Cash Conference

Hosted by

British Red Cross

In partnership with

International Federation of Red Cross and Red Crescent Societies

ICRC

Summary Report

Towards Transformation

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Overview

On 13th September 2018, the British Red Cross convened a Cash Conference on behalf of the International Red Cross and Red Crescent Movement, guided by the theme 'Towards Transformation'. The event was attended by 150 participants, including Red Cross and Red Crescent Movement partners from more than 20 National Societies, donor governments, UN agencies, International Non-Governmental Organisations, academia and private sector actors.

The day provided an opportunity to take stock of the humanitarian community's direction of travel and the transformative space cash transfer programming can occupy within that. Humanitarian cash is well on its way to becoming 'the new normal' in humanitarian response, with much consensus on major themes. However, lively debates were had on how we will achieve better outcomes for people in crisis.

This report summarises the key themes that emerged on the day, with a view to further the global debate on the scale-up of humanitarian cash transfers.

Cash in the Red Cross and Red Crescent Movement

The Red Cross and Red Crescent Movement is committed to leveraging cash as a tool in humanitarian aid, putting people affected by crisis at the centre of humanitarian response and empowering them to recover with dignity. In 2017, the Movement supported 5.57 million people in over 80 countries with cash-based interventions, expending over 767m CHF.

The Cash Conference was recognised as an important opportunity to strengthen the Movement's engagement on cash with other actors, underlining the need for collaboration and a collective effort to scale up the use of cash in humanitarian action.

David Peppiatt, Director of Humanitarian Cash Assistance, British Red Cross

The Cash Conference coincided with the launch of the Cash Hub (cash-hub.org), an online platform hosted by the British Red Cross. The platform provides a central point of reference for the Movement on humanitarian cash assistance, including access to data, evidence, tools, resources and a community of practice for cash practitioners. The Cash Hub initiative also involves the creation of a Cash School and training programme; global surge deployments of cash practitioners; technical support to cash programmes and National Societies seeking to build their organisational readiness to deliver cash; policy and research; and innovation in use of new technologies for cash assistance.

Executive Summary

The conference reaffirmed the transformational potential of humanitarian cash transfers. Although cash is not a panacea, when the conditions are right it gives people affected by crisis more choice, empowering them to recover with dignity. It can play a role in meeting basic needs, reducing poverty, inequality and developing resilience, particularly if it is given as a single, unrestricted transfer. Cash is clearly well on its way to becoming 'the new normal' in humanitarian response. The question has become how we will leverage cash transfers to achieve better outcomes for people in crisis, and whether cash is really going to transform the way we deliver humanitarian aid.


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Putting the experience of crisis-affected people at the centre of humanitarian cash transfers is paramount. Only through a radical shift in attitudes and ways of working can we ensure that interventions maximise the choice, opportunity and dignity of recipients. It was agreed that measuring outcomes and 'Value to People' rather than 'Value for Money' should be the driving force of humanitarian cash programming.

Accelerating the global scale up of humanitarian cash transfers requires setting the right incentives for system-wide change. For example, giving crisis-affected communities mechanisms to effectively hold organisations to account could provide the impetus for the humanitarian community to seek reform and re-evaluate engrained ways of working. Similarly, counting cash correctly and distinguishing between the cash that reaches people's hands and delivery costs would provide objective insights into how we approach the global scale up of cash.

Cash exposes flaws in the humanitarian architecture and provides an opportunity to address them. In particular, it challenges the siloed nature of the humanitarian cluster system and several panellists made the case to prioritise a single, unrestricted cash transfer that addresses multiple needs. The nature of such a response would require moving from decision-making based on sectors and organisational mandates towards achieving common objectives.

It remains unclear how the scale up of humanitarian cash relates to the Grand Bargain commitments on localisation. Several speakers emphasised the importance of cash preparedness and investment into the capacity of local and national actors. The debate challenged the current debate of scaling up the capacity of large, international agencies at the cost of truly localising the cash agenda.

Linking humanitarian cash transfers to social protection systems could harbour significant benefits, in particular the development of systems that are shock-responsive. Building a common understanding and trust between all actors was seen as key; this requires ongoing advocacy, particularly across government functions. Involving agencies responsible for early warning and forecasting into the planning and preparedness process was seen as a vital step, as well as developing clear and robust processes.

On the theme of cash innovation, technologies should be built to empower people and widen their choices. The emergence of interoperable platforms that give people the choice over the kind of assistance they want to receive is a game changer, and increasingly the technological capabilities to do so will emerge. It becomes a question of political will as to whether humanitarians will move from a supplier-driven model of assistance, towards a consumer-driven system.

The use of data was central in the discussions on innovation and technology. Data in humanitarian operations can be life-saving, but responsible management of data requires mitigation measures at every step of the programme cycle. The responsible use of data is also a key component of demonstrating trustworthiness towards communities, providing the cornerstones of proximity and acceptance that are required to operate safely in challenging environments.

The ICRC report 'Cash Transfer Programming in Armed Conflict: The ICRC's Experience' was launched at the Cash Conference. It recommends two important principles; although cash is often best, it is not always best. Secondly, cash transfer programming is a tool of humanitarian action, not a humanitarian outcome in itself. Panellists reflected on several issues relating to cash transfer programming within the specific nature of armed conflicts, in particular how cash can be used in pursuit of clear humanitarian goals such as prevention, protection and assistance.

Underpinning all of these discussions was a call to protect the Fundamental Principles of humanity, neutrality, impartiality and independence. As the humanitarian community seeks further collaboration and innovative solutions by leveraging the transformational power of cash transfers, it needs to do so in a way that puts the experience of people affected by crisis at the centre.

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Humanitarian Cash – Towards Transformation

From left to right: Sasha Kapadia, Director of Markets and Partnerships, Government and Development (Mastercard); Dr. Abbas Gullet, Secretary General (Kenya Red Cross Society); Joanna Macrae (Independent Consultant); Dominik Stillhart, Director of Operations (ICRC); not pictured: Radha Rajkotia, Senior Director, Economic Recovery and Development (IRC)

The first two sessions of the day engaged senior leaders in a debate on the guiding theme of the conference; is cash really going to transform the way we deliver humanitarian aid? Or will it become a 'business as usual' modality in the humanitarian toolkit? Panellists set out their vision for the future of cash in the humanitarian sector, and the priority changes to programming and policy required towards achieving this vision.

Putting the experience of crisis-affected people at the centre of humanitarian cash transfers is paramount. Only through a radical shift in attitudes and ways of working can we deliver what many believe to be the greatest unmet need of people in crises - a sense of dignity. Several panellists referred to cash as a 'turning point' for humanitarian actors to re-align their priorities towards ensuring that interventions maximise the choice, opportunity and dignity of recipients. The humanitarian cash agenda should also strive to 'leave no one behind' as championed by the Sustainable Development Goals, with calls for more sensitive programming towards age, gender, disability and legal status.

Measuring outcomes and 'Value to People' rather than 'Value for Money' should be the driving force of humanitarian cash programming. Cash is not a panacea, but it can play a role in meeting basic needs, reducing poverty, inequality and developing resilience, particularly if it is given as a single, unrestricted transfer. Measuring the outcomes of cash interventions on a macro-level, as well as the difference it makes to individuals personally, should inform a data-driven approach to scaling up the use of cash. The International Rescue Committee challenged us to test not only whether cash can replace in-kind distributions, but whether it is expanding access to services such as education and health. Framing success in

IFRC Secretary General, As Sy, visits a cash transfer payment, a program of the Red Cross to combat food insecurity.

terms of outcomes reveals whether humanitarian programmes are making a real difference to people's lives, and objectively assesses whether cash is the best way to do it.

True accountability to crisis-affected communities and citizens could set the right incentives to scale up humanitarian cash transfers effectively. Unlike citizens with functioning governments and the right to vote, there is little recourse for people affected by crisis to demand change or express dissatisfaction with humanitarian agencies. This power imbalance coupled with the absence of functional accountability mechanisms results in a lack of pressure for the humanitarian sector to embrace change. Donors are also accountable to their tax-payers, and their responsibility to spend public money effectively is another powerful incentive for the global scale up of cash. However, the case for cash needs to be continuously made to ensure public support for such programmes.

Cash exposes flaws that have been embedded in the humanitarian architecture for many years - and provides an opportunity to address them. In particular, cash challenges the siloed nature of the humanitarian cluster system, which separates out human needs into sectors, such as food, health and shelter. Cash by nature can serve multiple purposes and several panellists pushed for a single, unrestricted cash transfer, rather than vouchers or disparate cash grants. To achieve such a unified response requires moving from decision-making based on organisational mandate towards achieving common objectives; for example by formulating joint goals in each country context. This would require not only structural change, but behavioural and attitudinal change to challenge vested interests. Panellists pointed out that for some, this can pose an existential question.

Humanitarian leaders and their organisations will have to ask themselves 'what next?' While there was consensus on the fact that the aid system as it stands is not 'fit for purpose' and hinders effective cash programming, opinions differed on the next steps. For some, their vision forces humanitarian agencies, governments and other actors into a 'division of labour', encouraging specialisation and separating out functions. This model would pressure smaller and medium-sized actors to clarify their offer and demonstrate their added value to the cash transfer cycle. It also raises questions about what this would mean for small to medium-scale emergencies that don't receive sufficient media attention or donor funding, to which this model would not be applicable.

> **"The use of humanitarian cash at scale is inextricably linked with the future effectiveness of the humanitarian aid sector. […] We can advance together, through concrete partnerships, to deliver better humanitarian assistance through cash. We owe this to the people who rely on our assistance in times of crisis."**
> Richard Clarke, DFID

It remains unclear how the scale-up of humanitarian cash relates to the Grand Bargain Commitments on localisation. The Kenyan Red Cross challenged donors to clarify whether the localisation agenda was 'still on the table'. Despite repeated commitments,

From left to right: Richard Clarke, Director General Policy, Research and Humanitarian (DFID); Karen Peachey, Interim Director (CaLP); Elhadj As Sy, Secretary General (IFRC)

two-thirds of humanitarian cash transfers in 2015 were channelled primarily through only two UN agencies, highlighting the lack of capacity in other parts of the system. Several speakers throughout the day emphasized the importance of cash preparedness, but the question remains: of whom? The following years will determine whether scaling up cash will rely on large, international agencies with sufficient capacity, or whether the commitments to localisation made at the Grand Bargain will move from rhetoric to reality.

Counting cash correctly, setting performance metrics and a data-driven approach are crucial to programming and wider discussions. As the humanitarian sector grapples with the technicalities of measuring the volume of cash transfers, it is important to distinguish between the cash that reached people's hands, and separating it from the cost of delivering the programme, in order to avoid false incentives. While some panellists throughout the day questioned the usefulness of hard targets for cash, others argued that the consistent use of performance metrics could be used to objectively assess different approaches and comparative advantages of different actors. A data-driven and evidence-based approach could contribute to de-politicising the debate.

"It seems to me that dignity and choice should be at the heart of change, as much as the drive for efficiency."
Mike Adamson, British Red Cross

Humanitarians are already working with the private sector, but more can be done to break down barriers and build trust. The private sector itself can often be seen as a disruptor to the humanitarian system, but they are often the enablers of technological solutions from digital transfers to data management systems. Despite the fact that private companies have a core purpose of maximising profit, they have a secondary interest in supporting humanitarian efforts as it motivates staff, raises a company's public reputation, helps retain talent and allows companies to engage with emerging markets. MasterCard called to identify the core competencies of each sector and align them to achieve more than the sum of its parts.

Localising the Cash Agenda

From left to right: Nigel Timmins, Humanitarian Director (Oxfam); Mitch Riley, Regional Director and Evaluation Lead (Give Directly); Anahi Ayala Iacucci, Senior Director Humanitarian Programs (Internews); Marwan Alawar, Disaster Management Director (Lebanese RC); Pascale Meige, Director of Disaster and Crisis (IFRC)

The term 'localisation' gained prominence in the 2016 Grand Bargain Commitments made during the World Humanitarian Summit and is first and foremost associated with reform of the aid architecture, challenging the model of sub-contracting from international agencies down to local actors. The rationale for this policy agenda came out of an acknowledgement that local humanitarian actors are often the first to respond to emergencies and will stay after a crisis is over. Their permanent presence on the ground also enables a more nuanced understanding of the context, culture, appropriate language skills, trust and a proximity to the communities they serve.

The panel on 'Localising the Cash Agenda' offered very different perspectives on what true localisation in humanitarian programming can look like. From the experience of national organisations, such as the Lebanese Red Cross, who have built their capacity to deliver cash transfers independently, to organisations such as Give Directly who are pioneering an end-to-end accountable operational mode, different models pose significant challenges as well as opportunities. The discussion also exposed broader questions around the transfer of power and risk, and what an enabling environment which puts power back into the hands of people receiving cash might look like. Cash was described as 'the most localised form of aid', because of the choice it provides to people - but without greater commitment and adequate resourcing, the localisation agenda risks remaining aspirational.

Investing into the capacity of local actors to deliver cash takes time and requires a holistic approach. Evidence from the Lebanese Red Cross and other National Societies suggests that capacity building and preparedness often takes longer than expected. In order to streamline cash as a modality for various types of emergency response beyond a single programme or crisis, it needs to be embedded into all aspects of an organisation's systems and processes, and thus form an integral part of organisational development for disaster management. It was emphasized that longer-term, predictable funding and technical support are crucial to building sustainable capacity. A holistic approach to localisation can also be applied to the selection of partnerships including payment and technology providers, tailoring solutions and delivery mechanisms to the given context.

Competing factors such as the drive for efficiency and compliance can hinder investment into building the capacity of l ocal and national actors. Oxfam identified a major barrier for the localisation agenda to move forward as the current practice of transferring risk further and further down to the implementing agency, for example through contractual obligations. The cumulative effect of minimising or 'outsourcing' risk can result in the unintended consequence of shifting the burden of risk to those who are least able to bear it – local and national actors, as well as the people in crisis themselves. Options for mitigating measures were discussed, taking into consideration that this practice is incentivised by the increased demand for cost-efficiencies by donors and tax payers.

Coordination was identified as one mechanism to create a more inclusive space for local and national actors. The culture around coordination and working groups is often dominated by international organisations, creating a high barrier to entry for local actors. Positive developments in this space were noted, such as country-based pooled funds which encourage local actors to bid for grants, giving them more visibility and a seat at the table.

"We need to find much better ways of sharing risk - that the powerful in the system are willing to accept a proportion of the risk […] so that we can achieve localisation."
Nigel Timmins, Oxfam

A different take on localisation: an operational model that provides an end-to-end solution. Although not strictly classed as a 'local actor', Give Directly's experience of providing large, unconditional, continuous cash transfers is underpinned by a model that does not sub-contract at any level and is, therefore, entirely accountable to the communities it serves. Every aspect of the programme from control over processes to building the digital platform and feedback mechanisms are kept in-house, with the exception of external evaluations. This operating model poses an anomaly within the global dialogue around increasing specialisation and the separation of functions. Regardless of the outcome, effective strategic cash coordination will become more important than ever to ensure a coherent response with clear lines of accountability that are understood by crisis-affected populations.

Community engagement and accountability (CEA) was identified as a key component to successful cash programmes. Specific considerations around communicating about cash were identified - the nature of cash programmes often results in more scrutiny by populations around eligibility criteria; why some people are receiving cash and not others, and why and how the grant value were chosen. Internews pointed out that because cash is such a valuable commodity, it is important to compliment cash programmes with a comprehensive communications strategy that targets key audiences ahead of the first distribution, including not only affected populations, but also host communities. If implemented early and inclusively, truly participatory CEA can also change the proposal and design of projects.

Connecting Humanitarian Cash with Social Protection

From left to right: Louisa Lippi, Social Policy Specialist (UNICEF); Alper Kucuk, Deputy Director General (Turkish RC); Heidi Carruba, Humanitarian Advisor (DFID); Alexander Matheou, Executive Director of International (British RC)

Government-led social protection systems are characterised by policies and programmes that aim to reduce poverty and inequality, supporting poor, marginalized and vulnerable populations. Engaging with social protection systems has traditionally been the realm of development actors. In recent years however, humanitarians have started engaging with the cash transfer aspect of social assistance interventions in crises, also known as (emergency) social safety nets. This approach benefits from utilising existing and functional channels for cash delivery, and an opportunity for governments and humanitarian agencies to bridge the gap between immediate needs and longer-term recovery, also known as the humanitarian-development nexus.

The panel 'Connecting Humanitarian Cash with Social Protection' gave an insight into several contexts where humanitarians have utilised social safety nets including Iraq, Turkey and Central Asia. While similar themes emerged throughout the discussion, the importance of context-specific approaches were highlighted, beginning with the need to better understand what systems are already in place, involving all the relevant actors early on and building trust between them. The benefits of interoperable systems in order to achieve scale and facilitate transition into more mainstream social protection systems post-emergency were highlighted, as well as the risks involved.

Fostering a common understanding and a culture of trust between all actors was highlighted as a major component of linking humanitarian emergency response with social protection. Often, humanitarian and social protection practitioners speak a 'different language' and have different approaches to programming. One example highlighted was targeting; while humanitarians use vulnerability criteria to assess for eligibility, actors such as the World Bank would use proxy means-testing which look at household welfare or poverty indicators. However, experience from DFID in Iraq showed that after further investigation there was also considerable overlap.

In some contexts, tensions can exist between government departments with different mandates around social protection and emergency response. Panellists highlighted that addressing this requires ongoing sensitisation and advocacy to build understanding across government functions, for example through a collaboration forum. This collaborative space nevertheless requires specific roles, with the right kind of technical profiles, and adequate funding to ensure effective coordination. One recommendation from the panel was to start with harmonisation in those areas where progress is most feasible, adopting a 'good enough' approach and building from there.

Building shock-responsive social protection systems was considered a key area for development, enabling more coherent and harmonised support for crisis-affected people. Some advantages that can be derived from harmonising systems and using joint platforms for registration and programming are clear, such as minimising duplication and errors. Digitalisation allows for a more systematic assessment of people's vulnerability, and makes it easier for a programme to be handed over to national authorities. Shock-responsive social protection systems also enable a modular approach to different needs, as exemplified by the Conditional Cash Transfer for Education (CCTE) initiative in Turkey where UNICEF utilised the 'KizilayKart' which was already in place. Receiving more coherent and predictable support has the potential to change people's experience of crisis.

Key barriers to adapting systems to become more shock-responsive were identified as the lack of a common language and pre-

"So, how do we support governments to really ensure that their systems are ready to respond? It is not just coming in when a crisis hits and trying to rejig the system to fit but really making sure that the systems are ready in advance."
Louisa Lippi, UNICEF

agreed design parameters to engage in exercises such as joint targeting. While more alignment of social protection and humanitarian 'toolkits' was welcomed, DFID also warned against transferring the fractured and siloed humanitarian system into the social protection realm. DFID also pointed out that this often demands changes to national legislation, which can take a long time, especially if no stable government is in place.

Humanitarian preparedness plans must consider the role and capacity of social protection systems, including budgeting for crisis response with agreed triggers through those mechanisms. UNICEF noted that a Plan B should always be in place, in case the government was to be party to a conflict. In the future, preparedness plans should also include the development of coherent 'early warning systems' that have the ability to inform the extension of social protection programmes. Involving agencies responsible for early warning and forecasting into the planning and preparedness process was seen as a vital step, as well as developing clear and robust processes.

A major emerging theme was how to plan for programmes to 'transition' into more longer-term, mainstream social protection systems. This approach would require even closer collaboration between humanitarian and development actors, as well as non-traditional donors. Concerns arose around the sustainability of funding such programmes and the need to advocate for host governments

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to adopt increased caseloads. Often, this can also require adjusting funding streams between government departments, shifting from short-term support to longer-term, predictable social assistance interventions. It also poses a dilemma to humanitarian agencies who may lose control over targeting and eligibility criteria, requiring strong advocacy efforts to ensure the programme retains its principled approach.

Complimentary programming alongside social safety net interventions was highlighted as crucial to encourage 'graduation' from assistance programmes and to avoid aid dependency. The Turkish Red Crescent gave an overview of its complimentary livelihoods programming, which is supporting vulnerable migrants gain entry into the labour market. In addition, the refugee population is supported through Turkish Red Crescent community centres which offer language classes and sign-posting to other services, fostering social cohesion amongst the host and refugee populations.

There continue to be concerns around protection, as well as safeguarding Humanitarian Principles. Maintaining independence in order to ensure fair and needs-based inclusion criteria and data protection is vital, as well as the aforementioned 'Plan B' in case working with the host government is no longer feasible. Further issues to consider include stateless people and others who might 'slip through the net' because they do not want to be officially registered. Strong community engagement and accountability mechanisms that are able to identify the needs of these groups are required, and often parallel interventions that circumvent government databases can be a solution.

Ongoing communication and advocacy are paramount where the target population are non-nationals. In the case of supporting displaced populations, it is sometimes difficult for the host community to understand why non-nationals are being supported with cash-based interventions, especially if they are already in a precarious situation.In many cases, governments will pose restrictions on the amount of cash non-nationals can receive compared to their own citizens. If complimentary programming for vulnerable populations of the host community is not possible, communicating sensitively about the rationale for supporting them is.

Innovation in Cash Transfer Programming

From left to right: Guillermo Garcia, Executive Director, International Response & Programs (American RC); Jenny Casswell, Insights Manager, Mobile for Humanitarian Innovation (GSMA); Kenn Crossley, Global Coordinator, Cash Transfers (WFP); Charlotte Lindsey-Curtet, Director of Digital Transformation and Data (ICRC)

Innovation has changed the face of humanitarian operations in countless ways, from logistics and assessments to the way practitioners use and interpret data. Cash transfers present a unique opportunity for innovations on different levels to 'join up' and offer improvements on a range of processes and systems including finance, data analytics, information management, and the use of digital technology throughout the programme cycle. Simultaneously, discussions on the challenges around digital identities, data protection and the legislation underpinning these concepts continue.

The panel on 'Innovation in Cash Transfer Programming' discussed the implications for up and coming developments in the areas of technology and data for crisis-affected people. Panellists agreed that the focus should remain on empowering individuals and households to meet their needs, and that there is little value in 'retrofitting' technologies into humanitarian contexts. However, leveraging digital technologies will be paramount to achieving the scale expected of humanitarian programmes in the future. Several themes re-

"We are making choices around technologies and programming that will affect the lives and security of people; are we ensuring that we have done our due diligence - because they will be trusting us."
Charlotte Lindsey-Curtet, ICRC

emerged from discussions earlier in the day, such as the need to recognise the comparative advantages of private sector actors, and finding synergies to achieve humanitarian outcomes. One example cited by GSMA was work done in Bidi Bidi Camp in Northern Uganda, where helped build the environment for mobile network operators.

Technologies should be built to empower people and widen their choices. The emergence of interoperable platforms that give people the choice over the kind of assistance they want to receive is a game changer, and increasingly the technological capabilities to do so will emerge. It becomes a question of political will as to whether humanitarians will move from a supplier-driven model of assistance, towards a consumer-driven system. Taking this concept even further, WFP suggested that taking localisation seriously could be an innovation in and of itself - giving local communities the space and resources to find solutions to their specific issues and learning from their approach. Complimentary programmes, such as trainings on digital and financial literacy, can also contribute to the longer-term opportunities households can harness from mobile wallets or other digital accounts.

The use of data in humanitarian operations can be life-saving, but responsible management of data requires mitigation measures at every step of the programme cycle. ICRC stressed the importance of good data governance, for example through keeping the amount of data collected to a minimum, not entering into interoperability agreements when no explicit consent has been given, and taking organisational due diligence seriously. Thorough and consistent context analysis should underpin the interpretation of data, and provide the basis of adaptive programming; what might be a safe and appropriate modality today might not be tomorrow. The responsible use of data is also a key component of demonstrating trustworthiness

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towards communities, providing the cornerstones of proximity and acceptance that are required to operate safely in challenging environments. Failure to manage data correctly can put individuals at risk, jeopardise organisational mandates to operate, and undermine Neutral, Independent and Impartial Humanitarian Action (NIIHA).

The agenda to provide digital identities for all is a Sustainable Development Goal, but what does it mean for humanitarians? Digital identities present an exciting opportunity to make crisis-affected people more 'visible' and expanding their access to assistance and services, but it is important that they are able to control the use of their data. Emerging mitigating measures include the emergence of tokenized ID and improved encryption capabilities which minimise the risk of exploitation, a crucial consideration in insecure environments. The use of blockchain technology is of interest in this area, but GSMA reminded us that the missing piece is legislation and acceptance – governments are not yet sure whether distributed ledger systems should be recognised or not, so building digital identities around this technology is risky because it is unclear whether they will be accepted in the long term. Advocacy in this area can involve lobbying for changes to 'Know Your Customer' requirements, so that different types of ID are nationally recognised.


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There is a strong interest in technological innovation, but the most transformational change might lie in the innovation of systems and processes. GSMA acts as a catalyst for partnerships between humanitarians and the private sector; when asked what innovation to put forward for funding, only 20% of respondents thought technological innovation was the solution to their problem. Rather, systems innovation is where many practitioners see the highest potential for gains. WFP noted that in order to leverage technology well, the rigour and discipline to use it consistently is as important as the innovation itself.

Innovations in technology can be used to increase the scale of cash transfer programming, but they can also play a role in the quality of programmes. In order to assess the added value of new technologies GSMA reaffirmed the importance of assessing the impact and outcomes of cash programmes. It would measure the quality aspects of a programme such as longer-term financial inclusion, as well as the multiplier effects of one single cash transfer. WFP emphasised that quality shouldn't be assumed – for example, purchasing power in the health sector does not guarantee a better service.

Cash in Conflict

From left to right: Christina Bennett, Head of Humanitarian Policy Group (ODI); Helen Alderson, Head of Regional Delegation for the UK and Ireland (ICRC); Abubakar Kenda, Secretary General (Nigerian RC); Daphne Jayasinghe, Chief Policy Advisor (IRC); Thomas Lid Ball, Deputy Director, Section for Humanitarian Affairs (Norwegian MFA)

Cash transfer programming (CTP) provides strong potential benefits of increased recipient autonomy, financial independence and multiplier effects for the local economy – this applies in situations of armed conflict as much as it does in other settings. However, there are additional considerations and increased sensitivities when programming in conflict settings.

The panel reflected on the newly published report 'Cash Transfer Programming in Armed Conflict: The ICRC's Experience'. The report recommends two important principles when considering cash in situations of armed conflict: although cash is often best, it is not always best. Secondly, CTP is a tool of humanitarian action, not a humanitarian outcome in itself. ICRC noted that the global pressure to scale up the use of cash has the potential to create an unintended bias towards implementing in 'cash-ready' environments, and away from an impartial, needs-based response. Panellists reflected on several issues relating to cash transfer programming within the specific nature of armed conflicts, in particular how cash can be used in pursuit of clear humanitarian goals such as prevention, protection and assistance.

Continuous context analysis and the flexibility to switch between cash and other modalities is fundamental to the success of cash in conflict. Organisations should be able to use cash in situations when it is appropriate and feasible, but recognise when in-kind aid or service delivery is more conducive to the specific needs, or the security and well-being of recipients. It was noted that adaptive programming is not yet a strength of the humanitarian sector, but that continuous dialogue with communities and donors, preparedness and contingency planning can contribute to more flexibility within operations. One critical aspect to this is the provision of un-earmarked funding from donors which strikes the balance between pushing for the accelerated use of cash where it is appropriate, but without relying on rigid, hard targets and punitive measures if those targets are not met.

A focus on outcomes and value to people is particularly important if cash is being used as a tool for protection. Echoing discussions from earlier in the day around measuring what cash has enabled people to do, rather than the cash itself, panellists agreed that this applies especially in conflict settings. ICRC gave examples of using cash for its work on Restoring Family Links, for families to visit detainees in prison, and as a last resort to flee insecure environments - the impact of which is not quantifiable in the value of a cash grant. Similarly, the Nigerian Red Cross quoted examples of using cash for resettlement programmes and the value of integrating the host communities through the use of cash. The International Rescue Committee stressed the importance of understanding gender dynamics in both conflict settings and within cash transfer programmes, advocating for more and better research on these issues. IRC also re-iterated the case for consistent performance metrics across the sector, in order to enable an objective comparison of modalities in conflict settings.

The dynamics of scaling up cash pose challenges to protecting Neutral, Impartial and Independent Humanitarian Action (NIIHA), which remains a crucial component of safely operating in conflict environments. In particular suggestions around common delivery platforms and a single financial service provider restrict humanitarian organisations in guaranteeing impartiality and independence over their programmes. The same argument applies to joint needs-assessments and data-sharing – every context will determine to which degree collaboration can be pursued. As mentioned in the panel on innovation, responsible data management and the subsequent trust of communities are crucial to maintaining NIIHA and access in conflict settings. Panellists agreed that the race for efficiency should not undermine respect for the Fundamental Principles.

On the use of cash for protection: **"I was providing cash to families in the Philippines for them to go and visit their families that were detained. This is a typical protection activity – restoring family links. […] Today we provide cash to people in Colombia as a very last resort if they have to move for safety and security."**
Helen Alderson, ICRC

Protracted conflict raises the question of organisations' exit strategies and longer-term programming. Within protracted conflict settings short term emergency cash programmes to meet basic needs will not be sufficient to address all the needs of affected populations adequately. Moving forward there must be a focus on building the capacity of local and national actors, as well as a renewed effort to bridge the humanitarian-development nexus. ICRC also emphasised that according to their mandate, an exit strategy will be in place when International Humanitarian Law is respected, and suffering reduced. Until then, humanitarian actors will remain on the ground and engage in longer-term programming such as micro-economic initiatives and livelihoods support.

Finally, we were reminded that while the unintended consequences of cash distributions in situations of armed conflict need to be monitored carefully, cash poses no significant additional risk to misappropriation compared to in-kind aid, and that weapons, not cash, fuel conflict.

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