processes, including calculating minimum expenditure baskets. Curiously, the Yemen HRP includes a detailed discussion of a study commissioned by the Cash and Markets Working Group and yet the Food Security operational plan makes no reference of it (see Box 3).

#### Box 3: Cash feasibility in the Yemen HRP

The Yemen HRP refers to a Cash and Markets Working Group study on ‘Community Access to Market, Acceptance, Safety and Risks’ that ‘explored the perceptions of communities towards different assistance and delivery mechanisms and investigated how individuals’ access to markets has varied since the outbreak of the current conflict’. The study included 114 Focus Group Discussions in 11 governorates, and among its findings were that people preferred cash to other types of assistance, as well as information on market constraints and risks. It concluded that multipurpose cash transfers would be appropriate.

In the same HRP, the Yemen Food Security operational response plan notes that ‘the use of cash/vouchers will only be undertaken only after a thorough market and contextual analysis to determine the appropriateness of such modalities. This will take into consideration beneficiary preferences, vulnerabilities, coping strategies, inherent risks (including protection) associated with the use of such modalities, humanitarian impact on local contexts and communities as determine the feasibility of such modalities as part of the cluster’s “do no harm approach”’. While it is helpful to understand criteria that will be

considered, it raises questions about why there is no mention of the findings of the Cash and Markets Working Group study.

Analysis underpinning the use of in-kind assistance is rarely provided, nor is information often provided on why and when vouchers will be used. Some HRPs provide basic information:

- Afghanistan HRP: 'Food assistance will be provided through appropriate modalities (cash, voucher or in-kind food distribution) based on market and situation analysis'.
- Libya HRP: 'While in-kind food assistance will be provided, depending on the availability of food and market functionality, the sector will also continue to work with the Joint Market Monitoring Initiative to collect data in-country that will allow for the consideration of a future cash and voucher modality'.
- DRC HRP: 'While the use of two modalities - cash transfers and vouchers - should increase in the DRC, cash transfers should be preferred over vouchers because they leave more choices, reinforce the dignity of the beneficiaries, and are often less expensive to enforce'.

Most however mention modalities without providing much detail. More consistent inclusion of information and analysis on these choices would be useful to communicate the logic underpinning the response choices, particularly within sector operational plans (including, in the case of vouchers, the logic of restricting the choices of recipients). It would be unreasonable to expect detailed analyses and theories of change, but as noted above, the Cameroon, Yemen and Somalia HRPs set a useful precedent by including a sub-section on response modalities or cash transfers in operational response plans that provide some detail on implementation modalities.

## Conclusion and recommendations

The inclusion of cash transfers in nearly every HRP speaks to their increasing importance in humanitarian response. Having dedicated space for cash in HRPs and the planning processes underpinning would enable more systematic communication on how cash transfers fit into the humanitarian strategy. The following changes could be envisioned:

1. **Modify the HRP template to include the option for an operational plan on multipurpose cash transfers.** If multipurpose cash transfers are used in a response, then this should be reflected in HRPs. Including this option in the template would provide HCTs, CWGs and other stakeholders with space to communicate the strategy for multipurpose cash transfers in HRPs, and would reflect that some HRPs are already including these operational plans. As with other operational plans, it should include target figures and a budget. Multipurpose cash transfers are being provided in many responses and the current HRP template has not evolved to better reflect their use. If cash transfers are not being used in ways that cross sectors, there is a need to reflect on the appropriateness of doing so – but this is not an issue that can be resolved through templates.

2. **Include an overview of how cash transfers are used within and across sectors.** This should include, to the extent data is available, the percentage of sector budgets that are planned to take the form of cash transfers. It should include information on the coordination of cash transfers and analysis underpinning cash transfers in the response (including any joint analysis). Some might argue that such attention elevates cash transfers above other tools, pre-supposes the appropriateness of cash transfers or inappropriately equates cash as a sector. The counter-argument is that there is consensus that cash transfers are not a sector or objective in their own right, and that the use of cash transfers within and across sectors requires plans to be clear on how they fit into humanitarian planning. Some HRP already provide an overview along these lines.
3. **Include a sub-section on response modalities in sector operational response plans.** This sub-section should include a justification as to when and why certain modalities will be used. It should make a clear distinction between cash transfers and vouchers, and not lump the two together. All response choices should be grounded in sound analysis, and it is concerning the extent to which analytical scrutiny is still not yet equally applied to justify the provision of in-kind or other assistance. This section should also describe any links between the sector/cluster and cash transfers provided in other parts of the response (for example, input into the monitoring of multipurpose cash transfers or referral mechanisms).
4. **Encourage specific language on cash transfers and vouchers.** General language on 'cash-based responses', especially in operational response plans, makes it difficult know whether cash transfers, vouchers or both are being discussed. 'Cash transfers' should be used to refer only to the distribution of money and not to vouchers. To ensure consistency with efforts to improve tracking of cash and vouchers, the language should be in line with the decisions of the Grand Bargain measuring cash workstream, which recommends making a clear distinction between 'cash' and 'vouchers'.
5. **Do not wait for HRP template modifications to take forward the above recommendations.** Template changes require global-level inter-agency processes, which can be lengthy. Humanitarian Coordinators and HCTs already have the power to make changes at country level, as evidenced by the inclusion of operational plans and sections on multipurpose cash transfers, cholera and multi-sector responses. Country teams should adopt these changes even before templates are altered. All of the above suggestions are based on ways that some 2018 HRPs incorporated cash transfers.

HRPs, and the operational response plans within them, are essentially summary documents of large amounts of information about needs and humanitarian programming. It is quite reasonable and necessary to expect that these plans cover the types of responses and modalities, justification on their use and the assessment or analytical processes that inform that choice. All the more so since it has been recognised that response analysis is often a gap in humanitarian programming and strategy.

At the same time, sector operational response plans are usually only one to three pages long, and include an overview of needs, responses and often other specific issues. Thus the level of detail will be limited, and including such a sub-section on modalities is no guarantee that the response analysis will be meaningful. The critical issue is that clusters, HCTs and aid agencies analyse the best ways to assist people – including the potential for cash transfers – in a manner that puts people’s needs at the centre. It is critical that cash transfers not be divided into sector responses by default, and that opportunities to use cash transfers across sectors (whether this is called ‘multipurpose cash transfers’ or ‘cash transfers for basic needs’) be analysed in strategic planning processes.

Changes to templates may open up more space for reflection on multisector responses and multipurpose cash transfers. However, the HRP is an output of planning processes, and Humanitarian Coordinators and HCTs need to ensure that cash transfers are appropriately and adequately considered in the planning processes, rather than simply reported on through revised HRP templates. The role of cash transfers and particularly multipurpose transfers can be a sensitive topic among aid agencies, because they challenge the ways that humanitarian response is planned, funded, coordinated and implemented. Ensuring that cash transfers are planned strategically in HRPs requires recognising that this is a political as well as technical discussion.



## Annex 1: Detailed summary on cash transfers in 2018 HPRs

Table 3: Cash transfers in 2018 HPRs - coordination, multipurpose cash (MPC) grants, feasibility/analysis and justification on vouchers

Strategy context	Cash coordination	Multipurpose cash grants	Cash feasibility - analysis	Justifications on vouchers
Afghanistan	Paragraph on operational coordination	Dedicated MPC ORP and budget line (no MPC in sectors)	Basic info on recent programs; FS/shelter state use of cash to be based on analysis	No discussion on vouchers
Burundi	Info on CWG established with government	No mention of multipurpose cash	Mention of feasibility study conducted and conclusions	No justification provided for vouchers / food fairs
Cameroon	Cash WG & inter-cluster created MEB, trying to harmonise responses	Under multi-sector assistance to non-refugees; info on MPC logic, MEB	Some sections include basic criteria, others discuss that analysis will be done in 2018	Vouchers – to solve a specific problem & when markets not favorable to cash
Central African Republic	CWG mentioned but no details	No discussion of multipurpose cash	Stated that circumstances difficult for cash but will be expanded in the future as opportunities permit	No details provided on why/when vouchers will be used rather
Colombia	No discussion of cash in HRP	No discussion of cash in HRP	No discussion of cash in HRP	No discussion of cash in HRP
Dem. Rep. of Congo	Brief info on CWG in Goma and Kinshasa + future efforts	Dedicated budget line, mention of opportunities to use MPCs	References to previous use of cash transfers and vouchers in DRC	Stated that cash is preferred to vouchers owing to flexibility
Republic of Congo	No discussion of cash coordination	No discussion of multipurpose cash	References to previous use of cash transfers	No details provided on why/when vouchers will be used over cash
Iraq	CWG mentioned but no details	Dedicated MPC ORP and budget line	Assumed to be appropriate in MPC section, box states preferred by people	No details provided on why/when vouchers will be used over cash
Libya	Details on Cash Market Working Group efforts	Included under multi-sector assistance chapter	Description of market monitoring and planned analysis.	Vouchers discussed little in the HRP.
Mali	Info provided on CWG and its activities	Study done on MEB, stated that MPC could improve response	General statement on advantages and that cash often preferred to food + people can often get goods in market	Little detail provided on why/when vouchers to be used over cash - choice to be based on risk
Niger	Info provided on CWG and its activities	Study on MEB; MPC will potentially increase	Mention of a feasibility study conducted in one region	No detail provided on why/when vouchers planned to be used over cash

Nigeria	Mention of CWG but little detail	No mention of multipurpose cash	Short para on feasibility assessment conducted, market analysis	No detail provided on why/when vouchers planned to be used
Occupied Palestinian Territory	No discussion on coordination	No mention of multipurpose cash	No discussion of any specific analysis related to cash	No detail provided on why/when vouchers planned to be used
Somalia	Description of CWG and its activities	MPC included under multisectorial assistance ORP	Mention of CWG supporting analysis and mapping	No detail provided on why/when vouchers planned to be used over cash
South Sudan	Description of CWG and its activities	MPC mentioned once as part of cash assistance	Noted that CWG will support analysis on feasibility	No detail provided on why/when vouchers planned to be used over cash
Chad	Mention of CWG and that it will develop MEB	Stated that MEB will be created as part of effort to scale up MPCs	Mention of history of cash and feasibility studies done (that raise immense possibilities)	No detail provided on why/when vouchers planned to be used over cash
Ukraine	Mention of CWG and its role in coordination	Dedicated budget line but no ORP	States that assessments show cash and voucher to be the appropriate modalities in GCA	No detail provided on why/when vouchers planned to be used over cash
Yemen	Info provided on activities and analysis of Cash and Markets Working Group	Info on analysis & preference for MPC, SMEB; little info on how MPC will be used	Cash/Markets WG analysed markets and people's preference for various response options	No detail provided on why/when vouchers planned to be used over cash

Table 4: Data on general content and budget (per HRP plan)

Strategy context	General content									Budget			
	Cash	Multipurpose cash	Voucher	Cash only in sectors/chapters	Sectors + cash section	Cash in word from HC	Sub-section or box on cash	Cash in resp strategy/objectives	Type of separate section	Specific budget line for cash	Label for budget line	Amount requested for cash	HRP budget (USD million)
Afghanistan	Y	Y	Y	N	Y	Y	Y	Y	MPC Op response plan	Y	MPC	27	430
Burundi	Y	N	Y	Y	N	N	Y	Y	-	N	-	-	142
Cameroon	Y	Y	Y	Y	N	Y	Y	Y	-	N	-	-	305
Central African Republic	Y	N	Y	Y	N	N	Y	Y	-	N	-	-	516
Colombia	N	N	N			N	N	N	-	N	-	-	156
Dem. Rep. of Congo (2017-19)	Y	Y	Y	N	Y	N	Y	Y	Section on Assistance Monetaire	Y	MPC	13	1675
Republic of Congo	Y	N	Y	Y	Y	N	N	Y	-	N	-	-	23.7
Iraq	Y	Y	Y	N	Y	N	Y	Y	MPC Op response plan	Y	MPC	60	569
Libya	Y	Y	Y	Y	N	N	Y	Y		Y	Multi-sector	0	313
Mali	Y	Y	Y	Y	N	N	Y	Y	-	N	-	-	544
Niger	Y	Y	Y	Y	N	N	Y	Y	-				338
Nigeria	Y	N	Y	Y	N	N	Y	Y	-	N	-	-	1005
Occupied Palestinian Territories	Y	N	Y	Y	N	N	N	N	-	N	-	-	540

Somalia*	Y	Y	Y	N	N	Y	Y	Y	Multi-sector ORP (not just cash)	N	-	-	1543
South Sudan	Y	Y	Y	Y	N	Y	Y	Y	-	N	-	-	1700
Tchad	Y	Y	Y	Y	N	N	Y	Y	-	N	-	-	544
Ukraine	Y	Y	Y	Y	N	N	Y	Y	-	Y	MPC	6	187
Yemen	Y	Y	Y	Y	N	N	Y	Y	-	N	-	-	2960

Table 5: Data on cash transfers and vouchers in sector operational response plans

Strategy context	Cash transfers													Vouchers												
	Food security	Shelter-NFI	Protection	Nutrition	Education	WASH	Health	Early recovery (or LL, rehab)	CCCM	Coordination	Section on cash ?	Refugee response	Other	Info on cash coordination	Food security	Shelter-NFI	Protection	Nutrition	Education	WASH	Health	Early recovery (or LL, rehab)	CCCM	Section on cash	Refugee response	Other
Afghanistan	Y	Y	Y	Y	N	N	N				Y	Y		Y	Y	N	N	N	N	N	N			N	N	
Burundi	Y	Y	N	N	N	N	N			N	N	Y		Y	N	Y	N	N	N	N	N				Y	
Cameroon	N	Y	Y	Y	Y	N	Y	Y		N	N	Y	Y	Y	Y	N	N	N	Y	Y	N	N			Y	N
Central African Republic	Y	Y	N	N	N	N	N	Y		N	N	N		Y	Y	N	N	N	N	N	N	Y			N	
Colombia	N	N	N		N	N	N	N		N	N		N		N	N	N		N	N	N	N				N
Dem. Rep. of Congo (2017-19)	Y	Y									Y			Y	Y	Y										
Republic of Congo	Y	Y	N	N	N	N	N	N		N	N			N	Y	Y	N	N	N	N	N	N				
Iraq	Y	Y	N		Y	N	N		Y		Y		Y	Y	Y	Y	N			Y			N	N		
Libya	Y	Y	Y			Y	N			Y	N	Y		Y	Y	N	N		N	Y	N				Y	
Mali	Y	N	N	N	N	N	N			N	N			Y	Y	N	N	N	N	N	N					

Niger	Y	N	N	Y	N	N	N			Y	Y			Y	Y	Y	N	Y	N	N	N						
Nigeria	Y	Y	Y	N	Y	N	N	Y		Y	N			Y	Y	Y	Y	N	Y	N	N	N	N				
Occupied Palestinian Territories	Y	Y	N	N	N	N	N				N			N	Y	N	N	N	N	N	N	N					
Somalia	Y	Y	Y	Y	Y	Y	N		Y		N	Y	Y	Y	Y	Y	N	N	Y	Y	N		N		N	N	
South Sudan	Y	Y	Y	N	N	Y	Y		N		N	N		Y	Y	Y	Y	Y		Y	Y		N		N		
Tchad	Y	Y	Y	Y	Y	Y	Y			N	N	Y		Y	Y	N	N	N	N	N	N						
Ukraine	Y		Y	N	Y	N	Y			N	Y			Y	Y		Y	N	Y	Y	Y			N			
Yemen	Y	Y	Y	N	N	Y	N	Y	Y		N		Y	Y	Y	Y	Y	N	N	Y	N	N	N			N	

## Annex 2: Summary analysis of cash transfers in 2018 HRPs

Table 6: Summary analysis

	Yes	No	Total	% Yes	% No
<b>General</b>					
Cash in HRP	17	1	18	94%	6%
Multipurpose cash	12	6	18	67%	33%
Voucher	17	1	18	94%	6%
Cash in word from HC	4	14	18	22%	78%
<b>Structure</b>					
Cash only in sectors/chapters	13	4	17	76%	24%
Sectors + cash section	4	13	17	24%	76%
Sub-section or box on cash	15	3	18	83%	17%
Cash in resp strategy/objectives	16	2	18	89%	11%
Specific budget line for cash	5	12	17	29%	71%
Operational plan on cash	5	13	18	28%	72%
<b>Cash coordination</b>					
Info on cash coordination	15	2	17	88%	12%
Cash mentioned in coordination ORP	3	8	11	27%	73%
<b>Cash in ORPs</b>					
Food security	16	2	18	89%	11%
Shelter and non-food items (NFI)	14	3	17	82%	18%
Protection	9	8	17	53%	47%
Nutrition	5	9	14	36%	64%
Education	6	10	16	38%	63%
WASH	5	12	17	29%	71%
Health	4	13	17	24%	76%
Early recovery (or livelihoods and rehabilitation)	4	2	6	67%	33%
Camp coordination and camp management	3	1	4	75%	25%
Refugee response	6	2	8	75%	25%
<b>Vouchers in ORPs</b>					
Food security	16	2	18	89%	11%
Shelter and non-food items (NFI)	9	8	17	53%	47%
Protection	4	13	17	24%	76%
Nutrition	2	12	14	14%	86%
Education	4	11	15	27%	73%
WASH	7	10	17	41%	59%
Health	2	14	16	13%	88%
Early recovery (or livelihoods and rehabilitation)	1	5	6	17%	83%
Camp coordination and camp management	0	4	4	0%	100%
Refugee response	3	2	5	60%	40%

## **Section A: Task Overview**

**Title of Task:** Cash focus in HRP's 2018  
**Requesting Officer:** Emilie Kindvall/Maria Thorin  
**Date request submitted:** 7 Aug 2018  
**Date(s) of first response and subsequent communications:** 08/08/18 (acknowledgement), xx/08/18 (finalisation of ToR and team), 04/09/18 (submission)

### **Terms of Reference:**

#### **Key objectives of assignment**

The purpose of this task is to provide Sida's Unit for Humanitarian Assistance (Sida/HUM) with an overview of how cash is presented in HRP's for 2018, an analysis of the status and implications of current HRP formats and HRP guideline. It should also provide recommendations for how cash could optimally be presented in HRP's to better reflect growing cash programming, in line with key cash commitments<sup>4</sup>. At the moment, neither OCHA nor other parts of the system are planning for a focused review of cash in HRP's. An Inter-Agency HPC Roadmap is underway, looking at multi-sectoral planning more generally but this is not foreseen to develop recommendations specific to cash.

The findings would ideally assist Sida in identifying ways to help improve humanitarian response, including by enabling joint programming and better cash coordination, and hence provide Sida with recommendations to bring forward to partners and other donors. In the longer-term, improved HRP's that take into consideration cash would also help Sida and partners in identifying relevant contexts for cash funding. SIDA is hence committed to understanding how processes and systems could be adjusted to ensure equitable representation of cash and to understand what possible hurdles prevent it from being represented fully.

#### **Primary audience for task**

The primary audience is Sida's Unit for Humanitarian Assistance (Sida/HUM), however the findings will be shared with OCHA and other partners as deemed relevant. The output is intended to help Sida start a dialogue on the improvement of the HRP's in terms of how cash is included and presented, with the long-term goal of improving understanding around suitable ways to analyse and structure aid modality information, including cash, in the HRP's.

#### **Length and format**

The output will be a 10-20 page document (plus annexes) with the following structure:

1. *Background* (logic underpinning task)
2. *Findings* (outlining findings, trends...)
3. *Analysis* (of the implications of how cash is currently presented in HRP's and what would be an ideal way of presenting cash)

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<sup>4</sup> Key commitments and recommendations from major recent processes, including the [Grand Bargain](#), [ECHO's 10 Common Principles](#), the [High-Level Panel on Humanitarian Cash](#), and the calls to action from the Agenda for Humanity reflected in CaLP's [Agenda for Cash](#) and [Framework for Action](#).



4. *Conclusions and recommendations* (for Sida to use in dialogue with partners and other donors, including OCHA as part of HRP processes...)

### **Aim of the study**

The study should provide an answer to the following questions:

- To what extent is cash systematically included in HRPs?
- How is cash presented in HRPs? For example, within a sector or as a stand-alone category, or in other ways?
- How is information on cash feasibility presented and are there good practice for this available in specific HRPs?
- How is information on cash coordination structures presented and are there good practice for this available in specific HRPs?
- How is information on restrictions presented – to what extent to HRP provide information on why this modality is chosen?
- How is information on MPC presented and are there good practice for this available in specific HRPs?
- What are the implications of current formats for presenting cash in HRPs for inter-sectoral analysis and joint programming, with focus on basic needs programming?
- What would be an optimal way of consistently presenting cash in HRPs, in order to align with and promote key cash commitments (see above).

### **Process and timeline for delivery of task**

The Team Leader will:

- Lead a desk review of HRPs for 2018, with the aim of mapping how cash is currently presented.
- Analyse the findings, looking at implications of current formats, and provide recommendations for how cash could optimally be presented.
- Contact Sida for follow-up questions to OCHA as needed?

The findings and output will be shared with Sida no later than 4<sup>th</sup> of September.

### **Any potential conflict of interest**

No foreseen conflict.

### **Any other relevant considerations**

#### **Helpdesk Delivery Team:**

- **Task Leader:** Sarah Bailey, Global Emergency Group, [sarahbaileyk@gmail.com](mailto:sarahbaileyk@gmail.com)
- **Quality Assurance:** Rob Morris, Saferworld [rmorris@saferworld.org.uk](mailto:rmorris@saferworld.org.uk); Aliisa Paivalainen, Global Emergency Group [aliisa.paivalainen@globalemergencygroup.com](mailto:aliisa.paivalainen@globalemergencygroup.com)

## Section C: Reporting Requirements and Quality Assurance

**Submission date:** 4 Sept 2018 (draft); 10 Sept 2018 (revised draft)

**Sign off date:** 24 Sept 2018

**Time taken/billed:**

Name	Organisation	Category of Expert (1,2 or 3)	Hours to be billed
Sarah Bailey	GEG	1	56
Robert Morris	Saferworld	2	4
Aliisa Paivalainen	GEG	1	4

**Feedback form sent/received:** [has feedback form been submitted? Has feedback been received? Include any feedback received below]

**Comments:** [any additional comments to be recorded, including reflections on process/ challenges/ potential improvements for future tasks]