

Evaluation of the International Red Cross and Red Crescent Movement Cash Preparedness Support

2015-2017

Executive Summary

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INTERNATIONAL



FEDERATION



ICRC

AmRC	American Red Cross
BRC	British Red Cross
CBA	Cash-based assistance, see CTP, also commonly known as cash and voucher assistance or cash-based intervention
CiE	Cash in Emergencies Toolkit of the Red Cross Red Crescent
CPTWG	Cash preparedness technical working group under the CPWG
CPWG	Red Cross Red Crescent global cash peer working group
CTP	Cash transfer programming or programme, see CBA
CTWG	Cash technical working group among Red Cross Red Crescent partners only, usually at national level
CWG	Cash working group, usually open membership at national capital
DM	Disaster management department
DRC	Danish Red Cross
DREF	Disaster Relief Emergency Fund
EA	Emergency Appeal
FBF	Forecast-based financing
FSP	Financial service provider
HQ	Headquarters
HH	Household
IFRC	International Federation of Red Cross and Red Crescent Societies
INGO	International non-governmental organisation
KYC	Know your customer
NGO	Non-governmental organisation
NSD	National Society Development, also known as organisational development
PECT	Practical Emergency Cash Training
PNS	Partner or Participating National Societies, here including American Red Cross, Danish Red Cross, British Red Cross
SOP	Standard operating procedure
ToR	Terms of reference
UC	Unconditional transfer; may also refer to unrestricted, multipurpose transfer
UN	United Nations
USD	United States Dollar
WFP	World Food Programme

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Executive Summary

This report evaluates the cash preparedness approaches implemented by the American Red Cross, British Red Cross, the Danish Red Cross and the IFRC from 2015-2017, with consideration of the IFRC cash preparedness pilots that took place in 2012-2013. The main purpose of this evaluation is to improve the Red Cross Red Crescent cash preparedness approach with a focus on emergency contexts.

A two-person external evaluation team conducted the evaluation over a total of 66 working days involving a review of more than 100 documents, interviews with 61 key informants, 3 country visits allowing additional group meetings with 25 National Society staff, an online survey for National Society heads of disaster management (DM) and a consultation session of the key findings and recommendations. The evaluation aimed to respond to three evaluation questions:

- What factors in the 2015-2017 cash preparedness support approaches provided to National Societies have had the most direct results and outcomes particularly in relation to the speed, quality and scale of CBA?
- What evidence is there to show the extent to which National Societies can implement appropriate CBA, and what are the internal and external factors that enable or hinder this?
- What are the key lessons the Red Cross Red Crescent can apply from the experience of cash preparedness support 2015-2017 to enhance future cash preparedness support for National Societies?

Findings

While all cash preparedness support considered deliverables similar to those articulated in the Red Cross Red Crescent's 2015 CTP Guidelines for mainstreaming and preparedness, different movement partners had different ways of organizing cash preparedness deliverables and different approaches to budgets, timeframes and structures, levels and types of technical assistance. The evaluation has found that longer time periods are required to support meaningful change in cash preparedness than the two-year timeline suggested in current guidance. The evaluation confirms that a cash capacity assessment at the beginning and end of a dedicated cash preparedness support programme is a useful way of identifying more clearly the level of organisational investment required to achieve change.

The operational link between cash preparedness and cash-based assistance

(CBA) implementation is still easily lost under the current guidance, particularly regarding key enabling factors such as leadership buy-in and systems that enable CBA implementation. While the amount of cash being delivered and the metrics of speed, scale and quality are important and useful proxies for cash preparedness, evaluators found this insufficient to capture some key elements of cash preparedness, especially effectiveness. The evaluation found quality-related elements to be necessary to avoid the temptation of a one-size-fits-all approach to CBA implementation. The evaluation identified several factors that enable cash preparedness, such as a funded cash focal point, mainstreaming CBA with broader operational links and investing in learning. Slow uptake of digital technology was identified as a factor hindering cash preparedness.

The evaluation found that the operational contexts for the case study countries to be conducive to CBA; that successful cash preparedness support allows National Societies to position themselves as credible CBA actors and that cash preparedness success is enhanced by learning-by-doing and peer exchange.

Key Findings (KF)

KF 1.	There is overall National Society, PNS and IFRC support for the 2015 cash preparedness guidance. The cash preparedness roadmap provides a coherent list of what needs to be in place for a National Society to be considered "cash ready". However, cash preparedness remains conceptual and there is no agreement across the Movement on how to measure cash preparedness beyond the output level.
KF 2.	There is an absence of standardised metrics within the Movement to measure the return on investment in cash preparedness and cash delivery capacity. This makes it difficult for a National Society to assess its own level of cash preparedness.
KF 3.	The delivery of cash at speed and scale has become the de facto metric for cash preparedness in line with the cash roadmap priorities. At present, more cash and faster cash drive cash preparedness investments and CBA implementation design. The third qualifier, quality of cash delivery, is less well defined, understood and measured. These de facto metrics remain emergency focused.
KF 4.	The existence of cash preparedness and mainstreaming guidance and the Cash in Emergencies (CiE) Toolkit (rcmcash.org) have proved to be essential tools that allow the Red Cross Red Crescent to start sharing a common language around cash preparedness. The current guidance is, however, perceived as too technical and complicated for National Societies with limited existing capacity and experience of CBA.

KF 5.	Human resource investment is one of the most effective types of cash preparedness investment to date. It is in line with the organisational culture of capacity and development of the Red Cross Red Crescent. Thus far, however, it has been limited to technical capacity. Investment in managerial or strategic cash preparedness capacity in situation and response analysis and contingency or response planning has been less successful under the current cash preparedness approaches. This investment has been identified as a key enabling factor for successful cash preparedness and is backed by the online survey results.
KF 6.	The chronic gaps in information technology and information management National Society HQ and branch levels in terms of servers and databases has been identified as a significant factor related to enabling systems (track 1) limiting successful cash preparedness. While use of technology is increasing for data collection through mobile devices, investments in enabling systems for cash preparedness are perceived to be costly and outside the cash preparedness support scope.
KF 7.	The absence of approaches to capture CBA learning from all phases of the disaster response cycle, particularly, but not only, disaster risk reduction and recovery, is a key gap in the current cash preparedness support approaches. It misses the opportunity for more systematic institutionalisation.
KF 8.	Systematic tracking and reporting systems for cash preparedness progress at country level that allow comparisons over time and across countries are lacking. Measuring the number of households assisted with CBA, the speed of CBA delivery post assessment and the value of the cash transfer are easy metrics for National Societies to understand and are useful proxy indicators for impact. See metrics used for the case studies.
KF 9.	The most cited internal factor that enables CBA implementation is National Society leadership buy-in. This factor has been found to be the single, most-effective enabler for cash preparedness investments. This is backed by the survey findings in terms of leadership buy-in to release funding. The external factor that most enables CBA implementation is the opportunity to respond to a disaster that allows for piloting and putting into practice cash preparedness investment measures.
KF 10.	The sustainability of cash preparedness investments is almost completely dependent on the extent to which cash preparedness and CBA are mainstreamed throughout the National Society as part of a broader organisational development, DM and national society development (NSD) processes.

KF 11.	<p>Several barriers limit the sustainability of cash preparedness investments, including:</p> <ul style="list-style-type: none"> ▪ current guidance suggesting a two-year cash preparedness support timeframe, considered too short and unrealistic for institutionalization ▪ the inability of a National Society to co-fund and continue to invest in cash preparedness between external funding cycles for cash preparedness support ▪ the lack of guidance on what cash preparedness activities to prioritise for a National Society to continue their cash preparedness investment paths ▪ enabling systems (track 1) elements, highlighted by online survey respondents as limiting capacity to implement CBA and likely cash preparedness sustainability.
KF 12.	IFRC's own inability to mainstream CBA – a key element of cash preparedness – has been highlighted as a gap in that IFRC should lead by example.

Key Lessons Identified

KL 1.	It is the combination of strategic leadership support and technical capability that drives cash preparedness in National Societies. This is the main enabler for a sustainable cash preparedness approach that outlives time-bound, project-based cash preparedness support.
KL 2.	Six-month to two-year investment cycles are perceived as too short to enable cash preparedness. Longer periods of investment in cash preparedness are needed, in line with existing approaches to NSD and organisational development.
KL 3.	Even if there are no large-scale disasters to learn from and to test CBA at scale, it is possible to undertake small-scale CBA pilots to feed into learning. National Society CBA scale-up is dependent on contextual factors to put cash preparedness into practice.
KL 4.	Speed and scale can further be enhanced through use of technology in various steps of the programme cycle. Digitalisation of data collection tools would improve accuracy.
KL 5.	Having a focal point for CBA is essential for driving forward cash preparedness activities. The role needs to be supported in a way that is coherent with the National Society's human resource structure so that the focal point does not work in isolation.

KL 6.

Deploying trained National Society staff to other countries as part of Regional Disaster Response Teams has allowed them to put their skills into practice, an important part of their capacity strengthening and has allowed them to bring their knowledge back to the National Society.

Conclusions

The investment made in cash preparedness so far has resulted in increased uptake of cash preparedness activities and technical know-how for delivery. There remains a stark need for the cash preparedness approach to be raised to the level of organisational change and get leadership commitment at the highest of levels so that cash preparedness is not just perceived as a project that comes with financial and technical support. This will involve simplifying the existing cash preparedness guidance to reach non-technical audiences and establishing a monitoring framework that captures milestones and progress along a continuum, in place of a set of cash preparedness investment activities. In view of the findings, the evaluators recommend the following¹:

Recommendations to the Red Cross Red Crescent

1. A1 - Integrate current cash preparedness investments more fully into broader NSD and organisational development plans.
2. A2 - Increase investment in a set of standard learning tools including learning events and simulations.
3. A3 - Build on the success of the operational and technical peer learning.
4. A4 - Further engage with donors to provide specific funding for cash preparedness.

Specific recommendations to IFRC

5. B1 - Strengthen the CBA components in emergency appeals and disaster relief emergency funds to speed funding release and to allow cash contingency fund replenishment.
6. B2 - Support country contingency planning processes to include action-oriented CBA more systematically for different scenarios.

Specific recommendations for adapting the Red Cross Red Crescent cash preparedness approach and tools

7. C1 - Simplify the current cash preparedness guidelines by developing minimum actions for preparedness based on standards and milestones.
8. C2 - Further refine the “four parallel tracks” structure of cash preparedness actions and more explicitly include triggers for enabling systems.
9. C3 - Expand quantitative indicators for cash preparedness by exploring synergies along strategic, operational and tactical concepts, existing IFRC approaches to levels of disaster preparedness or the American Red Cross (AmRC) building blocks – examples provided in text.
10. C4 - Develop quality metrics and markers for monitoring cash preparedness.
11. C5 - Roll out an agreed monitoring and evaluation system for cash preparedness to address the current absence of systematic National Society cash preparedness baselines².
12. C6 - Sustain National Society cash preparedness between cycles of funding by helping National Societies to identify priority activities in their investment path more explicitly.
13. C7 - Invest in technology for data management and delivery systems and champion the localisation agenda on various fronts.
14. C8 - Share the findings of the National Society online survey with National Societies who completed the survey and consider using the questionnaire in the future.

1. The fully formulated recommendations are presented in the body of the report.

2. The CiE toolkit self-assessment form M1-1_6-1 and the 2017 BRC methodology for National Society cash preparedness support selection are not used systematically for cash preparedness baselines and cash preparedness support selection.