# *Stage 1*
# Prepare and analyse

For CTP preparedness to become a reality, a National Society has to be both willing and able to institutionalize and mainstream CTP. This may require advocacy work shown in step 3 to be carried out in advance, to ensure good levels of buy-in and ownership to the CTP preparedness process.

The 'prepare and analyse' stage of the process includes three steps.

## Figure 4. The steps in 'prepare and analyse'

| Prepare and analyse | | |
|---|---|---|
| **Step 1. Document the pre-disaster baseline** | **Step 2. Develop and analyse scenarios** | **Step 3. Identify the gap in CTP preparedness** |
| • secondary data review and analysis<br>• primary data collection and analysis<br>• baseline documentation | • scenario development and analysis | • build stakeholder engagement in CTP preparedness<br>• preparedness gap analysis and self-assessment<br>• develop and implement key advocacy messages |
| **Advocacy and communication** | | |

## Figure 5. A summary of the four tracks in 'prepare and analyse'

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|---|---|---|
| **Prepare and analyse benchmarks** | Enabling systems | Advocacy efforts have been effective in allowing for successful CTP preparedness process.<br>CTP preparedness is linked to existing preparedness and contingency planning.<br>Current capacity and context is understood, analysed and documented.<br>Potential blockers are identified and mitigated.<br>CTP feasibility, including market assessments, has been completed. |
| | Programme tools | Standard tools are used or adapted to the local context, and used for:<br>• contextual analysis<br>• development of a CTP baseline<br>• development of disaster scenarios.<br>Stakeholders have been identified and engaged with as appropriate. |
| | Resources and capacities | National Society capacity at headquarter and branch level to provide timely and scalable CTP has been assessed and gaps have been identified. |
| | Communication and coordination | CTP actors, networks and stakeholders have been mapped and considered.<br>Specific internal CTP advocacy has been undertaken as required |

*See the end of this section for a more detailed description of the four tracks applied to 'prepare and analyse.'*

# Step 1. Documenting the pre-disaster baseline

Good quality pre-disaster information helps us to make faster, more accurate analysis of disaster impact because it allows us to compare pre- and post-disaster conditions. It is helpful to have baseline information about market systems, prices and seasonality.

The analysis of secondary and primary data involves finding and describing patterns and trends and interpreting these within the local context, using existing experience. Good data analysis can result in a description of the hazard event, identification of the geographical areas affected, quantification of the number and proportion of people or households affected and an understanding of the impact of the hazard on people, assets and resources.

From a cash preparedness perspective, this means understanding the likely scale of need, whether cash is feasible and markets will function sufficiently to meet the increased demand and then how CTP could be implemented efficiently and effectively. For the purpose of this guidance and to align with the IFRC's *Contingency planning guidance*, this step has been broken into the three sub-steps.

- secondary data review and analysis
- primary data collection and analysis
- baseline documentation.

## 1.1 Secondary data review and analysis

Secondary data is the term used to describe information that has already been collected by the National Society or by other people or organizations.

The review and analysis of secondary data is usually the first step in a multi-sectoral needs assessment[3] after a disaster. It is also the first step in preparedness planning, as it provides a reference point against which the scale and scope of a future disaster can be understood.

Information is gathered from a wide range of internal and external sources, including government, UN, and other development and humanitarian agencies. This is combined to provide part of the baseline information, against which the National Society can identify gaps in information and understanding, and target the collection of primary data.

The main questions that will frame a secondary data review and analysis before a hazard or crisis are:

- What is the likely hazard/crisis?
- Is CTP a feasible and appropriate programming response mechanism?
- What can be done ahead of a disaster to be prepared?

The following key actions are adapted from the IFRC's *Contingency planning guidance* and can be used to steer the collection and analysis of secondary data.

**Hazard and disaster history:** Map the most recurrent risks and hazards in the country. Look at existing and previous response plans to determine the likely scale of the response and resources and the capacity available.

**Vulnerability**: Undertake a review of secondary data relating to pre-existing vulnerabilities and baselines; map the most vulnerable population groups, their characteristics and geographical locations. Different hazards may affect different groups of people, in different areas at different times of the year.

**The capacity of the National Society to provide CTP responses:** Does the National Society have the capacity to respond to the potential disaster with CTP? What resources are available: people, systems and assets? Identify gaps and strengths of staff and volunteers. Are these resources available throughout the country, or only in certain areas? What would it mean to operate CTP at scale in this context?

**Enabling environment:** Are beneficiary preferences known, and are they conducive to CTP? What potential CTP modalities could be relevant, and can they all be implemented in all parts of the country?

**Market assessment and analysis:**[4] will determine how the market is functioning, how well the markets are going to be able to meet the needs of the

3 Please refer to IFRC, *Operational Guidance: Initial Rapid Multi-Sectoral Assessment* (Geneva, 2014).

4 These questions are explored in detail in the Movement Rapid Assessment of Markets (RAM) toolkit.

disaster-affected population and therefore contribute to the decision about the most appropriate way to deliver assistance. For example, identify key market systems and commodities used by people in case of disaster, such as food, household items, water and sanitation/hygiene kits, shelter items, livelihoods inputs. Collect price data, being aware that that this may vary through the year, and include the costs of transportation. All this data can be used to inform the value of the cash grant.

**Identify key CTP delivery mechanisms and service providers:** undertake a mapping and analysis of existing and potential cash delivery mechanisms (traders, financial institutions, mobile service providers, remittances agencies, etc.) used by the Movement and other actors.

**Coordination:** Identify other humanitarian or development actors with CTP experience in the area and exchange relevant CTP and markets information (modalities and cash delivery mechanisms already used and preferred by populations; risks and challenges in implementation and solutions/recommendations; reliability of markets; reliability of existing financial institutions; monitoring systems, etc.).

Sources of secondary data include: the National Society's own VCAs and previous assessments; national institutions (government ministries, research institutes, universities, demographic/health surveys, etc.); humanitarian actors (e.g., UN global data or country portals, NGOs); international development institutions (e.g., the World Bank); market data from livelihoods and food security sources (FewsNet, IPC, etc.); satellite or geospatial data; and information from the media and social media.

When analysing secondary data remember to ask: is the source reliable, the methodology sound and the data useable?

## 1.2 Primary data collection and analysis

Secondary data is used to understand the context, but it will not normally provide the complete picture. Once the data is collected and analysed, it will become clear that there are gaps in our knowledge and understanding, outstanding questions, and areas where we want to be more confident in our baseline.

We need to collect additional information ourselves to answer these questions, and this is called primary data collection. Primary data is collected through a variety of means such as individual interviews, focus groups and surveys.

Some of the key data sets and actions that may need to be considered in this sub-step include:

- VCAs, hazard risk mapping and analysis.
- Seasonal calendars, price monitoring and price baselines with seasonal variations for key food, hygiene and household commodities and services used regularly by communities.
- Geographical market maps, critical market system maps, how well are they integrated and potential market capacity to support the response based on historical data.
- Identification of potential CTP modalities and delivery mechanisms, including taking into account coverage area, community preferences, risks analysis, implementing capacity, and any historical performance.

- Cash and/or commodity voucher and/or beneficiary ID design and production requirements and considerations.
- Cash transfer values pre-defined (including the calculation rationale to meet specific basic commodities or sector specific outcomes and includes access and transportation costs).
- Targeting criteria and approaches (geographical or vulnerability based), vulnerability and beneficiary selection, beneficiary registration datasets and information needed.
- Mapping of other CTP coordination mechanisms and CTP actors in the area, their programming objectives, cash grant values, project management process and cash delivery mechanisms.
- National Society headquarter and branch operational capacity and available resources (human, financial, logistics and CTP experience, etc.) as well as identification of any potential surge human resource needs to support the scaled up response.

### 1.3 Baseline documentation

Once all the primary and secondary data have been gathered and analysed, a final baseline report must be prepared to ensure that all the data gathered is readily available and accessible. It is usually helpful to prepare a presentation to accompany and summarize the report.

The report should embrace all aspects of emergency preparedness, but should emphasize those needed for the development of strong CTP systems. It will provide the foundation for the next stage of preparedness planning for CTP – the development of scenarios. It will also be revisited at the time of the next emergency at the time of the next emergency when programmes are being designed and form valuable input to programme monitoring.

## Step 2. Develop and analyze scenarios

The next step in the process is to start to think in terms of "what if." This is done through the preparation of scenarios.

### 2.1 Scenario development and analysis

A scenario is a set of informed assumptions about how a situation might evolve and require humanitarian action. Scenarios should be short and uncomplicated, as their purpose is to provide a framework within which to plan a set of activities for a National Society to be prepared. The IFRC's *Contingency planning guidance* stresses the importance of three elements:

- the hazard
- existing or potential vulnerability created from the impact of the hazard
- the capacity and resources available within the National Society and/or key partners to address identified vulnerabilities.

Many organizations use a formula to develop scenarios: they consider the best, most likely and worst case situations. In contingency planning for emergencies, the best-case scenario is not usually very helpful. If resources and time do not permit the development of all three cases, then it is safest to adopt the most likely case scenario, as the basis on which to be best prepared should a disaster happen. However, there may need to be some additional consideration of worst-case scenario as a priority in some situations.

Depending on the context, the National Society may need to consider scenarios associated with several different hazards, including natural and man-made shocks.

Important elements when considering scenario development are:

- Estimating the number of people or households that would be affected by the hazard described in the scenario, and any demographical trends or patterns.
- Understanding and prioritizing the anticipated humanitarian needs in the scenario. A clear understanding of needs leads to clear programme objectives, which then allows for detailed consideration of the potential value of cash grants, based on elements such as a monthly food basket, an average salary, emergency shelter materials, basic hygiene items, or a combination of these.
- Access and logistical considerations could have implications for CTP delivery in different scenarios, particularly if there are limits around cash modalities and delivery mechanisms, or if there are challenges with functioning markets, as these would need to be considered and tested for each scenario.
- The probable scale of the response from the community, government and other humanitarian agencies should be noted for each scenario, to consider an appropriate National Society response.
- The level of resources and capacities available in each scenario, and the potential to scale these up.

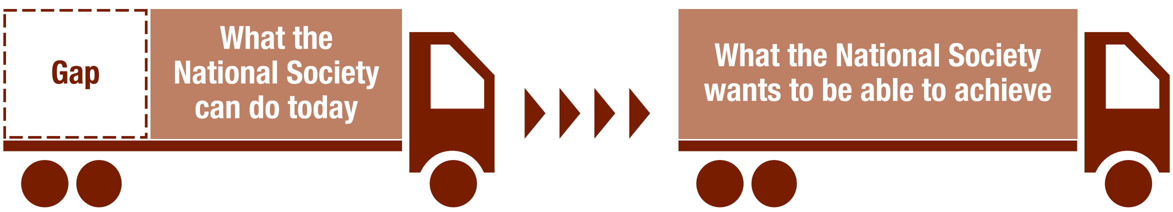
As a rule, the number of households that can be reached with CTP assistance should be comparable to the numbers reached with in-kind goods and/or services to respond to immediate needs.

## Step 3. Identify the gaps in CTP preparedness

Preparedness gap analysis is based on a comparison between:

- what the National Society would like to be able to implement in any scenario, and
- what the National Society can actually do today.

### Figure 6. The gap in CTP preparedness – to be filled through the PoA



The following sub-steps consider this process, and build on the scenario work completed in step 2. The sub-steps below include two participatory processes: one to build awareness and the second to work on the detail. In some cases, it may be possible to combine these. Note that you may need to begin with sub-step 3.3.

## 3.1 Building stakeholder engagement in CTP preparedness

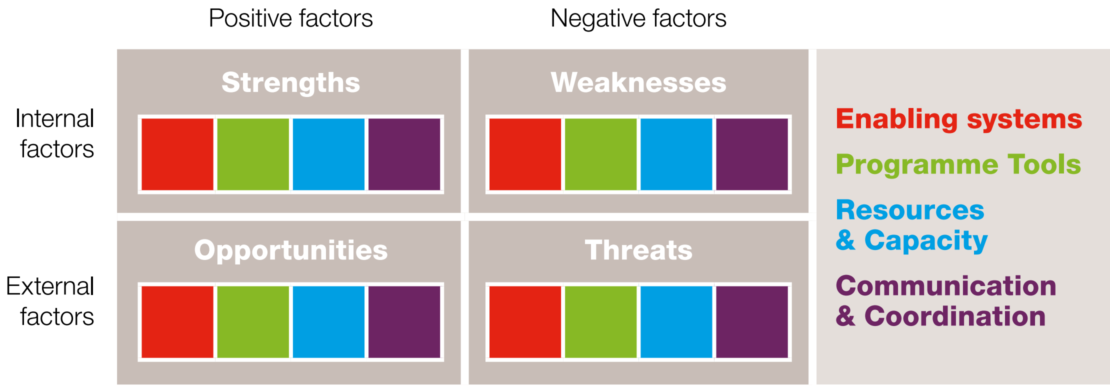
It is critical that the main decision-makers from key departments within a National Society are represented and engaged in the CTP preparedness process from the very beginning. As a minimum, this would normally include disaster management, health, logistics, finance and branch development – but may include others, depending on the structure of the National Society.

The purpose of this sub-step would be to build ownership and engagement from key stakeholders to review the process to date including the scenarios and preparedness gap analysis, and then discuss current and potential capacities needed to be operationally ready to implement the identified potential responses. This analysis of current and potential capacities will be explored in more detail in the next sub-step and can even be included at this stage, if that is preferable for the National Society.

It is a good idea to hold a workshop near the beginning of the CTP preparedness process. The workshop could begin by introducing the basics of CTP, and explaining its relation to existing National Society strategies and plans, and it would provide an opportunity to share and examine the findings of the baseline report and resulting scenarios described in steps 1 and 2. However, if CTP is unknown or not well understood by the stakeholders, it may be appropriate to carry out more advocacy and awareness-raising activities prior to the workshop.

Participatory activities, like a SWOT analysis, can be used to engage stakeholders in thinking through existing blockages and opportunities that each department foresees in implementing CTP. The SWOT exercise could look at CTP preparedness from the perspective of each technical department, or it could look at it in terms of the four tracks used within this guidance.

**Figure 7. A SWOT analysis framework for CTP preparedness at the National Society level**



Participants at the workshop should include all stakeholder departments within the National Society, including staff and volunteers, representation from the branches, senior governance and leadership. The workshop should include the people likely to be appointed as the CTP focal point and technical working group members.[5] It could also include partners in-country or from the region, and external participants may also be invited. It may not be necessary for all participants to attend all workshop sessions.

For the workshop to run smoothly and to achieve the best results, the following tips are based on experience from the IFRC's secretariat CTP preparedness pilots:

- Include a quick overview on the basics of CTP at the beginning of the workshop to ensure all participants have some basic understanding and can participate actively in group activities and discussions.
- Make the workshop as proactive and dynamic as possible, promoting participation and feedback.
- Ensure adequate time is allocated for the critical CTP capacity SWOT analysis, next steps and recommendations sessions, as these are the most important outputs of the workshop.
- When the National Society already has CTP experience, it can be useful for each department to prepare a draft SWOT analysis before the workshop, identifying critical bottlenecks and constraints that prevent or limit the effectiveness, scale or timeliness of existing CTP responses. This will save time in the workshop and also inform discussions.
- Invite external participants with CTP experience in-country to share experiences and challenges and ways of overcoming them. Invite a few of the participants to provide a 10-15 minute presentations of their CTP experience including aspects and learning from specific emergency responses (objectives, scale, timeframe, modalities, etc.) and how they overcame critical challenges within their organization. Decide if these external participants are welcome to the entire workshop or just selected sessions.
- During the workshop identify potential members from each department or functional area that could be included in the CTP technical working group, if/when relevant.
- Use the CTP preparedness workshop as an opportunity to create and/or promote CTP awareness by producing press releases, audio-visual or sound bites, articles, etc. that can be disseminated via internal and external communication departments and media.
- Use the National Society's website and social media tools to disseminate and share news on the workshop and follow up CTP plans.
- Use flipcharts and sticky notes in group exercises and put results on the wall as a reminder for the duration of the workshop. Engage a note taker for the workshop who is not a participant.

The end result of the meeting should be a decision about whether or not to invest in building CTP preparedness, and if yes, then to agree on the next steps.

## 3.2 Preparedness gap analysis and self-assessment

Once stakeholders are informed and engaged, a further workshop or other process can be organized with key stakeholders to conduct the detailed preparedness gap analysis. This process reviews current operational readiness for CTP, and identifies priority areas for development. As with the introductory workshop, it is important that key staff from all relevant departments attend (programming/support services).

**5** See the next section of this guidance, step 4.

Having gained senior management support to the CTP preparedness process, it is necessary to compare existing levels of readiness with the levels implied by the various scenarios developed in the first step. This means ensuring that the right structures, people, equipment and agreements are in place or can be established. A preparedness gap analysis identifies where the gaps are between what exists and what is needed to fulfil the scenarios and the required preparedness measures to reach that necessary capacity. The preparedness gap analysis forms the basis of the CTP preparedness PoA.

The CTP preparedness self-assessment tool – a participatory process to take the group through the four tracks of CTP preparedness – should be used to perform a preparedness gap analysis and the recommendations should be integrated into existing preparedness and response plans, systems and tools.

## 3.3 Develop and implement key advocacy messages

Advocacy is particularly important around CTP. There are still many concerns in the public domain about reputational risk, misuse of cash, corruption and the need for complex monitoring/financial control systems that can contribute to the perception that CTP can only be implemented effectively during small-scale emergencies or longer-term recovery projects. These attitudes can form critical blockages to scaling-up CTP in emergencies, but they can be addressed through advocacy messaging at both global and national levels.

National Societies should consider key issues relevant to their respective contexts and develop key advocacy messages to address them. These might include the following:

- Advocacy aimed towards respective governments to support CTP either through funding or through the inclusion of CTP in their own preparedness and response coordination; taking into consideration CTP as an effective option for response in the right circumstances; and acknowledging that the National Society is one of the key actors in this field.
- Advocacy geared to other CTP actors and partners, through engagement in networks and forums for coordination and information sharing; and sharing joint capacity building or training activities with other organizations implementing CTP in-country.
- Using evidence-based examples to show the comparison of accountability between in-kind distributions and cash responses to highlight how risk can be no greater than in-kind and how it can be effectively managed.
- Advocacy focusing on donors to fund CTP preparedness and response activities to-scale and to consider the pre-positioning of CTP funds (“*cash for cash*”) for preparedness actions or for immediate release in case of emergency to support a timely cash-based response.
- Advocacy towards the general public in order to promote a better understanding on what CTP is and how it can be used to meet their needs effectively, while giving them greater choice and dignity. This might include sharing stories and case studies of experiences elsewhere.

## Internal advocacy for CTP preparedness – governance, management and beyond

There may also be a need for advocacy for CTP within a National Society, targeting not only leaders and decision-makers, but also those at the operational level. Advocacy for CTP aims to enable the National Society to consider CTP as a normal emergency response option alongside others that should be considered in each context. Having the support of influential Governing Board members and senior leaders will lead to an increased awareness, buy-in and support for CTP activities. It will help to ensure institutional commitment; possible resourcing to support the development of CTP capacity and preparedness plans; and provide valuable support in addressing bottlenecks and challenges. Note that this advocacy process may need to begin even before the formal process of CTP preparedness is agreed.

## Box 3. Internal advocacy with National Society leadership

**Key elements for internal advocacy with National Society leadership include:**

- Context analysis, consideration of the broader context – both internal and external; identification of key stakeholders; understanding the context in which the CTP advocacy objective is to be addressed.
- Defining the purpose of advocacy, by identifying the barriers between the current situation and a stronger engagement with CTP. These might be human, institutional, legal or take other forms. The focus of advocacy efforts is made clearer once barriers have been identified. Also a question to bear in mind: is there a window of opportunity or not?
- Identifying the target audience: the critical decision-makers, leaders and influencers in a National Society, who have links to or influence over the barriers to change. They may be representatives of governance or management at headquarter or branch level or influential external figures. Their time and attention is needed but is in high demand.
- Selecting the CTP advocates, who will undertake the actual process of advocacy. The individual must be able to gain and hold the attention of the target audience. They must bring sufficient technical experience and confidence to be persuasive, and to be able to respond to unplanned questions.
- Planning the meeting, preliminary work includes deciding dates and duration of the meeting, the approach and participants. Challenges might include availability of senior leadership, finding relevant documents that address the specific key issues identified.

However, as more people in the National Society become aware of and trained in CTP, they can also contribute to advocating and raising awareness for it,thus ensuring a multiplier effect across levels of the National Society. Evidence demonstrates the crucial role played by CTP trained staff and volunteers in becoming cash advocates internally within their departments, branches or regions and externally with government and community representatives.

The IFRC secretariat can also support National Societies in this area. IFRC disaster managers and CTP focal points in the zones and Geneva can support advocacy efforts with senior leadership and across the different levels. The IFRC has developed a guide[6] to the CTP advocacy process, as well as a number of case studies, documents and audio-visual materials available on the website or upon request. The Cash Learning Partnership (CaLP) website is also a good source of CTP materials for advocacy as well as technical and operational purposes. It is also useful to check with other organizations in-country involved in CTPs, as they might have valuable context specific documents, data, case studies or videos to support CTP.

6 IFRC, *Cash transfer programming: engaging National Society leadership*, (Geneva,2013)

# The four tracks applied to the 'prepare and analyse' stage of the CTP preparedness process

## Enabling systems

**Link CTP preparedness to existing response preparedness processes,** including hazard risk mapping, analysis and disaster scenario planning.

**Conduct baseline to decide if CTP is feasible.**

**Advocate with National Society leadership and management as well as through departments at headquarters and branches** for appropriate CTP preparedness process to ensure ownership, buy-in and active engagement.

**Market assessment and analysis** enables a National Society to determine how key markets are likely to function after a shock, which basic items would be available, could government policies restrict the movement of goods; are key markets integrated and competitive; could traders respond to an increase in demand and if so, how quickly, and is there a risk of inflation in the price of key commodities.

**Setting up pre-agreements with potential cash delivery mechanisms or financial service providers.** Following a mapping of providers, a National Society would be able to establish pre-agreements with these providers prior to the disaster or crisis. This should take into account the area to be covered, the risks identified, the capacity of the National Society and providers as well as community preferences.

## Programme tools

| | |
|---|---|
| • Roadmap for risks analysis | CiE Toolkit, Module 2 |
| • CTP Secondary Data Sources | CIE Toolkit Module 1 |
| • Mapping of CTP delivery mechanism and service provider | CIE Toolkit, module 2 |
| • Mapping of other humanitarian actors | CiE Toolkit, module 2 |
| • Community level CTP checklist | CiE Toolkit, Module 1 |
| • Key Informant interview with Financial Service Providers | CiE Toolkit Module 2 |
| • Country baseline report template | CiE Toolkit Module 1 |
| • Scenario template | IFRC Contingency Planning Workshop Package, 2013 |
| • IFRC Engaging with National Society Leadership module | Available on IFRC FedNet CTP Page |
| • CTP Preparedness SWOT template and sample | CiE Toolkit Module 1 |
| • IFRC CTP Preparedness Self-Assessment Tool | CiE Toolkit Module 1 |

**Additional guidance**

- IFRC Vulnerabilities and Capacities Assessment toolbox (2008)
- IFRC Operational Guidance: initial rapid, multi-sectoral assessment (July 2014)
- Red Cross and Red Crescent Movement Rapid Assessment of Markets and Market Assessment Guidance tools (2013)

## Resources and capacities

**Assess existing and potential capacity of the National Society at headquarter and branch level to provide scalable and timely CTP in response to a likely hazard event,** these should include:

What are the resources available? Including human, financial, and logistical resources.

What skills, capacities or experience do staff and volunteers have? Identify strengths and gaps in capacity and set up a CTP training plan to develop that capacity.

What assets are available to support CTP, including logistics support?

What would be needed to bring the CTP delivery to scale in an operation?

The National Society should also consider what access it might have to call on further surge capacity across other parts of the Movement to bring in technical expertise or to help scale up the response.

## Communication and coordination

**CTP considerations included in internal and external advocacy approaches and plans.**
See for example, the document outlining approaches to IFRC internal CTP advocacy: “Engaging with National Society Leadership.”

It is also important to map the other CTP actors (humanitarian or development) in the area and the existing **CTP coordination mechanisms** that are available to work with. The National Society would then look to set up meetings and join networks to exchange CTP experience and information with these organizations, including on issues around risks, challenges, lessons learned, preferred CTP modalities, and the reliability of existing financial service providers, etc.