



Cash Transfer Programming Strategic Framework

for the International Red Cross and Red Crescent Movement

Developed by the RCRCM Cash Peer Working Group
Endorsed by the IFRC Governing Board
June 2018

Introduction

The humanitarian landscape is changing and it is now widely accepted that providing crisis-affected populations with cash transfer programming (CTP)¹ brings greater choice and dignity for beneficiaries and enables humanitarian agencies to better meet needs in an efficient and effective way. Alongside and often in complement to in-kind assistance and the provision of services, CTP supports peoples' own pathways to recovery and increasing resilience by allowing them to obtain goods and services of their own choice, directly from local markets and service providers, thereby also bringing multiplier effects to the local economy.

The UN Secretary-General's report for the World Humanitarian Summit calls for CTP to become a default delivery mode for humanitarian assistance given its role in building resilience and self-reliance.² Through the Grand Bargain, aid organisations including the International Red Cross and Red Crescent Movement (Movement) committed to invest in new cash delivery approaches allowing for programming at scale, and build an evidence base to assess the costs, benefits, impacts and risks of cash relative to in-kind assistance and other forms of intervention. This document outlines the Movement's goal, strategic objectives, and key enabling actions to achieve this commitment.

Purpose

The Movement's Cash Strategic Framework 2018 – 2020 embraces the Movement's CTP goal:

Crisis affected populations are able to meet their humanitarian needs in a sustainable, culturally appropriate and dignified manner. Through a scaled up cash model the Movement guarantees local to global capability delivering effective cash transfer programming where and when appropriate.

Its purpose is to institutionalise and embed CTP as a routine component of programming for crisis-affected populations through preparedness, response and recovery. Additionally, it sets out the strategic objectives to achieve CTP integration into programs and systems within the Movement at all levels – local to global.

This Strategic Framework represents the collective prioritisation of the Movement with regard to its approach for improving the quality and accountability of humanitarian assistance through the development of a predictable, scalable cash response delivery model.

It provides the framework within which the Movement's approach to the provision of humanitarian cash assistance will be developed, in alignment with the changing humanitarian environment. This includes the ambition of continuing to expand CTP beyond responses to food security and livelihoods needs into other sectors as well as increasing the provision of multi-purpose and unrestricted cash transfers which allow recipients themselves to choose how to prioritise the assistance. It aims to ensure that all components of the Movement are recognised for their readiness and ability to deliver CTP, at scale when required.

¹ CTP can be used inter-changeably with Cash Based Assistance (CBA) and Cash Based Intervention (CBI).

² UN Secretary-General Report to the WHS, 2016.

The Movement's cash Strategic Framework outlines its vision, goal and strategic objectives for ensuring that the Movement is at the forefront of this change.

Scope

The Movement is in a unique position to continue to build its leadership role in predictable and scalable cash transfer programming (CTP) based on its mandate and Fundamental Principles. Its global reach, combined with national and community level access provides a strong foundation for evidence based CTP in line with pre-agreed quality standards.

The unique role of National Society staff and volunteers in their national contexts is primarily their proximity to both authorities and crisis-affected populations. This facilitates a people-centred approach supporting their own choices through the use of cash.

Finally, the Framework guides and unifies the Movement's members as they develop their individual CTP strategies across the globe. It is intended to provide a high-level structure for each Movement member to develop relevant strategies, policies, procedures, systems and partnerships.

Rationale

Cash Transfer Programming is one of the most rigorously-evaluated and well-researched humanitarian tools of the last decade. Evidence shows notable benefits to the population, local economy and markets through the appropriate provision of this form of assistance. In spite of this, humanitarian aid provided through cash transfers remains significantly lower than that of in-kind aid. There remains a need within the humanitarian sector to scale up its' ability to deliver cash transfer programming- to increased numbers of people in need, in diverse locations and contexts, and across sectors.

Whilst states are obliged to take primary responsibility for their citizens in crisis situations, the Movement is often called upon in humanitarian crises to provide assistance to those in need. The Movement has extensive experience implementing cash programmes in a variety of crisis contexts for more than three decades.

In the past ten years, the Movement increased its use of cash transfers to meet a wide range of basic needs using multi-purpose, unrestricted cash transfers. Movement trends for including cash transfers as a response modality have been increasing. Due to this fast-growing interest in using CTP in emergencies, the Movement focused its effort and resources in this area of programming. Initially led by individuals within the Movement, this work has increasingly become more institutionally-supported by various members of the Movement. A strong spirit of collaboration and coordination between the members has allowed the Movement to lead in the area of CTP by:

- developing and contributing to a range of CTP tools, guidance and frameworks;
- establishing mechanisms to ensure appropriate Movement-wide support for CTP;
- establishing the Movement as a key influential contributor within the cash community.

This Framework will continue to encourage the Movement to work together in formulating CTP strategies, policies, plans, and operations.

Vision

In a world where response to conflict, natural disaster and disease is becoming more complex there is a need for a renewed Movement vision and approach to ensure that crisis-affected populations are able to benefit from accountable humanitarian assistance to meet their individual immediate needs and independently determine their future. This Strategic Framework recognises that the full potential of cash transfers remains untapped, and aims to ensure that the Movement is in a prominent position to lead in terms of the systematic and effective provision of appropriate CTP to populations in need.

To achieve the Cash Strategic Framework vision, it is necessary for the Movement to draw from both internal and external capabilities and partnerships with a collective commitment across management levels, programmes and functions. As the world's largest humanitarian network, the stronger the Movement is, the stronger the humanitarian sector will be as we continue to lead and contribute to the global cash agenda.

To do this, the Movement will simultaneously strengthen and realign operations, support services and management – directed by the Movement leadership. Multi-sectoral teams and approaches will be introduced to achieve collective outcomes alongside sector-based targets. It will also require greater investment in payment and information technologies, enabling the Movement to reach scale and improve accountability and transparency.

Predictability is key, requiring ongoing investment in Movement CTP preparedness to ensure institutional capability to respond at any time to crisis. As the world's largest humanitarian network, the Movement will capitalise on its unique geographical reach and ability to access areas not always available to others.

Strategic Objectives

In order to realize the vision:

At the local level, Movement members will invest in a reliable, localized approach to cash transfer programming that emphasizes effectiveness, efficiency and transparency. Movement members will use their auxiliary role to catalyse awareness, acceptance and readiness of national systems to incorporate cash transfer programming into response options.

At the global level, the Movement will invest in processes, tools and systems that can be accessed by Movement members to supplement and reinforce their local capacity while at the same time benchmarking quality cash transfer programming across the Movement and facilitating a common, predictable approach.

These local and global efforts will be supported by policy and advocacy and enhanced through partnerships and innovation at all levels. Expanding a Movement evidence base through learning will be prioritised to inform decision making, policy and practice.

Each of the four strategic objectives will provide a unified and collective approach to CTP for the Movement inviting each member to contribute.



Strategic Objective 1: Localized Response and Prepared Movement Members

The Movement members invest in their capacity to become cash proficient across functions and context, with a particular focus on local capacities.

Movement Member Leadership allocate necessary resources to build cash capability, demonstrating their commitment to meeting Movement agreed upon goals.

National Societies through their auxiliary role, influence and play a central role in cash response and its links to social protection.

Movement members develop and implement their cash strategies during preparedness in line with the Movement position on cash transfer programming to ensure they are cash-proficient.

Movement members contribute to global thinking on cash transfer programming by participating in local, regional and global working groups and by building evidence base and contributing with standardized operational data.

Movement policies, guidelines, toolkits, training, systems and payment platforms are developed and adapted to the local context and regulations, ensuring operational capability.



Strategic Objective 2: Global Cash Capability

The Movement delivers a global cash model which is predictable, replicable, and applicable to all aspects of crisis preparedness, response and recovery.

IFRC and ICRC have the appropriate systems and procedures are fit for purpose to deliver cash transfer programming.

Accountability strengthened at all levels to ensure people led design of cash transfer programming and efficient use of resources.

The Cash Peer Working Group (CPWG) serves as the Movement's technical lead for evidence-based advocacy messaging and quality standards, guidance, training, tools for cash transfer programming.

Operational approaches that set the benchmark for quality cash transfer programming established.

A critical mass of qualified, experienced and competent CTP experts.



Strategic Objective 3: Policy and Advocacy

The Movement institutionalizes cash transfer programming policy and influences the cash dialogue within the humanitarian community at the global, regional and local levels.

Movement senior leadership and key technical groups actively and consistently **engage within the Movement, the humanitarian community, policy makers and funders** to promote a common Movement message of the transformative power of cash transfer programming.

Movement members **ensure the necessary resources** to implement cash transfer programming in their context, in line with the goals of the Strategic Framework.

Coalition building with other multi-lateral organizations and humanitarian actors influence active and effective trends in humanitarian funding.

National Societies have access to information and support to **develop and mainstream appropriate policies and procedures** at country level in line with Movement policy directives.



Strategic Objective 4: Partnership and Innovation

The Movement members with other humanitarian actors, the private sector, and governments, to provide innovative, effective and efficient cash transfer programming at all levels from local to global.

Strategic partnerships and alliances are created that **improve humanitarian responses** and products **incorporating new technologies**.

Investments in **innovations for data management, payment and reporting platforms, operational practice and ways of working, and support services** enabling the rapid, effective, accountable and transparent delivery of cash transfer programming. These innovations are tested and a clear, functional process exists to integrate and evaluate good practice into business models.

Partnerships and innovation with the capacity to improve the speed, quality and delivery of cash transfer programming are operationalized at the National Society levels well as in multilateral response operations.